

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported):
February 13, 2004

AMERICAN AIRLINES, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State of Incorporation)

1-2691
(Commission File Number)

13-1502798
(IRS Employer Identification No.)

4333 Amon Carter Blvd., Fort Worth, Texas
(Address of principal executive offices)

76155
(Zip Code)

(817) 963-1234
(Registrant's telephone number, including area code)

TABLE OF CONTENTS

[ITEM 7. Financial Statements and Exhibits](#)
[SIGNATURE](#)
[EXHIBIT INDEX](#)
[Underwriting Agreement](#)
[Indenture](#)
[Supplemental Indenture](#)
[Guarantee of American](#)

[Table of Contents](#)

ITEM 7. Financial Statements and Exhibits

(c) Exhibits. The Exhibit Index is hereby incorporated by reference. The documents listed on the Exhibit Index are filed as Exhibits with reference to the Registration Statement on Form S-3 (Registration No. 333-110760-01) of American Airlines, Inc. ("American"). The Registration Statement and the final Prospectus Supplement, dated February 10, 2004, to the Prospectus, dated December 17, 2003, relate to the offering of AMR Corporation's 4.5% Senior Convertible Notes due 2024, guaranteed by American.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

American Airlines, Inc.

/s/ CHARLES D. MARLETT

Charles D. MarLett
Corporate Secretary

Dated: February 25, 2004

EXHIBIT INDEX

Exhibit Number	Description of Document
1	Underwriting Agreement, dated February 10, 2004, between AMR, American and Credit Suisse First Boston LLC and Morgan Stanley & Co. Incorporated, for themselves and as Representatives for the Underwriters named on Schedule A thereto.
4(a)(1)	Indenture, dated as of February 1, 2004, between AMR and Wilmington Trust Company, as Trustee
4(a)(2)	Supplemental Indenture No. 2004-1, dated as of February 13, 2004, between AMR, American as Guarantor, and the Trustee
4(a)(3)	Form of AMR Corporation 4.5% Senior Convertible Note due 2024 (included in Exhibit 4(a)(2))
4(b)	Guarantee of American, dated as of February 13, 2004

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AMR CORPORATION

(a Delaware corporation)

\$300,000,000

Senior Convertible Notes due 2024

UNDERWRITING AGREEMENT

Dated: February 10, 2004

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TABLE OF CONTENTS

	Page
SECTION 1. REPRESENTATIONS AND WARRANTIES.....	2
(a) Representations and Warranties by the Issuers.....	2
(i) Form S-3 Eligibility.....	2
(ii) Effective Registration Statement.....	3
(iii) Incorporated Documents.....	3
(iv) Independent Accountants.....	3
(v) Financial Statements.....	4
(vi) No Material Adverse Change in Business.....	4
(vii) Good Standing of the Company.....	4
(viii) Good Standing of Subsidiaries.....	5
(ix) Capitalization.....	5
(x) Authorization of this Agreement.....	5
(xi) Authorization of the Indenture.....	5
(xii) Authorization of the Securities.....	6
(xiii) Description of the Notes, the Indenture (as supplemented and amended by the First Supplemental Indenture) and the Guarantee.....	6
(xiv) Authorization and Description of Common Stock.....	6
(xv) Absence of Defaults and Conflicts.....	7
(xvi) Absence of Labor Dispute.....	8
(xvii) Absence of Further Requirements.....	8
(xviii) Investment Company Act.....	8
(xix) Environmental Laws.....	8
(xx) ERISA.....	9
(xxi) Insurance.....	9
(xxii) Taxes.....	9
(xxiii) Internal Controls.....	10
(xxiv) No Unlawful Payments.....	10
(xxv) No Brokerage Commission; Finder's Fee.....	10
(xxvi) Dividend Payments.....	10
(xxvii) Reporting Company.....	10
(xxviii) Air Carrier Certification.....	10
(xxix) Possession of Licenses and Permits.....	10
(b) Officer's Certificates.....	11
SECTION 2. SALE AND DELIVERY TO UNDERWRITERS; CLOSING.....	11
(a) Sale of Initial Securities.....	11
(b) Option Securities.....	11
(c) Payment of Purchase Price.....	12
(d) Denominations; Registration.....	12

	Page
SECTION 3. COVENANTS OF THE COMPANY.....	12
SECTION 4. PAYMENT OF EXPENSES.....	15
(a) Expenses 16	
(b) Termination of Agreement.....	15
SECTION 5. CONDITIONS OF THE UNDERWRITERS' OBLIGATIONS.....	16
(a) Opinions of Counsel for the Issuers.....	16
(b) Opinion of Counsel for the Underwriters.....	16
(c) Officers' Certificate.....	16
(d) Accountant's Comfort Letter.....	16
(e) Indenture.....	17
(f) No Stop Order.....	17
(g) Conditions to Purchase of Option Securities.....	17
(i) Officers' Certificate.....	17
(ii) Opinions of Counsel for the Company.....	17
(iii) Opinion of Counsel for the Underwriters.....	17
(iv) Bring-down Comfort Letter.....	17
(h) Additional Documents.....	17
(i) Termination of Agreement.....	18
SECTION 6. ADDITIONAL AGREEMENTS.....	18
SECTION 7. INDEMNIFICATION AND CONTRIBUTION.....	19
SECTION 8. REPRESENTATIONS, WARRANTIES AND AGREEMENTS TO SURVIVE DELIVERY.....	22
SECTION 9. TERMINATION OF AGREEMENT.....	22
(a) Termination; General.....	22
(b) Liabilities.....	23

	Page
SECTION 10. NOTICES.....	23
SECTION 11. DEFAULT.....	23
SECTION 12. PARTIES.....	24
SECTION 13. GOVERNING LAW AND TIME.....	24
SECTION 14. EFFECT OF HEADINGS.....	24
SECTION 15. COUNTERPARTS.....	24

SCHEDULES

Schedule A	Underwriters
Schedule B	Summary of Terms of Senior Convertible Notes Due 2024

EXHIBITS

Exhibit A	Form of Opinion of Gary F. Kennedy, Senior Vice President and General Counsel of the Company, to be Delivered Pursuant to Section 5(a)
Exhibit B	Form of Opinion of Debevoise & Plimpton LLP, Counsel for the Company, to be Delivered Pursuant to Section 5(a)

AMR CORPORATION
\$300,000,000

SENIOR CONVERTIBLE NOTES DUE 2024

UNDERWRITING AGREEMENT

February 10, 2004

Credit Suisse First Boston LLC
Morgan Stanley & Co. Incorporated
for themselves and as Representatives
for the Underwriters named on Schedule A
hereto (the "Representatives")

c/o Credit Suisse First Boston LLC
11 Madison Avenue
New York, NY 10010

Ladies and Gentlemen:

AMR Corporation, a Delaware corporation (the "Company"), and American Airlines Inc., a Delaware corporation and a wholly-owned subsidiary of the Company (the "Guarantor" and, together with the Company, the "Issuers") confirm their agreement with you, as representatives of the Underwriters listed on Schedule A hereto (the "Underwriters"), with respect to the issue and sale by the Company and the purchase by the several Underwriters of \$300,000,000 aggregate principal amount of the Company's Senior Convertible Notes due 2024 (the "Notes"), and with respect to the grant by the Company to the Underwriters of the option described in Section 2(b) hereof to purchase all or any part of an additional \$45,000,000 aggregate principal amount of the Notes. The aforesaid \$300,000,000 aggregate principal amount of Notes (the "Initial Securities") to be purchased by the Underwriters and all or any part of the \$45,000,000 aggregate principal amount of Notes subject to the option described in Section 2(b) hereof (the "Option Securities") will both be unconditionally guaranteed pursuant to a Guarantee to be dated as of the Closing Time (as defined in Section 2(c)) (the "Guarantee") on a senior basis by the Guarantor. The Initial Securities, the Option Securities and the Guarantee are hereinafter called, collectively, the "Securities." The Securities are to be issued pursuant to an indenture (the "Indenture") dated as of February 1, 2004 between the Company and Wilmington Trust Company, as trustee (the "Trustee"), as supplemented and amended by the Supplemental Indenture No. 2004-1 (the "First Supplemental Indenture") to be dated as of the Closing Time (as defined in Section 2(c)) among the Company, the Guarantor and the Trustee.

The Notes are convertible, subject to certain conditions, at the option of the holder prior to maturity (unless previously redeemed or otherwise purchased) into shares of common stock, par value \$1.00 per share, of the Company (the "Common Stock") in accordance with the terms of the Notes and the Indenture, as described in Schedule B hereto. Securities issued in book-entry form will be issued to Cede & Co. as nominee of The Depository Trust Company ("DTC").

The Company has prepared and filed on Form S-3 with the Securities and Exchange Commission (the "Commission") a registration statement (File Nos. 333-110760 and 333-110760-01) (including the exhibits thereto and the documents incorporated by reference therein, the "Registration Statement") relating to the Company's debt securities (including the Securities), common stock and other securities and the offering thereof from time to time in accordance with Rule 415 under the Securities Act of 1933, as amended (the "Securities Act"). The Registration Statement includes a basic prospectus referred to below which, as supplemented from time to time, will be used in connection with offerings of such debt securities, common stock and other securities. As provided in Section 3(a), a prospectus supplement reflecting the terms of the Securities, the terms of the offering thereof and the other matters set forth therein has been prepared and will be filed together with the basic prospectus referred to below pursuant to Rule 424 under the Securities Act (such prospectus supplement, in the form first filed on or after the date hereof pursuant to Rule 424, is herein referred to as the "Prospectus Supplement"). The basic prospectus included in the Registration Statement and relating to offerings of debt securities, common stock and other securities by the Company under the Registration Statement, as supplemented by the Prospectus Supplement, is herein called the "Prospectus", except that, if such basic prospectus is amended on or prior to the date on which the Prospectus Supplement is first filed pursuant to Rule 424, the term "Prospectus" shall refer to such basic prospectus as so amended and as supplemented by the Prospectus Supplement, in either case including the documents filed by the Company or the Guarantor with the Commission pursuant to the Securities Exchange Act of 1934, as amended (the "Exchange Act") that are incorporated by reference therein. The term "preliminary prospectus" means a preliminary prospectus supplement specifically relating to the Securities, together with the basic prospectus and including the documents filed by the Company or the Guarantor with the Commission pursuant to the Exchange Act that are incorporated by reference therein. Any reference herein to the terms "amendment" or "supplement" with respect to the Registration Statement, the Prospectus, or any preliminary prospectus shall be deemed to refer to and include any documents filed with the Commission under the Exchange Act after the date hereof, the date the Prospectus is filed with the Commission, or the date of such preliminary prospectus, as the case may be, and incorporated therein by reference pursuant to Item 12 of Form S-3 under the Securities Act.

All references in this Agreement to financial statements and schedules and other information which is "contained," "included," "stated" or "described" in the Prospectus (or other references of like import) shall be deemed to mean and include all such financial statements and schedules and other information which are incorporated by reference in the Prospectus; and all references in this Agreement to amendments or supplements to the Prospectus shall be deemed to mean and include the filing of any document under the Exchange Act, which is incorporated by reference in the Prospectus.

SECTION 1. Representations and Warranties.

(a) Representations and Warranties by the Issuers. Each of the Issuers, jointly and severally, represents and warrants to each Underwriter as of the date hereof, as follows:

(i) Form S-3 Eligibility. The Company and the Guarantor each meets the requirements for use of Form S-3 under the Securities Act.

(ii) Effective Registration Statement. The Registration Statement has been declared effective by the Commission. On the effective date of the Registration Statement such Registration Statement complied in all material respects with the applicable requirements of the Securities Act and the rules and regulations of the Commission thereunder (the "Securities Act Regulations"), and the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act"), and the applicable rules and regulations of the Commission thereunder (the "Trust Indenture Act Regulations") and did not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; the Registration Statement and any amendments thereof, on the date hereof, and the Prospectus, and any amendments thereof and supplements thereto, as of their respective filing or issue dates and at the Closing Time, comply and will comply in all material respects with the requirements of the Securities Act, the Securities Act Regulations, the Trust Indenture Act and the Trust Indenture Act Regulations, and (i) neither the Registration Statement nor any amendments thereof, as of any such respective dates, includes or will include an untrue statement of a material fact or omits or will omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading and (ii) neither the Prospectus nor any amendments thereof or supplements thereto, as of any such respective dates, and, if any Option Securities are purchased, at each Date of Delivery, includes or will include an untrue statement of a material fact or omits or will omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; except that this representation and warranty does not apply to statements or omissions made in reliance upon and in conformity with information furnished in writing to the Company in connection with the Registration Statement or the Prospectus or any amendment thereof or supplement thereto by or on behalf of any Underwriter through the Representatives expressly for use in the Registration Statement or the Prospectus, or to statements or omissions in that part of the Registration Statement which constitutes the Statement of Eligibility under the Trust Indenture Act (Form T-1) of the Trustee.

(iii) Incorporated Documents. The Prospectus as delivered from time to time shall incorporate by reference the most recent Annual Report of the Company on Form 10-K filed with the Commission and each Quarterly Report of the Company on Form 10-Q filed with the Commission and each Current Report of the Company on Form 8-K filed (not furnished) with the Commission and such other reports as specifically incorporated by reference in the Prospectus (the "Incorporated Documents"). The Incorporated Documents filed on or before the date hereof are referred to herein as the "SEC Reports." The Incorporated Documents at the time they were or hereafter are filed with the Commission, or if amended, as so amended, complied and will comply in all material respects with the requirements of the Exchange Act and the rules and regulations of the Commission thereunder (the "Exchange Act Regulations").

(iv) Independent Accountants. Ernst & Young LLP, who reported on the annual consolidated financial statements of the Company and of the Guarantor that are incorporated by reference in the Registration Statement and the Prospectus, are

independent public accountants as required by the Securities Act and the Securities Act Regulations.

(v) Financial Statements.

(A) Financial Statements of the Company. The financial statements of the Company, together with the related schedules and notes, included in the SEC Reports and to be incorporated by reference into the Prospectus, present fairly the financial position of the Company and its consolidated subsidiaries at the dates indicated and the statement of income, shareholders' equity and cash flows of the Company and its consolidated subsidiaries for the periods specified; said financial statements have been prepared in conformity with generally accepted accounting principles ("GAAP") applied on a consistent basis throughout the periods involved (except as indicated in the footnotes to such financial statements). The supporting schedules included in the SEC Reports and to be incorporated by reference into the Prospectus present fairly in accordance with GAAP the information required to be stated therein.

(B) Financial Statements of the Guarantor. The financial statements of the Guarantor, together with the related schedules and notes, included in the SEC Reports and to be incorporated by reference into the Prospectus, present fairly the financial position of the Guarantor and its consolidated subsidiaries at the dates indicated and the statement of income, shareholders' equity and cash flows of the Guarantor and its consolidated subsidiaries for the periods specified; said financial statements have been prepared in conformity with generally accepted accounting principles ("GAAP") applied on a consistent basis throughout the periods involved (except as indicated in the footnotes to such financial statements). The supporting schedules included in the SEC Reports and to be incorporated by reference into the Prospectus present fairly in accordance with GAAP the information required to be stated therein.

(vi) No Material Adverse Change in Business. Since the respective dates as of which information is given in the Registration Statement and the Prospectus, except as otherwise stated therein or contemplated thereby, (A) there has been no material adverse change in the condition, financial or otherwise, or the earnings, results of operations or general affairs of the Company and its subsidiaries taken as a whole, whether or not arising in the ordinary course of business (a "Material Adverse Effect"), (B) there have been no transactions entered into by the Company or any of its Subsidiaries (as defined below), other than those in the ordinary course of business, which are material with respect to the Company and its Subsidiaries taken as a whole, and (C) there has been no dividend or distribution of any kind declared, paid or made by the Company on any class of its capital stock.

(vii) Good Standing of the Company. The Company is a corporation duly incorporated and validly existing in good standing under the laws of the State of Delaware and has corporate power and authority to own its properties and conduct its business as described in the SEC Reports and to enter into and perform its obligations under, or as contemplated by, this Agreement. The Company is duly qualified as a foreign corporation to transact business and is in good standing in each other jurisdiction

in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except where the failure so to qualify or to be in good standing would not result in a Material Adverse Effect.

(viii) Good Standing of Subsidiaries. Each of the Guarantor, AMR Investment Services, Inc., American Eagle Airlines, Inc. and Executive Airlines, Inc. (each a "Subsidiary" and, collectively, the "Subsidiaries") has been duly organized and is validly existing as a corporation, partnership or limited liability company, as the case may be, in good standing under the laws of the jurisdiction of its incorporation or organization, as the case may be, has the power and authority to own, lease and operate its properties and to conduct its business as described in the SEC Reports and is duly qualified as a foreign corporation, partnership or limited liability company, as the case may be, to transact business and is in good standing in each jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except where the failure so to qualify or to be in good standing would not result in a Material Adverse Effect; except as otherwise disclosed in the SEC Reports, all of the issued and outstanding equity interests of each such Subsidiary have been duly authorized and validly issued, are fully paid and non-assessable and are owned by the Company, directly or through subsidiaries, free and clear of any security interest, mortgage, pledge, lien, encumbrance, claim or equity; none of the outstanding equity interests of any Subsidiary was issued in violation of the preemptive or similar rights of any securityholder of such Subsidiary. The Guarantor is the only "significant subsidiary" of the Company (as such term is defined in Rule 1-02 of Regulation S-X).

(ix) Capitalization. The authorized, issued and outstanding shares of capital stock of the Company are as set forth in the SEC Reports (except for subsequent issuances, if any, pursuant to this Agreement or pursuant to reservations, agreements, convertible securities, options or employee benefit plans referred to in the SEC Reports and/or referred to in clauses (B), (C) or (D) of Section 3(j) hereof). The shares of issued and outstanding capital stock of the Company have been duly authorized and validly issued and are fully paid and non-assessable; none of the outstanding shares of capital stock of the Company was issued in violation of any preemptive or other similar rights of any securityholder of the Company. Other than as referred to in this subparagraph (ix) or as disclosed in the SEC Reports, no options, warrants or other rights to purchase, agreements or other obligations to issue, or rights to convert any obligations into or exchange any securities for, shares of capital stock of or ownership interests in the Company are outstanding.

(x) Authorization of this Agreement. This Agreement has been duly authorized, executed and delivered by each of the Issuers.

(xi) Authorization of the Indenture. The Indenture (as supplemented and amended by the First Supplemental Indenture) has been duly authorized by each of the Issuers and, when duly executed and delivered by each of the Issuers and the Trustee, assuming the Indenture (as supplemented and amended by the First Supplemental Indenture) constitutes the legal, valid and binding agreement of the Trustee, will

constitute a valid and binding agreement of each of the Issuers, enforceable against each of the Issuers in accordance with its terms, except as the enforcement thereof may be limited by bankruptcy, insolvency (including, without limitation, all laws relating to fraudulent transfers), reorganization, moratorium or similar laws affecting enforcement of creditors' rights generally and except as enforcement thereof is subject to general principles of equity (regardless of whether enforceability is considered in a proceeding in equity or at law).

(xii) Authorization of the Securities.

(A) Notes. The Notes have been duly authorized and, at the Closing Time, will have been duly executed by the Company and, when authenticated, issued and delivered in the manner provided for in the Indenture (as supplemented and amended by the First Supplemental Indenture) and delivered against payment by the Underwriters in accordance with the terms of this Agreement and the Indenture (as supplemented and amended by the First Supplemental Indenture), will constitute valid and binding obligations of the Company, enforceable against the Company in accordance with their terms, except as the enforcement thereof may be limited by bankruptcy, insolvency (including, without limitation, all laws relating to fraudulent transfers), reorganization, moratorium or similar laws affecting enforcement of creditors' rights generally and except as enforcement thereof is subject to general principles of equity (regardless of whether enforcement is considered in a proceeding in equity or at law), and will be in the form contemplated by, and entitled to the benefits of, the Indenture (as supplemented and amended by the First Supplemental Indenture).

(B) Guarantee. The Guarantee has been duly and validly authorized by the Guarantor and, when the Notes are issued, authenticated and delivered by the Company against payment by the Underwriters in accordance with the terms of this Agreement and the Indenture (as supplemented and amended by the First Supplemental Indenture), will constitute the valid and binding obligation of the Guarantor, enforceable against the Guarantor in accordance with its terms, except as the enforcement thereof may be limited by bankruptcy, insolvency (including, without limitation, all laws relating to fraudulent transfers), reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally and except as enforcement thereof is subject to general principles of equity (regardless of whether enforcement is considered in a proceeding in equity or at law), and will be in the form contemplated by, and entitled to the benefits of, the Indenture.

(xiii) Description of the Notes, the Indenture (as supplemented and amended by the First Supplemental Indenture) and the Guarantee. As of the Closing Time, the Notes, the Indenture (as supplemented and amended by the First Supplemental Indenture) and the Guarantee will conform in all material respects to the respective descriptions thereof contained in the Prospectus.

(xiv) Authorization and Description of Common Stock. The Common Stock conforms in all material respects to the description thereof contained in the SEC Reports and will conform in all material respects to the description thereof in the Prospectus, and

such description will conform in all material respects to the rights set forth in the instruments defining the same. Upon issuance and delivery of the Notes in accordance with this Agreement and the Indenture (as supplemented and amended by the First Supplemental Indenture), the Notes will be convertible at the option of the holder thereof into shares of Common Stock in accordance with the terms of the Notes and the Indenture (as supplemented and amended by the First Supplemental Indenture); the shares of Common Stock issuable upon conversion of the Notes have been duly authorized and reserved for issuance upon such conversion by all necessary corporate action and such shares, when issued upon such conversion in accordance with the terms of the Notes, will be validly issued and will be fully paid and non-assessable; no holder of such shares will be subject to personal liability by reason of being such a holder; and the issuance of such shares upon such conversion will not be subject to the preemptive or other similar rights of any securityholder of the Company.

(xv) Absence of Defaults and Conflicts. None of the Issuers is in violation of its charter or by-laws or other constituting or organizational document or in default in the performance or observance of any obligation, agreement, covenant or condition contained in any contract, indenture, mortgage, deed of trust, loan or credit agreement, note, lease or other agreement or instrument to which the Company or any of its Subsidiaries is a party or by which the Company or any of its Subsidiaries may be bound, or to which any of the property or assets of the Company or any of its Subsidiaries is subject (collectively, "Agreements and Instruments") except for such defaults that would not reasonably be expected to result in a Material Adverse Effect; and the execution and delivery by the Company of this Agreement, the Indenture (as supplemented and amended by the First Supplemental Indenture) and the Securities, the consummation by the Company of the transactions contemplated by this Agreement, and the compliance by the Company with its obligations hereunder and the terms hereof and thereof do not and will not, whether with or without the giving of notice or passage of time or both, conflict with or constitute a breach of, or default or a Repayment Event (as defined below) under, or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Company or any of its Subsidiaries pursuant to, the Agreements and Instruments (except for such conflicts, breaches, defaults or Repayment Events or liens, charges or encumbrances that, singly or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect), or result in a violation of the provisions of the Certificate of Incorporation or By-Laws, as amended, or other constituting or organizational document of the Company or any of its Subsidiaries, or any applicable law, statute, rule, regulation, judgment, order, write or decree of any government, governmental instrumentality or court, domestic or foreign, having jurisdiction over the Company or any of its Subsidiaries or any of their respective assets, properties or operations, except, in each case, for such conflicts, breaches, violations or defaults, that, singly or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect. As used herein, a "Repayment Event" means any event or condition which gives the holder of any note, debenture or other evidence of indebtedness (or any person acting on such holder's behalf) the right to require the repurchase, redemption or repayment prior to the stated maturity or date of mandatory redemption or repayment thereof of all or a portion of such indebtedness by the Company or any of its Subsidiaries.

(xvi) Absence of Labor Dispute. Other than as described in the SEC Reports, no labor dispute with the employees of the Company or any of its Subsidiaries exists or, to the knowledge of the Company, is imminent which the Company expects to have a Material Adverse Effect.

(xvii) Absence of Further Requirements. No consent, approval, authorization, order or license of, or filing with or notice to, any government, governmental instrumentality, regulatory body or authority or court, domestic or foreign, is required for the performance by each Issuer of its obligations hereunder or under the Indenture (as supplemented and amended by the First Supplemental Indenture), in connection with the offering, issuance or sale of the Securities hereunder, the issuance of shares of Common Stock upon conversion of the Notes, the consummation of the transactions contemplated by this Agreement, or for the valid authorization, execution, delivery and performance by each Issuer of this Agreement or the Indenture (as supplemented and amended by the First Supplemental Indenture), or for the valid authorization, issuance, sale and delivery of the Securities, except such as have been already obtained and or as may be required under the Securities Act or the Securities Act Regulations or state securities laws in connection with the Registration Statement and except for the qualification of the Indenture under the Trust Indenture Act and the listing of the Common Stock issued upon conversion of the Notes on the New York Stock Exchange.

(xviii) Investment Company Act. Neither the Company nor any of its Subsidiaries is, nor upon the issuance and sale of the Securities as herein contemplated and the application of the net proceeds therefrom as described in the Prospectus Supplement will be, an "investment company" or an entity "controlled" by an "investment company," as such terms are defined in the Investment Company Act of 1940, as amended (the "1940 Act").

(xix) Environmental Laws. There has been no storage, disposal, generation, manufacture, refinement, transportation, handling or treatment of toxic wastes, medical wastes, hazardous wastes or hazardous substances by the Company or any of its Subsidiaries (or, to the knowledge of the Company, any of their predecessors in interest) at, upon or from any of the property now or previously owned or leased by the Company or its Subsidiaries in violation of, and neither the Company nor any of its Subsidiaries has any liability under, any applicable law, ordinance, rule, regulation, order, judgment, decree or permit or which would require remedial action under any applicable law, ordinance, rule, regulation, order, judgment, decree or permit applicable to the Company or any of its Subsidiaries, except for any violation or remedial action which would not have, or could not be reasonably likely to have, singularly or in the aggregate with all such violations and remedial actions, a Material Adverse Effect; there has been no material spill, discharge, leak, emission, injection, escape, dumping or release of any kind onto such property or into the environment surrounding such property of any toxic wastes, medical wastes, solid wastes, hazardous wastes or hazardous substances due to or caused by the Company or any of its Subsidiaries or with respect to which the Company or any of its Subsidiaries have knowledge, except for any such spill, discharge, leak, emission, injection, escape, dumping or release which would not have or would not be

reasonably likely to have, singularly or in the aggregate with all such spills, discharges, leaks, emissions, injections, escapes, dumpings and releases, a Material Adverse Effect. The terms "hazardous wastes," "toxic wastes," "hazardous substances" and "medical wastes" shall have the meanings specified in any applicable local, state, federal and foreign laws or regulations with respect to environmental protection.

In the ordinary course of its business, the Company conducts a periodic review of the effect of any and all applicable foreign, federal, state and local laws and regulations relating to the protection of human health and safety, the environment or hazardous or toxic substances or wastes, pollutants or contaminants ("Environmental Laws") on the business, operations and properties of the Company and its Subsidiaries, in the course of which it identifies and evaluates associated costs and liabilities (including, without limitation, any capital or operating expenditures required for clean-up, closure of properties or compliance with Environmental Laws or any permit, license or approval, any related constraints on operating activities and any potential liabilities to third parties). On the basis of such review, the Company has reasonably concluded that such associated costs and liabilities have not had and would not, singularly or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(xx) ERISA. Each of the Issuers is in compliance in all material respects with all presently applicable provisions of the Employee Retirement Income Security Act of 1974, as amended, including the regulations and published interpretations thereunder ("ERISA"); no "reportable event" (as defined in ERISA) has occurred with respect to any "pension plan" (as defined in ERISA) for which any Issuer would have any liability; no Issuer has incurred and does not expect to incur liability under (A) Title IV of ERISA with respect to the termination of, or withdrawal from, any "pension plan" or (B) Section 412 or 4971 of the Internal Revenue Code of 1986, as amended, including the regulations and published interpretations thereunder (the "Code"); and each "pension plan" for which any Issuer would have any liability that is intended to be qualified under Section 401(a) of the Code is so qualified in all material respects and nothing has occurred, whether by action or by failure to act, which the Company reasonably expects would cause the loss of such qualification.

(xxi) Insurance. The Company and each of its Subsidiaries carry, or are covered by, insurance in such amounts and covering such risks as is adequate for the conduct of their respective businesses and the value of their respective properties.

(xxii) Taxes. The Company and each of its Subsidiaries has filed all federal, state and local income and franchise tax returns required to be filed through the date hereof, except for such exceptions as would not individually or collectively have a Material Adverse Effect, and has paid all taxes due thereon, except such as are being contested in good faith by appropriate proceedings, and no tax deficiency has been determined adversely to the Company or any of its Subsidiaries which has had, nor does the Company have any knowledge of any tax deficiency which, if determined adversely to the Company or any of its Subsidiaries, might have, a Material Adverse Effect.

(xxiii) Internal Controls. The Company and the Guarantor (A) make and keep accurate books and records that, in reasonable detail, accurately and fairly reflect the transactions and disposition of the assets of the Company and the Guarantor, and (B) maintain internal accounting controls which provide reasonable assurance that (i) transactions are executed in accordance with management's authorization, (ii) transactions are recorded as necessary to permit preparation of its financial statements and to maintain accountability for its assets, (iii) access to its assets is permitted only in accordance with management's authorization and (iv) the recorded accountability for its assets is compared with existing assets at reasonable intervals.

(xxiv) No Unlawful Payments. The Company has implemented compliance programs for purposes of (i) informing the appropriate officers and employees of the Company and its Subsidiaries of (A) the Company's policies against (1) the use of corporate funds for unlawful contributions, gifts, entertainment or other unlawful expenses relating to political activity, (2) direct or indirect unlawful payments to any foreign or domestic government official or employee from corporate funds, (3) violations of the Foreign Corrupt Practices Act of 1977, as amended and (4) making any bribes, rebates, payoffs, influence payments kickbacks or other unlawful payments and (ii) requiring such officers and employees to report to the Company any knowledge they may have of violations of the Company's policies referred to above and no such reports have been made.

(xxv) No Brokerage Commission; Finder's Fee. To the best of the Company's knowledge after due inquiry, there are no contracts, agreements or understandings between the Company or any Subsidiary and any person that would give rise to a valid claim against the Company or the Underwriters for a brokerage commission, finder's fee or other like payment in connection with this offering.

(xxvi) Dividend Payments. The Guarantor is not currently prohibited, directly or indirectly, under any agreement or other instrument to which it is a party or is subject, from paying any dividends to the Company, from making any other distribution on the Guarantor's capital stock or from repaying to the Company any loans or advances to the Guarantor from the Company, except as would not have a Material Adverse Effect.

(xxvii) Reporting Company. The Company is subject to the reporting requirements of Section 13 or Section 15(d) of the Exchange Act.

(xxviii) Air Carrier Certification. The Guarantor, a wholly owned subsidiary of the Company, (i) is an "air carrier" within the meaning of 49 U.S.C. Section 40102(a), (ii) holds an air carrier operating certificate issued by the Secretary of Transportation pursuant to Chapter 447 of Title 49 of the United States Code for aircraft capable of carrying 10 or more individuals or 6,000 pounds or more of cargo, and (iii) is a "citizen of the United States" as defined in 49 U.S.C. 40102.

(xxix) Possession of Licenses and Permits. The Company and its Subsidiaries possess such permits, licenses, approvals, consents and other authorizations (collectively, "Licenses") issued by the appropriate federal, state, local or foreign regulatory agencies

or bodies and third parties, governmental or otherwise, necessary to conduct the business now operated by them as described in the SEC Reports, except for such failures to possess Licenses as would not individually or collectively have a Material Adverse Effect; the Company and its Subsidiaries are in compliance with the terms and conditions of all such Licenses, except where the failure so to comply would not, singly or in the aggregate, have a Material Adverse Effect; all of the Licenses are valid and in full force and effect, except when the invalidity of such Licenses or the failure of such Licenses to be in full force and effect would not have a Material Adverse Effect; and neither the Company nor any of its subsidiaries has received any notice of proceedings relating to the revocation or modification of any such Licenses which, singly or in the aggregate, if the subject of an unfavorable decision, ruling or finding, would result in a Material Adverse Effect.

(b) Officer's Certificates. Any certificate signed by any officer of the Company delivered to the Underwriters or to counsel for the Underwriters shall be deemed a representation and warranty by the Company to the Underwriters as to the matters covered thereby as of the date or dates indicated in such certificate.

SECTION 2. Sale and Delivery to Underwriters; Closing.

(a) Sale of Initial Securities. On the basis of the representations, warranties and agreements herein contained and subject to the terms and conditions herein set forth, the Issuers, jointly and severally, agree to sell to the several Underwriters, and each Underwriter agrees, severally and not jointly, to purchase from the Issuers at the price set forth in Schedule B hereto, the principal amount of the Initial Securities set forth opposite such Underwriter's name in Schedule A hereto.

(b) Option Securities. In addition, on the basis of the representations, warranties and agreements herein contained and subject to the terms and conditions herein set forth, the Issuers hereby grant an option to the Underwriters to purchase up to an additional \$45,000,000 aggregate principal amount of Option Securities at the price per Security set forth in Schedule B for the Initial Securities plus cash interest from the date the Notes are issued to the Underwriters to the date the option is exercised. The option hereby granted will expire 30 days after the date hereof and may be exercised in whole or in part from time to time only for the purpose of covering over-allotments which may be made in connection with the offering and distribution of the Initial Securities as may be modified by subsequent purchases and sales by the Underwriters upon written, including by email, notice by the Representatives to the Company setting forth the number of Option Securities as to which the Underwriters are then exercising the option and the time and date of payment and delivery for such Option Securities. Any such time and date of delivery (a "Date of Delivery") shall be determined by the Representatives, but shall not be later than seven full business days after the exercise of said option, nor in any event prior to the Closing Time, as hereinafter defined, unless otherwise agreed upon by the Representatives and the Company. If the option is exercised as to all or any portion of the Option Securities, the Underwriters will purchase the entire aggregate principal amount of Option Securities then being purchased.

(c) Payment of Purchase Price. Payment of the purchase price for, and delivery of one or more global certificates for, the Initial Securities shall be made at the offices of Debevoise & Plimpton LLP, 919 Third Avenue, New York, New York 10022, or at such other place as shall be agreed upon by the Representatives and the Company, at 10:00 A.M. (New York time) on the third business day after the date hereof, or at such other time not later than ten business days after such date as shall be agreed upon by the Representatives and the Company (such time and date of payment and delivery being herein called the "Closing Time").

In addition, in the event that the Underwriters have exercised their option to purchase all or any of the Option Securities, payment of the purchase price for, and delivery of one or more global certificates for, such Option Securities shall be made at the above-mentioned offices, or at such other place as shall be agreed upon by the Representatives and the Company, on each Date of Delivery as specified in the written, including by email, notice from the Representatives to the Company.

Payment shall be made to the Company by wire transfer of immediately available funds to a bank account designated by the Company, against delivery to the Representatives of the Securities to be purchased by the Underwriters.

(d) Denominations; Registration. Certificates for the Initial Securities and the Option Securities, if any, shall be in such denominations (\$1,000 or integral multiples thereof) and registered in such names as the Underwriters may request in writing at least one full business day before the Closing Time or the relevant Date of Delivery, as the case may be; provided that any Securities in global form be registered in the name of Cede & Co. The certificates for the Initial Securities and the Option Securities, if any, will be made available for examination and packaging by the Underwriters in The City of New York not later than 10:00 A.M. (Eastern time) on the business day prior to the Closing Time or the relevant Date of Delivery, as the case may be.

SECTION 3. Covenants of the Company. The Company and, where specifically indicated, the Guarantor, jointly and severally, covenant with the Underwriters as follows:

(a) Immediately following the execution of this Agreement, the Company will prepare a Prospectus Supplement that complies with the Securities Act and the Securities Act Regulations and which sets forth the aggregate principal amount at maturity of the Securities and their terms not otherwise specified in the basic prospectus relating to offerings of debt securities and common stock under the Registration Statement, the name of each Underwriter participating in the offering and the face amount of the Securities that each severally has agreed to purchase, the name of each Underwriter, if any, acting as representative of the Underwriters in connection with the offering, the price at which the Securities are to be purchased by the Underwriters from the Company, any initial public offering price, any selling concession and reallowance, and such other information as you and the Company deem appropriate in connection with the offering of the Securities. The Company will promptly transmit copies of the Prospectus Supplement and the Prospectus to the Commission for filing pursuant to Rule 424 under the Securities Act and will furnish to the Underwriters as many copies of the Prospectus Supplement and the Prospectus as you shall reasonably request.

(b) During the period when a prospectus relating to the Securities is required to be delivered under the Securities Act, the Company will promptly advise you of (i) the effectiveness of any amendment to the Registration Statement, (ii) the transmittal to the Commission for filing of any supplement to the Prospectus or any document that would as a result thereof be incorporated by reference in the Prospectus, (iii) any request by the Commission for any amendment of the Registration Statement or any amendment or supplement to the Prospectus or for any additional information relating thereto or to any document incorporated by reference therein, (iv) the issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement or the institution or threatening of any proceeding for that purpose, and (v) the receipt by the Company of any notification with respect to the suspension of the qualification of the Securities for sale in any jurisdiction or the institution or threatening of any proceeding for such purpose. The Company will use its best efforts to prevent the issuance of any such stop order or suspension and, if issued, to obtain as soon as possible the withdrawal thereof.

(c) If, at any time when a prospectus relating to the Securities is required to be delivered under the Securities Act, any event occurs as a result of which the Prospectus as then amended or supplemented would include any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, or if it shall be necessary to amend or supplement the Prospectus to comply with the Securities Act or the Securities Act Regulations, the Company promptly will prepare and file with the Commission, subject to paragraph (d) of this Section 3, an amendment or supplement which will correct such statement or omission or an amendment or supplement which will effect such compliance. Neither your consent to, nor the Underwriters' delivery of, any such amendment or supplement shall constitute a waiver of any of the conditions set forth in Section 5.

(d) At any time when a prospectus relating to the Securities is required to be delivered under the Securities Act or the Securities Act Regulations, the Company will give you notice of its intention to file any amendment to the Registration Statement or any amendment or supplement to the Prospectus, whether pursuant to the Exchange Act, the Securities Act or otherwise, will furnish you with copies of any such amendment or supplement or other documents proposed to be filed within a reasonable time in advance of filing, and will not file any such amendment or supplement or other documents in a form to which you shall reasonably object.

(e) The Company has furnished or will, if requested, furnish to you and your counsel, without charge, conformed copies of the Registration Statement as originally filed and of all amendments thereto, whether filed before or after such Registration Statement originally became effective (including exhibits thereto and the documents incorporated therein by reference) and, so long as delivery of a prospectus by an underwriter or dealer may be required by the Securities Act, as many copies of each preliminary prospectus, the Prospectus and any amendments thereof and supplements thereto as you may reasonably request.

(f) The Issuers shall use their reasonable efforts, in cooperation with the Underwriters, to qualify the Securities and the shares of Common Stock issuable upon conversion of Notes

conversion of Notes for offering and sale under the applicable securities laws of such states and other jurisdictions as the Underwriters may reasonably designate and will maintain such qualification in effect as long as required in connection with the distribution of the Securities; provided, however, that no Issuer shall be obligated to file any general consent to service of process or to qualify as a foreign corporation or as a dealer in securities in any jurisdiction in which it is not so qualified or to subject itself to taxation in respect of doing business in any jurisdiction in which it is not otherwise so subject.

(g) The Company will use the net proceeds received by it from the sale of the Securities in the manner to be indicated in the Prospectus under "Use of Proceeds."

(h) The Company will use its reasonable efforts to cause all shares of Common Stock issuable upon conversion of the Notes to be listed on the New York Stock Exchange or listed on a "national securities exchange" registered under Section 6 of the Exchange Act.

(i) The Company will reserve and keep available at all times, free of preemptive or other similar rights, a sufficient number of shares of Common Stock for the purpose of enabling the Company to satisfy any obligations to issue the shares of Common Stock issuable upon conversion of the Notes.

(j) During a period of 60 days from the date of the Prospectus Supplement, the Company will not, without the prior written consent of the Representatives, (i) offer, pledge, announce the intention to sell, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant for the sale of, lend or otherwise transfer or dispose of, directly or indirectly, any shares of Common Stock or securities convertible into or exchangeable or exercisable for or repayable with Common Stock, or file any registration statement under the Securities Act with respect to any of the foregoing (other than a shelf registration statement under Rule 415) or (ii) enter into any swap or other agreement or any transaction that transfers, in whole or in part, directly or indirectly, any of the economic consequence of ownership of the Common Stock, or any securities convertible into or exchangeable or exercisable for or repayable with Common Stock, whether any such swap or transaction described in clause (i) or (ii) above is to be settled by delivery of Common Stock or such other securities, in cash or otherwise. The foregoing sentence shall not apply to (A) the Securities to be sold hereunder, the Common Stock to be delivered upon conversion of the Notes or upon conversion of the 4.25% Senior Convertible Notes due 2023, (B) the resale registration statement filed by the Company and the Guarantor pursuant to the registration rights agreement relating to resales of the Company's 4.25% Senior Convertible Notes due 2023, (C) Common Stock (or options to purchase Common Stock) to be issued pursuant to the Corporation's 1988 Long Term Incentive Plan, as amended, the 1998 Long Term Incentive Plan, as amended, the 1994 Directors Stock Incentive Plan, as amended, the 1997 Pilot Stock Option Plan, the 2003 Employee Stock Incentive Plan, the 2003-2005 Performance Unit Plan for Officers and Key Employees or other employee compensation benefit plans or pursuant to currently outstanding options, warrants or rights existing on the date hereof and referred to in the Prospectus Supplement and (D) up to 100,000 shares of the Common Stock to be issued to vendors, lessors, lenders and suppliers pursuant to concessionary agreements reached with them in the Spring of 2003.

(k) The Issuers shall cooperate with the Underwriters and use their reasonable efforts to permit the Notes to be eligible for clearance and settlement through the facilities of DTC.

(l) The Company, during the period when a Prospectus relating to the Securities is required to be delivered, will file all documents required to be filed with the Commission pursuant to the Exchange Act within the time periods required by the Exchange Act and the Exchange Act Regulations.

(m) The Company and the Guarantor shall take all reasonable action necessary to enable Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc. ("S&P") and Moody's Investors Service, Inc. ("Moody's") to provide their respective credit ratings for the Notes.

SECTION 4. Payment of Expenses.

(a) Expenses. The Issuers shall, jointly and severally, pay all expenses incident to the performance of their obligations under this Agreement, including (i) the preparation, printing, filing and distribution of any preliminary prospectus supplements, the Prospectus (including financial statements and any schedules or exhibits and any Incorporated Document), the Registration Statement and any amendments thereof or supplements thereto, (ii) the preparation, printing and delivery to the Underwriters of this Agreement, the Indenture (including the First Supplemental Indenture), the Securities, and such other documents as may be required in connection with the offer, purchase, sale, issuance or delivery of the Securities or the issuance or delivery of the Common Stock issuable upon conversion of the Notes, (iii) the preparation, issuance and delivery of the certificates for the Securities to the Underwriters and the certificates for the Common Stock issuable upon conversion of the Notes including any transfer taxes, any stamp or other duties payable upon the sale, issuance and delivery of the Securities to the Underwriters, the issuance and delivery of the Common Stock issuable upon conversion of the Notes and any charges of DTC in connection therewith, (iv) the fees and disbursements of the Company's counsel, accountants and other advisors, (v) the qualification of the Securities and the shares of Common Stock issuable upon conversion of the Notes under securities laws in accordance with the provisions of Section 3(f) hereof, including filing fees and the reasonable fees and disbursements of a single counsel for the Underwriters in connection therewith and in connection with the preparation of the Blue Sky Survey and any supplement thereto, (vi) any fees of the NASD in connection with the Securities, (vii) the fees and expenses of the Trustee, including the fees and disbursements of counsel for the Trustee in connection with the Indenture (including the First Supplemental Indenture) and the Securities, (viii) the fees and expenses of any transfer agent or registrar for the Common Stock, and (ix) any fees payable in connection with the rating of the Securities. It is understood, however, that except as provided in this Section and Section 7 hereof, the Underwriters will pay all of their own costs and expenses, including the fees of their counsel, transfer taxes on resale of any of the securities by them, and any promotional expenses connected with any offers they may make.

(b) Termination of Agreement. If this Agreement is terminated by the Underwriters in accordance with the provisions of Section 5 or Section 9(a)(i) hereof, the Company shall reimburse the Underwriters for all of their out-of-pocket expenses, including the reasonable fees

and disbursements of a single counsel for the Underwriters incurred by it in connection with the offering contemplated by this Agreement.

SECTION 5. Conditions of the Underwriters' Obligations. The obligations of the Underwriters hereunder are subject to the accuracy of the representations and warranties of the Issuers contained in Section 1 hereof or in certificates of any officer of the Issuers delivered pursuant to the provisions hereof, to the performance by the Issuers of their covenants and other obligations hereunder, and to the following further conditions:

(a) Opinions of Counsel for the Issuers. At the Closing Time, you shall have received the opinion of Gary F. Kennedy, Senior Vice President and General Counsel of the Company, and the opinion of Debevoise & Plimpton LLP, counsel for the Company, each in form and substance reasonably satisfactory to counsel for the Underwriters and dated as of the Closing Time, to the effect set forth in Exhibits A and B hereto, respectively. Such counsel may also state that, insofar as such opinion involves factual matters, they have relied, to the extent they deem proper, upon certificates of the officers of the Company and certificates of public officials.

(b) Opinion of Counsel for the Underwriters. At the Closing Time, you shall have received the opinion, dated as of the Closing Time, of Shearman & Sterling LLP, counsel for the Underwriters, in form and substance reasonably satisfactory to the Underwriters. In giving such opinion such counsel may rely, as to all matters governed by the laws of jurisdictions other than the law of the State of New York, the federal law of the United States and the General Corporation Law of the State of Delaware, upon the opinions of counsel satisfactory to the Underwriters. Such counsel may also state that, insofar as such opinion involves factual matters, they have relied, to the extent they deem proper, upon certificates of officers of the Company and certificates of public officials.

(c) Officers' Certificate. At the Closing Time, there shall not have been, since the date hereof or since the respective dates as of which information is given in the Prospectus Supplement (exclusive of any amendments or supplements thereto after the date the Prospectus Supplement is first delivered to the Underwriters), any material adverse change in the condition, financial or otherwise, or in the results of operations or business affairs of the Company and its Subsidiaries considered as one enterprise, whether or not arising in the ordinary course of business, and the Underwriters shall have received a certificate of the President or a Senior Vice President of the Company and the Chief Financial Officer or Chief Accounting Officer of the Company, dated as of the Closing Time, to the effect that (i) there has been no such material adverse change, (ii) the representations and warranties in Section 1(a) hereof are true and correct with the same force and effect as though expressly made at and as of the Closing Time, and (iii) the Issuers have complied with all of the agreements entered into in connection with the transaction contemplated herein and satisfied all conditions on their part to be performed or satisfied at or prior to the Closing Time.

(d) Accountant's Comfort Letter. At or prior to the Closing Time, you shall have received from Ernst & Young LLP a letter dated such date, in the form and substance reasonably satisfactory to the Underwriters, containing statements and information of the type ordinarily included in accountants' comfort letters to underwriters with respect to the financial statements

and certain financial information contained, or incorporated by reference, in the Prospectus Supplement.

(e) Indenture. At or prior to the Closing Time, each of the Issuers and the Trustee shall have executed and delivered the Indenture (as supplemented and amended by the First Supplemental Indenture).

(f) No Stop Order. At the Closing Time, no stop order suspending the effectiveness of the Registration Statement shall have been issued under the Securities Act and no proceedings therefor shall have been instituted or threatened by the Commission.

(g) Conditions to Purchase of Option Securities. In the event that the Underwriters exercise their option provided in Section 2(b) hereof to purchase all or any portion of the Option Securities, the obligations of the Underwriters to purchase such Option Securities is subject to the accuracy as of each Date of Delivery of the representations and warranties of the Company contained in Section 1 or in certificates of any officer of the Company delivered pursuant to the provisions hereof, to the performance by the Company of its covenants and other obligations hereunder, and at the relevant Date of Delivery, the Underwriter shall have received:

(i) Officers' Certificate. A certificate, dated such Date of Delivery, of the President or Senior Vice President of the Company and the Chief Financial Officer or Chief Accounting Officer of the Company confirming that the certificate delivered at the Closing Time pursuant to Section 5(c) hereof remains true and correct as of such Date of Delivery.

(ii) Opinions of Counsel for the Company. The opinion of Gary F. Kennedy, Senior Vice President and General Counsel of the Company, and the opinion of Debevoise & Plimpton LLP, counsel for the Company, each in form and substance reasonably satisfactory to the Representatives, each dated such Date of Delivery, relating to the Option Securities to be purchased on such Date of Delivery and otherwise to the same effect as the opinion required by Section 5(a) hereof.

(iii) Opinion of Counsel for the Underwriters. The opinion of Shearman & Sterling LLP, counsel for the Underwriters, dated such Date of Delivery, relating to the Option Securities to be purchased on such Date of Delivery and otherwise to the same effect as the opinion required by Section 5(b) hereof.

(iv) Bring-down Comfort Letter. A letter from Ernst & Young LLP, in form and substance satisfactory to the Representatives and dated such Date of Delivery, substantially in the same form and substance as the letter furnished to the Representatives pursuant to Section 5(d) hereof, except that the "specified date" in the letter furnished pursuant to this paragraph shall be a date not more than three business days prior to such Date of Delivery.

(h) Additional Documents. At the Closing Time and at each Date of Delivery, counsel for the Underwriters shall have been furnished with such documents, certificates and opinions as they may reasonably request for the purpose of enabling them to pass upon the

issuance and sale of the Securities as herein contemplated, or in order to evidence the accuracy and completeness of any of the representations or warranties, or the fulfillment of any of the conditions, herein contained; and all proceedings taken by the Issuers in connection with the issuance and sale of the Securities as herein contemplated shall be reasonably satisfactory to the Underwriters and counsel for the Underwriters.

(i) Termination of Agreement. If any condition specified in this Section shall not have been fulfilled when and as required to be fulfilled, this Agreement (or, in the case of any condition to the purchase of Option Securities, on a Date of Delivery which is after the Closing Time, the obligations of the Underwriters to purchase the relevant Option Securities on such Date of Delivery) may be terminated by the Underwriters by notice to the Company at any time at or prior to the Closing Time or such Date of Delivery, as the case may be, and such termination shall be without liability of any party to any other party except as provided in Section 4 and except that Sections 1, 7 and 8 shall survive any such termination and remain in full force and effect.

SECTION 6. Additional Agreements.

(a) The Representatives agree that in the aggregate, the Securities will be widely offered. Each Underwriter and each other member of the underwriting group that offers or sells Securities agree that the Securities offered by such Underwriter will be primarily offered in the United States to United States persons. The term "United States person" shall have the meaning set forth in section 7701(a)(30) of the Internal Revenue Code of 1986, as amended.

(b) Each Underwriter, on behalf of itself and each of its affiliates that participates in the initial distribution of the Securities, severally represents to and agrees with the Company that it and each such affiliate:

(i) (x) has not offered or sold and, prior to the expiry of the period of six months from the Closing Date and any relevant Date of Delivery, will not offer or sell any Securities to persons in the United Kingdom except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or otherwise in circumstances which have not resulted and will not result in an offer to the public in the United Kingdom within the meaning of the Public Offers of Securities Regulations 1995 (as amended); (y) has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the "FSMA")) received by it in connection with the issue or sale of any Securities in circumstances in which Section 21(1) of the FSMA does not apply to the Company; and (z) has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Securities in, from or otherwise involving the United Kingdom;

(ii) (x) acknowledges that the Issuers have not taken, and will not take, any action that would permit a public offering of the Securities or the distribution of the Prospectus or any other offering or publicity material relating to the Securities in Germany or any

other jurisdiction outside the United States, and (y) has not offered or sold, and will not offer or sell, directly or indirectly, any of the Securities in Germany other than to persons who, as part of their profession, trade or business, acquire or sell securities for their own or a third party's account or otherwise in accordance with the restrictions set forth in the German Securities Selling Prospectus Act (Wertpapier-Verkaufsprospektgesetz); and

(iii) has not offered or sold, and will not offer, sell, or deliver any of the Securities, directly or indirectly, or distribute the Prospectus, or any other offering material relating to the Securities, in or from any jurisdiction outside the United States except under circumstances that will result in compliance with the applicable laws and regulations thereof and which will not impose any obligations on the Company, except as set forth in this Agreement.

SECTION 7. Indemnification and Contribution. (a) The Issuers agree, jointly and severally, to indemnify and hold harmless each Underwriter and each person who controls any Underwriter 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) that (1) arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement as originally filed or in any amendment thereof, or arise out of or are based upon the omission or alleged omission therefrom of a material fact required to be stated therein or necessary to make the statements therein not misleading, or (2) arise out of or based upon any untrue statement or alleged untrue statement of a material fact contained in any preliminary prospectus relating to the Securities or in the Prospectus or in any amendment thereof or supplement thereto, or arise out of or are based upon the omission or alleged omission therefrom of a material fact necessary in order to make the statements therein, in 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 neither the Company nor the Guarantor will 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 any Underwriter furnished to the Company by or on behalf of such Underwriter through you specifically for use in the Registration Statement (or any amendment thereto) or the Prospectus (or any amendment or supplement thereto) or made in the part of the Registration Statement constituting the Statement of Eligibility under the Trust Indenture Act of the Trustee on Form T-1, (ii) the foregoing indemnity agreement, with respect to any preliminary prospectus, shall not inure to the benefit of any Underwriter (or any person controlling such Underwriter) 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 such Underwriter, and (iii) neither the Company nor the Guarantor will 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 or the Guarantor, except to the extent that such consent is not required pursuant to Section 7(d) hereof. This indemnity agreement will be in addition to any liability that the Company or the Guarantor may otherwise have.

(b) Each Underwriter severally agrees to indemnify and hold harmless the Issuers, each of their directors, each of their officers who signed the Registration Statement, and each person who controls an Issuer, 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 7(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 the Prospectus (or any amendment or supplement thereto) in reliance upon and in conformity with written information relating to such Underwriter furnished to the Company by or on behalf of such Underwriter through you specifically for use in the Registration Statement (or any amendment thereto) or the Prospectus (or any amendment or supplement thereto). This indemnity agreement will be in addition to any liability which any Underwriter may otherwise have.

(c) Promptly after receipt by an indemnified party under this Section 7 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 7, 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 7. 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 7 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 7 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 to, 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 7, such indemnifying party agrees that it shall be liable for any settlement, compromise or consent to entry of judgment of the nature contemplated by clause (iii) of the proviso in Section 7(a) effected without its written consent if (i) such settlement, compromise or consent to entry of judgment 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, compromise or consent to entry of judgment 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, compromise or consent to entry of judgment.

(e) If the indemnification provided for in paragraph (a) or (b) of this Section 7 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 benefits received by the Issuers on the one hand and the Underwriters on the other hand from the offering of the Securities pursuant to this Agreement or (ii) if the allocation provided by clause (i) is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Issuers on the one hand and of the Underwriters 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 benefits received by the Issuers on the one hand and the Underwriters on the other hand in connection with the offering of the Securities pursuant to this Agreement shall be deemed to be in the same proportion as the total proceeds from the offering of the Securities pursuant to this Agreement (net of compensation paid to the Underwriters but before deducting expenses) received by the Company and the total underwriting discounts and commissions received by the Underwriters, in each case as set forth on the cover of the Prospectus, bears to the aggregate initial public offering price of the

Securities as set forth on such cover. The relative fault of the Issuers on the one hand and the Underwriters 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 Issuers or by the Underwriters and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The Issuers and the Underwriters agree that it would not be just and equitable if contribution pursuant to this Section were determined by pro rata allocation (even if the Underwriters 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. 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 Underwriter shall be required to contribute any amount in excess of the amount by which the total price at which the Securities underwritten by it and distributed to the public were offered to the public exceeds the amount of any damages which such Underwriter 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 an Underwriter 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 such Underwriter, and each director of the Company, each officer of the Company who signed the Registration Statement, and each person, if any, who controls the Company 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 Company. The Underwriters' respective obligations to contribute pursuant to this Section are several in proportion to the principal amount of Securities set forth opposite their respective names in Schedule A hereto and not joint.

SECTION 8. Representations, Warranties and Agreements to Survive Delivery. All representations, warranties and agreements contained in this Agreement or in certificates of officers of the Issuers submitted pursuant hereto shall remain operative and in full force and effect, regardless of any investigation made by or on behalf of the Underwriters or any person who controls the Underwriters within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, or by or on behalf of the Issuers, and shall survive delivery of the Securities to the Underwriters.

SECTION 9. Termination of Agreement.

(a) Termination; General. The Representatives may terminate this Agreement, by notice to the Company, at any time at or prior to the Closing Time (i) if there has been, since the respective dates as of which information is given in the Registration Statement and the Prospectus (exclusive of any amendments or supplements thereto subsequent to the date of this Agreement), any material adverse change in the condition, financial or otherwise, of the Company and its subsidiaries considered as one enterprise or in the earnings, business affairs or business prospects of the Company and its subsidiaries considered as one enterprise, whether or

not arising in the ordinary course of business, or (ii) if there has occurred any material adverse change in the financial markets in the United States or in the international financial markets, or any outbreak of hostilities or escalation thereof or other calamity or crisis, in each case the effect of which is such as to make it, in the judgment of the Representatives, impracticable or inadvisable to market the Securities or to enforce contracts for the sale of the Securities, or (iii) if trading in any securities of the Company has been suspended by the Commission or the New York Stock Exchange or if trading generally on the New York Stock Exchange has been suspended or materially limited, or minimum or maximum prices for trading have been fixed, or maximum ranges for prices have been required, by any of said exchanges or by such system or by order of the Commission, the National Association of Securities Dealers, Inc. or any other governmental authority, or (iv) if a banking moratorium has been declared by either federal or New York authorities.

(b) Liabilities. If this Agreement is terminated pursuant to this Section, such termination shall be without liability of any party to any other party except as provided in Section 4 hereof, and provided further that Sections 1, 7 and 8 shall survive such termination and remain in full force and effect.

SECTION 10. Notices. All notices and other communications hereunder shall be in writing and effective only upon receipt. Notices to the Underwriters shall be directed to them at: Credit Suisse First Boston LLC, 11 Madison Avenue, New York, NY 10010, Attn: Transactions Advisory Group, Fax: 212-325-4296; and notices to the Company shall be directed to them at P.O. Box 619616, Dallas/Fort Worth Airport, Texas 75261-9616, facsimile no. (817) 967-2199, attention of the Treasurer.

SECTION 11. Default. If any one or more Underwriters shall fail at the Closing Time to purchase and pay for any of the Securities agreed to be purchased by such Underwriter or Underwriters pursuant to this Agreement and such failure to purchase shall constitute a default in the performance of its or their obligations under this Agreement, the remaining Underwriters shall be obligated severally to take up and pay for (in the respective proportions which the aggregate face amount of Securities specified to be purchased by them in Schedule A bears to the aggregate face amount of Securities to be purchased by all the remaining Underwriters) the Securities which the defaulting Underwriter or Underwriters agreed but failed to purchase; provided, however, that in the event that the aggregate face amount of Securities that the defaulting Underwriter or Underwriters agreed but failed to purchase shall exceed 10% of the aggregate face amount of Securities to be purchased pursuant to this Agreement, the remaining Underwriters shall have the right, but not the obligation within 24 hours thereafter, to make arrangements to purchase all, but not less than all, of such Securities, and if such nondefaulting Underwriters do not complete such arrangements within such 24 hour period, then this Agreement will terminate without liability to any nondefaulting Underwriters or the Company. In the event of any such termination, the provisions of Sections 4, 7 and 8 shall remain in effect. In the event of a default by any Underwriter as set forth in this Section 11 that does not result in a termination of this Agreement, the Closing Time shall be postponed for such period, not exceeding seven days, as the nondefaulting Underwriters or the Company shall determine in order that the required changes in the Registration Statement and the Prospectus or in any other documents or arrangements may be effected. Nothing contained in this Agreement shall relieve

any defaulting Underwriter of its liability, if any, to the Company and to any nondefaulting Underwriters for damages occasioned by its default hereunder.

SECTION 12. Parties. This Agreement shall inure to the benefit of and be binding upon the Underwriters and the Issuers and their respective successors. Nothing expressed or mentioned in this Agreement is intended or shall be construed to give any person, firm or corporation, other than the Underwriters and the Issuers and their respective successors and the controlling persons referred to in Section 7 and their heirs and legal representatives, any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision herein contained. This Agreement and all conditions and provisions hereof are intended to be for the sole and exclusive benefit of the Underwriters and the Issuers and their respective successors, and said controlling persons and their heirs and legal representatives, and for the benefit of no other person, firm or corporation. No purchaser of Securities from the Underwriters shall be deemed to be a successor by reason merely of such purchase.

SECTION 13. Governing Law and Time. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK. EXCEPT AS OTHERWISE SET FORTH HEREIN, SPECIFIED TIMES OF DAY REFER TO NEW YORK CITY TIME.

SECTION 14. Effect of Headings. The Article and Section headings herein and the Table of Contents are for convenience only and shall not affect the construction hereof.

SECTION 15. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute one and the same Agreement.

If the foregoing is in accordance with your understanding of our agreement, please sign and return to the Company a counterpart hereof, whereupon this instrument, along with all counterparts, will become a binding agreement between the Underwriters and the Issuers in accordance with its terms.

Very truly yours,

AMR CORPORATION

By: /s/ James A. Beer

Name: James A. Beer
Title: Senior Vice President and
Chief Financial Officer

AMERICAN AIRLINES, INC.

By: /s/ James A. Beer

Name: James A. Beer
Title: Senior Vice President - Finance
and Chief Financial Officer

CONFIRMED AND ACCEPTED, as of
the date first above written:

CREDIT SUISSE FIRST BOSTON LLC
MORGAN STANLEY & CO. INCORPORATED
Acting on behalf of themselves and the several underwriters

By: CREDIT SUISSE FIRST BOSTON LLC

By: /s/ Douglas A Fordyce

Douglas A. Fordyce
Director

SCHEDULE A

UNDERWRITERS

UNDERWRITERS -----	PRINCIPAL AMOUNT OF INITIAL NOTES TO BE PURCHASED -----
Credit Suisse First Boston LLC	\$ 258,750,000
Morgan Stanley & Co. Incorporated	86,250,000
Total	----- \$ 345,000,000

SUMMARY OF TERMS OF SENIOR CONVERTIBLE NOTES DUE 2024

1. PRINCIPAL ECONOMIC TERMS

- Issuer - AMR Corporation (the "Company")
- Offering - \$300,000,000 of Senior Convertible Notes due 2024 (the "Securities")
- Underwriters' Purchase Option - \$45,000,000. The Underwriters will pay accrued interest at the Interest Rate on the Securities purchased pursuant to the Purchase Option for the period from and including the initial Closing Date to but excluding the closing date for the Purchase Option.
- Underwriters' Price per \$1,000 Principal Amount of Securities - \$1,000
- Underwriter's Commission - 2.50% of the Principal Amount of Securities
- Interest Rate - 4.50% per annum payable semiannually in arrears
- Conversion Premium - 40%
- Guarantee - the Securities will be guaranteed by American Airlines, Inc. (the "Guarantor")
- Closing Date - February 13, 2004

2. CONVERSION RIGHTS

- Conversion Rate - For each \$1,000 principal amount of Securities surrendered for conversion, a holder will receive 45.3515 shares of the Company's common stock (the "Common Stock"), reflecting the Conversion Premium set forth above. The Conversion Rate will not be adjusted for any accrued and unpaid interest on the Securities. However, the Conversion Rate will be adjusted, as provided in the indenture, for the triggering events described in the prospectus supplement for the Securities.
- Conversion Price - \$1,000 divided by the number of shares of Common Stock issuable upon conversion of a Security with a principal amount of \$1,000.

FORM OF OPINION OF GENERAL COUNSEL OF THE COMPANY,
TO BE DELIVERED PURSUANT TO SECTION 5(a)

Credit Suisse First Boston LLC
Morgan Stanley & Co. Incorporated

c/o Credit Suisse First Boston LLC
11 Madison Avenue
New York, NY 10010

Re: AMR Corporation Senior Convertible Notes due 2024

Ladies and Gentlemen:

I am Senior Vice President and General Counsel of AMR Corporation, a Delaware corporation (the "Company"), and of American Airlines, Inc., a Delaware corporation and a wholly-owned subsidiary of the Company (the "Guarantor"), and have acted as such in connection with: (a) the issuance and sale today by the Company of \$_____ issue price of its Senior Convertible Notes due 2024 (the "Notes") to you pursuant to the Underwriting Agreement, dated February __, 2004 (the "Underwriting Agreement"), among the Company, the Guarantor and the Underwriters named therein; and (b) the preparation of (i) the Underwriting Agreement, (ii) the Indenture, dated as of February 1, 2004, between the Company and Wilmington Trust Company, as trustee (the "Trustee"), as supplemented and amended by the Supplemental Indenture No. 2004-1 (the "First Supplemental Indenture"), dated as of February __, 2004, among the Company, the Guarantor and the Trustee, (iii) the Guarantee, dated as of February __, 2004, of the Guarantor in favor of the Trustee (the "Guarantee"), and (iv) the final Prospectus Supplement, dated February __, 2004, relating to the Notes (the "Prospectus Supplement"). I am delivering this letter to you pursuant to Section 5(a) of the Underwriting Agreement. Capitalized terms used herein without definition are used as defined in the Underwriting Agreement.

In so acting, I or attorneys under my supervision have examined the Registration Statement, the Prospectus, the Underwriting Agreement, the Notes, the Indenture (as supplemented and amended by the First Supplemental Indenture) and the Guarantee, and have also examined and relied upon the representations and warranties as to factual matters contained therein or made pursuant thereto and upon the originals, or copies certified or otherwise identified to our satisfaction, of such records, documents and other instruments as in our judgment are necessary or appropriate to enable me to render the opinion expressed below. In such examination, I or such attorneys have assumed the genuineness of all signatures, the authenticity of all documents submitted as originals, and the conformity to authentic original documents of all documents submitted as copies.

Exhibit A-1

Based on the foregoing and subject to the assumptions and qualifications set forth below, I am of the following opinion:

1. Each of the Company, the Guarantor, AMR Investment Services, Inc., American Eagle Airlines, Inc. and Executive Airlines, Inc. has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of Delaware and has the corporate power and authority under such laws to own its properties and to conduct its business as described in the Prospectus. Each of the Company and the Guarantor is duly qualified to do business as a foreign corporation in good standing in the state in which its principal place of business is located, and in each other state in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except where the failure so to qualify or to be in good standing would not result in a Material Adverse Effect. The Guarantor holds an air carrier operating certificate issued by the Secretary of Transportation pursuant to Chapter 447 of Title 49 of the United States Code and the Guarantor is a "citizen of the United States" as defined in 49 U.S.C. Section 40102.

2. The Company has the corporate power and authority under Delaware law to perform its obligations under the Notes, the Underwriting Agreement, and the Indenture (as supplemented and amended by the First Supplemental Indenture). The Guarantor has the corporate power and authority under Delaware law to perform its obligations under the Underwriting Agreement, the Indenture (as supplemented and amended by the First Supplemental Indenture) and the Guarantee.

3. No authorization, approval, consent, order or license of, or filing with, or the giving of notice to, any government, governmental instrumentality, regulatory body or authority or court is required to be made or obtained by the Company for the valid authorization, issuance, sale and delivery of the Notes, the valid authorization, execution, delivery and performance by the Company of the Underwriting Agreement and the Indenture (as supplemented and amended by the First Supplemental Indenture), or the consummation by the Company or the transactions contemplated thereby, except those that have previously been obtained and are in full force and effect and except such as may be required under the securities or Blue Sky laws of the various states.

4. No authorization, approval, consent, order or license of, or filing with, or the giving of notice to, any government, governmental instrumentality, regulatory body or authority or court is required to be made or obtained by the Guarantor for the valid authorization, delivery and performance of the Underwriting Agreement, and the Guarantee, or the consummation by the Guarantor of the transactions contemplated thereby, except those that have previously been

Exhibit A-2

obtained and are in full force and effect and except such as may be required under the securities or Blue Sky laws of the various states.

5. The Registration Statement has become effective under the Securities Act, the Indenture has been duly qualified under the Trust Indenture Act and, to the best of my knowledge, no stop order suspending the effectiveness of the Registration Statement has been issued and no proceedings for that purpose have been instituted or threatened.

6. The Registration Statement, the Prospectus and each amendment thereof or supplement thereto (except in each case for the financial statements and other financial or statistical data included or incorporated by reference therein, as to which I express no opinion) comply as to form in all material respects with the requirements of the Securities Act and the Securities Act Regulations; the Indenture (as supplemented and amended by the First Supplemental Indenture) and the Statement of Eligibility of the Trustee on Form T-1 filed with the Commission as part of the Registration Statement comply as to form in all material respects with the requirements of the Trust Indenture Act and the rules and regulations thereunder.

7. The Notes have been duly authorized, executed and delivered by the Company.

8. Each of the Underwriting Agreement and the Indenture (as supplemented and amended by the First Supplemental Indenture) has been duly authorized, validly executed and delivered by the Company and the Guarantor.

9. The Guarantee has been duly authorized, validly executed and delivered by the Guarantor.

10. Upon issuance and delivery of the Notes in accordance with the Underwriting Agreement and the Indenture, the Notes will be convertible into shares of Common Stock in accordance with the terms of the Notes and the Indenture. The shares of Common Stock 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 issuance of such shares of Common Stock upon conversion of the Notes is not subject to preemptive rights of any stockholder of the Company.

11. The execution, issuance and sale today by the Company of the Notes to the Underwriters, the execution and delivery by the Company and the

Guarantor of the Underwriting Agreement and the Indenture (as supplemented and amended by the First Supplemental Indenture), the consummation by the Company and the Guarantor of the transactions therein contemplated in the manner therein contemplated and compliance by the Company and the Guarantor with the terms thereof, do not and will not conflict with, or result in a breach of, any of the terms or provisions of, or constitute a default under the Certificate of Incorporation or By-Laws, as amended, of the Company or the Guarantor or any indenture or other agreement or instrument known to me to which the Company or the Guarantor is a party or by which the Company, the Guarantor or any of their respective properties or assets is bound or any law, rule, regulation, judgment, decree or order known to me to be applicable to the Company or the Guarantor of any court, regulatory body, administrative agency, government or governmental body having jurisdiction over the Company or the Guarantor or any of their respective properties or assets (except that I express no opinion as to the securities or Blue Sky laws of the various states, the Securities Act, the 1939 Act, or the rules and regulations thereunder).

12. The execution and delivery by the Guarantor of the Guarantee, the consummation by the Guarantor of the transactions therein contemplated in the manner therein contemplated and compliance by the Guarantor with the terms thereof, do not and will not conflict with, or result in a breach of, any of the terms or provisions of, or constitute a default under the Certificate of Incorporation or By-Laws, as amended, of the Guarantor or any indenture or other agreement or instrument known to me to which the Guarantor is a party or by which the Guarantor or any of its properties or assets is bound or any law, rule, regulation, judgment, decree or order known to me to be applicable to the Guarantor of any court, regulatory body, administrative agency, government or governmental body having jurisdiction over the Guarantor or any of its properties or assets (except that I express no opinion as to the securities or Blue Sky laws of the various states, the Securities Act, the 1939 Act, or the rules and regulations thereunder).

13. The issued and outstanding shares of Common Stock have been duly authorized and validly issued and are fully paid and non-assessable; and all of the issued and outstanding shares of the capital stock of the Guarantor have been duly authorized and validly issued and are fully paid and non-assessable and are directly owned by the Company, free and clear of any liens, encumbrances, equities or claims.

14. I have no reason to believe that the statements in the Registration Statement and the Prospectus with respect to statutes, administrative orders and regulations and legal and governmental proceedings do not fairly and accurately present in all material respects the information required to be set forth therein (except that I express no opinion as to the matters addressed in the opinions set forth in paragraph 7 of the Debevoise Opinion (as defined below)). There are, to the

best of my knowledge, no statutes, administrative orders or regulations or legal or governmental proceedings required to be described in the Registration Statement or the Prospectus that are not described as required, nor any contracts or documents of a character required to be described in the Registration Statement or the Prospectus, or to be filed as exhibits to the Registration Statement, that are not so described or filed as required. As used in this opinion letter, the term "Debevoise Opinion" means the opinion of Debevoise & Plimpton LLP, dated today and delivered to you pursuant to the Underwriting Agreement.

15. The routes presently operated by the Company are being operated pursuant to valid certificates or exemption orders issued by the Department of Transportation or its predecessor, the Civil Aeronautics Board, and no such certificate or exemption order is the subject of any "show cause" or other order of, or any proceeding before, or any investigation by, the Department of Transportation or its predecessor (other than proceedings for the renewal of temporary rights), which in my opinion might reasonably result in a final order impairing the validity of such certificates or exemption orders.

16. The statements set forth in the Prospectus Supplement under the captions "Description of Our Capital Stock," insofar as such statements purport to summarize certain provisions of law or the documents referred to therein, fairly summarize such provisions in all material respects.

17. Each document filed pursuant to the Exchange Act and incorporated by reference in the Prospectus (except in each case for the financial statements and other financial or statistical data included or incorporated therein, as to which I express no opinion) appeared on its face, as of its respective filing date, to comply as to form in all material respects with the requirements of the Exchange Act and the rules and regulations thereunder.

18. Neither the Company nor the Guarantor is, nor after giving effect to the offering and sale of the Securities in the manner contemplated in the Underwriting Agreement, the Indenture and the Prospectus Supplement will be, an "investment company" (as defined in the Investment Company Act of 1940, as amended).

In rendering the opinions above, I have assumed that each party to the Underwriting Agreement and the Indenture (as supplemented and amended by the First Supplemental Indenture) (other than the Company and the Guarantor) (i) is duly formed, validly existing and in good standing under the laws of the state of its incorporation or formation; (ii) has the power and authority to carry on its business and to enter into the Underwriting Agreement and the Indenture (as supplemented and amended by the First Supplemental Indenture), and to perform its obligations thereunder, (iii) has duly and validly authorized the execution and delivery of the Underwriting Agreement and the Indenture (as supple-

mented and amended by the First Supplemental Indenture) by all necessary action, and (iv) has duly and validly executed and delivered the Underwriting Agreement and the Indenture (as supplemented and amended by the First Supplemental Indenture). I have assumed that the Underwriting Agreement and the Indenture (as supplemented and amended by the First Supplemental Indenture) constitute legal, valid and binding obligations of each party thereto enforceable against such party in accordance with their respective terms.

I express no opinion as to the laws of any jurisdiction other than the laws of the States of Texas and New York, the General Corporation Law of the State of Delaware and the federal laws of the United States of America, except that I express no opinion with respect to the antitrust, bankruptcy, environmental or tax laws of any jurisdiction.

No facts have come to my attention which have caused me to believe (A) that the Registration Statement or any amendment thereto, on the original effective date thereof (except, in each case, for the financial statements and other financial or statistical data included or incorporated by reference therein, and except for the Statement of Eligibility on Form T-1 of the Trustee under the Indenture, as to which I express no belief), contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading, or (B) that the Prospectus at the time the Prospectus Supplement was issued or the Prospectus, together with any amendment or supplement thereto, at the time any such amended or supplemental prospectus was issued or at the Closing Time (except, in each case, for the financial statements and other financial or statistical data included or incorporated by reference therein, as to which I express no belief), contained or contains any untrue statement of a material fact or omitted or omits to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

This opinion letter is limited to the matters stated, and no opinion is implied or may be inferred beyond those opinions expressly stated herein. The opinions expressed herein are rendered only as of the date hereof, and I assume no responsibility to advise you of changes in law, facts, circumstances, events or developments which hereafter may be brought to my attention and which may alter, affect or modify such opinions.

The opinions expressed herein are solely for the benefit of the addressees of this opinion letter, and without my prior written consent may not be relied on in any other context, quoted in whole or in part or otherwise referred to in any legal opinion, document, or other report, or furnished to any other person or entity.

Very truly yours,

Exhibit A-6

FORM OF OPINION OF DEBEVOISE & PLIMPTON LLP
SPECIAL COUNSEL FOR THE COMPANY,
TO BE DELIVERED PURSUANT TO SECTION 5(a)

Credit Suisse First Boston LLC
Morgan Stanley & Co. Incorporated

c/o Credit Suisse First Boston LLC
11 Madison Avenue
New York, NY 10010

AMR Corporation
Senior Convertible Notes due 2024

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: (a) the issuance and sale today by the Company of \$300,000,000 principal amount of its Senior Convertible Notes due 2024 (the "Notes") to you pursuant to the Underwriting Agreement, dated February __, 2004 (the "Underwriting Agreement"), among the Company, the Guarantor and the Underwriters named therein; and (b) the preparation of (i) the Underwriting Agreement, (ii) the Indenture, dated as of February 1, 2004, between the Company and Wilmington Trust Company, as trustee (the "Trustee"), as amended by the Supplemental Indenture No. 2004-1 (the "First Supplemental Indenture"), dated as of February __, 2004, among the Company, the Guarantor and the Trustee, (iii) the Guarantee, dated as of February __, 2004, of the Guarantor in favor of the Trustee (the "Guarantee"), and (iv) the final Prospectus Supplement, dated February __, 2004, relating to the Notes (the "Prospectus Supplement"). We are delivering this letter to you pursuant to Section 5(a) of the Underwriting Agreement. Capitalized terms used herein without definition are used as defined in the Underwriting Agreement.

In connection with this opinion, we have examined the form of the Notes, the Underwriting Agreement, the Indenture (as supplemented and amended by the First Supplemental Indenture), the Registration Statement and the Prospectus, and 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

Exhibit B-1

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, the representations and warranties of the parties to the Underwriting Agreement that are contained in or made pursuant to the Underwriting Agreement, and certificates and other statements or information of or from public officials and officers and representatives of the Company and the Guarantor and others (including, without limitation, the Underwriters). We have assumed performance of and compliance with the covenants and agreements contained in the Underwriting Agreement by the parties thereto.

We have also assumed that: (a) the Underwriters have the power and authority to enter into and perform their respective obligations under the Underwriting Agreement; (b) the Underwriting Agreement has been duly authorized, executed and delivered by the Underwriters and is valid, legally binding and enforceable against the Underwriters in accordance with its terms; (c) the Trustee has the power and authority to enter into and perform its obligations under the Indenture (as supplemented and amended by the First Supplemental Indenture); (d) the Indenture (as supplemented and amended by the First Supplemental 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; and (e) the Notes have been duly authenticated by the Trustee in the manner provided in the Indenture.

Based on the foregoing, and subject to the limitations, qualifications and assumptions set forth herein, we are of the opinion that:

1. The Company has the corporate power and authority to execute, deliver and perform its obligations under the Notes, the Underwriting Agreement and the Indenture (as supplemented and amended by the First Supplemental Indenture). The Guarantor has the corporate power and authority to execute, deliver and perform its obligations under the Underwriting Agreement, the Indenture (as supplemented and amended by the First Supplemental Indenture) and the Guarantee.
2. The Underwriting Agreement has been duly authorized, executed and delivered by each of the Company and the Guarantor.
3. The Indenture (as supplemented and amended by the First Supplemental Indenture) has been duly authorized, executed and delivered by each of the Company and the Guarantor, and constitutes the valid and binding obligation of each of the Company and the Guarantor, enforceable against each of them in accordance with its terms.
4. The Notes being issued today are in the form contemplated by the Indenture (as supplemented and amended by the First Supplemental Indenture) and have been duly authorized and executed by the Company and delivered to the Trustee for authentication. When the Notes are issued and authenticated by the Trustee in accordance with the terms of the Indenture and delivered to and paid for by you today in accordance with the terms of the Underwriting Agreement, the Notes will constitute valid and binding obligations of the Company, enforceable against the Company in accordance with their terms, and will be entitled to the benefits of the Indenture.

5. The Guarantee has been duly authorized by the Guarantor, and, when the Notes to which the Guarantee relates are issued and authenticated by the Trustee in accordance with the terms of the Indenture and delivered to and paid for by you today in accordance with the terms of the Underwriting Agreement, the Guarantee will have been validly issued and delivered and will constitute the valid and binding obligation of the Guarantor, enforceable against the Guarantor in accordance with its terms.

6. Upon issuance and delivery of the Notes in accordance with the Underwriting Agreement and the Indenture, the Notes will be convertible into shares of Common Stock in accordance with the terms of the Notes and the Indenture. The shares of Common Stock 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 issuance of such shares of Common Stock upon conversion of the Notes is not, under the certificate of incorporation or by-laws of the Company, subject to preemptive rights of any stockholder of the Company.

7. The statements in the Registration Statement and Prospectus under the captions "Certain United States Federal Income Tax Considerations" and "Certain ERISA Considerations," insofar as such statements purport to summarize certain provisions of the laws referred to therein, fairly summarize such provisions in all material respects. The statements set forth in the Prospectus Supplement under the caption "Description of the Notes," insofar as such statements purport to summarize certain provisions of the Notes, the Indenture (as supplemented and amended by the First Supplemental Indenture), fairly summarize such provisions in all material respects.

8. The execution, delivery and performance by the Company and the Guarantor of the Underwriting Agreement did not, the execution, delivery and performance by each of the Company and the Guarantor of the Indenture (as supplemented and amended by the First Supplemental Indenture) (and, in the case of the Guarantor, the Guarantee) do not, and the issuance and sale today by the Company of the Notes to the Underwriters will not, (i) violate the certificate of incorporation or by-laws of the Company or the Guarantor; or (ii) to our knowledge, violate any existing United States Federal or New York State statute applicable to the Company or the Guarantor or any rule or regulation known to us of any United States Federal or New York governmental agency or body having jurisdiction over the Company or the Guarantor.

9. No authorization, approval, consent, order or license of, or filing or registration with, any United States Federal or New York governmental agency or body having jurisdiction over the Company or the Guarantor is required to be obtained by the Company or the Guarantor on or prior to the date hereof for the execution, delivery and performance by the Company or the Guarantor of the Underwriting Agreement, the execution, delivery and performance by the Company or the Guarantor of the Indenture (as supplemented and amended by the First Supplemental Indenture) (and, in the case of the Guarantor, the Guarantee), the issuance and sale today by the Company of the Notes to

the Underwriters pursuant to the Underwriting Agreement, or the conversion of the Notes at the initial conversion rate, except (a) as disclosed in the Prospectus Supplement or as have been obtained or made or (b) as may be required under or pursuant to applicable securities laws, statutes, rules or regulations.

The opinions set forth above are subject to the following additional qualifications and assumptions:

(a) The opinions expressed above are limited to the Federal laws of the United States of America, the laws of the State of New York and the General Corporation Law of the State of Delaware, as currently in effect.

(b) The opinions set forth in paragraphs 3, 4, 5 and 6 above are subject to the effects of (i) bankruptcy, insolvency, fraudulent conveyance, fraudulent transfer, reorganization, moratorium and other similar laws relating to or affecting enforcement of creditors' rights or remedies generally, (ii) general principles of equity, whether such principles are considered in a proceeding at law or equity, and (iii) an implied covenant of good faith, reasonableness and fair dealing, and standards of materiality. Without limiting the foregoing, we express no opinion as to (x) the validity, binding effect or enforceability of any provision of the Notes, the Underwriting Agreement, the Indenture (as supplemented and amended by the First Supplemental Indenture), or the Guarantee that purports to waive, release or vary any statutory right of any party or any duties owing to any party to the extent that such waiver, release or variation may be limited by Section 1-102(3) of the UCC or other provisions of applicable law, or of any provision thereof that purports to allow a set-off with respect to any contingent or unmatured obligations, or (y) any provision of the Notes, the Underwriting Agreement, the Indenture (as supplemented and amended by the First Supplemental Indenture), the Guarantee that purports to provide that the terms thereof may not be waived or modified except in writing, or that any prohibited or unenforceable provision thereof may be severed without invalidating the remaining provisions thereof. In addition, the enforceability of the provisions in the Underwriting Agreement, the Indenture (as supplemented and amended by the First Supplemental Indenture) or the Guarantee to the effect that certain determinations made by one party shall have conclusive effect may be limited under certain circumstances.

(c) For purposes of the opinions set forth above, we have considered, and express an opinion with respect to, only those laws, statutes, rules and regulations that in our experience are normally applicable to transactions of the type contemplated by the Underwriting Agreement and the Indenture (as supplemented and amended by the First Supplemental Indenture), and in particular we do not express any opinion concerning aviation laws (including without limitation Title 49 of the U.S. Code), or other laws, statutes, rules or regulations applicable to the particular nature of the business conducted by the Company and the Guarantor.

(d) We express no opinion on the enforceability of rights to indemnification or contribution under United States Federal or state securities laws, rules or regulations. The enforceability of provisions in the Notes, the Guarantee and the Indenture (as

supplemented and amended by the First Supplemental Indenture) otherwise providing for indemnification, exculpation or contribution may be limited by applicable law or public policy. We express no opinion as to any waiver of inconvenient forum set forth in any agreement. We express no opinion concerning whether a United States Federal court would accept jurisdiction in any dispute, action, suit or proceeding arising out of or relating to any agreement or the transactions contemplated thereby.

(e) Our opinions are subject to the effects of, and we express no opinion with respect to the application of or compliance with, any state securities or "blue sky" laws, statutes, rules or regulations or any United States federal or state laws regarding fraudulent transfers or fraudulent conveyances or preferential transfers, or provisions of state law restricting dividends, loans or other distributions by a corporation to or for the benefit of its stockholders.

* * * * *

We have not ourselves checked the accuracy and completeness of, or otherwise verified, and are not passing upon and assume no responsibility for the accuracy or completeness of, the statements contained in the Prospectus, except to the limited extent stated in paragraph 8 above. In the course of our review and discussion of the contents of the Prospectus with certain officers and employees of the Company and the Guarantor and their independent accountants, but without independent check or verification, no facts have come to our attention which have caused us to believe (A) that the Registration Statement or any amendment thereto, on the original effective date thereof (except, in each case, for the financial statements and other financial or statistical data included or incorporated by reference therein, and except for the Statement of Eligibility on Form T-1 of the Trustee under the Indenture, as to which we express no belief), contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading, or (B) that the Prospectus at the time the Prospectus Supplement was issued or the Prospectus, together with any amendment or supplement thereto, at the time any such amended or supplemental Prospectus was issued or at the Closing Time (except, in each case, for the financial statements and other financial or statistical data included or incorporated by reference therein, as to which we express no belief), contained or contains any untrue statement of a material fact or omitted or omits to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

* * * * *

We assume no obligation to supplement this letter if any applicable laws change after the date hereof or if we become aware of any facts that might change the opinions and beliefs expressed herein after the date hereof. The opinions and beliefs expressed herein are solely for your benefit and may not be relied upon in any manner or for any purpose by any other person and may not be quoted or disclosed in whole or in part without our prior written consent.

Very truly yours,

Exhibit B-5

INDENTURE

between

AMR CORPORATION

and

WILMINGTON TRUST COMPANY,
as Trustee

Dated as of February 1, 2004

Providing for Issuance of
Debt Securities in Series

TABLE OF CONTENTS

	Page

ARTICLE I	DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION..... 1
Section 1.1.	Definitions..... 1
Section 1.2.	Compliance Certificates and Opinions..... 9
Section 1.3.	Form of Documents Delivered to Trustee..... 9
Section 1.4.	Acts of Holders..... 10
Section 1.5.	Notices, etc., to Trustee and Company..... 12
Section 1.6.	Notice to Holders; Waiver..... 13
Section 1.7.	Headings and Table of Contents..... 14
Section 1.8.	Successor and Assigns..... 14
Section 1.9.	Separability..... 14
Section 1.10.	Benefits of Indenture..... 14
Section 1.11.	Governing Law..... 14
Section 1.12.	Legal Holidays..... 15
Section 1.13.	No Recourse Against Others..... 15
ARTICLE II	SECURITY FORMS..... 15
Section 2.1.	Forms Generally..... 15
Section 2.2.	Form of Trustee's Certificate of Authentication..... 16
Section 2.3.	Securities in Global Form..... 16
Section 2.4.	Form of Legend for Securities in Global Form..... 17
ARTICLE III	THE SECURITIES..... 17
Section 3.1.	Amount Unlimited; Issuable in Series..... 17
Section 3.2.	Denominations..... 23
Section 3.3.	Execution, Authentication, Delivery and Dating..... 23
Section 3.4.	Temporary Securities..... 26
Section 3.5.	Registration, Transfer and Exchange..... 27
Section 3.6.	Replacement Securities..... 31
Section 3.7.	Payment of Interest; Interest Rights Preserved..... 32
Section 3.8.	Persons Deemed Owners..... 34
Section 3.9.	Cancellation..... 35
Section 3.10.	Computation of Interest..... 35
Section 3.11.	Currency and Manner of Payment in Respect of Securities..... 35
Section 3.12.	Appointment and Resignation of Exchange Rate Agent..... 41
Section 3.13.	CUSIP Numbers..... 41

ARTICLE IV	SATISFACTION, DISCHARGE AND DEFEASANCE.....	42
Section 4.1.	Termination of Company's Obligations Under the Indenture.....	42
Section 4.2.	Application of Trust Funds.....	43
Section 4.3.	Applicability of Defeasance Provisions; Company's Option to Effect Defeasance or Covenant Defeasance.....	43
Section 4.4.	Defeasance and Discharge.....	44
Section 4.5.	Covenant Defeasance.....	44
Section 4.6.	Conditions to Defeasance or Covenant Defeasance.....	45
Section 4.7.	Deposited Money and Government Obligations To Be Held in Trust.....	47
Section 4.8.	Repayment to Company.....	48
Section 4.9.	Indemnity for Government Obligations.....	48
ARTICLE V	DEFAULTS AND REMEDIES.....	48
Section 5.1.	Events of Default.....	48
Section 5.2.	Acceleration; Rescission and Annulment.....	49
Section 5.3.	Collection of Indebtedness and Suits for Enforcement by Trustee.....	50
Section 5.4.	Trustee May File Proofs of Claim.....	50
Section 5.5.	Trustee May Enforce Claims Without Possession of Securities.....	50
Section 5.6.	Delay or Omission Not Waiver.....	51
Section 5.7.	Waiver of Past Defaults.....	51
Section 5.8.	Control by Majority.....	51
Section 5.9.	Limitation on Suits by Holders.....	51
Section 5.10.	Rights of Holders to Receive Payment.....	52
Section 5.11.	Application of Money Collected.....	52
Section 5.12.	Restoration of Rights and Remedies.....	53
Section 5.13.	Rights and Remedies Cumulative.....	53
Section 5.14.	Waiver of Stay, Extension or Usury Laws.....	53
ARTICLE VI	THE TRUSTEE.....	54
Section 6.1.	Rights of Trustee.....	54
Section 6.2.	Trustee May Hold Securities.....	55
Section 6.3.	Money Held in Trust.....	55
Section 6.4.	Trustee's Disclaimer.....	55
Section 6.5.	Notice of Defaults.....	55
Section 6.6.	Reports by Trustee to Holders.....	56
Section 6.7.	Security Holder Lists.....	56
Section 6.8.	Compensation and Indemnity.....	56
Section 6.9.	Replacement of Trustee.....	57
Section 6.10.	Acceptance of Appointment by Successor.....	59
Section 6.11.	Eligibility; Disqualification.....	60

Section 6.12.	Merger, Conversion, Consolidation or Succession to Business.....	61
Section 6.13.	Appointment of Authenticating Agent.....	61
ARTICLE VII	CONSOLIDATION, MERGER OR SALE BY THE COMPANY.....	63
Section 7.1.	Consolidation, Merger or Sale of Assets Permitted.....	63
ARTICLE VIII	SUPPLEMENTAL INDENTURES.....	64
Section 8.1.	Supplemental Indentures Without Consent of Holders.....	64
Section 8.2.	With Consent of Holders.....	65
Section 8.3.	Compliance with Trust Indenture Act.....	67
Section 8.4.	Execution of Supplemental Indentures.....	67
Section 8.5.	Effect of Supplemental Indentures.....	67
Section 8.6.	Reference in Securities to Supplemental Indentures.....	67
ARTICLE IX	COVENANTS.....	67
Section 9.1.	Payment of Principal, Premium, if any, and Interest.....	67
Section 9.2.	Maintenance of Office or Agency.....	68
Section 9.3.	Money for Securities To Be Held in Trust; Unclaimed Money.....	69
Section 9.4.	Corporate Existence.....	70
Section 9.5.	Insurance.....	70
Section 9.6.	Reports by the Company.....	70
Section 9.7.	Annual Review Certificate.....	71
Section 9.8.	Calculation of Original Issue Discount.....	71
ARTICLE X	REDEMPTION.....	72
Section 10.1.	Applicability of Article.....	72
Section 10.2.	Election to Redeem; Notice to Trustee.....	72
Section 10.3.	Selection of Securities To Be Redeemed.....	72
Section 10.4.	Notice of Redemption.....	73
Section 10.5.	Deposit of Redemption Price.....	74
Section 10.6.	Securities Payable on Redemption Date.....	74
Section 10.7.	Securities Redeemed in Part.....	75
ARTICLE XI	SINKING FUNDS.....	75
Section 11.1.	Applicability of Article.....	76
Section 11.2.	Satisfaction of Sinking Fund Payments with Securities.....	76
Section 11.3.	Redemption of Securities for Sinking Fund.....	76
SIGNATURES.....		78

INDENTURE, dated as of February 1, 2004, between AMR CORPORATION, a Delaware corporation (the "Company"), and WILMINGTON TRUST COMPANY, Trustee, a Delaware banking corporation (the "Trustee").

RECITALS

The Company has duly authorized the execution and delivery of this Indenture to provide for the issuance from time to time of its unsecured debentures, notes or other evidences of indebtedness ("Securities") to be issued in one or more series as herein provided.

All things necessary to make this Indenture a valid and legally binding agreement of the Company, in accordance with its terms, have been done.

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

ARTICLE I

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.0. Definitions. (a) For all purposes of this Indenture, except as otherwise expressly provided or unless the context otherwise requires:

(1) the terms defined in this Article have the meanings assigned to them in this Article and include the plural as well as the singular;

(2) all other terms used herein which are defined in the Trust Indenture Act, either directly or by reference therein, have the meanings assigned to them therein;

(3) all accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles; and

(4) the words "herein", "hereof" and "hereunder" and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or other subdivision.

"Affiliate" of any specified Person means any Person directly or indirectly controlling or controlled by, or under direct or indirect common control with, such specified Person. For purposes of this definition, "control" when used with respect to any specified Person means the power to direct 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.

"Agent" means any Paying Agent or Registrar.

"Authenticating Agent" means any authenticating agent appointed by the Trustee pursuant to Section 6.13.

"Authorized Newspaper" means a newspaper of general circulation, in the official language of the country of publication or in the English language, customarily published on each Business Day whether or not published on Saturdays, Sundays or holidays. Whenever successive publications in an Authorized Newspaper are required hereunder they may be made (unless otherwise expressly provided herein) on the same or different days of the week and in the same or different Authorized Newspapers.

"Bearer Security" means any Security issued hereunder which is payable to bearer.

"Board" or "Board of Directors" means the Board of Directors of the Company or the Executive Committee or any other duly authorized committee thereof.

"Board Resolution" means a copy of a resolution of the Board of Directors, certified by the Corporate Secretary or an Assistant Secretary of the Company to have been duly adopted by the Board of Directors and to be in full force and effect on the date of the certificate, and delivered to the Trustee.

"Business Day", when used with respect to any Place of Payment or any other particular location referred to in this Indenture or in the Securities, means, unless otherwise specified with respect to any Securities pursuant to Section 3.1, each Monday, Tuesday, Wednesday, Thursday and Friday which is not a day on which banking institutions in that Place of Payment or particular location are authorized or obligated by law or executive order to close.

"Commission" means the Securities and Exchange Commission, as from time to time constituted, created under the Securities Exchange Act of 1934, or, if at any time after the execution of this Indenture such Commission is not existing and performing the duties now assigned to it under the Trust Indenture Act, then the body performing such duties at such time.

"Company" means the party named as the Company in the first paragraph of this Indenture until a successor shall have become such pursuant to the applicable provisions of this Indenture, and thereafter means such 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 of the Board of Directors, 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.

"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).

"currency unit", for all purposes of this Indenture, shall include any composite currency.

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

"Depositary", when used with respect to the Securities of or within any series issuable or issued in whole or in part in global form, means the Person designated as Depositary by the Company pursuant to Section 3.1 until a successor Depositary shall have become such pursuant to the applicable provisions of this Indenture, and thereafter shall mean or include each Person which is then a Depositary hereunder, and if at any time there is more than one such Person, shall be a collective reference to such Persons.

"Dollar" or "\$" means the coin or currency of the United States as at the time of payment is legal tender for the payment of public and private debts.

"Government Obligations" means securities which are (i) direct obligations of the United States or, if specified as contemplated by Section 3.1, the government which issued the currency in which the Securities of a particular series are payable, for the payment of which its full faith and credit is pledged or (ii) obligations of a Person controlled or supervised by and acting as an agency or instrumentality of the United States or, if specified as contemplated by Section 3.1, such government which issued the foreign currency in which the Securities of such series are payable, for the payment of which the full faith and credit of the United States or such other government is pledged (whether by guaranty or otherwise), which, in either case, are not callable or redeemable at the option of the issuer thereof, and shall also include a depositary receipt issued by a bank or trust company as custodian with respect to any such Government Obligation or a specific payment of interest on or principal of any such Government Obligation held by

such custodian for the account of the holder of a depositary receipt, provided that (except as required by law) such custodian is not authorized to make any deduction from the amount payable to the holder of such depositary receipt from any amount received by the custodian in respect of the Government Obligation evidenced by such depositary receipt.

"Guarantee", when used with respect to the Securities of or within any series, means a guarantee by the Guarantor of the obligations of the Company under such Securities, which guarantee may be included in an indenture or indentures supplemental hereto or in a separate agreement.

"Guarantor" means American Airlines, Inc., a Delaware corporation, and its successors and assigns.

"Holder" means, with respect to a Bearer Security, a bearer thereof or of a coupon appertaining thereto and, with respect to a Registered Security, a person in whose name such Registered Security is registered on the Register.

"Indenture" means this Indenture as originally executed or as amended or supplemented from time to time and shall include the forms and terms of particular series of Securities established as contemplated hereunder.

"Indexed Security" means a Security the terms of which provide that the principal amount thereof payable at Stated Maturity may be more or less than the principal face amount thereof at original issuance.

"interest", when used with respect to an Original Issue Discount Security which by its terms bears interest only after Maturity, means interest payable after Maturity.

"Interest Payment Date", when used with respect to any Security, means the Stated Maturity of an installment of interest on such Security.

"Maturity", when used with respect to any Security, means the date on which the principal of such Security or an installment of principal becomes due and payable as therein or herein provided, whether at the Stated Maturity or by declaration of acceleration, call for redemption or otherwise.

"Officer" means the Chairman of the Board, the Vice Chairman of the Board of Directors, the President, any Executive Vice President, any Senior Vice President, any Vice President, the Treasurer or the Corporate Secretary of the Company.

"Officers' Certificate" means a certificate signed by the Chairman of the Board, the Vice Chairman of the Board of Directors, the President, any Executive Vice President or any Senior Vice President, signing alone, or by any Vice President signing together

with the Corporate Secretary, any Assistant Secretary, the Treasurer or any Assistant Treasurer of the Company.

"Opinion of Counsel" means a written opinion of legal counsel, who may be (a) the senior attorney employed by the Company, (b) Debevoise & Plimpton LLP or (c) other counsel designated by the Company.

"Original Issue Discount Security" means any Security which provides for an amount less than the stated principal amount thereof to be due and payable upon declaration of acceleration of the Maturity thereof pursuant to Section 5.2.

"Outstanding", when used with respect to Securities, means, as of the date of determination, all Securities theretofore authenticated and delivered under this Indenture, except:

(i) Securities theretofore cancelled by the Trustee or delivered to the Trustee for cancellation;

(ii) Securities, or portions thereof, for whose payment or redemption money or Government Obligations in the necessary amount has been theretofore deposited with the Trustee or any Paying Agent (other than the Company) in trust or set aside and segregated in trust by the Company (if the Company shall act as its own Paying Agent) for the Holders of such Securities and any coupons appertaining thereto, provided that, if such Securities are to be redeemed, notice of such redemption has been duly given pursuant to this Indenture or provisions therefor satisfactory to the Trustee have been made;

(iii) Securities, except to the extent provided in Sections 4.4 and 4.5, with respect to which the Company has effected defeasance and/or covenant defeasance as provided in Article IV; and

(iv) Securities which have been paid pursuant to Section 3.6 or in exchange for or in lieu of which other Securities have been authenticated and delivered pursuant to this Indenture, other than any such Securities in respect of which there shall have been presented to the Trustee proof satisfactory to it that such Securities are held by a bona fide purchaser in whose hands such Securities are valid obligations of the Company;

provided, however, that unless otherwise provided with respect to any Securities of any series pursuant to Section 3.1, in determining whether the Holders of the requisite principal amount of the Outstanding Securities have given any request, demand, authorization, direction, notice, consent or waiver hereunder, or whether sufficient funds are available for redemption or for any other purpose, and for the purpose of making the calculations required by section 313 of the Trust Indenture Act, (w) the principal amount

of any Original Issue Discount Securities that may be counted in making such determination or calculation and that shall be deemed to be Outstanding for such purpose shall be equal to the amount of principal thereof that would be (or shall have been declared to be) due and payable, at the time of such determination, upon a declaration of acceleration of the maturity thereof pursuant to Section 5.2, (x) the principal amount of any Security denominated in a Foreign Currency that may be counted in making such determination or calculation and that shall be deemed Outstanding for such purpose shall be equal to the Dollar equivalent, determined as of the date such Security is originally issued by the Company as set forth in an Exchange Rate Officer's Certificate delivered to the Trustee, of the principal amount (or, in the case of an Original Issue Discount Security, the Dollar equivalent, determined as of such date of original issuance, of the amount determined as provided in clause (w) above) of such Security, (y) the principal amount of any Indexed Security that may be counted in making such determination or calculation and that shall be deemed Outstanding for such purpose shall be equal to the principal face amount of such Indexed Security at original issuance, and (z) Securities owned by the Company or any other obligor upon the Securities or any Affiliate of the Company or of such other obligor shall be disregarded and deemed not to be Outstanding, except that, in determining whether the Trustee shall be protected in making such calculation or 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. Securities so owned which have been pledged in good faith may be regarded as Outstanding if the pledgee establishes to the satisfaction of the Trustee the pledgee's right so to act with respect to such Securities and that the pledgee is not the Company or any other obligor upon the Securities or any Affiliate of the Company or of such other obligor.

"Paying Agent" means any Person authorized by the Company to pay the principal of, premium, if any, or interest and any other payments on any Securities on behalf of the Company.

"Periodic Offering" means an offering of Securities of a series from time to time the specific terms of which Securities, including, without limitation, the rate or rates of interest or formula for determining the rate or rates of interest thereon, if any, the Maturity thereof and the redemption provisions, if any, with respect thereto, are to be determined by the Company upon the issuance of such Securities.

"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 or any other entity.

"Place of Payment", when used with respect to the Securities of or within any series, means the place or places where the principal of, premium, if any, and interest and

any other payments on such Securities are payable as specified as contemplated by Sections 3.1 and 9.2.

"Predecessor Security" of any particular Security means every previous Security evidencing all or a portion of the same debt as that evidenced by such particular Security; and, for the purposes of this definition, any Security authenticated and delivered under Section 3.6 in exchange for or in lieu of a mutilated, destroyed, lost or stolen Security shall be deemed to evidence the same debt as the mutilated, destroyed, lost or stolen Security.

"Redemption Date", when used with respect to any Security to be redeemed, means the date fixed for such redemption by or pursuant to this Indenture.

"Redemption Price", when used with respect to any Security to be redeemed, in whole or in part, means the price at which it is to be redeemed pursuant to this Indenture.

"Registered Security" means any Security issued hereunder and registered as to principal and interest in the Register.

"Regular Record Date" for the interest payable on any Interest Payment Date on the Securities of or within any series means the date specified for that purpose as contemplated by Section 3.1, which date shall be, unless otherwise specified pursuant to Section 3.1, the fifteenth day preceding such Interest Payment Date, whether or not such day shall be a Business Day.

"Responsible Officer", when used with respect to the Trustee, shall mean any Vice President, any Assistant Vice President, any Senior Trust Officer or Trust Officer, or any officer of the Trustee customarily performing 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 his knowledge of and familiarity with a particular subject.

"Security" or "Securities" has the meaning stated in the first recital of this Indenture and more particularly means a Security or Securities of the Company issued, authenticated and delivered under this Indenture.

"Special Record Date" for the payment of any Defaulted Interest means a date fixed by the Trustee pursuant to Section 3.7.

"Stated Maturity", when used with respect to any Security or any installment of principal thereof or interest thereon, means the date specified in such Security or in a coupon representing such installment of interest as the fixed date on which the principal of such Security or such installment of principal or interest is due and payable.

"Subsidiary" means any Person of which the Company at the time owns or controls, directly or indirectly, more than 50% of the shares of outstanding stock or other equity interests having general voting power under ordinary circumstances to elect a majority of the Board of Directors, managers or trustees, as the case may be, of such Person (irrespective of whether or not at the time stock of any other class or classes or other equity interests of such corporation shall have or might have voting power by reason of the happening of any contingency).

"Trust Indenture Act" means the Trust Indenture Act of 1939 as in effect on the date of this Indenture, except as provided in Section 8.3.

"Trustee" means the party named as such in the first paragraph of this Indenture until a successor Trustee replaces it pursuant to the applicable provisions of this Indenture, and thereafter means such successor Trustee and if, at any time, there is more than one Trustee, "Trustee" as used with respect to the Securities of any series shall mean the Trustee with respect to the Securities of that series.

"United States" means, unless otherwise specified with respect to the Securities of any series as contemplated by Section 3.1, the United States of America (including the States and the District of Columbia), its territories, its possessions and other areas subject to its jurisdiction.

"U.S. Person" means, unless otherwise specified with respect to the Securities of any series as contemplated by Section 3.1, an individual citizen or resident of the United States, a corporation created or organized in or under the laws of the United States, any State thereof or the District of Columbia, or a partnership, estate or trust treated as a domestic partnership, estate or trust for United States federal income tax purposes.

"Yield to Maturity" means the yield to maturity, calculated by the Company at the time of issuance of a series of Securities or, if applicable, at the most recent determination of interest on such series, in accordance with accepted financial practice.

(b) The following terms shall have the meanings specified in the Sections referred to opposite such term below:

Term ----	Section -----
"Act"	1.4(a)
"Bankruptcy Law"	5.1
"Claims"	6.8(b)
"Component Currency"	3.11(h)
"Conversion Date"	3.11(d)
"Conversion Event"	3.11(h)
"Custodian"	5.1

"Defaulted Interest"	3.7(b)
"Election Date"	3.11(h)
"Event of Default"	5.1
"Exchange Rate Agent"	3.11(h)
"Exchange Rate Officer's Certificate"	3.11(h)
"Foreign Currency"	3.11(h)
"Market Exchange Rate"	3.11(h)
"Register"	3.5
"Registrar"	3.5
"Valuation Date"	3.11(c)

Section 1.2 Compliance Certificates and Opinions. Upon any application or request by the Company to the Trustee to take any action under any provision of this Indenture, the Company shall furnish to the Trustee an Officers' Certificate stating that all conditions precedent, if any, provided for in this Indenture relating to the proposed action have been complied with and an Opinion of Counsel stating that in the opinion of such counsel all such conditions precedent, if any, have been complied with, except that in the case of any such application or request as to which the furnishing of such documents is specifically required by any provision of this Indenture relating to such particular application or request, no additional certificate or opinion need be furnished.

Every certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture (other than pursuant to Sections 2.3 and 9.7) shall include:

(1) a statement that each individual signing such certificate or opinion has read such condition or covenant and the definitions herein relating thereto;

(2) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;

(3) a statement that, in the opinion of each such individual, he has made such examination or investigation as is necessary to enable him to express an informed opinion as to whether or not such condition or covenant has been complied with; and

(4) a statement as to whether, in the opinion of each such individual, such condition or covenant has been complied with.

Section 1.3 Form of Documents Delivered to Trustee. 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 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 1.4 Acts of Holders. 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 of substantially similar tenor signed by such Holders in person or by agent duly appointed in writing; and, except as herein otherwise expressly provided, such action shall become effective when such instrument or instruments are delivered to the Trustee and, where 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 the Holders signing such instrument or instruments. Proof of execution of any such instrument or of a writing appointing any such agent 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.

(a) 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 by a certificate of a notary public or other officer authorized by law to take acknowledgments of deeds,

certifying that the individual signing such instrument or writing acknowledged to him the execution thereof. Where such execution is by a signer acting in a capacity other than his individual capacity, such certificate or affidavit shall also constitute sufficient proof of his authority. The fact and date of the execution of any such instrument or writing, or the authority of the Person executing the same, may also be proved in any other manner which the Trustee deems sufficient.

(b) The ownership of Bearer Securities may be proved by the production of such Bearer Securities or by a certificate executed by any trust company, bank, banker or other depository, wherever situated, if such certificate shall be deemed by the Trustee to be satisfactory, showing that at the date therein mentioned such Person had on deposit with such depository, or exhibited to it, the Bearer Securities therein described; or such facts may be proved by the certificate or affidavit of the Person holding such Bearer Securities, if such certificate or affidavit is deemed by the Trustee to be satisfactory.

The Trustee and the Company may assume that such ownership of any Bearer Security continues until (i) another such certificate or affidavit bearing a later date issued in respect of the same Bearer Security is produced, (ii) such Bearer Security is produced to the Trustee by some other Person, (iii) such Bearer Security is surrendered in exchange for a Registered Security or (iv) such Bearer Security is no longer outstanding. The ownership of Bearer Securities may also be proved in any other manner which the Trustee deems sufficient.

(c) The ownership of Registered Securities shall be proved by the Register.

(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 of any series 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 of such series 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 such series 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 of such series 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 of such series 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 Notes in the manner set forth in Section 1.6.

With respect to any record date set pursuant to this Section 1.4, 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 of Securities of the applicable series in the manner set forth in Section 1.6 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.

(g) The Company and the Trustee may make reasonable rules for action by or at a meeting of Holders.

Section 1.5 Notices, etc., to Trustee and Company. Any request, demand, authorization, direction, notice, consent, waiver or Act of Holders 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 Holder 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 Holder shall be sufficient for every purpose hereunder (unless otherwise herein expressly provided) 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) 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 Holder.

Section 1.6 Notice to Holders; Waiver. Where this Indenture provides for notice to Holders of any event, (i) if any of the Securities affected by such event are Registered Securities, such notice to the Holders thereof shall be sufficiently given (unless otherwise herein or in the terms of such Securities expressly provided) if in writing and mailed, first-class postage prepaid, to each such Holder affected by such event, at its address as it appears in the Register, within the time prescribed for the giving of such notice and, (ii) if any of the Securities affected by such event are Bearer Securities, notice to the Holders thereof shall be sufficiently given (unless otherwise herein or in the terms of such Bearer Securities expressly provided) if published once in an Authorized Newspaper in New York, New York, and in such other city or cities, if any, as may be specified as contemplated by Section 3.1.

In any case where notice to Holders is given by mail, neither the failure to mail such notice, nor any defect in any notice so mailed, to any particular Holder shall affect the sufficiency of such notice with respect to other Holders of Registered Securities or the sufficiency of any notice to Holders of Bearer Securities given as provided herein. In any case where notice is given to Holders by publication, neither the failure to publish such notice, nor any defect in any notice so published, shall affect the sufficiency of such notice with respect to other Holders of Bearer Securities or the sufficiency of any notice to Holders of Registered Securities given as provided herein. Any notice mailed to a Holder in the manner herein prescribed shall be conclusively deemed to have been received by such Holder, whether or not such Holder actually receives such notice.

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 the 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 shall 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, except that any published notice may be in an official language of the country of publication.

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. Waivers of notice by Holders 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.

Section 1.7 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.

Section 1.8 Successor and Assigns. All covenants and agreements in this Indenture by the Company shall bind its successor and assigns, whether so expressed or not.

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 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.

Section 1.9 Separability. In case any provision of this Indenture or 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 1.10 Benefits of Indenture. Nothing in this Indenture or in the Securities, expressed or implied, shall give to any Person, other than the parties hereto and their successors hereunder, any Agent and the Holders, any benefit or any legal or equitable right, remedy or claim under this Indenture.

Section 1.11 Governing Law. THIS INDENTURE, THE SECURITIES AND ANY COUPONS APPERTAINING THERETO 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. This Indenture is subject to the Trust Indenture Act and if any provision hereof limits, qualifies or conflicts with a provision of the Trust Indenture Act

that is required by the Trust Indenture Act 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 Trust Indenture Act 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 Trust Indenture Act.

Section 1.12 Legal Holidays. Unless otherwise provided with respect to any Security or Securities pursuant to Section 3.1, in any case where any Interest Payment Date, Redemption Date, sinking fund payment date, Stated Maturity or Maturity or other payment date of any Security shall not be a Business Day at any Place of Payment, then, notwithstanding any other provision of this Indenture or any Security or coupon, payment of principal, premium, if any or interest or other payments need not be made at such Place of Payment on such date, but may be made on the next succeeding Business Day at such Place of Payment with the same force and effect as if made on such date; provided that no interest shall accrue on the amount so payable for the period from and after such Interest Payment Date, Redemption Date, sinking fund payment date, Stated Maturity or Maturity or other payment date, as the case may be.

Section 1.13 No Recourse Against Others. No past, present or future director, officer, employee, agent, member, manager, trustee or stockholder, 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 any 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 Holder agrees to the provisions of this Section 1.13 and waives and releases all such liability. Such waiver and release shall be part of the consideration for the issue of the Securities.

ARTICLE II

SECURITY FORMS

Section 2.1 Forms Generally. The Securities of each series and the coupons, if any, to be attached thereto shall be in substantially such form as shall be established by or pursuant to a Board Resolution or in one or more indentures supplemental hereto, in each case with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Indenture, and may have such letters, numbers or other marks of identification and such legends or endorsements placed thereon as may be required to comply with any applicable law, rule or regulation or with the rules or usage

of any securities exchange or Depository therefor or as may, consistently herewith, be determined by the officers executing such Securities and coupons, if any, as evidenced by their execution of the Securities and coupons, if any. If temporary Securities of any series are issued as permitted by Section 3.4, the form thereof also shall be established as provided in the preceding sentence. If the forms of Securities and coupons, if any, of any series are established by, or by action taken pursuant to, a Board Resolution, a copy of the Board Resolution together with an appropriate record of any such action taken pursuant thereto, including a copy of the approved form of Securities or coupons, if any, shall be certified by the Corporate Secretary or an Assistant Secretary of the Company and delivered to the Trustee at or prior to the delivery of the Company Order contemplated by Section 3.3 for the authentication and delivery of such Securities.

Unless otherwise specified as contemplated by Section 3.1, Bearer Securities shall have interest coupons attached.

The definitive Securities and coupons, if any, may be typeset, printed, lithographed or engraved on steel engraved borders or may be produced in any other manner or medium, all as determined by the officers executing such Securities and coupons, if any, as evidenced by their execution of such Securities and coupons, if any.

Section 2.2 Form of Trustee's Certificate of Authentication. Subject to Section 6.13, the Trustee's certificate of authentication shall be in substantially the following form:

This is one of the Securities of the series designated herein and issued under the within-mentioned Indenture.

WILMINGTON TRUST COMPANY,
as Trustee

Dated: _____ By _____
Authorized Signatory

Section 2.3. Securities in Global Form. If Securities of or within a series are issuable in whole or in part in global form, any such Security may provide that it shall represent the aggregate or specified amount of Outstanding Securities from time to time endorsed thereon and may also provide that the aggregate amount of Outstanding Securities represented thereby may from time to time be reduced or increased to reflect exchanges. Any endorsement of a Security in global form to reflect the amount, or any increase or decrease in the amount, or changes in the rights of Holders, of Outstanding Securities represented thereby, shall be made in such manner and by such Person or Persons as shall be specified therein or in the Company Order to be delivered to the Trustee pursuant to Section 3.3 or 3.4. Subject to the provisions of Section 3.3 and, if

applicable, Section 3.4, the Trustee shall deliver and redeliver any security in permanent global form in the manner and upon instructions given by the Person or Persons specified therein or in the applicable Company Order. Any instructions by the Company with respect to endorsement or delivery or redelivery of a Security in global form shall be in writing but need not comply with Section 1.2 hereof and need not be accompanied by an Opinion of Counsel.

The provisions of the last paragraph of Section 3.3 shall apply to any Security in global form if such Security was never issued and sold by the Company and the Company delivers to the Trustee the Security in global form together with written instructions (which need not comply with Section 1.2 and need not be accompanied by an Opinion of Counsel) with regard to the reduction in the principal amount of Securities represented thereby, together with the written statement contemplated by the last sentence of Section 3.3.

Notwithstanding the provisions of Sections 2.1 and 3.7, unless otherwise specified as contemplated by Section 3.1, payment of principal of, premium, if any, and interest on any Security in permanent global form shall be made to the Person or Persons specified therein.

Section 2.4. Form of Legend for Securities in Global Form. Unless otherwise provided with respect to any Securities of any series pursuant to Section 3.1 or required by the Depository, any Security of such series in global form authenticated and delivered hereunder shall bear a legend in substantially the following form:

This Security is in global form within the meaning of the Indenture hereinafter referred to and is registered in the name of a Depository or a nominee of a Depository. Unless and until it is exchanged in whole or in part for Securities in certificated form, this Security may not be transferred except as a whole by the Depository to a nominee of the Depository or by a nominee of the Depository to the Depository or another nominee of the Depository or by the Depository or any such nominee to a successor Depository or a nominee of such successor Depository. Every Security authenticated and delivered upon registration of transfer of, or in exchange for, or in lieu of, this Security will be in global form, subject to the foregoing.

ARTICLE III

THE SECURITIES

Section 3.0. Amount Unlimited; Issuable in Series. The aggregate principal amount of Securities which may be authenticated and delivered under this Indenture is unlimited. The Securities may be issued from time to time in one or more series.

(a) The following matters shall be established with respect to each series of Securities issued hereunder (i) by a Board Resolution, (ii) by action taken pursuant to a Board Resolution and (subject to Section 3.3) set forth, or determined in the manner provided, in an Officers' Certificate or (iii) in one or more indentures supplemental hereto:

(1) the title of the Securities of the series (which title shall distinguish the Securities of the series from all other series of Securities);

(2) any limit upon the aggregate principal amount of the Securities of the series which may be authenticated and delivered under this Indenture (which limit shall not pertain to Securities authenticated and delivered upon registration of transfer of, or in exchange for, or in lieu of, other Securities of the series pursuant to Section 3.4, 3.5, 3.6, 8.6, or 10.7);

(3) the date or dates on which the principal of and premium, if any, on the Securities of the series is payable or the method of determination and/or extension of such date or dates, and the amount or amounts of such principal and premium, if any, payments or the method of determination thereof;

(4) the rate or rates at which the Securities of the series shall bear interest, if any, or the method of calculating and/or resetting such rate or rates of interest, the date or dates from which such interest shall accrue or the method by which such date or dates shall be determined, the Interest Payment Dates on which any such interest shall be payable and, with respect to Registered Securities, the Regular Record Date, if any, for the interest payable on any Registered Security on any Interest Payment Date;

(5) the circumstances, if any, in which payments of principal, premium, if any, or interest on the Securities of the series may be deferred;

(6) the place or places where the principal of, premium, if any, and interest, if any, on Securities of the series shall be payable;

(7) the period or periods within which, the price or prices at which, the currency or currencies (including composite currencies or currency units) in which, and the other terms and conditions upon which, Securities of the series may be redeemed, in whole or in part, at the option of the Company and, if other than as provided in Section 10.3, the manner in which the particular Securities of such series (if less than all Securities of such series are to be redeemed) are to be selected for redemption;

(8) the obligation, if any, of the Company to redeem or purchase Securities of the series pursuant to any sinking fund or analogous provisions or

upon the happening of a specified event or at the option of a Holder thereof and the period or periods within which, the price or prices at which, and the other terms and conditions upon which, Securities of the series shall be redeemed or purchased, in whole or in part, pursuant to such obligation;

(9) if other than denominations of \$1,000 and any integral multiple thereof, if Registered Securities, and if other than the denomination of \$5,000 and any integral multiple thereof, if Bearer Securities, the denominations in which Securities of the series shall be issuable;

(10) the amount of discount, if any, with which the Securities of the series will be issued;

(11) if other than Dollars, the currency or currencies (including composite currency or currencies or currency units) in which any principal of, premium, if any, and interest, if any, or other payments, if any, on the Securities of the series shall be payable, or in which the Securities of the series shall be denominated, and the particular provisions applicable thereto in accordance with, in addition to, or in lieu of some or all of the provisions of Section 3.11;

(12) if any payments of principal of, premium, if any, or interest, if any, or other payments, if any, on the Securities of the series are to be made, at the election of the Company or a Holder, in a currency or currencies (including composite currency or currencies or currency units) other than that in which such Securities are denominated or designated to be payable, the currency or currencies (including composite currency or currencies or currency units) in which such payments are to be made, the terms and conditions of such payments and the manner in which the exchange rate with respect to such payments shall be determined, and the particular provisions applicable thereto in accordance with, in addition to, or in lieu of some or all of the provisions of Section 3.11;

(13) if the amount of any payments of principal of, premium, if any, and interest, if any, or other payments, if any, on the Securities of the series shall be determined with reference to an index, formula or other method (which index, formula or method may be based, without limitation, on the price of one or more commodities, derivatives or securities; one or more securities, derivatives or commodities exchange indices or other indices; a currency or currencies (including composite currency or currencies or currency units) other than that in which the Securities of the series are denominated or designated to be payable; or any other variable or the relationship between any variables or combination of variables), the index, formula or other method by which such amounts shall be determined;

(14) if other than the principal amount thereof, the portion of the principal amount of such Securities of the series or other amount which shall be payable upon declaration of acceleration thereof pursuant to Section 5.2 or the method by which such portion or amount shall be determined;

(15) if other than as provided in Section 3.7, the Person to whom any interest on any Registered Security of the series shall be payable and the manner in which, or the Person to whom, any interest on any Bearer Securities of the series shall be payable;

(16) if the principal amount payable at the Maturity of any Securities of the series will not be determinable as of one or more dates prior to Maturity, the amount which shall be deemed to be the principal amount of such Securities as of any such date hereunder or thereunder, or, if other than as provided in the definition of the term "Outstanding", which shall be deemed to be Outstanding as of any date prior to the Stated Maturity (or, in any such case, the manner in which such amount deemed to be the principal amount shall be determined);

(17) provisions, if any, granting special rights to the Holders of Securities of the series upon the occurrence of such events as may be specified;

(18) any deletions from, modifications of or additions to the Events of Default set forth in Section 5.1 or covenants of the Company set forth in Article IX pertaining to the Securities of the series;

(19) under what circumstances, if any, the Company will pay additional amounts on the Securities of that series held by a Person who is not a U.S. Person in respect of taxes or similar charges withheld or deducted and, if so, whether the Company will have the option to redeem such Securities rather than pay such additional amounts (and the terms of any such option);

(20) whether Securities of the series shall be issuable as Registered Securities or Bearer Securities (with or without interest coupons), or both, and any restrictions applicable to the offering, sale or delivery of Bearer Securities and, if other than as provided in Section 3.5, the terms upon which Bearer Securities of a series may be exchanged for Registered Securities of the same series and vice versa, and the additions or changes, if any, to this Indenture, with respect to the Securities of such series as shall be necessary to permit or facilitate the issuance of the Securities of such series;

(21) the date as of which any Bearer Securities of the series and any temporary global Security representing Outstanding Securities of the series shall

be dated if other than the date of original issuance of the first Security of the series to be issued;

(22) the forms of the Securities and coupons, if any, of the series, including if the Securities of the series will be executed by more than one signatory of the Company;

(23) the exclusion of Section 4.4 or 4.5, or both, with respect to the Securities of or within the series, or the applicability, if any, to the Securities of or within the series of such means of defeasance or covenant defeasance other than those provided in Sections 4.4 and 4.5 as may be specified for the Securities and coupons, if any, of such series, and whether, for the purpose of any defeasance or covenant defeasance pursuant to Section 4.4 or 4.5 or otherwise, the term "Government Obligations" shall include obligations referred to in the definition of such term which are not obligations of the United States or an agency or instrumentality of the United States;

(24) if other than the Trustee, the identity of the Registrar and any Paying Agent;

(25) any terms which may be related to warrants issued by the Company in connection with, or for the purchase of, Securities of such series, including whether and under what circumstances the Securities of any series may be used toward the exercise price of any such warrants;

(26) the designation of the initial Exchange Rate Agent, if any;

(27) if the Securities of the series shall be issued in whole or in part in global form, (i) the Depositary for such global Securities, (ii) the form of any legend in addition to or in lieu of that in Section 2.4 which shall be borne by such global Securities, (iii) whether beneficial owners of interests in any Securities of the series in global form may exchange such interests for certificated Securities of such series and of like tenor of any authorized form and denomination, and (iv) if other than as provided in Section 3.5, the circumstances under which any such exchange may occur;

(28) if Securities in temporary global form are issued, any special terms and conditions for payments thereon and for exchanges or transfers of beneficial interests therein;

(29) the terms and conditions of any obligation or right on the part of the Company, or any option on the part of the Holders, to convert or exchange Securities of the series into other securities, cash or property of the Company or

any other Person, and any changes to this Indenture to permit or facilitate such conversion or exchange;

(30) if the Securities of the series will be governed by, and the extent to which such Securities will be governed by, any law other than the laws of the state of New York;

(31) whether the Guarantor will guarantee the obligations of the Company under the Securities of such series and if so, the specific form of such Guarantee or Guarantees, any related modifications, amendments, supplements or deletions of any of the terms of this Indenture, and a statement that the Guarantor shall be an "obligor" as such term is defined in and solely for purposes of the Trust Indenture Act and shall be required to comply with those provisions of this Indenture compliance with which is required by an "obligor" under the Trust Indenture Act; and

(32) any other terms of the series or any related Guarantee (which terms shall not be inconsistent with the provisions of the Trust Indenture Act, but may modify, amend, supplement or delete any of the terms of this Indenture with respect to such series), including any terms which may be required by or advisable under United States laws or regulations or advisable (as determined by the Company) in connection with the marketing of Securities of the series;

provided, that if the Guarantor will guarantee the obligations of the Company under the Securities of a series, such matters shall be established in one or more indenture supplements hereto to which the Company, the Guarantor and the Trustee shall be a party.

(b) The terms applicable to the Securities of any one series and coupons, if any, appertaining to any Bearer Securities of such series need not be identical but may vary as may be provided (i) by a Board Resolution, (ii) by action taken pursuant to a Board Resolution and (subject to Section 3.3) set forth, or determined in the manner provided, in the related Officers' Certificate or (iii) in an indenture supplemental hereto. All Securities of any one series need not be issued at the same time and, unless otherwise provided, a series may be reopened, without the consent of the Holders, for issuances of additional Securities of such series.

(c) If any of the terms of the Securities of any series are established by action taken pursuant to a Board Resolution, a copy of such Board Resolution shall be certified by the Corporate Secretary or an Assistant Secretary of the Company and delivered to the Trustee at or prior to the delivery of the Officers' Certificate setting forth, or providing the manner for determining, the terms of the Securities of such series, and an appropriate record of any action taken pursuant thereto in connection with the issuance of any

Securities of such series shall be delivered to the Trustee prior to the authentication and delivery thereof.

Section 3.2. Denominations. Unless otherwise provided as contemplated by Section 3.1, any Registered Securities of a series shall be issuable in denominations of \$1,000 and any integral multiple thereof and any Bearer Securities of a series shall be issuable in the denomination of \$5,000 and any integral multiple thereof.

Section 3.3. Execution, Authentication, Delivery and Dating. Securities shall be executed on behalf of the Company by the Chairman of the Board, the Vice Chairman of the Board of Directors, the President, any Executive Vice President, any Senior Vice President or any Vice President. The Company's seal shall be reproduced (which may be via facsimile) on the Securities and shall be attested by the Corporate Secretary or any Assistant Secretary. The signatures of any of these officers on the Securities may be manual or facsimile. The coupons, if any, of Bearer Securities shall bear the facsimile signature of the Chairman of the Board, the Vice Chairman of the Board of Directors, the President, any Executive Vice President, any Senior Vice President, any Vice President, the Treasurer or any Assistant Treasurer of the Company.

Securities and coupons bearing the manual or facsimile signatures of individuals who were at any time the proper officers of the Company shall bind the Company, notwithstanding that such individuals or any of them have ceased to hold such offices prior to the authentication and delivery of such Securities or did not hold such offices at the date of such Securities.

At any time and from time to time, the Company may deliver Securities, together with any coupons appertaining thereto, of any series executed by the Company to the Trustee for authentication, together with a Company Order for the authentication and delivery of such Securities, and the Trustee in accordance with the Company Order shall authenticate and deliver such Securities; provided, however, that in the case of Securities offered in a Periodic Offering, the Trustee shall authenticate and deliver such Securities from time to time in accordance with such other procedures (including, without limitation, the receipt by the Trustee of electronic instructions from the Company or its duly authorized agents, promptly confirmed in writing) acceptable to the Trustee as may be specified by or pursuant to a Company Order delivered to the Trustee prior to the time of the first authentication of Securities of such series.

If the form or terms of the Securities of a series have been established by or pursuant to one or more Board Resolutions as permitted by Sections 2.1 and 3.1, in authenticating such Securities and accepting the additional responsibilities under this Indenture in relation to such Securities, the Trustee shall be entitled to receive, and (subject to section 315(a) through (d) of the Trust Indenture Act) shall be fully protected in relying upon, an Opinion of Counsel substantially to the effect that,

(1) if the forms of such Securities and any coupons have been established by or pursuant to a Board Resolution as permitted by Section 2.1, such forms have been established in conformity with the provisions of this Indenture;

(2) if the terms of such Securities and any coupons have been established by or pursuant to a Board Resolution as permitted by Section 3.1, such terms have been, or in the case of Securities of a series offered in a Periodic Offering, will be, established in conformity with the provisions of this Indenture, subject in the case of Securities offered in a Periodic Offering, to any conditions specified in such Opinion of Counsel; and

(3) such Securities together with any coupons appertaining thereto, when authenticated and delivered by the Trustee and issued by the Company in the manner and subject to any conditions specified in such Opinion of Counsel, will constitute legal, valid and binding obligations of the Company, enforceable in accordance with their terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other similar laws of general applicability relating to or affecting the enforcement of creditors' rights and to general equity principles and except as may be further limited by or subject to certain exceptions and qualifications specified in such Opinion of Counsel, including in the case of any Securities denominated in a Foreign Currency, (A) requirements that a claim with respect to any Securities denominated other than in Dollars (or a foreign currency or foreign composite currency or currency unit judgment in respect of such claim) be converted into Dollars at a rate of exchange prevailing on a date determined pursuant to applicable law or (B) governmental authority to limit, delay or prohibit the making of payments in foreign currency or currency units or payments outside the United States.

Notwithstanding that such form or terms have been so established, the Trustee shall have the right but not the obligation to decline to authenticate such Securities if, in the written opinion of counsel to the Trustee (which counsel may be an employee of the Trustee) reasonably acceptable to the Company, the issue of such Securities pursuant to this Indenture will adversely affect the Trustee's own rights, duties or immunities under this Indenture or otherwise in a manner which is not reasonably acceptable to the Trustee. Notwithstanding the generality of the foregoing, the Trustee will not be required to authenticate Securities denominated in a Foreign Currency if the Trustee reasonably believes that it would be unable to perform its duties with respect to such Securities.

Notwithstanding the provisions of Section 3.1 and of the two preceding paragraphs, if all of the Securities of any series are not to be issued at one time, it shall not be necessary to deliver the Officers' Certificate otherwise required pursuant to Section 3.1 or the Company Order and Opinion of Counsel otherwise required pursuant to the two preceding paragraphs in connection with the authentication of each Security of

such series if such documents, with appropriate modifications to cover such future issuances, are delivered at or prior to the authentication upon original issuance of the first Security of such series to be issued.

With respect to Securities of a series offered in a Periodic Offering, the Trustee may rely, as to the authorization by the Company of any of such Securities, the form and terms thereof and the legality, validity, binding effect and enforceability thereof, upon the Opinion of Counsel and the other documents delivered pursuant to Sections 2.1 and 3.1 and this Section, as applicable, in connection with the first authentication of Securities of such series.

If the Company shall establish pursuant to Section 3.1 that the Securities of a series are to be issued in whole or in part in global form, then, unless otherwise provided with respect to such Securities pursuant to Section 3.1, the Company shall execute and the Trustee shall, in accordance with this Section and the Company Order with respect to such series, authenticate and deliver one or more Securities in global form that (i) shall represent and shall be denominated in an amount equal to the aggregate principal amount of the Outstanding Securities of such series to be represented by such Security or Securities in global form, (ii) shall be registered, if a Registered Security, in the name of the Depository for such Security or Securities in global form or the nominee of such Depository, (iii) shall be delivered by the Trustee to such Depository or pursuant to such Depository's instruction and (iv) shall bear the legend set forth in Section 2.4.

Unless otherwise established pursuant to Section 3.1, each Depository designated pursuant to Section 3.1 for a Registered Security in global form must, at the time of its designation and at all times while it serves as Depository, be a clearing agency registered under the Securities Exchange Act of 1934 and any other applicable statute or regulation. Neither the Company nor the Trustee shall have any responsibility to determine if the Depository is so registered.

Each Depository shall enter into an agreement with the Trustee governing the respective duties and rights of such Depository and the Trustee with regard to Securities issued in global form.

Each Registered Security shall be dated the date of its authentication and each Bearer Security shall be dated as of the date specified as contemplated by Section 3.1.

No Security or coupon appertaining thereto shall be entitled to any benefits under this Indenture or be valid or obligatory for any purpose until authenticated by the manual signature of one of the authorized signatories of the Trustee or an Authenticating Agent and no coupon shall be valid until the Security to which it appertains has been so authenticated. Such signature upon any Security shall be conclusive evidence, and the only evidence, that such Security has been duly authenticated and delivered under this

Indenture and is entitled to the benefits of this Indenture. Except as permitted by Section 3.6 or 3.7, the Trustee shall not authenticate and deliver any Bearer Security unless all appurtenant coupons for interest then matured have been detached and cancelled.

Notwithstanding the foregoing, if any Security shall have been authenticated and delivered hereunder but never issued and sold by the Company, and the Company shall deliver such Security to the Trustee for cancellation as provided in Section 3.9 together with a written statement (which need not comply with Section 1.2 and need not be accompanied by an Opinion of Counsel) stating that such Security has never been issued and sold by the Company, for all purposes of this Indenture such Security shall be deemed never to have been authenticated and delivered hereunder and shall not be entitled to the benefits of this Indenture.

Section 3.4. Temporary Securities. Pending the preparation of definitive Securities of any series, the Company may execute and, upon Company Order, the Trustee shall authenticate and deliver temporary Securities of such series which are printed, lithographed, typewritten, mimeographed or otherwise produced, in any authorized denomination, substantially of the tenor and form, with or without coupons, 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 and coupons, if any. In the case of Securities of any series, all or a portion of such temporary Securities may be in global form.

Except in the case of temporary Securities in global form, each of which shall be exchanged in accordance with the provisions thereof, if temporary Securities of any series are issued, the Company will cause definitive Securities of such series to be prepared without unreasonable delay. After preparation of definitive Securities of such series, the temporary Securities of such series shall be exchangeable for definitive Securities of such series upon surrender of the temporary Securities of such series at the office or agency of the Company pursuant to Section 9.2 in a Place of Payment for such series, without charge to the Holder. Upon surrender for cancellation of any one or more temporary Securities of any series (accompanied by any unmatured coupons appertaining thereto), the Company shall execute and the Trustee shall authenticate and deliver in exchange therefor a like principal amount of definitive Securities of the same series of authorized denominations and of like tenor; provided, however, that no definitive Bearer Security shall be delivered in exchange for a temporary Registered Security; and provided, further, that no definitive Bearer Security shall be delivered in exchange for a temporary Bearer Security unless the Trustee shall have received from the person entitled to receive the definitive Bearer Security a certificate substantially in the form approved in or pursuant to the Board Resolutions relating thereto and such delivery shall occur only outside the United States. Until so exchanged, the temporary Securities of any series

shall in all respects be entitled to the same benefits under this Indenture as definitive Securities of such series except as otherwise specified as contemplated by Section 3.1.

Section 3.5. Registration, Transfer and Exchange. The Company shall cause to be kept at the Corporate Trust Office of the Trustee or in any office or agency to be maintained by the Company in accordance with Section 9.2 in a Place of Payment or in such other place or medium as may be specified pursuant to Section 3.1 a register (the "Register") in which, subject to such reasonable regulations as it may prescribe, the Company shall provide for the registration of Registered Securities and the registration of transfers of Registered Securities. The Register shall be in written form or any other form capable of being converted into written form within a reasonable time. Unless otherwise provided as contemplated by Section 3.1, the Trustee is hereby appointed "Registrar" for the purpose of registering Registered Securities and transfers of Registered Securities as herein provided.

Upon surrender for registration of transfer of any Registered Security of any series at the office or agency maintained pursuant to Section 9.2 in a Place of Payment for that series, the Company shall execute, and the Trustee shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Registered Securities of the same series, of any authorized denominations and of a like aggregate principal amount.

Unless otherwise provided with respect to any Securities pursuant to Section 3.1, Bearer Securities (except for any temporary global Bearer Securities) or any coupons appertaining thereto (except for coupons attached to any temporary global Bearer Security) shall be transferable by delivery.

Unless otherwise provided as contemplated by Section 3.1, at the option of the Holder, Registered Securities of any series (except a Registered Security in global form) may be exchanged for other Registered Securities of the same series, of any authorized denominations and of a like aggregate principal amount containing identical terms and provisions, upon surrender of the Registered Securities to be exchanged at such office or agency. Whenever any Registered Securities are so surrendered for exchange, the Company shall execute, and the Trustee shall authenticate and deliver, the Registered Securities which the Holder making the exchange is entitled to receive. Unless otherwise specified as contemplated by Section 3.1, Bearer Securities may not be issued in exchange for Registered Securities.

Unless otherwise specified as contemplated by Section 3.1, at the option of the Holder, Bearer Securities of such series may be exchanged for Registered Securities (if the Securities of such series are issuable in registered form) or Bearer Securities (if Bearer Securities of such series are issuable in more than one denomination and such exchanges are permitted by such series) of the same series, of any authorized

denominations and of like tenor and aggregate principal amount, upon surrender of the Bearer Securities to be exchanged at any such office or agency, with all unmatured coupons and all matured coupons in default thereto appertaining. If the Holder of a Bearer Security is unable to produce any such unmatured coupon or coupons or matured coupon or coupons in default, such exchange may be effected if the Bearer Securities are accompanied by payment in funds acceptable to the Company and the Trustee in an amount equal to the face amount of such missing coupon or coupons, or the surrender of such missing coupon or coupons may be waived by the Company and the Trustee if there be furnished to them such security or indemnity as they may require to save each of them and any Paying Agent harmless. If thereafter the Holder of such Security shall surrender to any Paying Agent any such missing coupon in respect of which such a payment shall have been made, such Holder shall be entitled to receive the amount of such payment; provided, however, that, except as otherwise provided in Section 9.2, interest represented by coupons shall be payable only upon presentation and surrender of those coupons at an office or agency located outside the United States. Notwithstanding the foregoing, in case any Bearer Security of any series is surrendered at any such office or agency in exchange for a Registered Security of the same series after the close of business at such office or agency on (i) any Regular Record Date and before the opening of business at such office or agency on the relevant Interest Payment Date, or (ii) any Special Record Date and before the opening of business at such office or agency on the related date for payment of Defaulted Interest, such Bearer Security shall be surrendered without the coupon relating to such Interest Payment Date or proposed date of payment, as the case may be (or, if such coupon is so surrendered with such Bearer Security, such coupon shall be returned to the person so surrendering the Bearer Security), and interest or Defaulted Interest, as the case may be, will not be payable on such Interest Payment Date or proposed date for payment, as the case may be, in respect of the Registered Security issued in exchange for such Bearer Security, but will be payable only to the Holder of such coupon, when due in accordance with the provisions of this Indenture.

Unless otherwise specified pursuant to Section 3.1 with respect to a series of Securities or as otherwise provided below in this Section 3.5, owners of beneficial interests in Securities of such series represented by a Security issued in global form will not be entitled to have Securities of such series registered in their names, will not receive or be entitled to receive physical delivery of Securities of such series in certificated form and will not be considered the Holders or owners thereof for any purposes hereunder. Notwithstanding any other provision of this Section, unless and until it is exchanged in whole or in part for Securities in certificated form in the circumstances described below, a Security in global form representing all or a portion of the Securities of a series may not be transferred or exchanged except as a whole by the Depositary for such series to a nominee of such Depositary or by a nominee of such Depositary to such Depositary or another nominee of such Depositary or by such Depositary or any such nominee to a successor Depositary for such series or a nominee of such successor Depositary.

If at any time the Depositary for the Securities of a series notifies the Company that it is unwilling or unable to continue as Depositary for the Securities of such series or if at any time the Depositary for the Securities of such series notifies the Company that it shall no longer be eligible under Section 3.3, the Company shall appoint a successor Depositary with respect to the Securities of such series. Unless otherwise provided as contemplated by Section 3.1, if a successor Depositary for the Securities of such series is not appointed by the Company within 90 days after the Company receives such notice or becomes aware of such ineligibility, the Company's election pursuant to Section 3.1(b) (27) shall no longer be effective with respect to the Securities of such series and the Company shall execute, and the Trustee, upon receipt of a Company Order for the authentication and delivery of certificated Securities of such series of like tenor, shall authenticate and deliver, Securities of such series of like tenor in certificated form, in authorized denominations and in an aggregate principal amount equal to the principal amount of the Security or Securities of such series of like tenor in global form in exchange for such Security or Securities in global form.

The Company may at any time in its sole discretion determine that Securities of a series issued in global form shall no longer be represented by such a Security or Securities in global form. In such event the Company shall execute, and the Trustee, upon receipt of a Company Order for the authentication and delivery of certificated Securities of such series of like tenor, shall authenticate and deliver, Securities of such series of like tenor in certificated form, in authorized denominations and in an aggregate principal amount equal to the principal amount of the Security or Securities of such series of like tenor in global form in exchange for such Security or Securities in global form.

If specified by the Company pursuant to Section 3.1 with respect to a series of Securities, the Depositary for such series may surrender a Security in global form of such series in exchange in whole or in part for Securities of such series in certificated form on such terms as are acceptable to the Company and such Depositary. Thereupon, the Company shall execute, and the Trustee shall authenticate and deliver, without service charge,

(i) to each Person specified by such Depositary a new certificated Security or Securities of the same series of like tenor, of any authorized denomination as requested by such Person in aggregate principal amount equal to and in exchange for such Person's beneficial interest in the Security in global form; and

(ii) to such Depositary a new Security in global form of like tenor in a denomination equal to the difference, if any, between the principal amount of the surrendered Security in global form and the aggregate principal amount of certificated Securities delivered to Holders thereof.

Upon the exchange of a Security in global form for Securities in certificated form, such Security in global form shall be cancelled by the Trustee. Unless expressly provided with respect to the Securities of any series that such Security may be exchanged for Bearer Securities, Securities in certificated form issued in exchange for a Security in global form pursuant to this Section shall be registered in such names and in such authorized denominations as the Depositary for such Security in global form, pursuant to instructions from its direct or indirect participants or otherwise, shall instruct the Trustee. The Trustee shall deliver such Securities to the Persons in whose names such Securities are so registered.

Whenever any Securities are surrendered for exchange, the Company shall execute, and the Trustee shall authenticate and deliver, the Securities which the Holder making the exchange is entitled to receive.

All Securities issued upon any registration of transfer or upon any exchange of Securities shall be the valid obligations of the Company, evidencing the same debt, and entitled to the same benefits under this Indenture, as the Securities surrendered upon such registration of transfer or exchange.

Every Registered Security presented or surrendered for registration of transfer or for exchange shall (if so required by the Company, the Registrar or the Trustee) be duly endorsed, or be accompanied by a written instrument of transfer in form satisfactory to the Company, the Registrar and the Trustee duly executed by the Holder thereof or his attorney duly authorized in writing.

Unless otherwise provided as contemplated by Section 3.1, no service charge shall be made for any registration of transfer or for any exchange of Securities, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any registration of transfer or exchange of Securities, other than exchanges pursuant to Section 3.4 or 10.7 not involving any transfer.

Unless otherwise provided as contemplated by Section 3.1, the Company shall not be required (i) to issue, register the transfer of, or exchange any Securities for a period beginning at the opening of business 15 days before any selection for redemption of Securities of like tenor and of the series of which such Security is a part and ending at the close of business on the earliest date on which the relevant notice of redemption is deemed to have been given to all Holders of Securities of like tenor and of such series to be redeemed; (ii) to register the transfer of or exchange any Registered Security so selected for redemption, in whole or in part, except the unredeemed portion of any Security being redeemed in part; or (iii) to exchange any Bearer Security so selected for redemption, except that such a Bearer Security may be exchanged for a Registered

Security of that series and like tenor; provided that such Registered Security shall be simultaneously surrendered for redemption.

Section 3.6. Replacement Securities. If a mutilated Security or a Security with a mutilated coupon appertaining to it is surrendered to the Trustee, together with, in proper cases, such security or indemnity as may be required by the Company or the Trustee to save each of them harmless, the Company shall execute and the Trustee shall authenticate and deliver a replacement Registered Security, if such surrendered Security was a Registered Security, or a replacement Bearer Security with coupons corresponding to the coupons appertaining to the surrendered Security, if such surrendered Security was a Bearer Security, of the same series and date of maturity, if the Trustee's requirements are met.

If there shall be delivered to the Company and the Trustee (i) evidence to their satisfaction of the destruction, loss or theft of any Security or Security with a destroyed, lost or stolen coupon and (ii) such security or indemnity as may be required by them to save each of them and any agent of either of them harmless, then, in the absence of proof satisfactory to the Company or the Trustee that such Security or coupon has been acquired by a bona fide purchaser, the Company shall execute and the Trustee shall authenticate and deliver in lieu of any such destroyed, lost or stolen Security or in exchange for the Security to which a destroyed, lost or stolen coupon appertains (with all appurtenant coupons not destroyed, lost or stolen), a replacement Registered Security, if such Holder's claim appertains to a Registered Security, or a replacement Bearer Security with coupons corresponding to the coupons appertaining to the destroyed, lost or stolen Bearer Security or the Bearer Security to which such lost, destroyed or stolen coupon appertains, if such Holder's claim appertains to a Bearer Security, of the same series and principal amount, containing identical terms and provisions and bearing a number not contemporaneously outstanding with coupons corresponding to the coupons, if any, appertaining to the destroyed, lost or stolen Security.

In case any such mutilated, destroyed, lost or stolen Security or coupon has become or is about to become due and payable, the Company in its discretion may, instead of issuing a new Security or coupon, pay such Security or coupon; provided, however, that payment of principal of and any premium or interest on Bearer Securities shall, except as otherwise provided in Section 9.2, be payable only at an office or agency located outside the United States and, unless otherwise specified as contemplated by Section 3.1, any interest on Bearer Securities shall be payable only upon presentation and surrender of the coupons appertaining thereto.

Upon the issuance of any new Security 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 of any series with its coupons, if any, issued pursuant to this Section in lieu of any destroyed, lost or stolen Security, or in exchange for a Security to which a destroyed, lost or stolen coupon appertains, shall constitute an original additional contractual obligation of the Company, whether or not the destroyed, lost or stolen Security and its coupon, if any, or the destroyed, lost or stolen coupon, shall be at any time enforceable by anyone, and shall be entitled to all the benefits of this Indenture equally and proportionately with any and all other Securities of that series and their coupons, if any, duly issued hereunder.

Unless otherwise provided as contemplated by Section 3.1, 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 or coupons.

Section 3.6. Payment of Interest; Interest Rights Preserved. Unless otherwise provided as contemplated by Section 3.1, interest, if any, on any Registered Security which is payable, and is punctually paid or duly provided for, on any Interest Payment Date shall be paid to the Person in whose name that Security (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest at the office or agency maintained for such purpose pursuant to 9.2; provided, however, that at the option of the Company, interest on any series of Registered Securities that bear interest may be paid (i) by check mailed to the address of the Person entitled thereto as it shall appear on the Register of Holders of Securities of such series or (ii) by wire transfer to an account maintained by the Person entitled thereto as specified in the Register of Holders of Securities of such series.

Unless otherwise provided as contemplated by Section 3.1, (A) (i) interest, if any, on Bearer Securities shall be paid only against presentation and surrender of the coupons for such interest installments as are evidenced thereby as they mature and (ii) principal, original issue discount, if any, and premium, if any, on Bearer Securities shall be paid only against presentation and surrender of such Securities; in either case at the office of a Paying Agent located outside the United States, unless the Company shall have otherwise instructed the Trustee in writing, provided that any such instruction for payment in the United States does not cause any Bearer Security to be treated as a "registration-required obligation" under United States laws and regulations; (B) the interest, if any, on any temporary Bearer Security shall be paid, as to any installment of interest evidenced by a coupon attached thereto only upon presentation and surrender of such coupon as provided in clause (A) above and, as to other installments of interest, only upon presentation of such Security for notation thereon of the payment of such interest; and (C) if at the time a payment of principal of, premium, if any, or interest, if any, on a Bearer Security or coupon shall become due, the payment of the full amount so payable at the office or offices of all the Paying Agents outside the United States is illegal or effectively precluded because of the imposition of exchange controls or other similar restrictions on

the payment of such amount in Dollars, then the Company may instruct the Trustee to make such payment at a Paying Agent located in the United States, provided that provision for such payment in the United States would not cause such Bearer Security to be treated as a "registration-required obligation" under United States laws and regulations.

(a) Unless otherwise provided as contemplated by Section 3.1, any interest on any Registered Security of any series which is payable, but is not punctually paid or duly provided for, on any interest payment date (herein called "Defaulted Interest") shall forthwith cease to be payable to the Holder 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 such Registered Securities of such series (or their respective Predecessor 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 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 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 (1) provided. Thereupon the Trustee shall fix a 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 such Registered Securities of such series at his address as it appears in the Register, 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 so mailed, such Defaulted Interest shall be paid to the Persons in whose names such Registered Securities of such series (or their respective Predecessor 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 to the Persons in whose names such Registered Securities of such series (or their respective Predecessor Securities) are registered at the close of business on a specified date in any other lawful manner not inconsistent with the requirements

of any securities exchange on which such Registered 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 (2), such manner of payment shall be deemed practicable by the Trustee.

(b) Subject to the foregoing provisions of this Section and Section 3.5, 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, which were carried by such other Security.

Section 3.8. Persons Deemed Owners. Prior to due presentment of any Registered 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 Registered Security is registered as the owner of such Registered Security for the purpose of receiving payment of principal of, premium, if any, and (subject to Section 3.7) interest and any other payments on such Registered Security and for all other purposes whatsoever, whether or not such Registered Security shall 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.

The Company, the Trustee and any agent of the Company or the Trustee may treat the bearer of any Bearer Security and the bearer of any coupon as the absolute owner of such Bearer Security or coupon for the purpose of receiving payment thereof or on account thereof and for all other purposes whatsoever, whether or not such Bearer Security or coupon 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.

None of the Company, the Trustee or any agent of the Company or the Trustee shall have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests of a Security in global form, or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests. Notwithstanding the foregoing, with respect to any Security in global form, nothing herein shall prevent the Company or the Trustee, or any agent of the Company or the Trustee, from giving effect to any written certification, proxy or other authorization furnished by any Depositary (or its nominee), as a Holder, with respect to such Security in global form or impair, as between such Depositary and owners of beneficial interests in such Security in global form, the operation of customary practices governing the exercise of the rights of such Depositary (or its nominee) as Holder of such Security in global form.

Unless otherwise provided with respect to any Securities pursuant to Section 3.1, the Company, the Guarantor, any other obligor upon any Securities and any Affiliate of

any thereof may acquire, tender for, purchase, own, hold, become the pledgee of and otherwise deal with any Securities.

Section 3.9. Cancellation. The Company at any time may deliver Securities and coupons to the Trustee for cancellation. The Registrar and any Paying Agent shall forward to the Trustee any Securities and coupons surrendered to them for replacement, for registration of transfer, or for exchange or payment. The Trustee shall cancel all Securities and coupons surrendered for replacement, for registration of transfer, or for exchange, payment, redemption or cancellation and shall dispose of such cancelled Securities in its customary manner. The Company may not issue new Securities to replace Securities that it has paid or delivered to the Trustee for cancellation.

Section 3.10. Computation of Interest. Except as otherwise specified as contemplated by Section 3.1, interest on the Securities of each series shall be computed on the basis of a 360-day year of twelve 30-day months.

Section 3.11. Currency and Manner of Payment in Respect of Securities. Unless otherwise specified with respect to any Securities pursuant to Section 3.1, with respect to Registered Securities of any series not permitting the election provided for in paragraph (b) below or the Holders of which have not made the election provided for in paragraph (b) below, and with respect to Bearer Securities of any series, except as provided in paragraph (d) below, payment of the principal of, premium, if any, interest, if any, and other amounts, if any, on any Registered Security or Bearer Security of such series will be made in the currency or currencies or currency unit or units in which such Registered Security or Bearer Security, as the case may be, is payable. The provisions of this Section 3.11, including, without limitation, any defined terms specified herein, may be modified or superseded in whole or in part pursuant to Section 3.1 with respect to any Securities.

(a) It may be provided pursuant to Section 3.1, with respect to Registered Securities of any series, that Holders shall have the option, subject to paragraphs (d) and (e) below, to receive payments of principal of, premium, if any, or interest, if any, on such Registered Securities in any of the currencies or currency units which may be designated for such election by delivering to the Trustee (or the applicable Paying Agent) a written election with signature guarantees and in the applicable form established pursuant to Section 3.1, not later than the close of business on the Election Date immediately preceding the applicable payment date. If a Holder so elects to receive such payments in any such currency or currency unit, such election will remain in effect for such Holder or any transferee of such Holder until changed by such Holder or such transferee by written notice to the Trustee (or any applicable Paying Agent) for such series of Registered Securities (but any such change must be made not later than the close of business on the Election Date immediately preceding the next payment date to be effective for the payment to be made on such payment date, and no such change of

election may be made with respect to payments to be made on any Registered Security of such series with respect to which an Event of Default has occurred or with respect to which the Company has deposited funds pursuant to Article IV or with respect to which a notice of redemption has been given by or on behalf of the Company). Any Holder of any such Registered Security who shall not have delivered any such election to the Trustee (or any applicable Paying Agent) not later than the close of business on the applicable Election Date will be paid the amount due on the applicable payment date in the relevant currency or currency unit as provided in Section 3.11(a). The Trustee (or the applicable Paying Agent) shall notify the Company and the Exchange Rate Agent as soon as practicable after the Election Date of the aggregate principal amount of Registered Securities for which Holders have made such written election.

(b) If the election referred to in paragraph (b) above has been provided for with respect to any Registered Securities of a series pursuant to Section 3.1, then, unless otherwise specified pursuant to Section 3.1 with respect to any such Registered Securities, not later than the fourth Business Day after the Election Date for each payment date for such Registered Securities, the Exchange Rate Agent will deliver to the Company a written notice specifying, in the currency or currencies or currency unit or units in which Registered Securities of such series are payable, the respective aggregate amounts of principal of, premium, if any, and interest, if any, on such Registered Securities to be paid on such payment date, and specifying the amounts in such currency or currencies or currency unit or units so payable in respect of such Registered Securities as to which the Holders of Registered Securities denominated in any currency or currencies or currency unit or units shall have elected to be paid in another currency or currency unit as provided in paragraph (b) above. If the election referred to in paragraph (b) above has been provided for with respect to any Registered Securities of a series pursuant to Section 3.1, and if at least one Holder has made such election, then, unless otherwise specified pursuant to Section 3.1, on the second Business Day preceding such payment date the Company will deliver to the Trustee (or the applicable Paying Agent) an Exchange Rate Officers' Certificate in respect of the Dollar, Foreign Currency or Currencies or other currency unit payments to be made on such payment date. Unless otherwise specified pursuant to Section 3.1, the Dollar, Foreign Currency or Currencies or other currency unit amount receivable by Holders of Registered Securities who have elected payment in a currency or currency unit as provided in paragraph (b) above shall be determined by the Company on the basis of the applicable Market Exchange Rate in effect on the second Business Day (the "Valuation Date") immediately preceding each payment date, and such determination shall be conclusive and binding for all purposes, absent manifest error.

(c) If a Conversion Event occurs with respect to a Foreign Currency or any other currency unit in which any of the Securities are denominated or payable otherwise than pursuant to an election provided for pursuant to paragraph (b) above, then, unless otherwise specified pursuant to Section 3.1, with respect to each date for the payment of

principal of, premium, if any, and interest, if any, on the applicable Securities denominated or payable in such Foreign Currency or such other currency unit occurring after the last date on which such Foreign Currency or such other currency unit was used (the "Conversion Date"), the Dollar shall be the currency of payment for use on each such payment date (but such Foreign Currency or such other currency unit that was previously the currency of payment shall, at the Company's election, resume being the currency of payment on the first such payment date preceded by 15 Business Days during which the circumstances which gave rise to the Dollar becoming such currency of payment no longer prevail). Unless otherwise specified pursuant to Section 3.1, the Dollar amount to be paid by the Company to the Trustee or any applicable Paying Agent and by the Trustee or any applicable Paying Agent to the Holders of such Securities with respect to such payment date shall be, in the case of a Foreign Currency other than a currency unit, the Dollar Equivalent of the Foreign Currency or, in the case of a Foreign Currency that is a currency unit, the Dollar Equivalent of the Currency Unit, in each case as determined by the Exchange Rate Agent in the manner provided in paragraph (f) or (g) below.

(d) Unless otherwise specified pursuant to Section 3.1, if the Holder of a Registered Security denominated in any currency or currency unit shall have elected to be paid in another currency or currency unit or in other currencies as provided in paragraph (b) above, and (i) a Conversion Event occurs with respect to any such elected currency or currency unit, such Holder shall receive payment in the currency or currency unit in which payment would have been made in the absence of such election and (ii) if a Conversion Event occurs with respect to the currency or currency unit in which payment would have been made in the absence of such election, such Holder shall receive payment in Dollars as provided in paragraph (d) of this Section 3.11 (but, subject to any contravening valid election pursuant to paragraph (b) above, the elected payment currency or currency unit, in the case of the circumstances described in clause (i) above, or the payment currency or currency unit in the absence of such election, in the case of the circumstances described in clause (ii) above, shall, at the Company's election, resume being the currency or currency unit of payment with respect to Holders who have so elected, but only with respect to payments on payment dates preceded by 15 Business Days during which the circumstances which gave rise to such currency or currency unit, in the case of the circumstances described in clause (i) above, or the Dollar, in the case of the circumstances described in clause (ii) above, becoming the currency or currency unit, as applicable, of payment, no longer prevail).

(e) The "Dollar Equivalent of the Foreign Currency" shall be determined by the Exchange Rate Agent and shall be obtained for each subsequent payment date by the Exchange Rate Agent by converting the specified Foreign Currency into Dollars at the Market Exchange Rate on the Conversion Date.

(f) The "Dollar Equivalent of the Currency Unit" shall be determined by the Exchange Rate Agent and, subject to the provisions of paragraph (h) below, shall be the sum of each amount obtained by converting the Specified Amount of each Component Currency (as each such term is defined in paragraph (h) below) into Dollars at the Market Exchange Rate for such Component Currency on the Valuation Date with respect to each payment.

(g) For purposes of this Section 3.11, the following terms shall have the following meanings:

A "Component Currency" shall mean any currency which, on the Conversion Date, was a component currency of the relevant currency unit.

"Conversion Event" shall mean the cessation of use of (i) a Foreign Currency both by the government of the country which issued such currency and for the settlement of transactions by a central bank or other public institutions of or within the international banking community, or (ii) any currency unit for the purposes for which it was established.

"Election Date" shall mean the Regular Record Date for the applicable series of Registered Securities as specified pursuant to Section 3.1 by which the written election referred to in Section 3.11(b) may be made.

"Euro" means the lawful currency of the participating member states of the European Union that adopt a single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union signed February 7, 1992.

"Exchange Rate Agent", when used with respect to Securities of or within any series, shall mean, unless otherwise specified with respect to any Securities pursuant to Section 3.1, a New York Clearing House bank designated pursuant to Section 3.1 or Section 3.12.

"Exchange Rate Officer's Certificate" shall mean a certificate setting forth (i) the applicable Market Exchange Rate or the applicable bid quotation and (ii) the Dollar or Foreign Currency amounts of principal (and premium, if any) and interest, if any (on an aggregate basis and on the basis of a Security having the lowest denomination principal amount in the relevant currency or currency unit), payable with respect to a Security of any series on the basis of such Market Exchange Rate or the applicable bid quotation, signed by the Chairman of the Board, the Vice Chairman of the Board of Directors, the President, the Chief Financial Officer, any Executive Vice President, any Senior Vice President, any Vice President, the Treasurer or any Assistant Treasurer of the Company.

"Foreign Currency" shall mean any currency issued by the government or governments of one or more countries other than the United States or by any recognized confederation or association of such governments and shall include the Euro.

"Market Exchange Rate" shall mean, unless otherwise specified with respect to any Securities pursuant to Section 3.1, as of any date of determination, (i) for any conversion involving a currency unit on the one hand and Dollars or any Foreign Currency on the other, the exchange rate between the relevant currency unit and Dollars or such Foreign Currency calculated by the method specified pursuant to Section 3.1 for the Securities of the relevant series, (ii) for any conversion of Dollars into any Foreign Currency, the noon buying rate for such Foreign Currency for cable transfers quoted in New York City as certified for customs purposes by the Federal Reserve Bank of New York and (iii) for any conversion of one Foreign Currency into Dollars or another Foreign Currency, the spot rate at noon local time in the relevant market at which, in accordance with normal banking procedures, the Dollars or Foreign Currency into which conversion is being made could be purchased with the Foreign Currency from which conversion is being made from major banks located in New York City, London or any other principal market for Dollars or such purchased Foreign Currency, in each case determined by the Exchange Rate Agent. Unless otherwise specified with respect to any Securities pursuant to Section 3.1, in the event of the unavailability of any of the exchange rates provided for in the foregoing clauses (i), (ii) and (iii), the Exchange Rate Agent shall use, in its sole discretion and without liability on its part, such quotation of the Federal Reserve Bank of New York as of the most recent available date, or quotations from one or more major banks in New York City, London or other principal market for such currency or currency unit in question (which may include any such bank acting as Trustee under this Indenture), or such other quotations as the Exchange Rate Agent shall deem appropriate. Unless otherwise specified by the Exchange Rate Agent, if there is more than one market for dealing in any currency or currency unit by reason of foreign exchange regulations or otherwise, the market to be used in respect of such currency or currency unit shall be that upon which a nonresident issuer of securities designated in such currency or currency unit would purchase such currency or currency unit in order to make payments in respect of such securities.

A "Specified Amount" of a Component Currency shall mean the number of units of such Component Currency or fractions thereof which such Component Currency represented in the relevant currency unit on the Conversion Date. If after the Conversion Date the official unit of any Component Currency is altered by way of combination or subdivision, the Specified Amount of such Component Currency shall be divided or multiplied in the same proportion. If after the Conversion Date two or more Component Currencies are consolidated into a single currency, the respective Specified Amounts of such Component Currencies shall be replaced by an amount in such single currency equal to the sum of the respective Specified Amounts of such consolidated Component Currencies expressed in such single currency, and such amount shall thereafter be a

Specified Amount and such single currency shall thereafter be a Component Currency. If after the Conversion Date any Component Currency shall be divided into two or more currencies, the Specified Amount of such Component Currency shall be replaced by specified amounts of such two or more currencies, the sum of which, at the Market Exchange Rate of such two or more currencies on the date of such replacement, shall be equal to the Specified Amount of such former Component Currency and such amounts shall thereafter be Specified Amounts and such currencies shall thereafter be Component Currencies. If, after the Conversion Date of the relevant currency unit, a Conversion Event (other than any event referred to above in this definition of "Specified Amount") occurs with respect to any Component Currency of such currency unit and is continuing on the applicable Valuation Date, the Specified Amount of such Component Currency shall, for purposes of calculating the Dollar Equivalent of the Currency Unit, be converted into Dollars at the Market Exchange Rate in effect on the Conversion Date of such Component Currency.

All decisions and determinations of the Exchange Rate Agent regarding the Dollar Equivalent of the Foreign Currency, the Dollar Equivalent of the Currency Unit, the Market Exchange Rate and changes in the Specified Amounts as specified above shall be in its sole discretion and shall, in the absence of manifest error, be conclusive for all purposes and irrevocably binding upon the Company, the Trustee (and any applicable Paying Agent) and all Holders of Securities denominated or payable in the relevant currency, currencies or currency units. The Exchange Rate Agent shall promptly give written notice to the Company and the Trustee of any such decision or determination.

In the event that the Company determines in good faith that a Conversion Event has occurred with respect to a Foreign Currency, the Company will promptly give written notice thereof to the Trustee (or any applicable Paying Agent) and to the Exchange Rate Agent (and the Trustee (or such Paying Agent) will promptly thereafter give notice in the manner provided in Section 1.6 to the affected Holders) specifying the Conversion Date. In the event the Company so determines that a Conversion Event has occurred with respect to any currency unit in which Securities are denominated or payable, the Company will promptly give written notice thereof to the Trustee (or any applicable Paying Agent) and to the Exchange Rate Agent (and the Trustee (or such Paying Agent) will promptly thereafter give notice in the manner provided in Section 1.6 to the affected Holders) specifying the Conversion Date and the Specified Amount of each Component Currency on the Conversion Date. In the event the Company determines in good faith that any subsequent change in any Component Currency as set forth in the definition of Specified Amount above has occurred, the Company will similarly give written notice to the Trustee (or any applicable Paying Agent) and to the Exchange Rate Agent.

The Trustee of the appropriate series of Securities shall be fully justified and protected in relying and acting upon information received by it from the Company and the Exchange Rate Agent and shall not otherwise have any duty or obligation to

determine the accuracy or validity of such information independent of the Company or the Exchange Rate Agent.

Section 3.12. Appointment and Resignation of Exchange Rate Agent.

Unless otherwise specified pursuant to Section 3.1, if and so long as the Securities of any series (i) are denominated in a currency or currency unit other than Dollars or (ii) may be payable in a currency or currency unit other than Dollars, or so long as it is required under any other provision of this Indenture, then the Company will maintain with respect to each such series of Securities, or as so required, at least one Exchange Rate Agent. The Company will cause the Exchange Rate Agent to make the necessary foreign exchange determinations at the time and in the manner specified pursuant to Section 3.11 for the purpose of determining the applicable rate of exchange and, if applicable, for the purpose of converting the issued currency or currencies or currency unit or units into the applicable payment currency or currency unit for the payment of principal, premium, if any, and interest, if any, pursuant to Section 3.11.

(a) No resignation of the Exchange Rate Agent and no appointment of a successor Exchange Rate Agent pursuant to this Section shall become effective until the acceptance of appointment by the successor Exchange Rate Agent as evidenced by a written instrument delivered to the Company and the Trustee of the appropriate series of Securities accepting such appointment executed by the successor Exchange Rate Agent.

(b) If the Exchange Rate Agent shall resign, be removed or become incapable of acting, or if a vacancy shall occur in the office of the Exchange Rate Agent for any cause, with respect to the Securities of one or more series, the Company shall promptly appoint a successor Exchange Rate Agent or Exchange Rate Agents with respect to the Securities of that or those series (it being understood that any such successor Exchange Rate Agent may be appointed with respect to the Securities of one or more or all of such series and that, unless otherwise specified pursuant to Section 3.1, at any time there shall only be one Exchange Rate Agent with respect to the Securities of any particular series that are originally issued by the Company on the same date and that are initially denominated and/or payable in the same currency or currencies or currency unit or units).

Section 3.13. CUSIP Numbers. The Company in issuing Securities may use "CUSIP" numbers (if then generally in use), and if so, the Trustee may use the CUSIP numbers in notices of redemption or exchange as a convenience to Holders; provided, however, that any such notice may state that no representation is made as to the correctness or accuracy of the CUSIP number printed in the notice or on the Securities, that reliance may be placed only on the other identification numbers printed on the Securities, and any such redemption or exchange shall not be affected by any defect or omission of such CUSIP numbers. The Company will promptly notify the Trustee of any change in CUSIP numbers known to an Officer of the Company.

ARTICLE IV

SATISFACTION, DISCHARGE AND DEFEASANCE

Section 4.1. Termination of Company's Obligations Under the Indenture. This Indenture shall upon Company Request cease to be of further effect with respect to Securities of or within any series and any coupons appertaining thereto (except as to any surviving rights of registration of transfer or exchange of such Securities and replacement of such Securities which may have been lost, stolen or mutilated as herein expressly provided for) and the Trustee, at the expense of the Company, shall execute proper instruments acknowledging satisfaction and discharge of this Indenture with respect to such Securities and any coupons appertaining thereto when

(1) either

(A) all such Securities previously authenticated and delivered and all coupons appertaining thereto (other than (i) such coupons appertaining to Bearer Securities surrendered in exchange for Registered Securities and maturing after such exchange, surrender of which is not required or has been waived as provided in Section 3.5, (ii) such Securities and coupons which have been destroyed, lost or stolen and which have been replaced or paid as provided in Section 3.6, (iii) such coupons appertaining to Bearer Securities called for redemption and maturing after the relevant Redemption Date, surrender of which has been waived as provided in Section 10.6 and (iv) such Securities and coupons for whose payment money has theretofore been deposited in trust or segregated and held in trust by the Company and thereafter repaid to the Company or discharged from such trust, as provided in Section 9.3) have been delivered to the Trustee for cancellation; or

(B) all Securities of such series and, in the case of (i) or (ii) below, any coupons appertaining thereto not theretofore delivered to the Trustee for cancellation

(i) have become due and payable, or

(ii) will become due and payable at their Stated Maturity within one year, or

(iii) if redeemable at the option of the Company, are to be called for redemption within one year under arrangements satisfactory to the Trustee for giving of notice

of redemption by the Trustee in the name, and at the expense, of the Company,

and the Company, in the case of (i), (ii) or (iii) above, has irrevocably deposited or caused to be deposited with the Trustee as trust funds in trust for the purpose an amount in the currency or currencies or currency unit or units in which the Securities of such series are payable, or Government Obligations or a combination thereof, sufficient to pay and discharge the entire indebtedness on such Securities and such coupons not theretofore delivered to the Trustee for cancellation, for principal, premium, if any, and interest, with respect thereto, to the date of such deposit (in the case of Securities which have become due and payable) or to the Stated Maturity or Redemption Date, as the case may be;

(2) the Company has paid or caused to be paid all other sums then payable hereunder by the Company; and

(3) the Company has delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that all conditions precedent herein provided for relating to the satisfaction and discharge of this Indenture as to such series have been complied with.

Notwithstanding the satisfaction and discharge of this Indenture, the obligation of the Company to the Trustee and any predecessor Trustee under Section 6.8, the obligations of the Company to any Authenticating Agent under Section 6.13 and, if money shall have been deposited with the Trustee pursuant to subclause (B) of clause (1) of this Section, the obligations of the Trustee under Section 4.2 and the last paragraph of Section 9.3 shall survive such satisfaction and discharge.

Section 4.2. Application of Trust Funds. Subject to the provisions of the last paragraph of Section 9.3, all money deposited with the Trustee pursuant to Section 4.1 shall be held in trust and applied by it, in accordance with the provisions of the Securities, the coupons and this Indenture, to the payment, either directly or through any Paying Agent (including the Company acting as its own Paying Agent) as the Trustee may determine, to the Persons entitled thereto, of the principal, premium, if any, and any interest for whose payment such money has been deposited with or received by the Trustee, but such money need not be segregated from other funds except to the extent required by law.

Section 4.3. Applicability of Defeasance Provisions; Company's Option to Effect Defeasance or Covenant Defeasance. Unless pursuant to Section 3.1 provision is made to exclude with respect to the Securities of a particular series either or both of (i) defeasance of the Securities of or within such series under Section 4.4 or (ii) covenant

defeasance of the Securities of or within such series under Section 4.5, then the provisions of such Section or Sections, as the case may be, together with the provisions of Sections 4.6 through 4.9 inclusive, with such modifications thereto as may be specified pursuant to Section 3.1 with respect to any Securities of such series, shall be applicable to such Securities and any coupons appertaining thereto, and the Company may at its option, at any time, with respect to such Securities and any coupons appertaining thereto, elect to have Section 4.4 (if applicable) or Section 4.5 (if applicable) be applied to such Outstanding Securities and any coupons appertaining thereto upon compliance with the conditions set forth below in this Article.

Section 4.4. Defeasance and Discharge. Upon the Company's exercise of the option specified in Section 4.3 applicable to this Section with respect to the Securities of or within a series, the Company shall be deemed to have been discharged from its obligations with respect to such Securities and any coupons appertaining thereto on the date the conditions set forth in Section 4.6 are satisfied (hereinafter "defeasance"). For this purpose, such defeasance means that the Company shall be deemed to have paid and discharged the entire indebtedness represented by such Securities and any coupons appertaining thereto, which Securities and coupons appertaining thereto shall thereafter be deemed to be "Outstanding" only for the purposes of Section 4.7 and the other Sections of this Indenture referred to in clause (ii) of this Section, and to have satisfied all its other obligations under such Securities and any coupons appertaining thereto and this Indenture insofar as such Securities and any coupons appertaining thereto are concerned (and the Trustee, at the expense of the Company, shall on Company Order execute proper instruments acknowledging the same), except the following which shall survive until otherwise terminated or discharged hereunder: (i) the rights of Holders of such Securities and any coupons appertaining thereto to receive, solely from the trust funds described in Section 4.6(a) and as more fully set forth in such Section, payments in respect of the principal of, premium, if any, and interest, if any, on such Securities or any coupons appertaining thereto when such payments are due; (ii) the Company's obligations with respect to such Securities under Sections 3.5, 3.6, 9.2 and 9.3 and with respect to the payment of additional amounts, if any, payable with respect to such Securities as specified pursuant to Section 3.1(b) (19); (iii) the rights, powers, trusts, duties and immunities of the Trustee hereunder; and (iv) this Article IV. Subject to compliance with this Article IV, the Company may exercise its option under this Section notwithstanding the prior exercise of its option under Section 4.5 with respect to such Securities and any coupons appertaining thereto. Following a defeasance, payment of such Securities may not be accelerated because of a Default or an Event of Default.

Section 4.5. Covenant Defeasance. Upon the Company's exercise of the option specified in Section 4.3 applicable to this Section with respect to any Securities of or within a series, the Company shall be released from its obligations under Sections 7.1, 9.4 and 9.5, and, if specified pursuant to Section 3.1, its obligations under any other covenant, with respect to such Securities and any coupons appertaining thereto on and

after the date the conditions set forth in Section 4.6 are satisfied (hereinafter, "covenant defeasance"), and such Securities and any coupons appertaining thereto shall thereafter be deemed to be not "Outstanding" for the purposes of any direction, waiver, consent or declaration or Act of Holders (and the consequences of any thereof) in connection with Sections 7.1, 9.4 and 9.5, or such other covenant, but shall continue to be deemed "Outstanding" for all other purposes hereunder. For this purpose, such covenant defeasance means that, with respect to such Securities and any coupons appertaining thereto, the Company may omit to comply with and shall have no liability in respect of any term, condition or limitation set forth in any such Section or such other covenant, whether directly or indirectly, by reason of any reference elsewhere herein to any such Section or such other covenant or by reason of reference in any such Section or such other covenant to any other provision herein or in any other document and such omission to comply shall not constitute a Default or an Event of Default under Section 5.1(3) or 5.1(6) or otherwise, as the case may be, but, except as specified above, the remainder of this Indenture and such Securities and any coupons appertaining thereto shall be unaffected thereby.

Section 4.6. Conditions to Defeasance or Covenant Defeasance. The following shall be the conditions to application of Section 4.4 or Section 4.5 to any Securities of or within a series and any coupons appertaining thereto:

(a) The Company shall have deposited or caused to be deposited irrevocably with the Trustee (or another trustee satisfying the requirements of Section 6.11 who shall agree to comply with, and shall be entitled to the benefits of, the provisions of Sections 4.3 through 4.9 inclusive and the last paragraph of Section 9.3 applicable to the Trustee, for purposes of such Sections also a "Trustee") as trust funds in trust for the purpose of making the payments referred to in clauses (x) and (y) of this Section 4.6(a), specifically pledged as security for, and dedicated solely to, the benefit of the Holders of such Securities and any coupons appertaining thereto, with instructions to the Trustee as to the application thereof, (A) money in an amount (in such currency, currencies or currency unit or units in which such Securities and any coupons appertaining thereto are then specified as payable at Maturity), or (B) if Securities of such series are not subject to repayment at the option of Holders, Government Obligations which through the payment of interest and principal in respect thereof in accordance with their terms will provide, not later than one day before the due date of any payment referred to in clause (x) or (y) of this Section 4.6(a), money in an amount or (C) a combination thereof in an amount, sufficient, in the opinion of a nationally recognized independent accounting or investment banking firm expressed in a written certification thereof delivered to the Trustee, to pay and discharge, and which shall be applied by the Trustee to pay and discharge, (x) the principal of, premium, if any, and interest, if any, on such Securities and any coupons appertaining thereto on the Maturity of such principal or installment of principal

or interest and (y) any mandatory sinking fund payments applicable to such Securities on the day on which such payments are due and payable in accordance with the terms of this Indenture and such Securities and any coupons appertaining thereto. Before such a deposit the Company may make arrangements satisfactory to the Trustee for the redemption of Securities at a future date or dates in accordance with Article X which shall be given effect in applying the foregoing.

(b) Such defeasance or covenant defeasance shall not result in a breach or violation of, or constitute a Default or Event of Default under, this Indenture or result in a breach or violation of, or constitute a default under, any other material agreement or instrument to which the Company is a party or by which it is bound.

(c) In the case of an election under Section 4.4, no Default or Event of Default under Section 5.1(4) or 5.1(5) with respect to such Securities and any coupons appertaining thereto shall have occurred and be continuing during the period commencing on the date of such deposit and ending on the 91st day after such date (it being understood that this condition shall not be deemed satisfied until the expiration of such period).

(d) In the case of an election under Section 4.4, the Company shall have delivered to the Trustee an Officers' Certificate and an Opinion of Counsel to the effect that (i) the Company has received from, or there has been published by, the Internal Revenue Service a ruling, or (ii) since the date of execution of this Indenture, there has been a change in the applicable Federal income tax law, in either case to the effect that, and based thereon such opinion shall confirm that, the Holders of such Securities and any coupons appertaining thereto will not recognize income, gain or loss for Federal income tax purposes as a result of such defeasance and will be subject to Federal income tax on the same amounts and in the same manner and at the same times, as would have been the case if such deposit, defeasance and discharge had not occurred.

(e) In the case of an election under Section 4.5, the Company shall have delivered to the Trustee an Opinion of Counsel to the effect that the Holders of such Securities and any coupons appertaining thereto will not recognize income, gain or loss for Federal income tax purposes as a result of such covenant defeasance and will be subject to Federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such covenant defeasance had not occurred.

(f) The Company shall have delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that all conditions precedent to the defeasance under Section 4.4 or the covenant defeasance under Section 4.5 (as the case may be) have been complied with and an Opinion of Counsel to the

effect that either (i) as a result of a deposit pursuant to subsection (a) above and the related exercise of the Company's option under Section 4.4 or Section 4.5 (as the case may be), registration is not required under the Investment Company Act of 1940, as amended, by the Company, with respect to the trust funds representing such deposit or by the trustee for such trust funds or (ii) all necessary registrations under said act have been effected.

(g) Such defeasance or covenant defeasance shall be effected in compliance with any additional or substitute terms, conditions or limitations which may be imposed on the Company in connection therewith as contemplated by Section 3.1.

Section 4.7. Deposited Money and Government Obligations To Be Held in Trust. Subject to the provisions of the last paragraph of Section 9.3, all money and Government Obligations (or other property as may be provided pursuant to Section 3.1) (including the proceeds thereof) deposited with the Trustee pursuant to Section 4.6 in respect of any Securities of any series and any coupons appertaining thereto shall be held in trust and applied by the Trustee, in accordance with the provisions of such Securities and any coupons appertaining thereto and this Indenture, to the payment, either directly or through any Paying Agent (including the Company acting as its own Paying Agent) as the Trustee may determine, to the Holders of such Securities and any coupons appertaining thereto of all sums due and to become due thereon in respect of principal, premium, if any, and interest, if any, but such money need not be segregated from other funds except to the extent required by law.

Unless otherwise specified with respect to any Security pursuant to Section 3.1, if, after a deposit referred to in Section 4.6(a) has been made, (i) the Holder of a Security in respect of which such deposit was made is entitled to, and does, elect pursuant to Section 3.11(b) or the terms of such Security to receive payment in a currency or currency unit other than that in which the deposit pursuant to Section 4.6(a) has been made in respect of such Security, or (ii) a Conversion Event occurs as contemplated in Section 3.11(d) or 3.11(e) or by the terms of any Security in respect of which the deposit pursuant to Section 4.6(a) has been made, the indebtedness represented by such Security and any coupons appertaining thereto shall be deemed to have been, and will be, fully discharged and satisfied through the payment of the principal of, premium, if any, and interest, if any, on such Security as the same becomes due out of the proceeds yielded by converting (from time to time as specified below in the case of any such election) the amount or other property deposited in respect of such Security into the currency or currency unit in which such Security becomes payable as a result of such election or Conversion Event based on the applicable Market Exchange Rate for such currency or currency unit in effect on the second Business Day prior to each payment date, except, with respect to a Conversion Event, for such currency or currency unit in effect (as nearly as feasible) at the time of the Conversion Event.

Section 4.8. Repayment to Company. The Trustee (and any Paying Agent) shall promptly pay to the Company upon Company Request any excess money or securities held by them at any time.

Section 4.9. Indemnity for Government Obligations. The Company shall pay, and shall indemnify the Trustee against, any tax, fee or other charge imposed on or assessed against Government Obligations deposited pursuant to this Article or the principal and interest received on such Government Obligations, other than any such tax, fee or other charge that by law is for the account of the Holders of the Securities subject to defeasance or covenant defeasance pursuant to this Article.

ARTICLE V

DEFAULTS AND REMEDIES

Section 5.1. Events of Default. An "Event of Default" occurs with respect to the Securities of any series if (whatever the reason for such Event of Default and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

(1) the Company defaults in the payment of interest on any Security of that series or any coupon appertaining thereto or any additional amount payable with respect to any Security of that series as specified pursuant to Section 3.1(b) (19) when the same becomes due and payable and such default continues for a period of 30 days;

(2) the Company defaults in the payment of the principal of or any premium on any Security of that series when the same becomes due and payable at its Maturity or on redemption or otherwise, or in the payment of a mandatory sinking fund payment when and as due by the terms of the Securities of that series, and in each case such default continues for a period of 10 days;

(3) the Company defaults in the performance of, or breaches, any covenant or warranty of the Company in this Indenture with respect to any Security of that series (other than a covenant or warranty a default in whose performance or whose breach is elsewhere in this Section specifically dealt with) and such default or breach continues for a period of 60 days after there has been given, by registered or certified mail, to the Company by the Trustee or to the Company and the Trustee by the Holders of at least 25% in principal amount of the Outstanding Securities of that series, a written notice specifying such default or breach and requiring it to be remedied and stating that such notice is a "Notice of Default" hereunder;

(4) the Company pursuant to or within the meaning of any Bankruptcy Law (A) commences a voluntary case, (B) consents to the entry of an order for relief against it in an involuntary case, (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;

(5) a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that (A) is for relief against the Company in an involuntary case, (B) appoints a Custodian of the Company or for all or substantially all of its property, or (C) orders the liquidation of the Company; and the order or decree remains unstayed and in effect for 90 days; or

(6) there occurs any other Event of Default provided as contemplated by Section 3.1 with respect to Securities of that series.

The term "Bankruptcy Law" means Title 11, U.S. Code, or any similar federal or state law for the relief of debtors. The term "Custodian" means any receiver, trustee, assignee, liquidator or similar official under any Bankruptcy Law.

Section 5.2. Acceleration; Rescission and Annulment. If an Event of Default with respect to the Securities of any series at the time Outstanding occurs and is continuing, the Trustee or the Holders of at least 25% in aggregate principal amount of all of the Outstanding Securities of that series, by written notice to the Company (and, if given by the Holders, to the Trustee), may declare the principal amount (or, if the Securities of that series are Original Issue Discount Securities or Indexed Securities, such portion of the principal amount or other amount as may be specified in the terms of that series) of all the Securities of that series to be immediately due and payable and upon any such declaration such principal amount (or, in the case of Original Issue Discount Securities or Indexed Securities, such specified amount) shall be immediately due and payable.

At any time after such a declaration of acceleration with respect to Securities of any series has been made and before a judgment or decree for payment of the money due has been obtained by the Trustee as hereinafter in this Article provided, the Holders of a majority in aggregate principal amount of the Outstanding Securities of that series, by written notice to the Trustee, may rescind and annul such declaration and its consequences if all existing Defaults and Events of Default with respect to Securities of that series, other than the non-payment of the principal of Securities of that series which has become due solely by such declaration of acceleration, have been cured or waived as provided in Section 5.7. No such rescission shall affect any subsequent default or impair any right consequent thereon.

Section 5.3. Collection of Indebtedness and Suits for Enforcement by Trustee. The Company covenants that if

(1) default is made in the payment of any interest on any Security or coupon, if any, when such interest becomes due and payable and such default continues for a period of 30 days, or

(2) default is made in the payment of the principal of (or premium, if any, on) any Security at the Maturity thereof and such default continues for a period of 10 days,

the Company will, upon demand of the Trustee, pay to it, for the benefit of the Holders of such Securities or coupons, if any, the whole amount then due and payable on such Securities for principal, premium, if any, and interest and, to the extent that payment of such interest shall be legally enforceable, interest on any overdue principal, premium, if any, and on any overdue interest, at the rate or rates prescribed therefor in such Securities or coupons, if any, and, in addition thereto, such further amount as shall be sufficient to cover the costs and expenses of collection, including the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel.

If the Company fails to pay such principal, premium, if any, and interest amounts forthwith upon such demand, the Trustee, in its own name and as trustee of an express trust, may institute a judicial proceeding for the collection of such principal, premium, if any, and interest amounts so due and unpaid, may prosecute such proceeding to judgment or final decree and may enforce the same against the Company.

In addition, if an Event of Default with respect to Securities of any series occurs and is continuing, the Trustee may in its discretion proceed, in its own name and as trustee of an express trust, to protect and enforce its rights and the rights of the Holders of Securities of such series by such appropriate judicial proceedings as the Trustee shall deem most effectual to protect and enforce any such rights, whether for the specific enforcement of any covenant or agreement in this Indenture or in aid of the exercise of any power granted herein, or to enforce any other proper remedy.

Section 5.4. Trustee May File Proofs of Claim. The Trustee may file such proofs of claim and other papers or documents as may be necessary or advisable in order to have the claims of the Trustee and the Holders of Securities allowed in any judicial proceedings relating to the Company, its creditors or its property.

Section 5.5. Trustee May Enforce Claims Without Possession of Securities. All rights of action and claims under this Indenture or the Securities may be prosecuted and enforced by the Trustee, in its own name and as trustee of an express trust, without the

possession of any of the Securities or the production thereof in any proceeding relating thereto.

Section 5.6. Delay or Omission Not Waiver. No delay or omission by the Trustee or any Holder of any Securities to exercise any right or remedy accruing upon an Event of Default shall impair any such right or remedy or constitute a waiver of or acquiescence in any such Event of Default.

Section 5.7. Waiver of Past Defaults. The Holders of a majority in aggregate principal amount of Outstanding Securities of any series by notice to the Trustee may waive on behalf of the Holders of all Securities of such series a past Default or Event of Default with respect to that series and its consequences except a Default or Event of Default (i) in the payment of the principal of, premium, if any, or interest, if any, on any Security of such series or any coupon appertaining thereto or (ii) in respect of a covenant or provision hereof which pursuant to Section 8.2 cannot be amended or modified without the consent of the Holder of each Outstanding Security of such series adversely affected. Upon any such waiver, such Default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured, for every purpose of this Indenture; but no such waiver shall extend to any subsequent or other Default or Event of Default or impair any right consequent thereon. In case of any such waiver, the Company, the Trustee and the Holders shall be restored to their former positions and rights hereunder and under the Securities of such series, respectively.

Section 5.8. Control by Majority. The Holders of a majority in aggregate principal amount of the Outstanding Securities of each series affected (with each such series voting as a class) shall 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 it with respect to Securities of that series; provided, however, that (i) the Trustee may refuse to follow any direction that conflicts with law or this Indenture, (ii) the Trustee may refuse to follow any direction that is unduly prejudicial to the rights of the Holders of Securities of such series not consenting, or that would in the good faith judgment of the Trustee have a substantial likelihood of involving the Trustee in personal liability, (iii) the Trustee may refuse to follow any direction unless security or indemnity is provided by the Holders of Securities as contemplated by Section 6.1(h), and (iv) the Trustee may take any other action deemed proper by the Trustee which is not inconsistent with such direction.

Section 5.9. Limitation on Suits by Holders. No Holder of any Security of any series or any coupons appertaining thereto shall have any right to institute any proceeding, judicial or otherwise, with respect to this Indenture, or for the appointment of a receiver or trustee, or for any other remedy hereunder, unless:

(1) the Holder has previously given written notice to the Trustee of a continuing Event of Default with respect to the Securities of that series;

(2) the Holders of at least 25% in aggregate principal amount of the Outstanding Securities of that series have made a written request to the Trustee to institute proceedings in respect of such Event of Default in its own name as Trustee hereunder;

(3) such Holder or Holders have offered to the Trustee security or indemnity satisfactory to the Trustee against any loss, liability or expense to be, or which may be, incurred by the Trustee in pursuing the remedy;

(4) the Trustee for 60 days after its receipt of such notice, request and offer of indemnity has failed to institute any such proceedings; and

(5) during such 60 day period, the Holders of a majority in aggregate principal amount of the Outstanding Securities of that series have not given to the Trustee a direction inconsistent with such written request.

No one or more Holders shall have any right in any manner whatever by virtue of, or by availing of, any provision of this Indenture to affect, disturb or prejudice the rights of any other of such Holders, or to obtain or to seek to obtain priority or preference over any other of such Holders or to enforce any right under this Indenture, except in the manner herein provided and for the equal and ratable benefit of all of such Holders.

Section 5.10. Rights of Holders to Receive Payment. Notwithstanding any other provision of this Indenture, but subject to Section 8.2, the right of any Holder of a Security or coupon to receive payment of principal of, premium, if any, and, subject to Sections 3.5 and 3.7, interest on the Security, on or after the respective due dates expressed in the Security (or, in case of redemption, on the redemption dates), and the right of any Holder of a coupon to receive payment of interest due as provided in such coupon, or to bring suit for the enforcement of any such payment on or after such respective dates, shall not be impaired or affected without the consent of such Holder.

Section 5.11. Application of Money Collected. If the Trustee collects any money pursuant to this Article, it shall pay out the money in the following order, at the date or dates fixed by the Trustee and, in case of the distribution of such money on account of principal, premium, if any, or interest, upon presentation of the Securities and the notation thereon of the payment if only partially paid and upon surrender thereof if fully paid:

First: to the Trustee for amounts due under Section 6.8;

Second: to Holders of Securities and coupons in respect of which or for the benefit of which such money has been collected for amounts due and unpaid on such Securities for principal of, premium, if any, and interest, ratably, without preference or priority of any kind, according to the amounts due and payable on such Securities for principal, premium, if any, and interest, respectively; and

Third: to the Company.

The Trustee may fix a record date and payment date for any payment to Holders pursuant to this Section 5.11. At least 15 days before such record date, the Trustee shall mail to each Holder and the Company a notice that states the record date, the payment date and the amount to be paid.

Section 5.12. Restoration of Rights and Remedies. If the Trustee or any Holder has instituted any proceeding to enforce any right or remedy under this Indenture and such proceeding has been discontinued or abandoned for any reason, or has been determined adversely to the Trustee or to such Holder, then and in every such case, subject to any determination in such proceeding, the Company, the Trustee and the Holders shall be restored severally and respectively to their former positions hereunder and thereafter all rights and remedies of the Trustee and the Holders shall continue as though no such proceeding had been instituted.

Section 5.13. Rights and Remedies Cumulative. Except as otherwise provided with respect to the replacement or payment of mutilated, destroyed, lost or stolen Securities in the last paragraph of Section 3.6, no right or remedy herein conferred upon or reserved to the Trustee or the Holders is intended to be exclusive of any other right or remedy, and every right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.14. Waiver of Stay, Extension or Usury Laws. The Company 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 similar law wherever enacted, now or at any time hereafter in force, that would prohibit or forgive the Company from paying all or any portion of the principal of (or premium, if any) or interest on the Securities contemplated herein or in the Securities or that may affect the covenants or the performance of this Indenture; and the Company (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 VI

THE TRUSTEE

Section 6.1. Rights of Trustee. Subject to the provisions of the Trust Indenture Act:

(a) The Trustee may conclusively rely and shall be protected in acting or refraining from acting upon any document believed by it to be genuine and to have been signed or presented by the proper party or parties. The Trustee need not investigate any fact or matter stated in the document.

(b) Any request or direction of the Company mentioned herein shall be sufficiently evidenced by a Company Request or Company Order (other than delivery of any Security, together with any coupons appertaining thereto, to the Trustee for authentication and delivery pursuant to Section 3.3, which shall be sufficiently evidenced as provided therein) and any resolution of the Board of Directors may be sufficiently evidenced by a Board Resolution.

(c) Before the Trustee acts or refrains from acting, it may consult with counsel of its own selection or require an Officers' Certificate. The Trustee shall not be liable for any action it takes or omits to take in good faith in reliance on a Board Resolution, the advice of counsel, a certificate of an Officer or Officers delivered pursuant to Section 1.2, an Officers' Certificate or an Opinion of Counsel.

(d) The Trustee may act through agents or attorneys and shall not be responsible for the misconduct or negligence of any agent or attorney appointed with due care.

(e) The Trustee shall not be liable for any action it takes or omits to take in good faith which it believes to be authorized or within its discretion or rights or powers.

(f) Unless otherwise expressly provided in this Indenture, the Trustee shall have no obligation to distribute to the Holders, the Company or any third party any amounts to be paid to the Trustee until such amounts are collected by the Trustee.

(g) 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.

(h) The Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request or direction of any Holders pursuant to this Indenture, unless such Holders shall have offered to the Trustee security or indemnity satisfactory to the Trustee against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction.

Notwithstanding anything contained herein to the contrary, in case an Event of Default with respect to the Securities of any series has occurred and is continuing, the Trustee shall exercise, with respect to Securities of such series, such of the rights and powers vested in it by this Indenture, and shall use the same degree of care and skill in their exercise, as a prudent individual would exercise or use under the circumstances in the conduct of his or her own affairs.

Section 6.2. Trustee May Hold Securities. The Trustee, any Paying Agent, any Registrar or any other agent of the Company, in its individual or any other capacity, may become the owner or pledgee of Securities and coupons and, subject to Sections 310(b) and 311 of the Trust Indenture Act, may otherwise deal with the Company, the Guarantor, an Affiliate or Subsidiary with the same rights it would have if it were not Trustee, Paying Agent, Registrar or such other agent.

Section 6.3. Money Held in Trust. Money held by the Trustee in trust hereunder need not be segregated from other funds except to the extent required by law. The Trustee shall be under no liability for interest on any money received by it hereunder except as otherwise agreed with the Company.

Section 6.4. Trustee's Disclaimer. The recitals contained herein and in the Securities, except the Trustee's certificate of authentication, shall be taken as the statements of the Company, and the Trustee assumes no responsibility for their correctness. The Trustee makes no representation as to the validity or adequacy of this Indenture or the Securities or any coupon, except that the Trustee represents and warrants that it is duly authorized to execute and deliver this Indenture, authenticate the Securities and perform its obligations hereunder and thereunder; that the statements made by it in a Statement of Eligibility on Form T-1 supplied or to be supplied to the Company in connection with the registration of any Securities are and will be true and accurate subject to the qualifications set forth therein; and that such Statement complies and will comply in all material respects with the requirements of the Trust Indenture Act and the Securities Act. The Trustee shall not be accountable for the Company's use of the proceeds from the Securities or for monies paid over to the Company pursuant to the Indenture.

Section 6.5. Notice of Defaults. If a Default occurs and is continuing with respect to the Securities of any series and if it is actually known to a Responsible Officer

of the Trustee, the Trustee shall, within 90 days after it occurs, transmit, in the manner and to the extent provided in Section 313(c) of the Trust Indenture Act, notice of all uncured Defaults known to it; provided, however, that, except in the case of a Default in payment on the Securities of any series, the Trustee may withhold the notice if and so long as a Responsible Officer in good faith determines that withholding such notice is in the interests of Holders of Securities of that series; provided, further, that in the case of any default or breach of the character specified in Section 5.1(3) with respect to the Securities and coupons of such series, no such notice to Holders shall be given until at least 60 days after the occurrence thereof. 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 the Trustee at the Corporate Trust Office of the Trustee.

Section 6.6. Reports by Trustee to Holders. Within 60 days after each May 15 of each year commencing with the first May 15 after the first issuance of Securities pursuant to this Indenture, the Trustee shall transmit by mail to all Holders of Securities as provided in Section 313(c) of the Trust Indenture Act a brief report dated as of such May 15 if required by and in compliance with Section 313(a) of the Trust Indenture Act. A copy of each report shall, at the time of such transmission to Holders, be filed by the Trustee with each stock exchange, if any, upon which the Securities are listed, with the Commission and with the Company. The Company will promptly notify the Trustee when the Securities are listed on any stock exchange and of any delisting thereof.

Section 6.7. Security Holder 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 Holders of Securities of each series. If the Trustee is not the Registrar, the Company shall furnish to the Trustee semiannually on or before the last day of June and December in each year, 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, containing all the information in the possession or control of the Registrar, the Company or any of its Paying Agents other than the Trustee as to the names and addresses of Holders of Securities of each such series. If there are Bearer Securities of any series Outstanding, even if the Trustee is the Registrar, the Company shall furnish to the Trustee such a list containing such information with respect to Holders of such Bearer Securities only.

Section 6.8. Compensation and Indemnity. The Company shall pay to the Trustee from time to time such compensation for its services as the Company and the Trustee may agree in writing from time to time. The Trustee's compensation shall not be limited by any law on compensation of a trustee of an express trust. The Company shall reimburse the Trustee upon request for all reasonable expenses, disbursements and advances incurred by it in connection with the performance of its duties under this Indenture, except any such expense, disbursement or advance as shall be determined to

have been caused by its own negligence or willful misconduct. Such expenses shall include the reasonable compensation and expenses of the Trustee's agents and counsel.

(a) The Company shall indemnify the Trustee for, and hold it harmless against, any and all loss, liability, damage, claim or expense (including taxes other than taxes based upon, measured by or determined by the income of the Trustee), including the costs and expenses of defending itself against any third-party claim (whether asserted by any Holder or any other Person (other than the Company)), incurred by it arising out of or in connection with its acceptance or administration of the trust or trusts hereunder (collectively, "Claims"). The Trustee shall notify the Company promptly of any Claim for which it may seek indemnity. The Company shall defend the Claim and the Trustee shall cooperate in the defense. The Trustee may have separate counsel and the Company shall pay the reasonable fees and expenses of such counsel. The Company need not pay for any settlement made without its consent.

(b) The Company need not reimburse any expense, disbursement or advance or indemnify against any Claim incurred by the Trustee through negligence or bad faith.

(c) To secure the payment obligations of the Company pursuant to this Section, the Trustee shall have a lien prior to the Securities of any series on all money or property held or collected by the Trustee, except that held in trust to pay principal, premium, if any, and interest on particular Securities.

(d) When the Trustee incurs expenses or renders services in connection with an Event of Default specified in Section 5.1(4) or Section 5.1(5), the expenses (including the reasonable charges and expenses of its counsel) and the compensation for the services are intended to constitute expenses of administration under any applicable federal or state bankruptcy, insolvency or other similar law.

(e) The provisions of this Section shall survive the termination of this Indenture and resignation or removal of the Trustee.

Section 6.9. Replacement of Trustee. The resignation or removal of the Trustee and the appointment of a successor Trustee shall become effective only upon the successor Trustee's acceptance of appointment as provided in Section 6.10.

(a) The Trustee may resign at any time with respect to the Securities of any series by giving written notice thereof to the Company. If the instrument of acceptance by a successor Trustee required by Section 6.10 shall not have been delivered to the Trustee within 30 days after the giving of such notice of resignation, the resigning Trustee may petition, at the expense of the Company, any court of competent jurisdiction for the appointment of a successor Trustee with respect to the Securities of such series.

(b) The Holders of a majority in aggregate principal amount of the Outstanding Securities of any series may remove the Trustee with respect to that series by so notifying the Trustee and the Company and may appoint a successor Trustee for such series with the Company's consent. If an instrument of acceptance by a successor Trustee required by Section 6.10 shall not have been delivered to the Trustee within 30 days after the giving of such notice of removal, the Trustee being removed may petition, at the expense of the Company, any court of competent jurisdiction for the appointment of a successor Trustee with respect to the Securities of such series.

(c) If at any time:

(1) the Trustee fails to comply with Section 310(b) of the Trust Indenture Act after written request therefor by the Company or by any Holder who has been a bona fide Holder of a Security for at least six months; or

(2) the Trustee shall cease to be eligible under Section 6.11 hereof or Section 310(a) of the Trust Indenture Act and shall fail to resign after written request therefor by the Company or by any Holder of a Security who has been a bona fide Holder of a Security for at least six months; or

(3) the Trustee becomes incapable of acting, is adjudged a bankrupt or an insolvent or a receiver or public officer takes charge of the Trustee or its property or affairs for the purpose of rehabilitation, conservation or liquidation,

then, in any such case, (i) the Company may remove the Trustee with respect to all Securities, or (ii) subject to Section 315(e) of the Trust Indenture Act, any Holder who has been a bona fide Holder of a Security for at least six months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the removal of the Trustee with respect to all Securities and the appointment of a successor Trustee or Trustees.

(d) If the Trustee resigns or is removed or becomes incapable of acting or if a vacancy exists in the office of Trustee for any reason, with respect to Securities of one or more series, the Company shall promptly appoint a successor Trustee with respect to the Securities of that or those series (it being understood that any such successor Trustee may be appointed with respect to the Securities of one or more or all of such series and that at any time there shall be only one Trustee with respect to the Securities of any particular series) and shall comply with the applicable requirements of Section 6.10. If, within one year after such resignation, removal or incapability, or the occurrence of such vacancy, a successor Trustee with respect to the Securities of any series shall be appointed by Act of the Holders of a majority in principal amount of the Outstanding Securities of such series delivered to the Company and the retiring Trustee, the successor Trustee so appointed shall, forthwith upon its acceptance of such appointment in accordance with the

applicable requirements of Section 6.10, become the successor Trustee with respect to the Securities of such series and to that extent supersede the successor Trustee appointed by the Company. If no successor Trustee with respect to the Securities of any series shall have been so appointed by the Company or the Holders and accepted appointment in the manner required by Section 6.10, then, subject to Section 315(e) of the Trust Indenture Act, any Holder who has been a bona fide Holder of a Security of such series for at least six months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the appointment of a successor Trustee with respect to the Securities of such series.

Section 6.10. Acceptance of Appointment by Successor. In case of the appointment hereunder of a successor Trustee with respect to all Securities, every such successor Trustee shall execute, acknowledge and deliver to the Company and to the retiring Trustee an instrument accepting such appointment. Thereupon, the resignation or removal of the retiring Trustee shall become effective, and the successor Trustee, without further act, deed or conveyance, shall become vested with all the rights, powers and duties of the retiring Trustee; but, on the request of the Company or the successor Trustee, such retiring Trustee shall, upon payment of its charges, execute and deliver an instrument transferring to such successor Trustee all the rights, powers and trusts of the retiring Trustee and shall duly assign, transfer and deliver to such successor Trustee all property and money held by such retiring Trustee hereunder.

(a) In case of the appointment hereunder of a successor Trustee with respect to the Securities of one or more (but not all) series, the Company, the retiring Trustee and such successor Trustee shall execute and deliver an indenture supplemental hereto wherein such successor Trustee shall accept such appointment and which (i) shall contain such provisions as shall be necessary or desirable to transfer and confirm to, and to vest in, such successor Trustee all the rights, powers, trusts and duties of the retiring Trustee with respect to the Securities of that or those series to which the appointment of such successor Trustee relates, (ii) if the retiring Trustee is not retiring with respect to all Securities, shall contain such provisions as shall be deemed necessary or desirable to confirm that all the rights, powers, trusts and duties of the retiring Trustee with respect to the Securities of that or those series as to which the retiring Trustee is not retiring shall continue to be vested in the retiring Trustee, and (iii) shall add to or change any of the provisions of this Indenture as shall be necessary to provide for or facilitate the administration of the trusts hereunder by more than one Trustee, it being understood that nothing herein or in such supplemental indenture shall constitute such Trustees co-trustees of the same trust and that each such Trustee shall be trustee of a trust or trusts hereunder separate and apart from any trust or trusts hereunder administered by any other such Trustee and upon the execution and delivery of such supplemental indenture the resignation or removal of the retiring Trustee shall become effective to the extent provided therein and each such successor Trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts and duties of the

retiring Trustee with respect to the Securities of that or those series to which the appointment of such successor Trustee relates; but, on request of the Company or any successor Trustee, such retiring Trustee shall duly assign, transfer and deliver to such successor Trustee all property and money held by such retiring Trustee hereunder with respect to the Securities of that or those series to which the appointment of such successor Trustee relates.

(b) Upon request of any such successor Trustee, the Company shall execute any and all instruments for more fully and certainly vesting in and confirming to such successor Trustee all such rights, powers and trusts referred to in paragraph (a) or (b) of this Section, as the case may be.

(c) No successor Trustee shall accept its appointment unless at the time of such acceptance such successor Trustee shall be qualified and eligible under the Trust Indenture Act.

(d) The Company shall give notice of each resignation and each removal of the Trustee with respect to the Securities of any series and each appointment of a successor Trustee with respect to the Securities of any series in the manner provided for notices to the Holders of Securities in Section 1.6. Each notice shall include the name of the successor Trustee with respect to the Securities of such series and the address of its Corporate Trust Office.

Section 6.11. Eligibility; Disqualification. There shall at all times be a Trustee hereunder with respect to each series of Securities (which need not be the same Trustee for all series). Each Trustee hereunder shall be eligible to act as trustee under Section 310(a)(1) of the Trust Indenture Act and shall have a combined capital and surplus of at least \$50,000,000. If such corporation publishes reports of condition at least annually, pursuant to law or the requirements of Federal, State, Territorial or District of Columbia supervising or examining authority, then for the purposes of this Section, the combined capital and surplus of such corporation shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time the Trustee shall cease to be eligible in accordance with the provisions of this Section, it shall resign immediately in the manner and with the effect specified in this Article.

If the Trustee has or shall acquire a conflicting interest within the meaning of the Trust Indenture Act, the Trustee shall either eliminate such interest or resign, to the extent and in the manner provided by, and subject to the provisions of the Trust Indenture Act and this Indenture. To the extent permitted by the Trust Indenture Act, any Trustee hereunder shall not be deemed to have a conflicting interest by virtue of being (i) the trustee under the Indenture dated as of the date hereof between American Airlines, Inc. and Wilmington Trust Company, as Trustee, or the Indenture dated September 23, 2003

among the Company, American Airlines, Inc., as Guarantor, and Wilmington Trust Company, as Trustee or (ii) the successor trustee under the Indenture dated March 1, 1991 between the Company and Citibank, N.A., as Trustee, the Indenture dated March 1, 1992 between the Company and Morgan Guaranty Trust Company of New York, as Trustee, or the Indenture dated December 1, 1992 between the Company and Citibank, N.A., as Trustee, and with respect to any or all series of securities issued or issuable under such indentures, or with respect to any series of Securities, by virtue of being the Trustee with respect to any other series of Securities.

Section 6.12. Merger, Conversion, Consolidation or Succession to Business. Any Person into which the Trustee may be merged or converted or with which it may be consolidated, or any Person resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any Person succeeding to all or substantially all the corporate trust business of the Trustee, shall be the successor of the Trustee hereunder, provided such Person shall be otherwise qualified and eligible under this Article, without the execution or filing of any paper or any further act on the part of any of the parties hereto. In case any Securities shall have been authenticated, but not delivered, by the Trustee then in office, any successor by merger, conversion or consolidation to such authenticating Trustee may adopt such authentication and deliver the Securities so authenticated with the same effect as if such successor Trustee had itself authenticated such Securities.

Section 6.13. Appointment of Authenticating Agent. The Trustee may appoint an Authenticating Agent or Agents with respect to one or more series of Securities which shall be authorized to act on behalf of the Trustee to authenticate Securities of such series issued upon original issue exchange, registration of transfer or partial redemption thereof, and Securities so authenticated shall be entitled to the benefits of this Indenture and shall be valid and obligatory for all purposes as if authenticated by the Trustee hereunder. Any such appointment shall be evidenced by an instrument in writing signed by a Responsible Officer of the Trustee, a copy of which instrument shall be promptly furnished to the Company. Wherever reference is made in this Indenture to the authentication and delivery of Securities by the Trustee or the Trustee's certificate of authentication, such reference shall be deemed to include authentication and delivery on behalf of the Trustee by an Authenticating Agent and a certificate of authentication executed on behalf of the Trustee by an Authenticating Agent. Each Authenticating Agent shall be acceptable to the Company and, except as may otherwise be provided pursuant to Section 3.1, shall at all times be a bank or trust company or corporation organized and doing business and in good standing under the laws of the United States of America or of any State or the District of Columbia, authorized under such laws to act as Authenticating Agent, having a combined capital and surplus of not less than \$1,500,000 and subject to supervision or examination by Federal or State authorities. If such Authenticating Agent publishes reports of condition at least annually, pursuant to law or the requirements of the aforesaid supervising or examining authority, then for the purposes of this Section, the combined

capital and surplus of such Authenticating Agent shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. In case at any time an Authenticating Agent shall cease to be eligible in accordance with the provisions of this Section, such Authenticating Agent shall resign immediately in the manner and with the effect specified in this Section.

Any corporation into which an Authenticating Agent may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which such Authenticating Agent shall be a party, or any corporation succeeding to the corporate agency or corporate trust business of an Authenticating Agent, shall continue to be an Authenticating Agent, provided such corporation shall be otherwise eligible under this Section, without the execution or filing of any paper or further act on the part of the Trustee or the Authenticating Agent.

An Authenticating Agent for any series of Securities may at any time resign by giving written notice of resignation to the Trustee for such series and to the Company. The Trustee for any series of Securities may at any time terminate the agency of an Authenticating Agent by giving written notice of termination to such Authenticating Agent and to the Company. Upon receiving such a notice of resignation or upon such a termination, or in case at any time such Authenticating Agent shall cease to be eligible in accordance with the provisions of this Section, the Trustee for such series may appoint a successor Authenticating Agent which shall be acceptable to the Company and shall give notice of such appointment to all Holders of Securities of the series with respect to which such Authenticating Agent will serve in the manner set forth in Section 1.6. Any successor Authenticating Agent upon acceptance of its appointment hereunder shall become vested with all the rights, powers and duties of its predecessor hereunder, with like effect as if originally named as an Authenticating Agent herein. No successor Authenticating Agent shall be appointed unless eligible under the provisions of this Section.

The Company agrees to pay to each Authenticating Agent from time to time such reasonable compensation as the Company and such Authenticating Agent agree in writing from time to time including reimbursement of its reasonable expenses for its services under this Section.

If an appointment with respect to one or more series is made pursuant to this Section, the Securities of such series may have endorsed thereon, in addition to or in lieu of the Trustee's certificate of authentication, an alternate certificate of authentication substantially in the following form:

This is one of the Securities of the series designated herein and issued under the within-mentioned Indenture.

WILMINGTON TRUST COMPANY,
as Trustee

By _____
as Authenticating Agent

By _____
Authorized Signatory

ARTICLE VII

CONSOLIDATION, MERGER OR SALE BY THE COMPANY

Section 7.1. Consolidation, Merger or Sale of Assets Permitted. The Company may 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, if (i) (A) in the case of a merger or consolidation, the Company is the surviving Person or (B) in the case of a merger or consolidation where the Company is not the surviving Person and in the case of any sale, conveyance, transfer or other disposition, the resulting, surviving or transferee Person is organized and existing under the laws of the United States or a State thereof and such Person expressly assumes by supplemental indenture all the obligations of the Company under the Securities and any coupons appertaining thereto and under this Indenture, (ii) immediately thereafter, giving effect to such merger or consolidation, or such sale, conveyance, transfer or other disposition, no Default or Event of Default shall have occurred and be continuing, and (iii) the Company shall have delivered to the Trustee an Officers' Certificate and an Opinion of Counsel each stating that such merger, consolidation, sale, conveyance, transfer or other disposition complies with this Article and that all conditions precedent herein provided for relating to such transaction have been complied with. In the event of the assumption by a successor Person of the obligations of the Company as provided in clause (i) (B) of the immediately preceding sentence, such successor Person shall succeed to and be substituted for the Company hereunder and under the Securities and any coupons appertaining thereto and all such obligations of the Company shall terminate.

ARTICLE VIII

SUPPLEMENTAL INDENTURES

Section 8.1. Supplemental Indentures Without Consent of Holders.

Without the consent of any Holders, the Company and the Trustee, at any time and from time to time, may enter into indentures supplemental hereto or, if applicable, into agreements supplemental to any Guarantee, in form reasonably satisfactory to the Trustee, for any of the following purposes:

(1) to evidence the succession of another Person to the Company and the assumption by any such successor of the covenants and obligations of the Company herein and in the Securities or, if applicable, to evidence the succession of another Person to the Guarantor and the assumption by any such successor of the covenants of the Guarantor herein or of the Guarantor's obligations under any Guarantee (in either case with such changes herein and therein as may be necessary or advisable to reflect such Person's legal status, if such Person is not a corporation); or

(2) to add to the covenants of the Company or the Guarantor for the benefit of the Holders of all or any series of Securities (and if such covenants are to be for the benefit of less than all series of Securities, stating that such covenants are expressly being included solely for the benefit of such series) or to surrender any right or power herein conferred upon the Company or the Guarantor or to comply with any requirement of the Commission in connection with the qualification of this Indenture or any Guarantee under the Trust Indenture Act or otherwise; or

(3) to add any additional Events of Default with respect to all or any series of Securities; or

(4) to add to or change any of the provisions of this Indenture to such extent as shall be necessary to facilitate the issuance of Bearer Securities (including, without limitation, to provide that Bearer Securities may be registrable as to principal only) or to facilitate or provide for the issuance of Securities in global form in addition to or in place of Securities in certificated form; or

(5) to add to, or to change or eliminate, any of the provisions of this Indenture, including to make appropriate provisions for any Guarantee, provided that any such change or elimination shall become effective only with respect to Securities which have not been issued as of the execution of such supplemental indenture or when there is no Security Outstanding of any series created prior to

the execution of such supplemental indenture which is entitled to the benefit of such provision; or

(6) to secure the Securities; or

(7) to establish the form or terms of Securities of any series as permitted by Sections 2.1 and 3.1; or

(8) to provide for the delivery of indentures supplemental hereto or the Securities of any series in or by means of any computerized, electronic or other medium, including without limitation by computer diskette; or

(9) to evidence and provide for the acceptance of appointment hereunder by a successor Trustee with respect to the Securities of one or more series and/or to add to or change any of the provisions of this Indenture as shall be necessary to provide for or facilitate the administration of the trusts hereunder by more than one Trustee, pursuant to the requirements of Article VI; or

(10) if allowed without penalty under applicable laws and regulations, to permit payment in the United States (including any of the states and the District of Columbia), its territories, its possessions and other areas subject to its jurisdiction of principal, premium, if any, or interest, if any, on Bearer Securities or coupons, if any; or

(11) to correct or supplement any provision herein, in any Securities or in any Guarantee which may be inconsistent with any other provision herein or to cure any ambiguity or omission or to correct any mistake herein, in any Securities or in any Guarantee; or

(12) to make any other provisions with respect to matters or questions arising under this Indenture, provided such action shall not materially adversely affect the interests of the Holders of Securities of any series.

Section 8.2. With Consent of Holders. With the written consent of the Holders of a majority of the aggregate principal amount of the Outstanding Securities of each series adversely affected by such supplemental indenture (with the Securities of each series voting as a class), the Company and the Trustee may enter into an indenture or indentures supplemental hereto to add any provisions to or to change or eliminate any provisions of this Indenture or of any other indenture supplemental hereto or to modify the rights of the Holders of Securities of each such series and, if applicable, the Guarantor and the Trustee may enter into an agreement or agreements supplemental hereto to add to or to change or eliminate any provisions of a Guarantee; provided, however, that without the consent of the Holder of each Outstanding Security affected thereby, a supplemental indenture under this Section may not:

(1) change the Stated Maturity of the principal of, or any installment of principal of or interest on, any Security, or reduce the principal amount thereof or the rate of interest thereon or any premium payable upon the redemption thereof, or reduce the amount of the principal of an Original Issue Discount Security or Indexed Security that would be due and payable upon a declaration of acceleration of the Maturity thereof pursuant to Section 5.2, or change the coin or currency in which any Securities or any premium or the interest thereon is payable, or impair the right to institute suit for the enforcement of any such payment on or after the Stated Maturity thereof (or, in the case of redemption, on or after the Redemption Date);

(2) reduce the percentage in principal amount of the Outstanding Securities of any series, the consent of whose Holders is required for any such supplemental indenture, or the consent of whose Holders is required for any waiver (of compliance with certain provisions of this Indenture or certain defaults hereunder and their consequences) provided for in this Indenture;

(3) change any obligation of the Company to maintain an office or agency in the places and for the purposes specified in Section 9.2; or

(4) make any change in Section 5.7 or this 8.2 except to increase any percentage or to provide that certain other provisions of this Indenture cannot be modified or waived except with the consent of the Holders of each Outstanding Security affected thereby.

For the purposes of this Section 8.2, if the Securities of any series are issuable upon the exercise of warrants, any holder of an unexercised and unexpired warrant with respect to such series shall not be deemed to be a Holder of Outstanding Securities of such series in the amount issuable upon the exercise of such warrants.

A supplemental indenture which changes or eliminates any covenant or other provision of this Indenture, or a supplemental agreement which changes or eliminates any covenant or other provision of a Guarantee, which has expressly been included solely for the benefit of one or more particular series of Securities, or which modifies the rights of the Holders of Securities of such series with respect to such covenant or other provision, shall be deemed not to affect the rights under this Indenture of the Holders of Securities of any other series.

It is not necessary under this Section 8.2 for the Holders to consent to the particular form of any proposed supplemental indenture or supplemental agreement, but it is sufficient if they consent to the substance thereof.

Section 8.3. Compliance with Trust Indenture Act. Every amendment to this Indenture or the Securities of one or more series shall be set forth in a supplemental indenture that complies with the Trust Indenture Act as then in effect.

Section 8.4. Execution of Supplemental Indentures. In executing, or accepting the additional trusts created by, any supplemental indenture permitted by this Article or the modification thereby of the trusts created by this Indenture, the Trustee shall be entitled to receive, and shall be fully protected in relying upon, an Opinion of Counsel stating that the execution of such supplemental indenture is authorized or permitted by this Indenture. The Trustee may, but shall not be obligated to, enter into any such supplemental indenture which adversely affects the Trustee's own rights, duties or immunities under this Indenture or otherwise. The Trustee shall enter into any such supplemental indenture if such supplemental indenture does not adversely affect the Trustee's own rights, duties or immunities under this Indenture or otherwise.

Section 8.5. 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 and of any coupon appertaining thereto shall be bound thereby; provided that if such supplemental indenture makes any of the changes described in clauses (1) through (4) of the first proviso to Section 8.2, such supplemental indenture shall bind each Holder of a Security who has consented to it and every subsequent Holder of such Security or any part thereof.

Section 8.6. Reference in Securities to Supplemental Indentures. Securities, including any coupons, of any series 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 including any coupons of any series so modified as to conform, in the opinion of the Trustee and the Company, to any such supplemental indenture may be prepared and executed by the Company and authenticated and delivered by the Trustee in exchange for Outstanding Securities including any coupons of such series.

ARTICLE IX

COVENANTS

Section 9.1. Payment of Principal, Premium, if any, and Interest. The Company covenants and agrees for the benefit of the Holders of each series of Securities that it will duly and punctually pay the principal of, premium, if any, and interest on the Securities of that series in accordance with the terms of the Securities of such series, any

coupons appertaining thereto and this Indenture. An installment of principal, premium, if any, or interest shall be considered paid on the date it is due if the Trustee or Paying Agent holds on that date money designated for and sufficient to pay the installment.

Section 9.2. Maintenance of Office or Agency. If Securities of a series are issued as Registered Securities, the Company will maintain in each Place of Payment for any series of Securities an office or agency where Securities of that series may be presented or surrendered for payment, where Securities of that series may be surrendered for registration of transfer or exchange and where notices and demands to or upon the Company in respect of the Securities of that series and this Indenture may be served. If Securities of a series are issuable as Bearer Securities, the Company will maintain, (i) subject to any laws or regulations applicable thereto, an office or agency in a Place of Payment for that series, which is located outside the United States, where Securities of that series and related coupons may be presented and surrendered for payment; provided, however, that if the Securities of that series are listed on The International Stock Exchange of the United Kingdom and the Republic of Ireland Limited, the Luxembourg Stock Exchange or any other stock exchange located outside the United States and such stock exchange shall so require, the Company will maintain a Paying Agent for the Securities of that series in London, Luxembourg or any other required city located outside the United States, as the case may be, so long as the Securities of that series are listed on such exchange, and (ii) subject to any laws or regulations applicable thereto, an office or agency in a Place of Payment for that series which is located outside the United States where Securities of that series may be surrendered for exchange and where notices and demands to or upon the Company in respect of the Securities of that series and this Indenture may be served. The Company will give prompt written notice to the Trustee of the location, and any change in the location, of any such office or agency. 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 Corporate Trust Office of the Trustee, and the Company hereby appoints the Trustee as its agent to receive all such presentations, surrenders, notices and demands.

Unless otherwise specified as contemplated by Section 3.1, no payment of principal, premium or interest on Bearer Securities shall be made at any office or agency of the Company in the United States, by check mailed to any address in the United States, by transfer to an account located in the United States or upon presentation or surrender in the United States of a Bearer Security or coupon for payment, even if the payment would be credited to an account located outside the United States; provided, however, that, if the Securities of a series are denominated and payable in Dollars, payment of principal of and any premium or interest on any such Bearer Security shall be made at an office of a Paying Agent of the Company in the Borough of Manhattan, The City of New York, if (but only if) payment in Dollars of the full amount of such principal, premium or interest, as the case may be, at all offices or agencies outside the United States maintained for the

purpose by the Company in accordance with this Indenture is illegal or effectively precluded by exchange controls or other similar restrictions.

Subject to the preceding paragraphs, the Company may also from time to time designate one or more other offices or agencies where the Securities (including any coupons, if any) of one or more series 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 each Place of Payment for Securities (including any coupons, if any) of any series for such purposes. The Company will give prompt written notice to the Trustee of any such designation or rescission and of any change in the location of any such other office or agency.

Unless otherwise specified as contemplated by Section 3.1, the Trustee shall initially serve as Paying Agent. The Paying Agent may make reasonable rules not inconsistent herewith for the performance of its functions.

Section 9.3. Money for Securities To Be Held in Trust; Unclaimed Money. If the Company shall at any time act as its own Paying Agent with respect to any series of Securities, it will, on or before each due date of the principal of, premium, if any, or interest on any of the Securities of that series, segregate and hold in trust for the benefit of the Persons entitled thereto a sum sufficient to pay the principal, premium, if any, or interest so becoming due until such sums shall be paid to such Persons or otherwise disposed of as herein provided and will promptly notify the Trustee in writing of its action or failure so to act.

If the Company is not acting as its own Paying Agent, the Company will cause each Paying Agent for any series of Securities other than the Trustee to execute and deliver to the Trustee an instrument in which such Paying Agent shall agree with the Trustee, subject to the provisions of this Section, that such Paying Agent will:

(1) hold all sums held by it for the payment of the principal of, premium, if any, or interest on Securities of that series in trust for the benefit of the Persons entitled thereto until such sums shall be paid to such Persons or otherwise disposed of as herein provided;

(2) give the Trustee notice of any default by the Company (or any other obligor upon the Securities of that series) in the making of any payment of principal, premium, if any, or interest on the Securities; and

(3) at any time during the continuance of any such default, upon the written request of the Trustee, forthwith pay to the Trustee all sums so held in trust by such Paying Agent.

The Company may at any time, for the purpose of obtaining the satisfaction and discharge of this Indenture or for any other purpose, pay, or by Company Order direct any Paying Agent to pay, to the Trustee all sums held in trust by the Company or such Paying Agent, such sums to be held by the Trustee upon the same trusts as those upon which such sums were held by the Company or such Paying Agent; and, upon such payment by any Paying Agent to the Trustee, such Paying Agent shall be released from all further liability with respect to such money.

Any money or Government Obligations (including the proceeds thereof) deposited with the Trustee or any Paying Agent, or then held by the Company, in trust for the payment of any principal, premium, if any, or interest or other amounts on any Security of any series and remaining unclaimed for two years after such principal, premium, if any, or interest or other amounts has become due and payable shall be paid to the Company on Company Request, or (if then held by the Company) shall be discharged from such trust; and the Holder of such Security and coupon, if any, shall thereafter, as an unsecured general creditor, look only to the Company for payment thereof, and all liability of the Trustee or such Paying Agent with respect to such trust money, and all liability of the Company as trustee thereof, shall thereupon cease; provided, however, that the Trustee or such Paying Agent, before being required to make any such repayment, may at the expense of the Company cause to be published once, in a newspaper published in the English language, customarily published on each Business Day and of general circulation in The City of New York, or cause to be mailed to such Holder, notice that such money remains unclaimed and that, after a date specified therein, which shall not be less than 30 days from the date of such publication, any unclaimed balance of such money then remaining will be repaid to the Company.

Section 9.4. Corporate Existence. Subject to Article VII, the Company will at all times do or cause to be done all things necessary to preserve and keep in full force and effect its corporate existence and its rights and franchises; provided that nothing in this Section 9.4 shall prevent the abandonment or termination of any right or franchise of the Company if, in the opinion of the Company, such abandonment or termination is in the best interests of the Company.

Section 9.5. Insurance. The Company covenants and agrees that it will maintain, and cause each of its Subsidiaries to maintain, insurance with responsible and reputable insurance companies or associations or through a program of self-insurance in such amounts and covering such risks as are consistent with sound business practice for corporations engaged in the same or a similar business similarly situated.

Section 9.6. Reports by the Company. The Company covenants:

(a) to file with the Trustee, within 30 days after the Company is required to file the same with the Commission, copies of the annual reports and of

the information, documents and other reports (or copies of such portions of any of the foregoing as the Commission may from time to time by rules and regulations prescribe) which the Company may be required to file with the Commission pursuant to section 13 or section 15(d) of the Securities Exchange Act of 1934, as amended; or, if the Company is not required to file information, documents or reports pursuant to either of such sections, then to file with the Trustee and the Commission, in accordance with rules and regulations prescribed from time to time by the Commission, such of the supplementary and periodic information, documents and reports which may be required pursuant to section 13 of the Securities Exchange Act of 1934, as amended, in respect of a security listed and registered on a national securities exchange as may be prescribed from time to time in such rules and regulations;

(b) to file with the Trustee and the Commission, in accordance with the rules and regulations prescribed from time to time by the Commission, such additional information, documents and reports with respect to compliance by the Company with the conditions and covenants provided for in this Indenture, as may be required from time to time by such rules and regulations; and

(c) to transmit to all Holders of Securities within 30 days after the filing thereof with the Trustee, in the manner and to the extent provided in section 313(c) of the Trust Indenture Act, such summaries of any information, documents and reports required to be filed by the Company pursuant to subsections (a) and (b) of this Section 9.6, as may be required by rules and regulations prescribed from time to time by the Commission.

Subject to the provisions of the Trust Indenture Act and except as otherwise expressly provided in this Indenture, delivery of such reports, information and documents to the Trustee is for informational purposes only, and the Trustee's receipt of such reports, information and documents 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.

Section 9.7. Annual Review Certificate. The Company covenants and agrees to deliver to the Trustee, within 120 days after the end of each fiscal year of the Company, a brief certificate from the principal executive officer, principal financial officer, or principal accounting officer as to his or her knowledge of the Company's compliance with all conditions and covenants under this Indenture. For purposes of this Section 9.7, such compliance shall be determined without regard to any period of grace or requirement of notice provided under this Indenture.

Section 9.8. Calculation of Original Issue Discount. Except as the Company and the Trustee may otherwise agree, the Company shall file with the Trustee promptly

following the end of each calendar year (a) a written notice specifying the amount of original issue discount (including daily rates and accrual periods) accrued on Outstanding Securities as of the end of such year and (b) such other specific information relating to such original issue discount as may then be relevant under the Internal Revenue Code of 1986, as amended from time to time.

ARTICLE X

REDEMPTION

Section 10.1. Applicability of Article. Securities (including coupons, if any) of or within any series which are redeemable in whole or in part before their Stated Maturity shall be redeemable in accordance with their terms and (except as otherwise specified as contemplated by Section 3.1 for Securities of any series) in accordance with this Article.

Section 10.2. Election to Redeem; Notice to Trustee. The election of the Company to redeem any Securities, including coupons, if any, shall be evidenced by or pursuant to a Board Resolution or a Company Order. In the case of any redemption at the election of the Company of less than all the Securities or coupons, if any, of any series having the same terms, the Company shall, at least 60 days prior to the Redemption Date fixed by the Company (unless a shorter notice shall be satisfactory to the Trustee), notify the Trustee of such Redemption Date, of the principal amount of Securities of such series to be redeemed and, if applicable, of the tenor of the Securities to be redeemed. In the case of any redemption of Securities (i) prior to the expiration of any restriction on such redemption provided in the terms of such Securities or elsewhere in this Indenture or (ii) pursuant to an election of the Company which is subject to a condition specified in the terms of such Securities, the Company shall furnish the Trustee with an Officers' Certificate evidencing compliance with such restriction or condition.

Section 10.3. Selection of Securities To Be Redeemed. Unless otherwise specified as contemplated by Section 3.1, if less than all the Securities (including coupons, if any) of a series with the same terms are to be redeemed, the Trustee, not more than 45 days prior to the redemption date, shall select the Securities of the series to be redeemed in such manner as the Trustee shall deem fair and appropriate. The Trustee shall make the selection from Securities of the series that are Outstanding and that have not previously been called for redemption and may provide for the selection for redemption of portions (equal to the minimum authorized denomination for Securities, including coupons, if any, of that series or any integral multiple thereof) of the principal amount of Securities, including coupons, if any, of such series of a denomination larger than the minimum authorized denomination for Securities of that series. The Trustee shall promptly notify the Company in writing of the Securities selected by the Trustee for redemption and, in the case of any Securities selected for partial redemption, the principal amount thereof to be redeemed. If the Securities (including coupons, if any) of a series

having different issue dates, interest rates and maturities (whether or not originally issued in a Periodic Offering) are to be redeemed, the Company in its discretion may select the particular Securities or portions thereof to be redeemed and shall notify the Trustee thereof by such time prior to the relevant redemption date or dates as the Company and the Trustee may agree.

For purposes of this Indenture, unless the context otherwise requires, all provisions relating to the redemption of Securities (including coupons, if any) shall relate, in the case of any Securities (including coupons, if any) redeemed or to be redeemed only in part, to the portion of the principal amount of such Securities (including coupons, if any) which has been or is to be redeemed.

Section 10.4. Notice of Redemption. Unless otherwise specified as contemplated by Section 3.1, notice of redemption shall be given in the manner provided in Section 1.6 not less than 15 days nor more than 60 days prior to the Redemption Date to the Holders of the Securities to be redeemed.

All notices of redemption shall state:

(1) the Redemption Date;

(2) the Redemption Price;

(3) if less than all the Outstanding Securities of a series are to be redeemed, the identification (and, in the case of partial redemption, the principal amounts) of the particular Security or Securities to be redeemed;

(4) in case any Security is to be redeemed in part only, the notice which relates to such Security shall state that on and after the Redemption Date, upon surrender of such Security, the holder will receive, without a charge, a new Security or Securities of authorized denominations for the principal amount thereof remaining unredeemed;

(5) the Place or Places of Payment where such Securities, together in the case of Bearer Securities with all coupons appertaining thereto, if any, maturing after the Redemption Date, are to be surrendered for payment of the Redemption Price;

(6) that Securities of the series called for redemption and all unmatured coupons, if any, appertaining thereto must be surrendered to the Paying Agent to collect the Redemption Price;

(7) that, on the Redemption Date, the Redemption Price will become due and payable upon each such Security, or the portion thereof, to be redeemed and, if applicable, that interest thereon will cease to accrue on and after said date;

(8) that the redemption is for a sinking fund, if such is the case;

(9) that, unless otherwise specified in such notice, Bearer Securities of any series, if any, surrendered for redemption must be accompanied by all coupons maturing subsequent to the Redemption Date or the amount of any such missing coupon or coupons will be deducted from the Redemption Price, unless security or indemnity satisfactory to the Company, the Trustee and any Paying Agent is furnished; and

(10) the CUSIP number, if any, of such Securities.

Notice of redemption of Securities to be redeemed shall be given by the Company or, at the Company's request, by the Trustee in the name and at the expense of the Company.

Section 10.5. Deposit of Redemption Price. On or prior to any Redemption Date, the Company shall deposit with the Trustee or with a Paying Agent (or, if the Company is acting as its own Paying Agent, which it may not do in the case of a sinking fund payment under Article XI, segregate and hold in trust as provided in Section 9.3) an amount of money in the currency or currencies (including currency units or composite currencies) in which the Securities of such series are payable (except as otherwise specified pursuant to Section 3.1 for the Securities of such series) sufficient to pay on the Redemption Date the Redemption Price of, and (unless the Redemption Date shall be an Interest Payment Date) interest accrued to the Redemption Date on, all Securities or portions thereof which are to be redeemed on that date.

Unless any Security by its terms prohibits any sinking fund payment obligation from being satisfied by delivering and crediting Securities (including Securities redeemed otherwise than through a sinking fund), the Company may deliver such Securities to the Trustee for crediting against such payment obligation in accordance with the terms of such Securities and this Indenture.

Section 10.6. Securities Payable on Redemption Date. Notice of redemption having been given as aforesaid, the Securities so to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price therein specified, and from and after such date (unless the Company shall default in the payment of the Redemption Price and accrued interest) such Securities shall cease to bear interest and the coupons for any such interest appertaining to any Bearer Security so to be redeemed, except to the extent provided below, shall be void. Except as provided in the next succeeding paragraph,

upon surrender of any such Security, including coupons, if any, for redemption in accordance with said notice, such Security shall be paid by the Company at the Redemption Price, together with accrued interest to the Redemption Date; provided, however, that installments of interest on Bearer Securities whose Stated Maturity is on or prior to the Redemption Date and the principal of, and premium, if any, on such Bearer Securities shall be payable only at an office or agency located outside the United States (except as otherwise provided in Section 9.2) and, unless otherwise specified as contemplated by Section 3.1, only upon presentation and surrender of coupons for such interest; and provided, further, that, unless otherwise specified as contemplated by Section 3.1, installments of interest on Registered Securities whose Stated Maturity is on or prior to the Redemption Date shall be payable to the Holders of such Securities, or one or more Predecessor Securities, registered as such at the close of business on the relevant Record Dates according to their terms and the provisions of Section 3.7.

If any Bearer Security surrendered for redemption shall not be accompanied by all appurtenant coupons maturing after the Redemption Date, such Bearer Security may be paid after deducting from the Redemption Price an amount equal to the face amount of all such missing coupons, or the surrender of such missing coupon or coupons may be waived by the Company and the Trustee if there be furnished to them such security or indemnity as they may require to save each of them and any Paying Agent harmless. If thereafter the Holder of such Bearer Security shall surrender to the Trustee or any Paying Agent any such missing coupon in respect of which a deduction shall have been made from the Redemption Price, such Holder shall be entitled to receive the amount so deducted; provided, however, that interest represented by coupons shall be payable only at an office or agency located outside of the United States (except as otherwise provided in Section 9.2) and, unless otherwise specified as contemplated by Section 3.1, only upon presentation and surrender of those coupons.

If any Security called for redemption shall not be so paid upon surrender thereof for redemption, the principal (and premium, if any) shall, until paid, bear interest from the Redemption Date at the rate prescribed therefor in the Security.

Section 10.7. Securities Redeemed in Part. Upon surrender of a Security that is redeemed in part at any Place of Payment therefor (with, if the Company or the Trustee so require, 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 his attorney duly authorized in writing), the Company shall execute and the Trustee shall authenticate and deliver to the Holder of that Security, without service charge a new Security or Securities of the same series, having the same form, terms and Stated Maturity, in any authorized denomination equal in aggregate principal amount to the unredeemed portion of the principal amount of the Security surrendered.

ARTICLE XI

SINKING FUNDS

Section 11.1. Applicability of Article. Securities of a series shall not be subject to a sinking fund unless provided pursuant to Section 3.1. The provisions of this Article shall be applicable to any sinking fund for the retirement of Securities of a series except as otherwise specified as contemplated by Section 3.1 for Securities of such series.

The minimum amount of any sinking fund payment provided for by the terms of Securities of any series is herein referred to as a "mandatory sinking fund payment," and any payment in excess of such minimum amount provided for by the terms of Securities of any series is herein referred to as an "optional sinking fund payment." If provided for by the terms of Securities of any series, the cash amount of any sinking fund payment may be subject to reduction as provided in Section 11.2. Each sinking fund payment shall be applied to the redemption of Securities of any series as provided for by the terms of Securities of such series.

Section 11.2. Satisfaction of Sinking Fund Payments with Securities. The Company (i) may deliver Outstanding Securities of a series (other than any previously called for redemption) together, in the case of Bearer Securities of such series, with all unmatured coupons appertaining thereto and (ii) may apply as a credit Securities of a series which have been redeemed either at the election of the Company pursuant to the terms of such Securities or through the application of permitted optional sinking fund payments pursuant to the terms of such Securities, in each case in satisfaction of all or any part of any sinking fund payment with respect to the Securities of such series required to be made pursuant to the terms of such Securities as provided for by the terms of such series; provided that such Securities have not been previously so credited. Such Securities shall be received and credited for such purpose by the Trustee at the Redemption Price specified in such Securities for redemption through operation of the sinking fund and the amount of such sinking fund payment shall be reduced accordingly.

Section 11.3. Redemption of Securities for Sinking Fund. Not less than 60 days prior to each sinking fund payment date for any series of Securities, the Company will deliver to the Trustee an Officers' Certificate specifying the amount of the next ensuing sinking fund payment for that series pursuant to the terms of that series, the portion thereof, if any, which is to be satisfied by payment of cash and the portion thereof, if any, which is to be satisfied by delivering and crediting Securities of that series pursuant to Section 11.2 and will also deliver to the Trustee any Securities to be so delivered. Not less than 30 days before each such sinking fund payment date the Trustee shall select the Securities to be redeemed upon such sinking fund payment date in the manner specified in Section 10.3 and cause notice of the redemption thereof to be given in the name of and at the expense of the Company in the manner provided in Section 10.4. Such notice

having been duly given, the redemption of such Securities shall be made upon the terms and in the manner stated in Sections 10.6 and 10.7.

This Indenture may be executed in any number of counterparts, each of which shall be an original, but such counterparts shall together constitute but one instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Indenture to be duly executed, and their respective corporate seals to be hereunto affixed and attested, all as of the day and year first above written.

AMR CORPORATION

By: /s/ James A. Beer

Name: James A. Beer
Title: Senior Vice President
and Chief Financial Officer

[Seal]

Attest:

/s/ Charles D. MarLett

Name: Charles D. MarLett
Title: Corporate Secretary

WILMINGTON TRUST COMPANY,
as Trustee

By: /s/ Roseline K. Maney

Name: Roseline K. Maney
Title: Vice President

[Seal]

Attest:

/s/ Mary Kay Pupillo

Name: Mary Kay Pupillo
Title: Assistant Vice President

Reconciliation and tie between Indenture, dated as of February 1, 2004, and the Trust Indenture Act of 1939, as amended.

Trust Indenture Act of 1939 section -----	Indenture Section -----
310(a)(1)	6.11
(a)(2)	6.11
(a)(3)	TIA
(a)(4)	Not Applicable
(a)(5)	TIA
(b)	6.9; 6.11; TIA
311(a)	TIA
(b)	TIA
312(a)	6.7
(b)	TIA
(c)	TIA
313(a)	6.6; TIA
(b)	TIA
(c)	6.6; TIA
(d)	6.6
314(a)	9.6; 9.7; TIA
(b)	Not Applicable
(c)(1)	1.2
(c)(2)	1.2
(c)(3)	Not Applicable
(d)	Not Applicable
(e)	1.2
(f)	TIA
315(a)	TIA
(b)	6.5
(c)	6.1
(d)(1)	TIA
(d)(2)	TIA
(d)(3)	TIA
(e)	TIA

316(a)(last sentence)	1.1
(a)(1)(A)	5.8
(a)(1)(B)	5.7
(b)	5.2; 5.10
(c)	TIA
317(a)(1)	5.3
(a)(2)	5.4
(b)	9.3
318(a)	1.11
(b)	TIA
(c)	1.11, TIA

This reconciliation and tie section does not constitute part of the Indenture.

AMR CORPORATION,
AMERICAN AIRLINES, INC., as Guarantor
AND
WILMINGTON TRUST COMPANY, as Trustee
SUPPLEMENTAL INDENTURE NO. 2004-1
Dated as of February 13, 2004
4.5% Senior Convertible Notes due 2024
\$323,500,000

Table of Contents

Page

ARTICLE I

RELATION TO INDENTURE; DEFINITIONS AND INCORPORATION BY REFERENCE

Section 1.1	Relation to Indenture.....	2
Section 1.2	Definitions.....	2
Section 1.3	Other Definitions.....	6

ARTICLE II

THE SECURITIES

Section 2.1	Applicable Securities.....	7
Section 2.2	Conversion Agent.....	9
Section 2.3	Registration, Transfer and Exchange.....	9
Section 2.4	Outstanding Applicable Securities in the Event of Conversion or Redemption.....	11
Section 2.5	Interest Payment; Defaulted Interest.....	11
Section 2.6	Persons Deemed Owners.....	12
Section 2.7	Cancellation.....	12
Section 2.8	Global Securities; Legends.....	13
Section 2.9	Transfer of Global and Non-Global Securities.....	15

ARTICLE III

REDEMPTION AND PURCHASES

Section 3.1	Right to Redeem; Notices to Trustee.....	19
Section 3.2	Selection of Applicable Securities to Be Redeemed.....	20
Section 3.3	Notice of Redemption.....	20
Section 3.4	Effect of Notice of Redemption.....	21
Section 3.5	Deposit of Redemption Price.....	21
Section 3.6	Applicable Securities Redeemed in Part.....	22
Section 3.7	Conversion Arrangement on Call for Redemption.....	22
Section 3.8	Purchase of Applicable Securities at Option of the Holder.....	23
Section 3.9	Purchase of Applicable Securities at Option of the Holder upon Change in Control....	30
Section 3.10	Effect of Purchase Notice or Change in Control Purchase Notice.....	39
Section 3.11	Deposit of Purchase Price or Change in Control Purchase Price.....	41
Section 3.12	Applicable Securities Purchased in Part.....	41
Section 3.13	Repayment to the Company.....	42

Table of Contents
(continued)

		Page ----
Section 3.14	Termination of Right to Pay in Common Stock.....	42
ARTICLE IV		
SATISFACTION AND DISCHARGE OF INDENTURE		
Section 4.1	Termination and Discharge of Company's Obligations Under the Indenture.....	42
ARTICLE V		
DEFAULTS AND REMEDIES		
Section 5.1	Defaults and Remedies.....	43
Section 5.2	Undertaking for Costs.....	48
ARTICLE VI		
SUPPLEMENTAL INDENTURES		
Section 6.1	Supplemental Indentures.....	48
ARTICLE VII		
COVENANTS		
Section 7.1	Payment of Applicable Securities.....	51
Section 7.2	Maintenance of Office or Agency.....	51
Section 7.3	Money for Securities to Be Held in Trust; Unclaimed Moneys.....	52
Section 7.4	Covenant to Comply with Applicable Securities Laws upon Purchase of Applicable Securities.....	53
Section 7.5	Further Instruments and Acts.....	53
ARTICLE VIII		
CONVERSION		
Section 8.1	Conversion Privilege.....	53
Section 8.2	Conversion Procedure.....	54
Section 8.3	Fractional Shares.....	56
Section 8.4	Taxes on Conversion.....	56
Section 8.5	Company to Provide Stock.....	57
Section 8.6	Adjustment for Change in Capital Stock.....	57
Section 8.7	Adjustment for Rights Issue.....	58

Table of Contents
(continued)

	Page ----
Section 8.8	Adjustment for Other Distributions..... 59
Section 8.9	When Adjustment May Be Deferred..... 62
Section 8.10	When No Adjustment Required..... 62
Section 8.11	Notice of Adjustment..... 62
Section 8.12	Voluntary Increase..... 63
Section 8.13	Notice of Certain Transactions..... 63
Section 8.14	Reorganization of Company; Special Distributions..... 63
Section 8.15	Company Determination Final..... 64
Section 8.16	Trustee's Adjustment Disclaimer..... 64
Section 8.17	Simultaneous Adjustments..... 65
Section 8.18	Successive Adjustments..... 65
Section 8.19	Rights Issued in Respect of Common Stock Issued upon Conversion..... 65
Section 8.20	Company's Right to Elect to Pay Cash or Common Stock..... 66

ARTICLE IX

GUARANTEE

Section 9.1	Guarantee..... 66
Section 9.2	Severability..... 68
Section 9.3	Limitation of Guarantor's Liability..... 68
Section 9.4	Subrogation..... 68
Section 9.5	Reinstatement..... 68
Section 9.6	Benefits Acknowledged..... 68
Section 9.7	Authentication Required..... 68
Section 9.8	Merger or Consolidation of Guarantor..... 69
Section 9.9	Release of the Guarantor..... 69

ARTICLE X

MISCELLANEOUS

Section 10.1	Trust Indenture Act Controls..... 69
Section 10.2	Communication by Holders with Other Holders..... 69
Section 10.3	Rules by Paying Agent, Conversion Agent and Registrar..... 69
Section 10.4	Calculations..... 70
Section 10.5	Governing Law..... 70
Section 10.6	Multiple Originals..... 70
Section 10.7	Benefits of Supplemental Indenture..... 70
Section 10.8	Confirmation of Indenture..... 70
Section 10.9	Headings and Table of Contents..... 70
Exhibit A	Form of Applicable Security

SUPPLEMENTAL INDENTURE NO. 2004-1, dated as of February 13, 2004 (the "Supplemental Indenture"), between 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 heretofore executed and delivered to the Trustee an Indenture, dated as of February 1, 2004 (the "Indenture"), providing for the issuance from time to time of series of the Company's Securities.

Section 3.1 of the Indenture provides for various matters with respect to any series of Securities issued under the Indenture to be established in an indenture supplemental to the Indenture.

Section 3.1(b) of the Indenture provides that if the Company's obligations under a series of Securities will be guaranteed by the Guarantor, the Company, the Guarantor and the Trustee will enter into an indenture supplement establishing the form of Guarantee and certain other matters.

Section 8.1(7) of the Indenture provides for the Company and the Trustee to enter into an indenture supplemental to the Indenture to establish the form or terms of Securities of any series as provided by Sections 2.1 and 3.1 of the Indenture.

The Company has duly authorized the creation of an issue of a series of 4.5% Senior Convertible Notes due 2024 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 Supplemental Indenture.

The Guarantor has duly authorized the execution and delivery of this Supplemental Indenture to provide for the guarantee of the Company's obligations under the Applicable Securities by the Guarantor.

All things necessary to make the Applicable Securities, when the Applicable 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 Supplemental Indenture a valid and binding agreement of the Company and the Guarantor, in accordance with their and its terms, have been done.

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

ARTICLE I

RELATION TO INDENTURE;
DEFINITIONS AND INCORPORATION BY REFERENCE

Section 1.1 Relation to Indenture. This Supplemental Indenture constitutes an integral part of the Indenture.

Section 1.2 Definitions. For all purposes of this Supplemental Indenture, except as otherwise expressly provided herein or unless the context otherwise requires:

- (1) capitalized terms used herein without definition shall have the meanings specified in the Indenture;
- (2) the terms defined in this Article have the meanings assigned to them in this Article and include the plural as well as the singular;
- (3) all other terms used herein which are defined in the Trust Indenture Act, either directly or by reference therein, have the meanings assigned to them therein;
- (4) all accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles;
- (5) the words "herein", "hereof" and "hereunder" and other words of similar import refer to this Supplemental Indenture as a whole and not to any particular Article, Section or other subdivision; and
- (6) all references to Articles and Sections, unless otherwise specified, refer to the corresponding Articles and Sections of this Supplemental Indenture.

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

"Applicable Securities" or "Notes" means any of the Company's 4.5% Senior Convertible Notes due 2024, as amended or supplemented 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 Section 8.6(c), 8.7 or 8.8 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 8.6(a), (b), (d) or (e) of this Supplemental Indenture 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.

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

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

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

"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, with respect to any rights, warrants or options or distributions, 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 Applicable Securities that are in global form.

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

"Guarantor" means American Airlines, Inc., a Delaware corporation, until a successor replaces it pursuant to the applicable provisions of this Supplemental Indenture and the Guarantee 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 an Applicable Security is registered on the Registrar's books.

"Indenture" has the meaning set forth in the first recital of this Supplemental Indenture.

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

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

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

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

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

"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.

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

"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.

"Supplemental Indenture" means this Supplemental Indenture No. 2004-1, as amended or supplemented from time to time in accordance with the terms hereof, including the provisions of the Trust Indenture Act that are deemed to be a part hereof.

"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 8.7 or 8.8 of this Supplemental Indenture 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.

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

Section 1.3 Other Definitions.

Term -----	Defined in Supplemental Indenture Section -----
"Agent Members".....	2.9(d)
"Bankruptcy Law".....	5.1(a)
"cash".....	3.8(b)
"Change in Control".....	3.9(a)
"Change in Control Company Notice".....	3.9(b)
"Change in Control Notice Date".....	3.9(b)
"Change in Control Purchase Date".....	3.9(a)
"Change in Control Purchase Notice".....	3.9(c)
"Change in Control Purchase Price".....	3.9(a)
"Company Notice".....	3.8(e)
"Company Notice Date".....	3.8(e)
"Conversion Agent".....	2.2
"Conversion Date".....	8.2
"Conversion Rate".....	8.1
"Custodian".....	5.1(a)
"Event of Default".....	5.1(a)
"Ex-Dividend Date".....	8.8(b)
"Expiration Time".....	8.8(c)
"Interest Payment Date".....	2.1(d)
"Market Price".....	3.8(d)
"Notice of Default".....	5.1(a)
"Paying Agent".....	7.3

Term -----	Defined in Supplemental Indenture Section -----
"Purchase Date".....	3.8(a)
"Purchase Notice".....	3.8(a)
"Purchase Price".....	3.8(a)
"Purchased Shares".....	8.8(c)
"Registrar".....	2.3
"Regular Record Date".....	2.1(e)
"Rights".....	8.19
"Rights Agreement".....	8.19
"Securities Act".....	3.8(d)

ARTICLE II

THE SECURITIES

Section 2.1 Applicable Securities.

(a) Title; Form and Dating. There shall be a series of Securities designated the "4.5% Senior Convertible Notes due 2024" (the "Applicable Securities"). The Applicable Securities and the Trustee's certificate of authentication shall be substantially in the form of Exhibit A-1, which is a part of this Supplemental Indenture. The Applicable Securities may have notations, legends (including, without limitation, as provided in Section 2.8 of this Supplemental Indenture) 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 Applicable Security shall be dated the date of its authentication.

(b) Limitation on Aggregate Principal Amount. The Trustee shall authenticate and deliver Applicable Securities for original issue in an aggregate principal amount of up to \$323,500,000 upon a Company Order without any further action by the Company. The aggregate principal amount of Applicable Securities Outstanding at any time may not exceed the amount set forth in the foregoing sentence, except as provided in Section 3.6 of the Indenture.

(c) Principal Payment Dates. The Stated Maturity date for the Applicable Securities is February 15, 2024.

(d) Interest and Interest Rates. The rate of interest on each Applicable Security shall be 4.5% per annum, from the Issue Date or from the most recent date to which interest on such Applicable Security has been paid or duly provided for. Interest

shall be payable on each Applicable Security semi-annually in arrears on February 15 and August 15 of each year during the term of the Applicable Securities, commencing on August 15, 2004 (each, an "Interest Payment Date"). The amount of interest payable for any period will be computed on the basis of a 360-day year of twelve 30-day months.

(e) Regular Record Dates. The "Regular Record Dates" for the Applicable Securities are February 1 and August 1 (whether or not a Business Day).

(f) Place of Payment. The Place of Payment where the Applicable Securities may be presented or surrendered for payment, where the Applicable 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 Applicable Securities, the Indenture, and the Supplemental Indenture may be served shall be as provided in Section 7.2 of this Supplemental Indenture.

(g) Redemption. The Applicable Securities shall be subject to redemption only as provided in Article III of this Supplemental Indenture.

(h) Denominations. The Applicable Securities shall be issued in denominations of \$1,000 and integral multiples thereof.

(i) Currency. All payments of principal, interest, and other amounts with respect to the Applicable Securities shall be made in Dollars.

(j) Registered Securities. The Applicable Securities shall be issued as Registered Securities without coupons.

(k) Defeasance and Covenant Defeasance. The provisions of Sections 4.4 and 4.5 of the Indenture shall not apply to the Applicable Securities.

(l) Global Form. The Applicable Securities will be issued in whole in global form and the Depositary for the Applicable Securities shall initially be DTC. Transfers of Global Securities and beneficial interests in Global Securities may be made only as provided in Section 2.9 of this Supplemental Indenture.

(m) No Sinking Funds. The provisions of Sections 11.1, 11.2 and 11.3 of the Indenture shall not apply to the Applicable Securities.

(n) Guarantee. The Company's obligations under the Applicable Securities are hereby guaranteed by the Guarantor as provided in Article IX of this Supplemental Indenture. The Guarantor is an "obligor" as such term is defined in and solely for purposes of the Trust Indenture Act and is required to comply with the provisions of the Indenture and this Supplemental Indenture compliance with which is required by an "obligor" under the Trust Indenture Act.

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

Section 2.2 Conversion Agent. The Company shall maintain an office or agency where Applicable Securities may be presented for conversion ("Conversion Agent"). The Company may have one or more additional conversion agents. The Company shall enter into an appropriate agency agreement with any Conversion Agent that is not also the Trustee. The agreement shall implement the provisions of the Indenture and this Supplemental Indenture that relate to such Conversion Agent. The Company shall notify the Trustee of the name and address of any such Conversion Agent. If the Company fails to maintain a Conversion Agent, the Trustee shall act as Conversion Agent and shall be entitled to appropriate compensation therefor pursuant to Section 6.8 of the Indenture. The Company or any Subsidiary or an Affiliate of either of them may act as Conversion Agent.

Section 2.3 Registration, Transfer and Exchange. For purposes of the Applicable Securities, Section 3.5 of the Indenture shall be amended to read as follows:

"Section 3.5 Registration, Transfer and Exchange.

(a) The Company shall maintain an office or agency where Applicable Securities may be presented for registration of transfer or for exchange ("Registrar"). The Company may have one or more co-registrars. The Registrar shall keep a register (the "Register") of the Applicable Securities and of their transfer and exchange. The Register shall be in written form or any other form capable of being converted into written form within a reasonable time. The Company shall enter into an appropriate agency agreement with any Registrar or co-registrar that is not also the Trustee. The agreement shall implement the provisions of the Indenture and this Supplemental Indenture that relate to such Registrar or co-registrar. The Company shall notify the Trustee of the name and address of any such Registrar or co-registrar. If the Company fails to maintain a Registrar, the Trustee shall act as such and shall be entitled to appropriate compensation therefor pursuant to Section 6.8 of this Indenture. The Company or any Subsidiary or an Affiliate of either of them may act as Registrar or co-registrar.

(b) Subject to Sections 2.8 and 2.9 of the Supplemental Indenture:

(i) Upon surrender for registration of transfer of any Applicable 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 3.5(a) of this Indenture and satisfaction of the applicable requirements set forth in Section 2.9(b) of the Supplemental Indenture, the Company shall execute, and the Trustee shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Applicable 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 Applicable Securities from the Securityholder requesting such registration of transfer or exchange.

(ii) At the option of the Holder, Non-Global Securities may be exchanged for other Applicable Securities of any authorized denomination or denominations, of a like aggregate principal amount, and upon surrender of the Applicable Securities to be exchanged and satisfaction of the requirements set forth in Section 2.9(b)(3) of the Supplemental Indenture, the Company shall execute, and the Trustee shall authenticate and deliver, the Applicable Securities which the Holder making the exchange is entitled to receive.

(c) The Company shall not be required to make, and the Registrar need not register, transfers or exchanges of Applicable Securities selected for redemption (except, in the case of Applicable Securities to be redeemed in part, the portion thereof not to be redeemed) or any Applicable 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 or the Supplemental Indenture (except, in the case of Applicable Securities to be purchased in part, the portion thereof not to be purchased) or any Applicable Securities for a period of 15 days before the mailing of a notice of redemption of Applicable Securities to be redeemed.

(d) 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 Applicable Securities.

(e) Any Registrar appointed pursuant to Section 3.5(a) of this Indenture shall provide to the Trustee such information as the Trustee may reasonably require in connection with the delivery by such Registrar of Applicable Securities upon registration of transfer or exchange of Applicable Securities.

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

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 the Indenture or this Supplemental Indenture or under applicable law with respect to any transfer of any interest in any Applicable 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 2.4 Outstanding Applicable Securities in the Event of Conversion or Redemption. If the Paying Agent holds, in accordance with the Indenture or this Supplemental 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 Applicable 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 Applicable Securities shall cease to be Outstanding, interest on such Applicable 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 Applicable Security upon delivery of such Applicable Security in accordance with the terms of the Indenture and this Supplemental Indenture; provided that, if such Applicable Securities are to be redeemed, notice of such redemption has been duly given pursuant to this Indenture.

If an Applicable Security is converted in accordance with Article VIII of this Supplemental Indenture, then from and after the time of conversion on the Conversion Date, such Applicable Security shall cease to be Outstanding and interest shall cease to accrue on such Applicable Security.

Section 2.5 Interest Payment; Defaulted Interest. For purposes of the Applicable Securities, the following provisions of the Indenture shall be amended to read as follows:

(a) Section 3.7(a) of the Indenture shall be amended to read as follows:

"(a) Interest on any Applicable 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 Applicable Security is registered at the close of business each Regular Record Date at the office or agency of the Company maintained for such purpose. Each installment of interest on any Applicable 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 Applicable 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 Depository, 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."

(b) Section 3.7(b) shall be amended to insert the words, "which term shall include any accrued and unpaid interest that has accrued on such defaulted amount in accordance with paragraph 1 of the Securities", after the words, "herein called 'Defaulted Interest'".

Section 2.6 Persons Deemed Owners. For purposes of the Applicable Securities, the first three paragraphs of Section 3.8 of the Indenture shall be amended to read as follows:

"Prior to due presentment of an Applicable 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 Applicable Security is registered as the owner of such Applicable Security for the purpose of receiving payment of principal of the Applicable 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 Applicable 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 2.7 Cancellation. For purposes of the Applicable Securities, Section 3.9 of the Indenture shall be amended to read as follows:

"Section 3.9 Cancellation. All Applicable Securities surrendered for payment, purchase by the Company pursuant to Article III of the Supplemental Indenture, 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 Applicable Securities previously authenticated and delivered hereunder which the Company may have acquired in any manner whatsoever, and all Applicable Securities so delivered shall be promptly cancelled by the Trustee. The Company may not issue new Applicable Securities to replace Applicable Securities it has paid or delivered to the Trustee for cancellation or that any Holder has converted pursuant to Article VIII of the Supplemental Indenture. No Applicable Securities shall be authenticated in lieu of or in exchange for any Applicable Securities cancelled as provided in this Section 3.9, except as expressly permitted by this Indenture. All cancelled Applicable Securities held by the Trustee shall be disposed of by the Trustee."

Section 2.8 Global Securities; Legends.

(a) General. Except as provided in this Section 2.8 or Section 2.9 of this Supplemental Indenture, 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 Applicable Securities, in accordance with the Applicable Procedures. Each Global Security shall represent such of the Outstanding Applicable Securities as shall be specified therein and each shall provide that it shall represent the aggregate principal amount of Outstanding Applicable Securities from time to time endorsed thereon and that the aggregate principal amount of Outstanding Applicable 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 Applicable Securities represented thereby shall be made by the Trustee in accordance with instructions given by the Holder thereof as required by Section 2.9 of this Supplemental Indenture and shall be made on the records of the Trustee and the Depositary.

(b) Book-Entry Provisions. This Section 2.8(b) shall apply only to Global Securities deposited with or on behalf of the Depositary.

For purposes of the Applicable Securities, the legend in Section 2.4 of the Indenture shall be amended to read as follows:

"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."

The Company shall execute and the Trustee shall, in accordance with Section 2.1(b) of this Supplemental Indenture, authenticate and deliver initially one or more Global Securities that (a) shall be registered in the name of the Depositary, (b) shall be delivered by the Trustee to the Depositary or pursuant to the Depositary's instructions or held by the Trustee as custodian for such Depositary and (c) shall bear the legends set forth above.

(c) 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 2.8(b) of this Supplemental Indenture.

(d) ERISA Legend. All Applicable 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 2.9 Transfer of Global and Non-Global Securities.

(a) Notwithstanding any other provisions of the Indenture, this Supplemental Indenture or the Applicable Securities, (A) transfers of a Global Security, in whole or in part, shall be made only in accordance with Section 3.5 (as amended by Section 2.3 of this Supplemental Indenture) of the Indenture and Section 2.9(b)(1) below, (B) transfer of a beneficial interest in a Global Security for a Non-Global Security shall comply with Section 3.5 (as amended by Section 2.3 of this Supplemental Indenture) of the Indenture and Section 2.9(b)(2) below, (C) transfers of a Non-Global Security shall comply with Section 3.5 (as amended by Section 2.3 of this Supplemental Indenture) of the Indenture and Section 2.9(b)(3) below, (D) transfers of a Non-Global Security for a beneficial interest in a Global Security shall comply with Section 3.5 (as amended by Section 2.3 of this Supplemental Indenture) of the Indenture and Section 2.9(b)(4) below and (E) transfers of beneficial interests in Global Securities shall be made in accordance with Section 2.9(b)(5) below.

No transfer of an Applicable Security to any Person shall be effective under this Indenture or the Applicable Securities unless and until such Applicable 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 2.9(b)(1) shall not prohibit any transfer of an Applicable Security that is issued in exchange for a Global Security but is not itself a Global Security. Nothing in this Section 2.9(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 2.9(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 2.9(d)(1)(ii) and (iii) of this Supplemental Indenture 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 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 Applicable Securities represented by the Global Security, such instructions to contain information regarding the Depositary account to be credited with such decrease, 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 Applicable 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 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.

(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 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 Applicable Securities represented by the Global Security, such instructions to contain information regarding the Depositary 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 Depositary and the Registrar, the aggregate principal amount of Applicable 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 Depositary 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 Depositary in accordance with this Indenture and the Applicable Procedures therefor.

(c) As used in Section 2.9, the term "transfer" encompasses any sale, pledge, transfer, hypothecation or other disposition of any Applicable Security.

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

(1) Notwithstanding any other provisions of the Indenture, this Supplemental Indenture or the Applicable Securities, except as provided in Section 2.9(b)(1) of this Supplemental Indenture, a Global Security shall not be exchanged in whole or in part for an Applicable Security registered in the name of any Person other than the Depository, provided that a Global Security may be exchanged for Applicable Securities registered in the names of any Person designated by the Depository in the event that (i) the Depository has notified the Company that it is unwilling or unable to continue as Depository for such Global Security or such Depository has ceased to be a "clearing agency" registered under the Securities Exchange Act of 1934, as amended, and a successor Depository 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 depository), 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 Depository. Any Applicable Security issued in exchange for a Global Security or any portion thereof shall be a Global Security; provided that any such Applicable Security so issued that is registered in the name of a person other than the Depository or a nominee thereof shall not be a Global Security.

(2) Applicable 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 Depository shall designate and shall bear the applicable legends provided for herein. Any Global Security to be exchanged in whole shall be surrendered by the Depository 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 Depository 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 Applicable Security issuable on such exchange to or upon the order of the Depository 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 Applicable 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 Depositary, 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 Applicable Security.

ARTICLE III

REDEMPTION AND PURCHASES

Section 3.1 Right to Redeem; Notices to Trustee. The Company, at its option, may redeem the Applicable Securities in accordance with the provisions of paragraphs 5 and 7 of the Applicable Securities. Prior to February 15, 2009, the Company cannot redeem the Applicable Securities. Beginning on February 15, 2009, the Company may redeem the Applicable Securities for cash in whole at any time, or in part from time to time. If the Company elects to redeem Applicable Securities pursuant to paragraph 5 of the Applicable Securities, it shall notify the Trustee in writing of the Redemption Date and the principal amount of Applicable 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 3.1, 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 Applicable 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 3.2 Selection of Applicable Securities to Be Redeemed. If less than all the Applicable Securities are to be redeemed, the Trustee shall select the Applicable 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 Applicable 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 Applicable Securities not previously called for redemption. The Trustee may select for redemption portions of the principal amount of Applicable Securities that have denominations larger than \$1,000.

Applicable 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 Supplemental Indenture that apply to Applicable Securities called for redemption also apply to portions of Applicable Securities called for redemption. The Trustee shall notify the Company promptly of the Applicable Securities or portions of Applicable Securities to be redeemed.

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

Section 3.3 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 Applicable Securities to be redeemed.

The notice shall identify the Applicable 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 Applicable 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 Applicable Securities must satisfy the requirements set forth in paragraph 8 of the Applicable Securities;

(7) that Applicable 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 Applicable Securities are to be redeemed, the certificate number and principal amounts of the particular Applicable 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 Applicable 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 3.4 Effect of Notice of Redemption. Once notice of redemption is given, Applicable 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 Applicable Securities which are converted in accordance with the terms of this Supplemental Indenture. Upon the later of the Redemption Date and surrender to the Paying Agent, such Applicable 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 3.5 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 Applicable Securities to be redeemed on that date other than Applicable Securities or portions of Applicable 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 Applicable Securities pursuant to Article VIII of this Supplemental Indenture. 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 3.6 Applicable Securities Redeemed in Part. Upon surrender of an Applicable Security that is redeemed in part, the Company shall execute and the Trustee shall authenticate and deliver to the Holder a new Applicable Security in an authorized denomination equal in principal amount to the unredeemed portion of the Applicable Security surrendered.

Section 3.7 Conversion Arrangement on Call for Redemption. In connection with any redemption of Applicable Securities, the Company may arrange for the purchase and conversion of any Applicable Securities called for redemption by an agreement with one or more investment banks or other purchasers to purchase such Applicable 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 Applicable Securities, is not less than the Redemption Price of, and any accrued and unpaid interest with respect to, such Applicable Securities. Notwithstanding anything to the contrary contained in this Article III, the obligation of the Company to pay the Redemption Prices of such Applicable 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 Applicable 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 VIII of this Supplemental Indenture) 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 Applicable 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 Applicable Securities. Without the Trustee's prior written consent, no arrangement between the Company and such purchasers for the purchase and conversion of any Applicable 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 Applicable 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 3.8 Purchase of Applicable Securities at Option of the Holder.

(a) General. Applicable Securities shall be purchased by the Company pursuant to paragraph 6 of the Applicable Securities as of each of the following dates: February 15, 2009, February 15, 2014 and February 15, 2019 (each, a "Purchase Date"), at a purchase price equal to the principal amount thereof plus accrued and unpaid interest, if any, to, but excluding, 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 Applicable Securities have been issued, the certificate number of the Applicable Security which the Holder will deliver to be purchased,

(B) the portion of the principal amount of the Applicable 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 Applicable Security shall be purchased as of the Purchase Date pursuant to the terms and conditions specified in paragraph 6 of the Applicable Securities and in this Indenture, and

(D) in the event the Company elects, pursuant to Section 3.8(b) of this Supplemental Indenture, 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 3.8(d) of this Supplemental Indenture, 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 Applicable Securities to which such Purchase Notice relates (stating the principal amount and certificate numbers of the Applicable Securities as to which such withdrawal shall relate), or (ii) to receive cash in respect of the entire Purchase Price for all Applicable Securities (or portions thereof) to which such Purchase Notice relates; and

(2) delivery or book entry transfer of such Applicable 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 3.8 only if the Applicable 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 of this Supplemental Indenture, fails to indicate such Holder's choice with respect to the election set forth in clause (D) of Section 3.8(a)(1) of this Supplemental Indenture, such Holder shall be deemed to have elected to receive cash in respect of the Purchase Price for all Applicable 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 3.8, a portion of an Applicable Security if the principal amount of such portion is \$1,000 or an integral multiple of \$1,000. Provisions of this Supplemental Indenture that apply to the purchase of all of an Applicable Security also apply to the purchase of such portion of such Applicable Security.

Any purchase by the Company contemplated pursuant to the provisions of this Section 3.8 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 Applicable Security to the Paying Agent in accordance with this Section 3.8.

Notwithstanding anything herein to the contrary, any Holder delivering to the Paying Agent the Purchase Notice contemplated by this Section 3.8(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 of this Supplemental Indenture.

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 Applicable Securities to be purchased pursuant to Section 3.8(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 3.8(c) and (d) of this Supplemental Indenture, as applicable. The Company shall designate, in the Company Notice delivered pursuant to Section 3.8(e) of this

Supplemental Indenture, whether the Company will purchase the Applicable Securities for cash or Common Stock, or, if a combination thereof, the percentages or amounts of the Purchase Price of Applicable 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 Applicable 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 Applicable Securities are purchased pursuant to this Section 3.8 shall receive the same percentage of cash or Common Stock in payment of the Purchase Price for such Applicable Securities, except (i) as provided in Section 3.8(d) of this Supplemental Indenture 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 Applicable 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 Applicable 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 3.8(b) or pursuant to Section 3.8(d) of this Supplemental Indenture 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 3.8(e) of this Supplemental Indenture,
- (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 3.8(d) of this Supplemental Indenture have been or will be complied with, and
- (4) whether the Company desires the Trustee to give the Company Notice required by Section 3.8(e) of this Supplemental Indenture.

(c) Purchase with Cash. On each Purchase Date, at the option of the Company, the Purchase Price of Applicable Securities in respect of which a Purchase Notice pursuant to Section 3.8(a) of this Supplemental Indenture 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 Applicable Securities.

(d) Payment by Issuance of Common Stock. On each Purchase Date, at the option of the Company, the Purchase Price of Applicable Securities in respect of which a Purchase Notice pursuant to Section 3.8(a) of this Supplemental Indenture 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 Applicable 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 Applicable Security purchased, the number of shares of Common Stock shall be based on the aggregate amount of Applicable 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 Applicable 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 Applicable 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 Applicable Security being purchased pursuant to the provisions hereof.

The Company's right to exercise its election to purchase the Applicable Securities pursuant to this Section 3.8 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 Applicable 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 Applicable 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, 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 Applicable Securities have been duly authorized and, when issued and delivered pursuant to the terms of this Supplemental Indenture in payment of the Purchase Price in respect of the Applicable 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 Applicable 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 Applicable Securities pursuant to this Section 3.8 through the issuance of shares of Common Stock, the Company shall pay the entire Purchase Price of the Applicable 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 8.6, 8.7 or 8.8 of this Supplemental Indenture; subject, however, to the conditions set forth in Sections 8.9 and 8.10 of this Supplemental Indenture.

(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 1.6 of the Indenture 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 Applicable 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 Applicable Securities as to which a Purchase Notice has been given may be converted pursuant to Article VIII of this Supplemental Indenture

only if the applicable Purchase Notice has been withdrawn in accordance with the terms of this Supplemental Indenture;

(v) that Applicable Securities must be surrendered to the Paying Agent to collect payment of the Purchase Price;

(vi) that the Purchase Price for any Applicable 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 Applicable Security as described in (v);

(vii) the procedures the Holder must follow to exercise rights under Section 3.8 of this Supplemental Indenture and a brief description of those rights;

(viii) briefly, the conversion rights of the Applicable Securities and that Holders who want to convert Applicable Securities must satisfy the requirements set forth in paragraph 8 of the Applicable Securities;

(ix) the procedures for withdrawing a Purchase Notice (including, without limitation, for a conditional withdrawal pursuant to the terms of Section 3.8(a)(1)(D) or Section 3.10 of this Supplemental Indenture);

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

(xi) the CUSIP number of the Applicable 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 Applicable 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 Applicable 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 3.8(c) of this Supplemental Indenture 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 of this Supplemental Indenture, sufficient to pay the aggregate Purchase Price of all Applicable Securities to be purchased pursuant to this Section 3.8. 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 3.8(d) of this Supplemental Indenture, 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 an Applicable 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 3.9 Purchase of Applicable Securities at Option of the Holder upon Change in Control.

(a) If there shall have occurred a Change in Control as defined below, Applicable 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 3.9(c) of this Supplemental Indenture.

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

(1) any "person" or "group" within the meaning of Section 13(d) of the Securities Exchange Act of 1934, as amended, 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 T0 or any schedule, form or report under the Securities Exchange Act of 1934, as amended, disclosing that such person or group has become the direct or indirect ultimate "beneficial owner," as defined in Rule 13d-3 under the Securities Exchange Act of 1934, as amended, 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 Securities Exchange Act of 1934, as amended, 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 Securities Exchange Act of 1934, as amended, 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 Applicable 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 Applicable 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 3.9 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 Applicable Securities as to which a Change in Control Purchase Notice has been given may be converted pursuant to Article VIII of this Supplemental Indenture only if the Change in Control Purchase Notice has been withdrawn in accordance with the terms of this Supplemental Indenture;

(11) that Applicable 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 Applicable 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 Applicable Security as described in (11);

(13) briefly, the procedures the Holder must follow to exercise rights under this Section 3.9;

(14) briefly, the conversion rights of the Applicable 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 Applicable Securities surrendered for purchase, interest on Applicable Securities surrendered for purchase will cease to accrue on and after the Change in Control Purchase Date; and

(17) the CUSIP number of the Applicable Securities.

(c) Change in Control Purchase Notice. A Holder may exercise its rights specified in Section 3.9(a) of this Supplemental Indenture 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 Applicable Securities have been issued, the certificate number of the Applicable Security which the Holder will deliver to be purchased;

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

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

(D) in the event the Company elects, pursuant to Section 3.9(f) of this Supplemental Indenture, 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 3.9(d) of this Supplemental Indenture, 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 Applicable Securities to which such Purchase Notice relates (stating the principal amount and certificate numbers of the Applicable 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 Applicable Securities (or portions thereof) to which such Change in Control Purchase Notice relates; and

(2) the delivery of such Applicable 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 3.9 only if the Applicable 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 of this Supplemental Indenture, fails to indicate such Holder's choice with respect to the election set forth in clause (D) of Section 3.9(c)(1) of this Supplemental Indenture, such Holder shall be deemed to have elected to receive cash in respect of the Change in Control Purchase Price for all Applicable 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 3.9, a portion of an Applicable Security if the principal amount of such portion is \$1,000 or an integral multiple of \$1,000. Provisions of this Supplemental Indenture that apply to the purchase of all of an Applicable Security also apply to the purchase of such portion of such Applicable Security.

Any purchase by the Company contemplated pursuant to the provisions of this Section 3.9 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 Applicable Security to the Paying Agent in accordance with this Section 3.9.

Notwithstanding anything herein to the contrary, any Holder delivering to the Paying Agent the Change in Control Purchase Notice contemplated by this Section 3.9(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 of this Supplemental Indenture.

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 3.9 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 3.9 and repurchases all Applicable 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 Applicable Securities to be purchased pursuant to Section 3.9(a) of this Supplemental Indenture 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 3.9(e) and (f) of this Supplemental Indenture, as applicable. The Company shall designate, in the Change in Control Company Notice delivered pursuant to Section 3.9(b) of this Supplemental Indenture, whether the Company will purchase the Applicable Securities for cash or Common Stock, or, if a combination thereof, the percentages or amounts of the Change in Control Purchase Price of Applicable 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 Applicable 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 Applicable Securities are purchased pursuant to this Section 3.9 shall receive the same percentage of cash or Common Stock in payment of the Change in Control Purchase Price for such Applicable Securities, except (i) as provided in Section 3.9(f) of this Supplemental Indenture 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 Applicable 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 Applicable 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 3.9(d) or pursuant to Section 3.9(f) of this Supplemental Indenture 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 3.9(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 3.9 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 3.9(b) of this Supplemental Indenture.

(e) Purchase with Cash. On each Change in Control Purchase Date, at the option of the Company, the Change in Control Purchase Price of Applicable Securities in respect of which a Change in Control Purchase Notice pursuant to Section 3.9(c) of this Supplemental Indenture 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 Applicable 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 Applicable Securities in respect of which a Change in Control Purchase Notice pursuant to Section 3.9(c) of this Supplemental Indenture 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 Applicable Security purchased, the number of shares of Common Stock shall be based on the aggregate amount of Applicable 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 Applicable 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 Applicable 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 Applicable Security being purchased pursuant to the provisions hereof.

The Company's right to exercise its election to purchase the Applicable Securities pursuant to this Section 3.9 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 Applicable 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 Securities Exchange Act of 1934, as amended, 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 Supplemental 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 Applicable 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 Applicable 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 Applicable 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 Applicable Securities pursuant to this Section 3.9 through the issuance of shares of Common Stock, the Company shall pay the entire Change in Control Purchase Price of the Applicable Securities of such Holder or Holders in cash.

(g) Taxes. If a Holder of an Applicable 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 3.8(a) or Section 3.9(c) of this Supplemental Indenture, as applicable, the Holder of the Applicable 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 Applicable 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 Applicable Security (provided the conditions in Section 3.8(a) or Section 3.9(c) of this Supplemental

Indenture, as applicable, have been satisfied) and (y) the time of delivery of such Applicable Security to the Paying Agent by the Holder thereof in the manner required by Section 3.8(a) or Section 3.9(c) of this Supplemental Indenture, as applicable. 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 VIII of this Supplemental Indenture 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 Applicable Securities have been issued, the certificate number of the Applicable Security in respect of which such notice of withdrawal is being submitted,

(2) the principal amount of the Applicable Security with respect to which such notice of withdrawal is being submitted, and

(3) the principal amount, if any, of such Applicable 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 3.8(a)(1)(D) and Section 3.9(c)(1)(D) of this Supplemental Indenture or (ii) a conditional withdrawal containing the information set forth in Section 3.8(a)(1)(D) and Section 3.9(c)(1)(D) of this Supplemental Indenture 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 Applicable Securities pursuant to Section 3.8 or 3.9 of this Supplemental Indenture (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 Applicable 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 Applicable Securities). The Paying Agent will promptly return to the respective Holders thereof any Applicable 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 Applicable 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 9.3 of the Indenture) 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 Applicable 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 Applicable 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 Applicable Security or portion thereof will cease to be Outstanding and interest on such Applicable Security or portion thereof will cease to accrue, whether or not such Applicable 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 Applicable Security.

Section 3.12 Applicable Securities Purchased in Part. Any Applicable 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 Applicable Security, without service charge, a new Applicable Security or Applicable 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 Applicable 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 Applicable Securities, together with interest or dividends, if any, thereon (subject to the provisions of Section 6.3 of the Indenture), 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 of this Supplemental Indenture exceeds the aggregate Purchase Price or Change in Control Purchase Price, as the case may be, of the Applicable 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 6.3 of the Indenture).

Section 3.14 Termination of Right to Pay in Common Stock. Notwithstanding anything to the contrary in the Applicable Securities or the Indenture or otherwise, the Company in its sole discretion may elect to terminate at any time its right to pay in Common Stock, in whole or in part, with respect to any purchase, repurchase or redemption of any Applicable Security (or portion thereof) by providing a notice to the Trustee of such election.

ARTICLE IV

SATISFACTION AND DISCHARGE OF INDENTURE

Section 4.1 Termination and Discharge of Company's Obligations Under the Indenture. With respect to the Applicable Securities, Section 4.1 of the Indenture shall be amended to read as follows:

"Section 4.1 Termination and Discharge of Company's Obligations Under the Indenture. When (i) the Company delivers to the Trustee all Outstanding Applicable Securities (other than Applicable Securities replaced pursuant to Section 3.6 of this Indenture) for cancellation or (ii) all Outstanding Applicable 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 Applicable Securities or the Indenture, Common Stock sufficient to pay all amounts due

and owing on all Outstanding Applicable Securities (other than Applicable Securities replaced pursuant to Section 3.6 of this Indenture), 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 6.8 of this Indenture, 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."

ARTICLE V

DEFAULTS AND REMEDIES

Section 5.1 Defaults and Remedies. For purposes of the Applicable Securities, the following provisions of the Indenture shall be amended to read as follows:

(a) Section 5.1 of the Indenture shall be amended to read as follows:

"Section 5.1 Events of Default. An "Event of Default" occurs if:

(1) the Company defaults in payment of any interest when due under the Applicable 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 Applicable Security, in each case when the same becomes due and payable;

(3) the Company fails to comply with any of its agreements in the Applicable Securities, the Supplemental Indenture 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 5.1;

(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 5.1; 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 Applicable 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 Applicable 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".

(b) Section 5.2 of the Indenture shall be amended to read as follows:

"Section 5.2 Acceleration; Rescission and Annulment. If an Event of Default (other than an Event of Default specified in Section 5.1(6) or (7) of this Indenture 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 Applicable 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 Applicable 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 5.1(6) or (7) of this Indenture 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 Applicable 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 Applicable Securities at the time Outstanding, by notice to the Trustee (and without notice to any other Securityholder), may rescind any acceleration of the Applicable 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 6.8 of this Indenture have been paid. No such rescission shall affect any subsequent Default or impair any right consequent thereto."

(c) Section 5.3 of the Indenture shall be amended to read as follows:

"Section 5.3 Collection Suit by Trustee. If an Event of Default described in Section 5.1(1) or (2) of this Indenture 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 Applicable Securities and the amounts provided for in Section 6.8 of this Indenture."

(d) Section 5.4 of the Indenture shall be amended to read

as follows:

"Section 5.4 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 Applicable 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 6.8 of this Indenture) 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 6.8 of this Indenture.

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 Applicable 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."

(e) Section 5.7 of the Indenture shall be amended to read

as follows:

"Section 5.7 Waiver of Past Defaults. Subject to Section 5.2 of this Indenture, the Holders of a majority in aggregate principal amount of the Applicable 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 5.1(1) or (2) of this Indenture, (2) a Default in respect of a provision that under Section 8.2 of this Indenture cannot be amended without the consent of each Securityholder affected or (3) a Default which constitutes a failure to convert any Applicable Security in accordance with the terms of Article VIII of the Supplemental Indenture. 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 5.7 shall be in lieu of Section 316(a)(1)(B) of the Trust Indenture Act and such Section 316(a)(1)(B) is hereby expressly excluded from this Indenture, as permitted by the Trust Indenture Act."

(f) Section 5.10 of the Indenture shall be amended to read as follows:

"Section 5.10 Rights of Holders to Receive Payment. Notwithstanding any other provision of this Indenture or the Supplemental 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 Applicable Securities held by such Holder, on or after the respective due dates expressed in the Applicable Securities or any Redemption Date, and to convert the Applicable Securities in accordance with Article VIII of the Supplemental Indenture, 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."

(g) Section 5.11 of the Indenture shall be amended to read as follows:

"Section 5.11 Priorities. If the Trustee collects any money pursuant to this Article V, it shall pay out the money in the following order:

FIRST: to the Trustee for amounts due under Section 6.8 of this Indenture;

SECOND: to Securityholders for amounts due and unpaid on the Applicable 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 Applicable 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 5.11. 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."

(h) The second proviso to the first sentence of Section 6.5 of the Indenture shall be deleted.

(i) The words "Section 5.1(4) or Section 5.1(5)" in Section 6.8(e) of the Indenture shall be replaced with "Section 5.1(6) or Section 5.1(7)."

Section 5.2 Undertaking for Costs. In any suit for the enforcement of any right or remedy under the 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 5.2 does not apply to a suit by the Trustee, a suit by a Holder pursuant to Section 5.10 of the Indenture or a suit by Holders of more than 10% in aggregate principal amount of the Securities at the time outstanding. This Section 5.2 shall be in lieu of Section 315(e) of the Trust Indenture Act and such Section 315(e) is hereby expressly excluded from this Indenture, as permitted by the Trust Indenture Act.

ARTICLE VI

SUPPLEMENTAL INDENTURES

Section 6.1 Supplemental Indentures. For purposes of the Applicable Securities, the following provisions of the Indenture shall be amended to read as follows:

(a) Section 8.1 of the Indenture shall be amended to read as follows:

"Section 8.1 Without Consent of Holders. Without the consent of any Securityholder, the Company and the Guarantor may, and the Trustee shall, at the Company's request, at any time and from time to time, enter into one or more amendments, supplements or modifications hereto or to the Applicable Securities, for any of the following purposes:

(1) to cure any ambiguity, omission, defect or inconsistency in the Applicable 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 Applicable Securities or the Guarantee, as applicable, or

otherwise to comply with Article VII of this Indenture or Section 8.14 or Section 9.8 of the Supplemental Indenture;

(3) to secure the Company's obligations under the Applicable 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 Trust Indenture Act, or any amendment thereto, or to comply with any requirement of the Commission;

(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 prospectus supplement provided to investors in connection with the initial offering of the Applicable 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 Applicable Securities or the shares of Common Stock issuable upon conversion of the Applicable Securities pursuant to law, regulation or practice relating to the resale or transfer of restricted securities generally."

(b) Section 8.2 of the Indenture shall be amended to read

as follows:

"Section 8.2 With Consent of Holders. With the written consent of the Securityholders of at least a majority in aggregate principal amount of the Applicable Securities at the time Outstanding, the Company and the Guarantor may, and the Trustee shall, at the Company's request, at any time and from time to time, enter into one or more amendments, supplements or modifications hereto or to the Applicable Securities.

However, without the consent of each Securityholder affected, no such amendment, supplement or modification shall:

- (1) reduce the percentage in principal amount of Applicable 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 Section 3.7 of this Indenture and paragraph 1 of the Applicable Securities or alter the time of payment of interest on any Applicable Security;
- (3) reduce the principal amount with respect to any Applicable Security, or change the Stated Maturity of any Applicable Security;
- (4) reduce the Redemption Price, Purchase Price or Change in Control Purchase Price of any Applicable Security;
- (5) make any Applicable Security payable in money or securities other than as stated in the Applicable Security;
- (6) make any change to this Section 8.2;
- (7) make any change that adversely affects the right of a Securityholder to convert any Applicable Security;
- (8) make any change that adversely affects the right of a Securityholder to require the Company to purchase the Applicable 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 Applicable Securities or under the Guarantee of the Guarantor, or with respect to the conversion of the Applicable 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 8.2 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 8.2 becomes effective, the Company shall mail to each Holder a notice briefly describing the amendment."

(c) Section 8.5 of the Indenture shall be amended to read as follows:

"Section 8.5 Effect of Supplemental Indentures. Upon the execution of any supplemental indenture under this Article VIII, 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 Applicable Securities theretofore or thereafter authenticated and delivered hereunder shall be bound thereby."

ARTICLE VII

COVENANTS

Section 7.1 Payment of Applicable Securities. With respect to the Applicable Securities, Section 9.1 of the Indenture shall be amended to read as follows:

"Section 9.1 Payment of Applicable Securities. The Company shall promptly make all payments in respect of the Applicable Securities on the dates and in the manner provided in the Applicable Securities or pursuant to this Supplemental Indenture. Any amounts or Common Stock 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 Applicable 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 7.2 Maintenance of Office or Agency. With respect to the Applicable Securities, Section 9.2 of the Indenture shall be amended to read as follows:

"Section 9.2 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 Applicable Securities may be presented or surrendered for payment, where Applicable 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 Applicable 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 1.5 of this Indenture.

The Company may also from time to time designate one or more other offices or agencies where the Applicable 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 7.3 Money for Securities to Be Held in Trust;
Unclaimed Moneys. For purposes of the Applicable Securities, Section 9.3 of the Indenture shall be amended to read as follows:

"Section 9.3 Moneys for Securities To Be Held in Trust;
Unclaimed Moneys. The Company shall maintain an office or agency where Applicable Securities may be presented for purchase or payment ("Paying Agent"). The Company may have one or more additional paying agents. The Company shall enter into an appropriate agency agreement with any Paying Agent that is not also the Trustee. The agreement shall implement the provisions of the Indenture and this Supplemental Indenture that relate to such Paying Agent. The Company shall notify the Trustee of the name and address of any such Paying Agent. If the Company fails to maintain a Paying Agent, the Trustee shall act as such and shall be entitled to appropriate compensation therefor pursuant to Section 6.8 of this Indenture. The Company or any Subsidiary or an Affiliate of either of them may act as Paying Agent.

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 Applicable 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.

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 Applicable 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."

Section 7.4 Covenant to Comply with Applicable Securities Laws upon Purchase of Applicable Securities. In connection with any offer to purchase or purchase of Applicable Securities under Section 3.8 or 3.9 of this Supplemental Indenture (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 Securities Exchange Act of 1934, as amended, 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 Securities Exchange Act of 1934, as amended, (ii) file the related Schedule TO (or any successor schedule, form or report) under the Securities Exchange Act of 1934, as amended, and (iii) otherwise comply with all Federal and state securities laws so as to permit the rights and obligations under Sections 3.8 and 3.9 of this Supplemental Indenture to be exercised in the time and in the manner specified in Sections 3.8 and 3.9 of this Supplemental Indenture.

Section 7.5 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 the Indenture or this Supplemental Indenture.

ARTICLE VIII

CONVERSION

Section 8.1 Conversion Privilege. A Holder of an Applicable Security may convert such Applicable Security into Common Stock at any time during the periods and subject to the conditions stated in paragraph 8 of the Applicable Securities, subject to the provisions of this Article VIII. The number of shares of Common Stock issuable upon conversion of an Applicable Security per \$1,000 of

principal amount thereof (the "Conversion Rate") shall be determined in accordance with the provisions of paragraph 8 of the Applicable Securities. The initial number of shares of Common Stock issuable upon conversion of an Applicable Security per \$1,000 of principal amount thereof shall equal 45.3515, subject to adjustment.

A Holder may convert a portion of the principal amount of an Applicable Security if the portion is \$1,000 or an integral multiple of \$1,000. Provisions of this Supplemental Indenture that apply to conversion of all of an Applicable Security also apply to conversion of a portion of an Applicable Security.

The Trustee (or other Conversion Agent appointed by the Company) shall, on behalf of the Company, determine on a daily basis whether the Applicable Securities shall be convertible as a result of the occurrence of an event specified in paragraph 8 of the Applicable Securities and, if the Applicable 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 Applicable 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 8.2 Conversion Procedure. To convert an Applicable Security, a Holder must satisfy the requirements in paragraph 8 of the Applicable 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 8.20 of this Supplemental Indenture, 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 8.3 of this Supplemental Indenture. 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 8.3 and 8.20 of this Supplemental Indenture 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 an Applicable 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 Applicable Security shall have been surrendered for conversion, as if the stock transfer books of the Company had not been closed. Upon conversion of an Applicable Security, such Person shall no longer be a Holder of such Applicable Security.

Holders may surrender an Applicable Security for conversion by means of a book-entry delivery in accordance with paragraph 8 of the Applicable Security and the Applicable Procedures of the Depository.

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 VIII. On conversion of an Applicable Security, that portion of accrued and unpaid interest, if any, attributable to the period from the Issue Date of the Applicable Security through the Conversion Date with respect to the converted Applicable 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 Applicable 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 Applicable Security being converted pursuant to the provisions hereof.

If the Holder converts more than one Applicable 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 Applicable Securities converted.

Subject to the provisions of this Article VIII and paragraph 8 of the Applicable Securities, an Applicable Security surrendered for conversion based on (a) the Common Stock price (in accordance with paragraph 8(a) of the Applicable Securities), may be surrendered for conversion after March 31, 2004 until the close of business on February 10, 2024, (b) the Applicable Security being called for redemption (in accordance with paragraph 8(c) of the Applicable 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 Applicable 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 an Applicable Security that is converted in part, the Company shall execute, and the Trustee shall authenticate and deliver to the Holder, a new Applicable Security in an authorized denomination equal in principal amount to the unconverted portion of the Applicable Security surrendered.

Securityholders of Applicable 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 Applicable Securities on the corresponding Interest Payment Date notwithstanding the conversion at any time after the close of business on such Regular Record Date. Applicable 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 Applicable Securities to be redeemed within this period, must be accompanied by payment of an amount equal to the interest that is to be paid on such Interest Payment Date on the Applicable Securities so converted.

Section 8.3 Fractional Shares. The Company will not issue a fractional share of Common Stock upon conversion of an Applicable 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 8.4 Taxes on Conversion. If a Holder converts an Applicable 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 8.5 Company to Provide Stock. The Company shall, prior to issuance of any Applicable Securities under this Article VIII, 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 Applicable Securities.

All shares of Common Stock delivered upon conversion of the Applicable 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 Applicable 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 8.6 Adjustment for Change in Capital Stock. Except as set forth in Section 8.14 of this Supplemental Indenture, if, after the Issue Date of the Applicable 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 an Applicable 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 Applicable 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 8.7 Adjustment for Rights Issue. Except as set forth in Sections 8.14 and 8.19 of this Supplemental Indenture, if after the Issue Date of the Applicable 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 8.7 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 8.6(c) of this Supplemental Indenture applies or (ii) a distribution to which Section 8.8 of this Supplemental Indenture 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 8.7 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 8.7 applies, the fair market value (on the record date for the distribution to which this Section 8.7 applies) of:

(1) the Capital Stock of the Company distributed in respect of each share of Common Stock in such Section 8.6(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 8.8 distribution.

The Board of Directors shall determine fair market values for the purposes of this Section 8.7.

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 8.7 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 8.7 if the application of the formula stated above in this Section 8.7 would result in a value of R' that is equal to or less than the value of R.

Section 8.8 Adjustment for Other Distributions.

(a) If, after the Issue Date of the Applicable 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 Sections 8.6 and 8.7 of this Supplemental Indenture, 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 8.6(c) of this Supplemental Indenture applies, for which (i) the record date shall occur on or before the record date for the distribution to which this Section 8.8 of this Supplemental Indenture 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 8.8 applies, the fair market value (on the record date for the distribution to which this Section 8.8

applies) of any Capital Stock of the Company distributed in respect of each share of Common Stock in such Section 8.6(c) distribution.

F = the fair market value (on the record date for the distribution to which this Section 8.8 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 8.8 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 Applicable 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 8.8(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 8.8:

(1) the Board of Directors shall determine fair market values for the purposes of this Section 8.8;

(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 8.8 applies; and

(3) in the event that, with respect to any distribution to which this Section 8.8 otherwise applies, 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 8.8 shall not be made and in lieu thereof the provisions of the last paragraph of Section 8.14 of this Supplemental Indenture shall apply to such distribution.

Section 8.9 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 VIII shall be made to the nearest cent or to the nearest 1/1,000th of a share, as the case may be.

Section 8.10 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 8.6, 8.7, 8.8 and 8.12 of this Supplemental Indenture and for no other event or circumstance.

No adjustment need be made for a transaction referred to in Section 8.6, 8.7, 8.8 or 8.14 of this Supplemental Indenture 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 Applicable Securities become convertible pursuant to this Article VIII 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 VIII that would result, through the application of two or more provisions hereof, in the duplication of any adjustment.

Section 8.11 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 8.12 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 8.6, 8.7 or 8.8 of this Supplemental Indenture.

Section 8.13 Notice of Certain Transactions. If:

(a) the Company takes any action that would require an adjustment in the Conversion Rate pursuant to Section 8.6, 8.7 or 8.8 of this Supplemental Indenture (unless no adjustment is to occur pursuant to Section 8.9 or 8.10 of this Supplemental Indenture); or

(b) the Company takes any action that would require a supplemental indenture pursuant to Section 8.14 of this Supplemental Indenture; 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 8.14 Reorganization of Company; Special Distributions. If the Company is a party to a transaction subject to Section 7.1 of the Indenture (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 Applicable Securities shall enter into a supplemental indenture. If the issuer of securities deliverable upon conversion of Applicable 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 Applicable Security into Common Stock shall be changed into a right to convert such Applicable 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 Applicable 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 VIII. The successor company shall mail to Applicable Securityholders a notice briefly describing the supplemental indenture.

If this Section applies, neither Section 8.6 nor 8.7 of this Supplemental Indenture 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 Section 8.8 of this Supplemental Indenture would otherwise result in an adjustment in the Conversion Rate pursuant to the provisions of Section 8.8 of this Supplemental Indenture, then, from and after the record date for determining the holders of Common Stock entitled to receive the distribution, a Holder of an Applicable Security that converts such Applicable Security in accordance with the provisions of this Supplemental Indenture shall upon such conversion be entitled to receive, in addition to the shares of Common Stock into which the Applicable 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 Applicable Security immediately prior to the record date for determining the holders of Common Stock entitled to receive the distribution.

Section 8.15 Company Determination Final. Any determination that the Company or the Board of Directors must make pursuant to Section 8.3, 8.6, 8.7, 8.8, 8.9, 8.10 or 8.14 of this Supplemental Indenture is conclusive.

Section 8.16 Trustee's Adjustment Disclaimer. Except as provided in last paragraph of Section 8.1 of this Supplemental Indenture, the Trustee has no duty to determine when an adjustment under this Article VIII 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 8.14 of this Supplemental Indenture 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 Applicable Securities. The Trustee shall not be responsible for the Company's failure to comply with this Article VIII. Each Conversion Agent (other than the Company or an Affiliate of the Company) shall have the same protection under this Section 8.16 as the Trustee.

Section 8.17 Simultaneous Adjustments. In the event that this Article VIII requires adjustments to the Conversion Rate under more than one of Section 8.6, 8.7 or 8.8 of this Supplemental Indenture, 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 8.6 of this Supplemental Indenture, second, the provisions of Section 8.8 of this Supplemental Indenture and, third, the provisions of Section 8.7 of this Supplemental Indenture.

Section 8.18 Successive Adjustments. After an adjustment to the Conversion Rate under this Article VIII, any subsequent event requiring an adjustment under this Article VIII shall cause an adjustment to the Conversion Rate as so adjusted.

Section 8.19 Rights Issued in Respect of Common Stock Issued upon Conversion. Each share of Common Stock issued upon conversion of Applicable Securities pursuant to this Article VIII 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 Applicable 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 Applicable Securities or this Article VIII, there shall not be any adjustment to the conversion privilege or Conversion Rate or any other term or provision of the Applicable 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 Applicable Securities any right that is different than the rights to which all shares of Common Stock of the Company are entitled to receive.

Section 8.20 Company's Right to Elect to Pay Cash or Common Stock. In lieu of delivery of Common Stock upon notice of conversion of any Applicable Securities (for all or any portion of the Applicable Securities), the Company may elect to pay Holders surrendering Applicable 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 3.3 of this Supplemental Indenture, 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 Applicable 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 Applicable Securities pursuant to Section 3.1 of this Supplemental Indenture. 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 Applicable 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 Applicable Securities) has occurred and is continuing, the Company may not pay cash upon conversion of any Applicable Security or portion of an Applicable Security (other than cash for fractional shares).

ARTICLE IX

GUARANTEE

Section 9.1 Guarantee. The Guarantor hereby unconditionally guarantees, on an unsecured basis, to each Holder of an Applicable 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 Applicable 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 Applicable 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 Applicable Security, the Indenture and this Supplemental Indenture and (ii) in case of any extension of time of payment or renewal of any Applicable 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 Applicable Securities, the Indenture or this Supplemental 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 Applicable Security except by complete performance of the obligations contained in such Applicable Security, the Indenture and this Supplemental Indenture and the Guarantee (to the extent that any obligations under the Indenture or this Supplemental Indenture and the Guarantee relate to and are outstanding with respect to such Applicable 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 Applicable 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 Applicable Security, subject to the terms and conditions set forth in the Indenture and this Supplemental 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 Applicable Securities, to collect interest on the Applicable Securities, or to enforce or exercise any other right or remedy with respect to the Applicable 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 9.2 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 9.3 Limitation of Guarantor's Liability. Any term or provision of the Indenture or this Supplemental 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 9.4 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 9.1 of this Supplemental Indenture; 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 the Indenture or this Supplemental Indenture or the Applicable Securities shall have been paid in full.

Section 9.5 Reinstatement. The Guarantor hereby agrees that the Guarantee provided for in Section 9.1 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 Applicable Securities, the Indenture or this Supplemental 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 9.6 Benefits Acknowledged. The Guarantor acknowledges that it will receive direct and indirect benefits from the financing arrangements contemplated by the Indenture and this Supplemental Indenture and that its guarantee and waivers pursuant to its Guarantee are knowingly made in contemplation of such benefits.

Section 9.7 Authentication Required. The Guarantee shall not be valid or obligatory for any purpose until the certificate of authentication on the

Applicable Securities shall have been executed by the Trustee under the Indenture and this Supplemental Indenture by the manual signature of one of its authorized signatories.

Section 9.8 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 or any State thereof. 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, this Indenture Supplement and the Guarantee shall terminate.

Section 9.9 Release of the Guarantor. Concurrently with the discharge of the Applicable Securities under Section 4.1 of this Supplemental Indenture, the Guarantor shall be released from its obligations under the Guarantee.

ARTICLE X

MISCELLANEOUS

Section 10.1 Trust Indenture Act Controls. This Supplemental Indenture is subject to the Trust Indenture Act and if any provision hereof limits, qualifies or conflicts with a provision of the Trust Indenture Act that is required by the Trust Indenture Act to be a part of and govern this Supplemental Indenture, the latter provision shall control. If any provision of this Supplemental Indenture modifies or excludes any provision of the Trust Indenture Act that may be so modified or excluded, the latter provision shall be deemed to apply to this Supplemental Indenture as so modified, or to be excluded, as the case may be, whether or not such provision of this Supplemental Indenture refers expressly to such provision of the Trust Indenture Act.

Section 10.2 Communication by Holders with Other Holders. Securityholders may communicate pursuant to Trust Indenture Act Section 312(b) with other Securityholders with respect to their rights under this Indenture or the Applicable Securities. The Company, the Trustee, the Registrar, the Paying Agent, the Conversion Agent and anyone else shall have the protection of Trust Indenture Act Section 312(c).

Section 10.3 Rules by Paying Agent, Conversion Agent and Registrar. The Registrar, Conversion Agent and the Paying Agent may make reasonable rules for their functions.

Section 10.4 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 10.5 Governing Law. THIS SUPPLEMENTAL INDENTURE AND THE APPLICABLE SECURITIES 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.

Section 10.6 Multiple Originals. The parties may sign any number of copies of this Supplemental 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 Supplemental Indenture.

Section 10.7 Benefits of Supplemental Indenture. Nothing in this Supplemental Indenture or in the Applicable 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 Supplemental Indenture.

Section 10.8 Confirmation of Indenture. The Indenture, as supplemented and amended by this Supplemental Indenture No. 2004-1, is in all respects hereby adopted, ratified and confirmed.

Section 10.9 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 Supplemental Indenture on behalf of the respective parties hereto as of the date first above written.

AMR CORPORATION

By: /s/ James A. Beer

Name: James A. Beer
Title: Senior Vice President and
Chief Financial Officer

[Seal]
Attest:

/s/ Charles D. MarLett

Title: Corporate Secretary

AMERICAN AIRLINES, INC.

By: /s/ Beverly K. Goulet

Name: Beverly K. Goulet
Title: Vice President, Corporate
Development and Treasurer

[Seal]
Attest:

Charles D. MarLett

Title: Corporate Secretary

WILMINGTON TRUST COMPANY

By: /s/ Roseline K. Maney

Name: Roseline K. Maney
Title: Vice President

[Seal]
Attest:

/s/ Mary Kay Pupillo

Title: Assistant Vice President

EXHIBIT A-1

[FORM OF APPLICABLE SECURITY]

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.

A-1-2

AMR CORPORATION
4.5% Senior Convertible Note due 2024

No. A-1 Principal Amount \$323,500,000
Issue Date: February 13, 2004 CUSIP: 001765 BB1

AMR CORPORATION, a Delaware corporation (the "Company"), promises to pay to Cede & Co. or registered assigns the principal sum of THREE HUNDRED TWENTY THREE MILLION FIVE HUNDRED THOUSAND DOLLARS (\$323,500,000) on February 15, 2024.

Interest Payment Dates: February 15 and August 15

Regular Record Dates: February 1 and August 1

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.

1. Interest.

The Company promises to pay interest on the principal amount of this Security at the rate per annum of 4.5% 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 February 15 and August 15 of each year, commencing on August 15, 2004 (each an "Interest Payment Date"), to Holders of record at the close of business on each February 1 and August 1 (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 5.2 of the Applicable 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 4.5% 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 Applicable 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 February 1, 2004 (the "Indenture"), between the Company and the Trustee, as supplemented by Supplemental Indenture No. 2004-1, dated as of February 13, 2004 (the "Supplemental Indenture" and the Indenture, as supplemented by the Supplemental Indenture, the "Applicable Indenture"). Capitalized terms used herein and not defined herein have the meanings ascribed thereto in the Applicable Indenture. The terms of the Securities include those stated in the Applicable Indenture and those made part of the Applicable Indenture by reference to the Trust Indenture Act. The Securities are subject to all such terms, and Securityholders are referred to the Applicable Indenture and the Trust Indenture Act 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 \$323,500,000 aggregate principal amount (subject to Section 3.6 of the Applicable Indenture). The Applicable 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 Applicable 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 February 15, 2009.

6. Purchase by the Company at the Option of the Holder.

Subject to the terms and conditions of the Applicable Indenture, the Company shall become obligated to purchase, at the option of the Holder, the Securities held by such Holder on each of the following dates: February 15, 2009, February 15, 2014 and February 15, 2019 (each a "Purchase Date") at a price equal to the principal amount of the Securities plus accrued and unpaid interest, if any, to, but excluding, the Purchase Date (the "Purchase Price"), upon delivery of a Purchase Notice containing the information set forth in the Applicable 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 Applicable 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 Applicable 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 Applicable 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 Applicable 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 Applicable Indenture.

Holder's 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 Applicable Indenture.

If cash (and/or Common Stock if permitted under the Applicable 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 Applicable 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 March 31, 2004, 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 Applicable 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 the 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 its 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 Applicable 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 Applicable 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 8.7 of the Supplemental Indenture, or a dividend or a distribution described in Section 8.8(a) or 8.8(b) of the Supplemental Indenture where in the case of a dividend or distribution pursuant to 8.8(a) or 8.8(b) of the Supplemental Indenture, the fair market value, per share, of such dividend or distribution per share of Common Stock, as determined in the Applicable 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 Applicable 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 8.14 of the Supplemental 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 45.3515 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 8.20 of the Supplemental 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 Applicable 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 8.6, 8.7 and 8.8 of the Supplemental Indenture, the Conversion Rate will be adjusted, as further provided in the Supplemental 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 Applicable 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 Supplemental 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 Applicable 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 3.7 of the Applicable 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 Applicable 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 Applicable 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, 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.

14. Amendment; Waiver.

Subject to certain exceptions set forth in the Supplemental Indenture, (i) the Applicable 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 Supplemental Indenture, without the consent of any Securityholder, the Company and the Trustee may amend the Applicable Indenture or the Securities to cure any ambiguity, omission, defect or inconsistency in the Securities or in the Applicable Indenture, or to comply with Article VII of the Indenture or Section 8.14 or Section 9.8 of the Supplemental Indenture, to secure the Company's obligations under this Security or the Applicable 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 Commission 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 Applicable 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 5.1 of the Applicable Indenture.

Securityholders may not enforce the Applicable Indenture or the Securities except as provided in the Applicable Indenture. The Trustee may refuse to enforce the Applicable 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 5.1(1) or (2) of the Applicable 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 May Hold Securities.

The Trustee, any Paying Agent, any Registrar or any other agent of the Company, in its individual or any other capacity, may become the owner or pledgee of Securities and, subject to Sections 310(b) and 311 of the Trust Indenture Act, may otherwise deal with the Company, the Guarantor, an Affiliate or Subsidiary with the same rights it would have if it were not Trustee, Paying Agent, Registrar or such other agent.

17. No Recourse Against Others.

No past, present or future director, officer, employee, agent, representative, member, manager, trustee or stockholder, 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 Applicable 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 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 AND THE APPLICABLE INDENTURE 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.

The Company will furnish to any Securityholder upon written request and without charge a copy of the Indenture and the Supplemental Indenture. Requests may be made to:

AMR Corporation
4333 Amon Carter Boulevard
Dallas, Texas 76155
Attention: Corporate Secretary

A-1-14

IN WITNESS WHEREOF, the Company has caused this Security to be
duly executed.

Dated: AMR CORPORATION

By: _____
Name:
Title:

[Seal]

Attest:

Name:
Title:

TRUSTEE'S CERTIFICATE OF
AUTHENTICATION

WILMINGTON TRUST COMPANY,
as Trustee, certifies that this
is one of the Securities of the series
designated herein and issued under
the within-mentioned Indenture.

By: _____
Authorized Officer

Dated: _____

A-1-16

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.

Date: _____

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)

Your Signature: _____

(Sign exactly as your name appears on this Security)

EXHIBIT A-2

[FORM OF GUARANTEE]

Dated as of February 13, 2004

GUARANTEE

Reference is made to (i) the Indenture, dated as of February 1, 2004 (the "Base Indenture"), between AMR Corporation, a Delaware corporation (the "Company") and Wilmington Trust Company, a Delaware banking corporation, as trustee (the "Trustee"), as supplemented by Supplemental Indenture No. 2004-1, dated as of February 13, 2004 (the "Supplemental Indenture"), among the Company, American Airlines, Inc., a Delaware corporation, as guarantor ("the Guarantor"), and the Trustee (the Base Indenture as so supplemented by the Supplemental Indenture, the "Indenture") and (ii) the Company's 4.5% Senior Convertible Notes due 2024 (each, a "Security" and collectively, the "Securities") issued pursuant to the Indenture. Capitalized terms used herein and not defined herein have the meanings ascribed thereto in the Indenture.

The Guarantor (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 IX of the Supplemental 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 9.8 of the Supplemental 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, member, manager, trustee or stockholder, 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 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.

This 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.

This 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.

[Remainder of the page intentionally left blank]

IN WITNESS WHEREOF, the Guarantor has caused this instrument to be duly executed.

AMERICAN AIRLINES, INC.

By: _____
Name:
Title:

A-2-3

Dated as of February 13, 2004

GUARANTEE

Reference is made to (i) the Indenture, dated as of February 1, 2004 (the "Base Indenture"), between AMR Corporation, a Delaware corporation (the "Company") and Wilmington Trust Company, a Delaware banking corporation, as trustee (the "Trustee"), as supplemented by Supplemental Indenture No. 2004-1, dated as of February 13, 2004 (the "Supplemental Indenture"), among the Company, American Airlines, Inc., a Delaware corporation, as guarantor ("the Guarantor"), and the Trustee (the Base Indenture as so supplemented by the Supplemental Indenture, the "Indenture") and (ii) the Company's 4.5% Senior Convertible Notes due 2024 (each, a "Security" and collectively, the "Securities") issued pursuant to the Indenture. Capitalized terms used herein and not defined herein have the meanings ascribed thereto in the Indenture.

The Guarantor (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 IX of the Supplemental 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 9.8 of the Supplemental 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, member, manager, trustee or stockholder, 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 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.

This 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.

This 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.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the Guarantor has caused this instrument to be duly executed.

AMERICAN AIRLINES, INC.

By: /s/ Beverly K. Goulet

Name: Beverly K. Goulet
Title: Vice President, Corporate
Development and Treasurer