UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 8-K

CURRENT REPORT

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

Date of Report: February 1, 2006
(Date of earliest event reported)

UAL CORPORATION
(Exact name of registrant as specified in its charter)

Delaware	**1-6033**	**36-2675207**
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

1200 East Algonquin Road, Elk Grove Township, Illinois 60007
(Address of principal executive offices)

(847) 700-4000
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

o Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

o Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

o Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

ITEM 1.01. Entry into a Material Definitive Agreement.

On February 1, 2006 (the "Effective Date"), UAL Corporation (the "Company") consummated the transactions contemplated by its Second Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the United States Bankruptcy Code (the "Plan"). Pursuant to the terms of the Plan, upon the Effective Date, the UAL Corporation 2006 Management Equity Incentive Plan (the "MEIP") and the UAL Corporation 2006 Director Equity Incentive Plan (the "DEIP"), which were previously adopted by the Board of Directors of the Company (the "Board") on January 10, 2006, became effective. The aggregate number of shares of Common Stock, par value $.01 per share, of the Company (the "Common Stock") reserved for grant under (i) the MEIP is 9,825,000 shares, as may be adjusted for any stock dividend, stock split, recapitalization, reorganization, merger or other subdivision or combination of the Common Stock, and (ii) the DEIP is 175,000 shares. For a full description of the MEIP and DEIP, reference is made to the description of such plans in the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on January 11, 2005, which is incorporated by reference herein. The description of the MEIP and DEIP is qualified in its entirety by reference to the full text of the MEIP and DEIP, copies of which are filed herewith as Exhibits 10. 1 and 10.2 and are incorporated by reference herein.

The information described under Item 2.03 below "Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant" is incorporated herein by reference.

On January 23, 2006, the Nominating/Governance Committee of the Company's Board of Directors approved a five-year travel benefit to certain of the directors of the Company who are departing the Board of Directors on the Effective Date. From and after the Effective Date, each such director, his spouse and dependent children, if any, will be entitled to unlimited, positive space, pleasure travel on United Airlines, including travel on United Express, as well as an annual tax gross-up payment with respect to the value of such travel benefits.

ITEM 1.02. Termination of a Material Definitive Agreement.

In connection with the Company's reorganization and emergence from bankruptcy, all existing shares of the Company's capital stock were canceled pursuant to the Plan, as confirmed with the United States Bankruptcy Court for the Northern District of Illinois, Eastern Division (the "Bankruptcy Court") on

January 20, 2006. Therefore, upon the Effective Date, as set forth in the Plan, the Company's 2000 Incentive Stock Plan (the "2000 Plan") and the Company's 2002 Share Incentive Plan (the "2002 Plan") were terminated. As of the Effective Date, any and all awards granted under the 2000 Plan and the 2002 Plan were terminated and will no longer be of any force or effect.

The 2000 Plan was filed with the Securities and Exchange Commission (the "Commission") as Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ending on June 30, 2000. The 2002 Plan was filed with the Commission as Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ending on September 30, 2002. The descriptions contained in this Current Report of the 2000 Plan and the 2002 Plan are qualified in their entirety by reference to the full text of the Plans set forth in the respective exhibits.

In addition, as set forth in the Company's Current Report on Form 8-K as filed on October 28, 2005 (the "October 8-K"), on October 27, 2005, the Board adopted an amendment to the Company's 1995 Directors Plan (the "1995 Plan") and resolved that upon the Effective Date, the 1995 Plan and any rights to receive stock under the 1995 Plan would be terminated, except that eligible cash fees which have been deferred and are not subject to an election to receive stock would continue to be due under the 1995 Plan and would be payable in accordance with the terms of the 1995 Plan. The description of the amendment and termination of the 1995 Plan discussed herein is qualified in its entirety by reference to the full text of the amendment to the 1995 Plan set forth as Exhibit 10.1 to the October 8-K, which is incorporated by reference herein.

Under the terms of the Plan, the underlying option agreements pursuant to the 2000 Plan, the 2002 Plan and the 1995 Plan, together with the Agreement among the Company, United Air Lines, Inc. and Douglas A. Hacker, dated as of April 27, 2001, were rejected and terminated as of the Effective Date.

ITEM 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

Exit Facility

On the Effective Date, the Company's wholly owned subsidiary, United Air Lines, Inc. ("United"), entered into a new senior secured revolving credit facility and term loan (the "Exit Facility") provided by a syndicate of banks and other financial institutions led by J.P. Morgan Securities Inc. and Citicorp Global Markets Inc., as joint lead arrangers and joint bookrunners, JPMorgan Chase Bank, N.A. ("JPMCB") and Citicorp USA, Inc. ("CITI"), as co-administrative agents and co-collateral agents, General Electric Capital Corporation, as syndication agent, and JPMCB, as paying agent. The Exit Facility provides for a total commitment of up to $3.0 billion, comprised of two separate tranches: (i) a Tranche A consisting of up to $200 million revolving commitment available for Tranche A loans and for standby letters of credit to be issued in the ordinary course of business of United or one of its subsidiary guarantors and (ii) a Tranche B consisting of a term loan commitment of up to $2.45 billion available at the time of closing and additional term loan commitments of up to $350 million available upon, among other things, United's acquiring unencumbered title to some or all of the airframes and engines that are currently subject to United's 1997 EETC transaction. The loans mature on February 1, 2012.

Borrowings under the Exit Facility bear interest at a floating rate, which can be either a base rate, or at our option, a LIBOR rate, plus an applicable margin of 2.75% in the case of the base rate loans and 3.75% in the case of the LIBOR loans. The Tranche B term loan requires regularly scheduled semi-annual payments of principal equal to 0.5% of the original principal amount of the Tranche B term loan. Interest is payable on the last day of the applicable interest period but in no event less often than quarterly. At any time prior to February 1, 2007, United may use the proceeds from any lower cost refinancing to redeem some or all of the term loans at a price equal to 101% of the principal amount plus accrued and unpaid interest, if any, to the date of redemption.

The obligations under the Exit Facility are unconditionally guaranteed by the Company and certain of the direct and indirect domestic subsidiaries of the Company (other than United) (the "Guarantors") and are secured by a security interest in substantially all of the tangible and intangible assets of the Guarantors. The obligations under the Exit Facility are also secured by a pledge of the capital stock of United and its direct and indirect subsidiaries, except that a pledge of any first tier foreign subsidiary is limited to 65% of the stock of such subsidiary and such foreign subsidiaries are not required to pledge the stock of their subsidiaries.

The Exit Facility contains covenants that will limit the ability of United and the Guarantors to, among other things, incur or guarantee additional indebtedness, create liens, pay dividends on or repurchase stock, make certain types of investments, restrict dividends or other payments from United's direct or indirect subsidiaries, enter into transactions with affiliates, sell assets or merge with other companies, modify corporate documents or change lines of business. The Exit Facility also requires compliance with several financial covenants, including (i) a minimum ratio of EBITDA to the sum of cash interest expense, aircraft rent and scheduled debt payments, (ii) a minimum unrestricted cash balance of $1.2 billion, to be reduced to $1.0 billion after December 31, 2006, and (iii) a minimum ratio of market value of collateral to the sum of (A) the aggregate outstanding amount of the loans plus (B) the undrawn amount of outstanding letters of credit, (C) the unreimbursed amount of drawings under such letters of credit and (D) the termination value of certain interest rate protection and hedging agreements with the exit lenders and their affiliates, of 150%.

The Company will use the borrowings under the Exit Facility to finance working capital needs and for other general corporate purposes.

The Exit Facility is attached hereto as Exhibit 10.1 and is incorporated herein by reference. The foregoing summary does not purport to be complete and is qualified in its entirety by reference to the Exit Facility which is filed as Exhibit 4.1 to this Form 8-K.

Indentures

On the Effective Date, the Company issued $500,000,000 aggregate principal amount of 6% Senior Notes due 2031 (the 6% Notes) to the Pension Benefit Guaranty Corporation ("PBGC"), pursuant to an Indenture, dated as

of the Effective Date, between the Company, United, as guarantor, and The Bank of New York Trust Company, N.A., as trustee (the "PBGC Indenture"). The PBGC Indenture also provides for the issuance of up to $500,000,000 aggregate principal amount of 8% Contingent Notes (the "8% Notes" and, together with the 6% Notes, the "PBGC Notes"), issuable upon certain financial trigger events. Also on the Effective Date, the Company issued $149,646,114 aggregate

principal amount of 5% Senior Convertible Notes due 2020 (the "O'Hare Notes" and together with the PBGC Notes, the "Notes") to the respective trustees (the "Trustees") for certain holders of unsecured Chicago municipal bond claims for distribution to or on behalf of such holders, pursuant to an Indenture, dated as of the Effective Date, between UAL Corporation, United Air Lines, Inc., as guarantor, and The Bank of New York Trust Company, N.A., as trustee (the "O'Hare Indenture"). The Notes were issued pursuant to Section 1145 of the Bankruptcy Code, which exempts the issuance of securities from the registration requirements of the Securities Act of 1933, as amended (the "Securities Act").

PBGC Notes

The 6% Notes were issued to the PBGC upon the Company's exit from bankruptcy. The PBGC Indenture and form of 6% Note, which is attached as an exhibit to the PBGC Indenture, provide, among other things, that the 6% Notes will bear interest at a rate of 6 percent per year (payable semi-annually in cash or, on or prior to December 31, 2011, in common stock or 6% Notes, in arrears on June 30 and December 31 of each year, beginning on June 30, 2006), and will mature on February 1, 2031. The 8% Notes are contingently issuable to the PBGC in up to eight equal tranches of $62.5 million (with no more than two tranches issued on a single date), in any year from the fiscal year ending December 31, 2009 to the fiscal year ending December 31, 2017 in which there is an issuance triggered. Issuance is triggered when the Company's earnings before interest, taxes, depreciation, amortization and rents exceed $3.5 billion over the prior twelve months, provided that an issuance would not cause a default under any other securities then existing (in which case the Company must issue common stock having a value of $62.5 million in lieu of the prohibited tranche of 8% Notes). Each issued tranche would mature 15 years from its respective issuance date. The PBGC Indenture and form of 8% Note, which is attached as an exhibit to the Indenture, provide, among other things, that the 8% Notes will bear interest at a rate of 8 percent per year (payable semi-annually in cash in arrears). The Company will pay interest in cash on overdue principal and overdue installments of interest at the rate borne by the PBGC Notes plus 1% per annum.

The Company may redeem the PBGC Notes at its option, in whole or in part on a pro rata basis at any time and from time to time at a purchase price equal to 100% of the principal, plus accrued and unpaid interest, if any, to the date of purchase, payable in cash or in common stock. Upon a change in ownership or a fundamental change (each as defined in the PBGC Indenture) of the Company, each holder of the PBGC Notes will have the right to require the Company to purchase such holder's PBGC Notes at a purchase price equal to 100% of the principal amount of the PBGC Notes, together with accrued and unpaid interest, if any, to the date of purchase, payable in cash or in common stock.

The PBGC Notes will be senior unsecured obligations of the Company. The 6% Notes will rank senior in right to the 8% Notes and notes issued under the Plan to employee groups (the "Employee Notes") and *pari passu* with the O'Hare Notes. The 6% Notes will rank junior to the Company's credit facility, the Company's and the guarantor's obligations under the Ninth Amendment to the Co-Branded Card Marketing Services Agreement between the Company, Guarantor, Chase Bank U.S.A., N.A. and various other parties (the "Card Marketing Agreement") and other secured indebtedness of the Company; provided, that the 6% Notes will be *pari passu* with such indebtedness of the Company to the extent any such indebtedness is unsecured. The 8% Notes will rank junior to the 6% Notes, the Company's credit facility, the Card Marketing Agreement and other secured indebtedness of the Company and the O'Hare Notes, and will be *pari passu* with the Employee Notes. The PBGC Notes will be fully and unconditionally guaranteed by United Air Lines, Inc. The guarantee will be the guarantor's unsecured obligations and will be effectively subordinated to the guarantor's secured indebtedness to the extent of the value of assets securing such indebtedness.

The PBGC Indenture provides that the Company may not consolidate with or merge into any person or convey, transfer or lease all or substantially all of its assets to another person unless: (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 such conveyance, transfer or lease, the resulting, surviving or transferee person is a corporation organized and existing under the laws of the United States or any

state thereof and such corporation assumes all the Company's obligations under the PBGC Notes and the PBGC Indenture; (ii) if, as a result of such transaction the PBGC Notes become convertible or exchangeable into common stock or securities issued by a third party, such third party guarantees all of the Company's obligations under the PBGC Notes and the PBGC Indenture; (iii) after giving effect to the transaction no event of default, and no event that, after notice or passage of time, would become an event of default, has occurred and is continuing; and (iv) other conditions described in the PBGC Indenture are met.

The PBGC Indenture also provides that a guarantor may not consolidate with or merge into any person or convey, transfer or lease its properties and assets substantially as an entity to another person unless (i) after giving effect to the transaction no event of default, and no event that, after notice or passage of time, would become an event of default, has occurred and is continuing; and (ii) the guarantor survives or the surviving person assumes the obligations of such guarantor.

The PBGC Indenture governing the PBGC Notes contains customary events of default. Under the PBGC Indenture, events of default include (i) default in payment of any interest under the PBGC Notes, which default continues for 30 days; (ii) default in the payment of any principal amount with respect to the PBGC Notes, when the same becomes due and payable; (iii) the Company fails to provide notice of a change in ownership or a fundamental change; (iv) default in the performance of, or breach of, any covenant or warranty with respect to the PBGC Notes, which default continues for 60 days after receipt of notice by holders of at least 25% in aggregate principal amount of the outstanding PBGC Notes of that series; provided, however, that breaches of covenants with respect to notice of change in ownership, notice of default, compliance certificates and changes in organizational documents do not require notice by holders; (v) certain events of bankruptcy, insolvency or reorganization affecting the Company or the guarantor; and (vi) any guarantee ceases to be in full force and effect or is declared null and void or any guarantor denies that it has any further liability under any guarantee, or gives notice to such effect (other than by reason of the termination of the PBGC Indenture), and such condition shall have continued for a period of 30 days after written notice of such failure requiring the guarantor or the Company to remedy the same will have been given to the Company by the trustee or to the Company and the trustee by the holders of 25% in aggregate principal amount at maturity of the PBGC Notes of such series affected outstanding. If an event of default occurs, other than for certain events of bankruptcy or insolvency, either the trustee or the holders of not less than 25% in aggregate principal amount of the PBGC Notes of such series affected then outstanding may declare the principal of the PBGC Notes of that series and any accrued and unpaid interest through the date of such declaration immediately due and payable. In the case of certain events of bankruptcy or insolvency, the principal amount of the PBGC Notes of that series together with any accrued interest through the occurrence of such event shall automatically become and be immediately due and payable.

The PBGC Indenture governing the PBGC Notes does not contain any financial or operating covenants or restrictions on the payment of dividends, the incurrence of indebtedness, incurrence of liens or the issuance or repurchase of securities by the Company or any of its subsidiaries.

This description of the PBGC Indenture governing the PBGC Notes is qualified in its entirety by reference to the full text of the document, a copy of which is attached hereto as Exhibit 4.2, and is incorporated herein by reference.

O'Hare Notes

The O'Hare Notes were issued upon the Company's exit from bankruptcy. The O'Hare Indenture and form of O'Hare Note, which is attached as an exhibit to the O'Hare Indenture, provide, among other things, that the O'Hare Notes will bear interest at a rate of five percent per year (payable semi-annually in cash or, on or prior to February 1, 2007, in common stock, in arrears on June 30 and December 31 of each year, beginning on June 30, 2006), and will mature on February 1, 2021. The Company will pay interest in cash on overdue principal and overdue installments of interest at the rate borne by the O'Hare Notes plus 1% per annum.

The Company may redeem the O'Hare Notes at its option, in whole or in part on a pro rata basis, at any time and from time to time after February 1, 2011, at a purchase price equal to 100% of the principal, plus accrued and unpaid interest, if any, to the date of purchase, payable in cash or in common stock. Upon a change in ownership or a fundamental change (each as defined in the O'Hare Indenture) of the Company, each holder of the O'Hare

Notes will have the right to require the Company to purchase such holder's O'Hare Notes at a purchase price equal to 100% of the principal amount of the O'Hare Notes, together with accrued and unpaid interest, if any, to the date of purchase, payable in cash or in common stock.

Holders may require the Company to purchase for cash or shares or a combination thereof, at the Company's election, all or a portion of their O'Hare Notes on February 1, 2011 and February 1, 2016 at a purchase price equal to 100% of the principal amount of the O'Hare Notes to be repurchased plus accrued and unpaid interest, if any, to the purchase date.

The O'Hare Notes will be senior unsecured obligations of the Company. The O'Hare Notes will rank junior to the Company's credit facility, the Card Marketing Agreement and any other secured indebtedness of the Company. The O'Hare Notes will be *pari passu* to the 6% Notes, and senior to the Employee Notes and the 8% Notes. The O'Hare Notes will rank *pari passu* with all current and future senior unsecured debt of the Company or the guarantor and senior to all current and future subordinated debt of the Company. The O'Hare Notes will be fully and unconditionally guaranteed by United Air Lines, Inc. The guarantee will be the guarantor's unsecured obligations.

Holders may convert, at any time on or prior to maturity, redemption, a change in ownership or a fundamental change, any of their O'Hare Notes (or portions thereof) into shares of the Company's common stock at a conversion price which will initially be 125% of the average of last reported sales prices of the Company's common stock for the 60 consecutive trading days following February 1, 2006. In lieu of delivery of shares of the Company's common stock upon conversion of all or any portion of the O'Hare Notes, the Company may elect to pay holders surrendering O'Hare Notes for conversion cash or a combination of shares of common stock and cash.

The O'Hare Indenture provides that the Company may not consolidate with or merge into any person or convey, transfer or lease all or substantially all of its assets to another person unless: (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 such conveyance, transfer or lease, the resulting, surviving or transferee person is a corporation organized and existing under the laws of the United States or any state thereof and such corporation assumes all the Company's obligations under the O'Hare Notes and the O'Hare Indenture; (ii) if, as a result of such transaction the O'Hare Notes become convertible or exchangeable into common stock or securities issued by a third party, such third party guarantees all of the Company's obligations under the O'Hare Notes and the O'Hare Indenture; (iii) after giving effect to the transaction no event of default, and no event that, after notice or passage of time, would become an event of default, has occurred and is continuing; and (iv) other conditions described in the O'Hare Indenture are met.

The O'Hare Indenture also provides that a guarantor may not consolidate with or merge into any person or convey, transfer or lease its properties and assets substantially as an entity to another person unless (i) after giving effect to the transaction no event of default, and no event that, after notice or passage of time, would become an event of default, has occurred and is continuing; and (ii) the guarantor survives or the surviving person assumes the obligations of such guarantor. Upon the assumption of the guarantor's obligations by such person in such circumstances, the guarantor will not be discharged from its obligations under the O'Hare Notes and the O'Hare Indenture.

The O'Hare Indenture governing the O'Hare Notes contains customary events of default. Under the O'Hare Indenture, events of default include (i) default in payment of any interest under the O'Hare Notes, which default continues for 30 days; (ii) default in the payment of any principal amount with respect to the O'Hare Notes, when the same becomes due and payable; (iii) the Company fails to provide notice of a change in ownership or a fundamental change; (iv) default in the performance of, or breach of, any covenant or warranty with respect to the O'Hare Notes, which default continues for 60 days after receipt of notice by holders of at least 25% in aggregate principal amount of the outstanding O'Hare Notes; provided, however, that breaches of covenants with respect to notice of change in ownership, notice of default, compliance certificates and changes in organizational documents do not require notice by holders; (v) the Company defaults in its obligation to deliver shares of common stock of the Company, cash or other property upon conversion of a holder's exercise of their right to convert its O'Hare Notes; (vi) certain events of bankruptcy, insolvency or reorganization affecting the Company or the guarantor; and (vii) any guarantee ceases to be in full force and effect or is declared null and void or any guarantor denies that it has any

further liability under any guarantee, or gives notice to such effect (other than by reason of the termination of the O'Hare Indenture), and such condition shall have continued for a period of 30 days after written notice of such failure requiring the guarantor or the Company to remedy the same will have been given to the Company by the trustee or to the Company and the trustee by the holders of 25% in aggregate principal amount at maturity of the O'Hare Notes of such series affected outstanding. If an event of default occurs, other than for certain events of bankruptcy or insolvency, either the trustee or the holders of not less than 25% in aggregate principal amount of the O'Hare Notes then outstanding may declare the principal of the O'Hare Notes and any accrued and unpaid interest through the date of such declaration immediately due and payable. In the case of certain events of bankruptcy or insolvency, the principal amount of the O'Hare Notes together with any accrued interest through the occurrence of such event shall automatically become and be immediately due and payable.

The O'Hare Indenture governing the O'Hare Notes does not contain any financial or operating covenants or restrictions on the payment of dividends, the incurrence of indebtedness, incurrence of liens or the issuance or repurchase of securities by the Company or any of its subsidiaries.

This description of the O'Hare Indenture governing the O'Hare Notes is qualified in its entirety by reference to the full text of the document, a copy of which is attached hereto as Exhibit 4.3, and is incorporated herein by reference.

PBGC 2% Convertible Preferred Stock

Items 3.02 and 5.03 of this Current Report on Form 8-K are incorporated herein by this reference for a description of the issuance and terms of the Company's PBGC 2% Convertible Preferred Stock.

ITEM 3.02. Unregistered Sales of Equity Securities.

Pursuant to the Plan, upon the filing with the State of Delaware of the Company's Restated Certificate of Incorporation (the "Certificate"), the Company issued or reserved for issuance up to 125,000,000 shares of the Company's Common Stock, par value $.01 per share (the "Common Stock") as follows: (a) 115,000,000 shares to be distributed as the Unsecured Distribution and Employee Distribution (each as defined in the Plan), (b) up to 9,825,000 shares (or options or other rights to acquire shares) pursuant to the terms of the MEIP and (c) 175,000 shares (or option or other rights to acquire shares) pursuant to the terms of the DEIP. The Common Stock replaces the Company's prior common stock registered under Section 12(b) of the Act (which prior common stock was canceled concurrently as of the effective time of the Plan. In addition, pursuant to the Plan, the Company issued 5,000,000 shares of 2% Convertible Preferred Stock, par value $.01 per share, of the Company (the "PBGC Preferred Stock") to the PBGC pursuant to the terms of that certain Settlement Agreement by and among the Company, its direct and indirect subsidiaries and the PBGC. The Notes, the PBGC Preferred Stock and the Common Stock were issued pursuant to Section 1145 of the Bankruptcy Code, which exempts the issuance of securities from the registration requirements of the Securities Act of 1933, as amended.

ITEM 5.02. Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers.

Upon the Effective Date, the following directors have departed UAL's Board of Directors in connection with UAL's emergence from Chapter 11: W. Douglas Ford, Dipak C. Jain, Paul E. Tierney, Jr., and George B. Weiksner, Jr. Mr. Ford served as a member of the Audit Committee and Public Responsibility Committee of the Board of Directors. Mr. Jain served as Chairman of the Public Responsibility Committee and was a member of the Audit Committee. Mr. Tierney served as Chairman of the Audit Committee and was a member of the Executive Committee and Nominating/Governance Committee of the Board of Directors. Mr. Weiksner served as a member of the Public Responsibility Committee.

In addition, upon the Effective Date, in connection with UAL's emergence from Chapter 11, the following individuals are becoming members of UAL's Board of Directors by operation of its Plan of Reorganization: Richard J. Almeida, Walter Isaacson, Janet Langford Kelly, Robert D. Krebs and David Vitale.

Committee Memberships.

The following directors will be members of the Audit Committee of the Board of Directors of UAL: David Vitale (Chairman), Richard J. Almeida, John H. Walker, Robert S. Miller and Robert D. Krebs.

The following directors will be members of the Executive Committee of the Board of Directors of UAL: Glenn F. Tilton (Chairman), James J. O'Connor, David Vitale, W. James Farrell, Walter Isaacson, Stephen R. Canale and Mark A. Bathurst. Mr. O'Connor will continue to serve as the lead director of the Board of Directors.

The following directors will be members of the Human Resources Committee of the Board of Directors of UAL: W. James Farrell (Chairman), James J. O'Connor, John H. Walker, Richard J. Almeida, Janet Langford Kelly, David Vitale, Stephen R. Canale and Mark A. Bathurst.

The following directors will be members of the Human Resources Subcommittee of the Board of Directors of UAL: W. James Farrell (Chairman), James J. O'Connor, John H. Walker, Richard J. Almeida, Janet Langford Kelly and David Vitale.

The following directors will be members of the Nominating/Governance Committee of the Board of Directors of UAL: James J. O'Connor (Chairman), W. James Farrell and Walter Isaacson.

The following directors will be members of the Public Responsibility Committee of the Board of Directors of UAL: Walter Isaacson (Chairman), Janet Langford Kelly, Robert D. Krebs, Robert S. Miller, Stephen R. Canale and Mark A. Bathurst.

Mr. Canale and Captain Bathurst serve on the Human Resources Committee, but not the Human Resources Subcommittee. Mr. Canale and Captain Bathurst are employees of United. Captain Bathurst is the Chairman of the Air Line Pilots Association ("ALPA")-Master Executive Council and an officer of ALPA. ALPA and United are parties to a collective bargaining agreement for our pilots represented by ALPA. Mr. Canale is President and Directing General Chairman of the International Association of Machinists and Aerospace Workers ("IAM") District Lodge 141. The IAM and United are parties to collective bargaining agreements for our ramp and stores, public contact employees, food service, security officers, maintenance instructors, fleet technical instructors and Mileage Plus employees represented by the IAM.

ITEM 5.03. Amendments to Articles of Incorporation and Bylaws

In connection the Company's reorganization and emergence from bankruptcy, the Company adopted the Certificate and the Amended and Restated Bylaws of the Company (the "Bylaws"), effective as of the Effective Date. The following sets forth a description of the key provisions of the Certificate and Bylaws. This description of the Certificate and Bylaws is qualified in its entirety by reference to the full text of these documents, which are filed as Exhibits 3.1 and 3.2 to this Current Report on Form 8-K.

Authorized Capital Stock

The Company's authorized capital stock consists of 1,255,000,002 shares of stock, divided into five classes, as follows: (i) 250,000,000 shares of preferred stock, without par value (the "Serial Preferred Stock"), (ii) 5,000,000 shares of PBGC 2% Convertible Preferred Stock, par value $0.01 per share (the "PBGC Preferred Stock"), (iii) one share of Class Pilot MEC Junior Preferred Stock, par value $0.01 per share (the ''Class Pilot MEC Preferred Stock''), (iv) one share of Class IAM Junior Preferred Stock, par value $0.01 per share (the "Class IAM Preferred Stock'' and, together with the Serial Preferred Stock, the PBGC Preferred Stock and the Class Pilot MEC Preferred Stock, the ''Preferred Stock''), and (v) 1,000,000,000 shares of Common Stock, par value $0.01 per share (the "Common Stock").

Serial Preferred Stock

The Company's board of directors (the "Board") is authorized to (i) issue up to 250,000,000 shares of Serial Preferred Stock in one or more series and (ii) fix the number of shares in each such series, as well as the designations, powers, preferences and relative rights and restrictions thereof.

PBGC 2% Convertible Preferred Stock

The PBGC Preferred Stock has the characteristics set forth below.

Ranking

The Board is authorized to issue up to 5,000,000 shares of PBGC Preferred Stock to the Pension Benefit Guaranty Corporation ("PBGC") which shall rank on parity with the Serial Preferred Stock and rank senior to all junior securities, including without limitation, the Class Pilot MEC Preferred Stock, the Class IAM Preferred Stock and all shares of Common Stock.

Dividends

The Company shall pay preferential dividends to the holders of the PBGC Preferred Stock, which accrue on a daily basis at the rate of 2% per annum on the sum of the liquidation value plus all accumulated and unpaid dividends thereon. The liquidation value is equal to $100, subject to increase as set forth in the Certificate. Dividends on the PBGC Preferred Stock are payable in kind. Dividends shall accrue until the earlier of (i) the date upon which the liquidation value, plus all accrued and unpaid dividends, are paid or the shares are redeemed by the Company, (ii) the date upon which the PBGC Preferred shares are converted into conversion stock (as discussed below) or (ii) the date on which the shares of PBGC Preferred Stock are otherwise acquired by the Company.

Liquidation

Upon any liquidation, dissolution and/or winding up of the Company, each holder of PBGC Preferred Stock shall be paid in preference to any junior securities, an amount in cash equal to the liquidation value of each share of PBGC Preferred Stock owned by such holder, plus any accrued but unpaid dividends on such PBGC Preferred Stock.

Redemption

Upon a fundamental change (as defined in the Certificate), each holder of PBGC Preferred Stock is entitled to receive the aggregate liquidation value of the shares of PBGC Preferred Stock owned by such holder, plus all accrued and unpaid dividends thereon. The Company may at any time redeem all or any portion of the shares of PBGC Preferred Stock then outstanding, at a price per share equal to the liquidation value thereof, plus all accrued and unpaid dividends thereon.

Voting Rights

The holders of PBGC Preferred Stock shall have no voting rights, except that the affirmative vote of the holders of a majority of the outstanding PBGC Preferred Stock, voting as a separate class, shall be necessary to authorize any amendment to the Certificate which would adversely affect the powers, preferences or special rights of any of the PBGC Preferred Shares.

Conversion

At any time and from time to time following the earlier of (i) February 1, 2008 and (ii) any fundamental change or change of ownership (each as defined in the Certificate), any holder of PBGC Preferred Stock may convert all or any portion of his, her or its shares into a number of shares of conversion stock computed by multiplying the number of shares to be converted by such share's liquidation value and dividing the result by the

conversion price then in effect. On February 1, 2021, each share of PBGC Preferred Stock shall be automatically converted into conversion stock (based on the formula set forth above). The conversion price shall be 125% of the average of the closing prices of the sales of Common Stock on all domestic securities exchanges on which such Common Stock may at the time be listed, averaged over a period beginning on the date of issuance of the PBGC Preferred Stock and ending on the 60th consecutive trading day following such date. In order to prevent dilution upon certain events, such conversion price is subject to adjustment from time to time, as set forth in the Certificate.

Class Pilot MEC Junior Preferred Stock

The Class Pilot MEC Preferred Stock shall only be issued to and held by (i) the United Airlines Pilots Master Executive Counsel ("MEC") of the Air Line Pilots Association, International ("ALPA") or (ii) a duly authorized agent acting on behalf of the MEC.

Ranking

The PBGC Preferred Stock shall be deemed to rank senior to the Class Pilot MEC Preferred Stock as to amounts distributable upon liquidation, dissolution or winding up. The Class IAM Preferred Stock shall be deemed to rank on parity with the Class Pilot MEC Preferred Stock. All shares of Common Stock shall be deemed to rank junior to the Class Pilot MEC Preferred Stock.

Dividends

The holder of the share of Class Pilot MEC Preferred Stock shall not be entitled to receive any dividends or other distributions.

Liquidation

Upon any liquidation, dissolution and/or winding up of the Company, the holder of the Class Pilot MEC Preferred Stock shall be entitled to receive, in preference to any junior securities, an amount equal to $0.01 for the share of Class Pilot MEC Preferred Stock, but such holder shall not be entitled to receive any further payments or other distributions.

Consolidation, Merger, etc.

Upon consummation of a Merger Transaction (as defined in the Certificate), the share of Class Pilot MEC Preferred Stock shall be converted, reclassified, changed into or exchanged for preferred stock of such successor or resulting or other company having, in respect of such company, the same powers, preferences and relative, participating, optional or other special rights, and the qualifications, limitations or restrictions thereof, that the Class Pilot MEC Preferred Stock had, in respect of the Company, immediately prior to such transaction.

Redemption

Upon (i) the ALPA Termination Date (as defined below) or (ii) the transfer of such share to an unauthorized holder, the share of Class Pilot MEC Preferred Stock shall automatically be redeemed at a price of $0.01 per share.

Voting Rights

Until such time as (the "ALPA Termination Date") (i) there are no longer any persons represented by ALPA employed by the Company or its affiliates, (ii) the collective bargaining agreements between ALPA and the Company has been amended so that it provides that ALPA no longer has the right to elect a director of the Company, the holder of the share of Class Pilot MEC Preferred Stock shall have the right (a) voting as a separate class, to (1) elect one director to the Board at each annual meeting of stockholders for a term of office to expire at the succeeding annual meeting of stockholders, (2) remove such director with or without cause and (3) fill any vacancies in such directorship resulting from death, resignation, disqualification, removal or other cause, and

(b) voting together as a single class with the holders of Common Stock and the holders of such other classes or series of stock that vote together with the Common Stock as a single class, to vote on all matters submitted to a vote of the holders of Common Stock of the Company (other than the election of directors), except as otherwise required by law. For purposes of the foregoing, the share of Class Pilot MEC Preferred Stock shall have one vote. In addition, the affirmative vote of the holder of the share of Class Pilot MEC Preferred Stock voting as a separate class is necessary to authorize an amendment to the Certificate which would adversely affect the powers, preferences or special rights of the Class Pilot MEC Preferred Stock.

Class IAM Junior Preferred Stock

The Class IAM Preferred Stock shall only be issued to and held by (i) the International Association of Machinists and Aerospace Workers (the "IAM") or (ii) a duly authorized agent acting on behalf of the IAM.

Ranking

The PBGC Preferred Stock shall be deemed to rank senior to the Class IAM Preferred Stock as to amounts distributable upon liquidation, dissolution or winding up. The Class IAM Preferred Stock shall be deemed to rank on parity with the Class Pilot MEC Preferred Stock. All shares of Common Stock shall be deemed to rank junior to the Class IAM Preferred Stock.

Dividends

The holder of the share of Class IAM Preferred Stock shall not be entitled to receive any dividends or other distributions.

Liquidation

Upon any liquidation, dissolution and/or winding up of the Company, the holder of the share of Class IAM Preferred Stock shall be entitled to receive, in preference to any junior securities, an amount equal to $0.01 for the share of Class IAM Preferred Stock, but such holder shall not be entitled to receive any further payments or other distributions.

Consolidation, Merger, etc.

Upon consummation of a Merger Transaction, the share of Class IAM Preferred Stock shall be converted, reclassified, changed into or exchanged for preferred stock of such successor or resulting or other company having, in respect of such company, the same powers, preferences and relative, participating, optional or other special rights, and the qualifications, limitations or restrictions thereof, that the Class IAM Preferred Stock had, in respect of the Company, immediately prior to such transaction.

Redemption

Upon (i) the IAM Termination Date (as defined below) or (ii) the transfer of such share to an unauthorized holder, the share of Class IAM Preferred Stock shall automatically be redeemed at a price of $0.01 per share.

Voting Rights

Until such time as (the "IAM Termination Date") (i) there are no longer any persons represented by IAM employed by the Company or its affiliates, (ii) the letter agreement between IAM and the Company no longer provides that IAM has the right to elect a director of the Company, the holder of the share of Class IAM Preferred Stock shall have the right (a) voting as a separate class, to (1) elect one director to the Board at each annual meeting of stockholders for a term of office to expire at the succeeding annual meeting of stockholders, (2) remove such director with or without cause and (3) fill any vacancies in such directorship resulting from death, resignation, disqualification, removal or other cause, and (b) voting together as a single class with the holders of Common Stock and the holders of such other classes or series of stock that vote together with the Common Stock as a single class, to

vote on all matters submitted to a vote of the holders of Common Stock of the Company (other than the election of directors), except as otherwise required by law. For purposes of the foregoing, the share of Class IAM Preferred Stock shall have one vote. In addition, the affirmative vote of the holders of the share of Class IAM Preferred Stock voting as a separate class is necessary to authorize an amendment to the Certificate which would adversely affect the powers, preferences or special rights of the Class IAM Preferred Stock.

Common Stock

Dividends

The holders of Common Stock shall be entitled to receive dividends, if and when declared payable from time to time by the Board.

Liquidation

Upon any liquidation, dissolution and/or winding up of the Company, after all securities ranking prior to the Common Stock have been paid in full that to which they are entitled, the holders of the then outstanding Common Stock shall be entitled to receive, pro rata, the remaining assets of the Company available for distribution to its stockholders.

Voting Rights

Each outstanding share of Common Stock of the Company shall entitle the holder thereof to one vote on each matter submitted to a vote at a meeting of stockholders.

Preemptive Rights

The Certificate does not grant any preemptive rights.

Foreign Ownership Limitation

The Certificate limits the total number of shares of equity securities held by all persons who fail to qualify as citizens of the United States to having no more than 24.9% of the voting power of the outstanding equity securities.

Restrictions on Issuance of Securities

The Certificate provides that the Company shall not issue nonvoting equity securities on or prior to the second anniversary of the Company's emergence from protection under Chapter 11 of the Bankruptcy Code to the extent prohibited by Section 1123(a)(6) of the United States Bankruptcy Code for so long as such section is in effect and applicable to the Company. In addition, except as required by law or as approved by the Company's stockholders, the Company shall not issue serial preferred stock with voting rights (unless such serial preferred stock is convertible into Common Stock, in which case such serial preferred stock may vote with the Common Stock on an as-converted basis).

5% Ownership Limit

The Certificate provides, subject to certain exceptions therein, that any attempted transfer of the Company's securities prior to the earliest of (A) February 1, 2011, (B) the repeal, amendment or modification of Section 382 of the Internal Revenue Code of 1986, as amended ("Section 382") in such a way as to render the restrictions imposed by Section 382 no longer applicable to the Company, (C) the beginning of a taxable year of the Company in which no Tax Benefits (as defined in the Certificate) are available, and (D) the date on which the limitation amount imposed by Section 382 in the event of an ownership change of the Company, would not be materially less than the net operating loss carry forward or net unrealized built-in loss of the Company (the "Restriction Release Date"), or any attempted transfer of the Company's securities pursuant to an agreement entered

into prior to the Restriction Release Date, shall be prohibited and void *ab initio* insofar as it purports to transfer ownership or rights in respect of such stock to the purported transferee (y) if the transferor is a Five-Percent Shareholder (as defined in the Certificate) or (z) to the extent that, as a result of such transfer either (1) any person or group of persons shall become a Five-Percent Shareholder or (2) the percentage stock ownership interest in the Company of any Five-Percent Shareholder shall be increased. The Certificate provides an exception to this limitation for securities held by the PBGC.

Number of Directors

The Certificate provides that the Board shall be fixed by a resolution of the Board, but in no event shall be fewer than five. The initial number of directors shall be 12, and shall not be increased to more than 12 directors prior to February 1, 2008. Directors shall hold office until the next annual meeting and may resign at any time upon written notice to the Company. Notwithstanding the foregoing, during any period when the holders of any series of Preferred Stock have the right to elect additional directors as provided for or fixed by or pursuant to the provisions of the Certificate, then upon commencement and for the duration of the period during which such right continues: (i) the then otherwise total authorized number of directors of the Company shall automatically be increased by such specified number of directors, and the holders of such Preferred Stock shall be entitled to elect the additional directors so provided for or fixed by or pursuant to said provisions, and (ii) each such additional director shall serve until such office terminates pursuant to said provisions, whichever occurs earlier, subject to his or her earlier death, disqualification, resignation or removal; provided however whenever such holders are divested of such rights pursuant to the provisions of such series of Preferred Stock, the terms of office of all such additional Directors elected by the holders of such series of Preferred Stock, or elected, or fill any vacancies resulting from the death, resignation, disqualification or removal of such additional directors, shall forthwith terminate and the total authorized number of directors of the Company shall be reduced accordingly.

Removal of Directors

The Bylaws provide that any director may be removed with or without cause, except as provided by law.

Vacancies on the Board of Directors

The Certificate and Bylaws provide that, except as may be otherwise provided pursuant to the obligations of the Company to certain holders of Preferred Stock, any vacancy on the Board that results from an increase in the number of directors may be filled by a majority of the Board then in office. Any director of any class elected to fill a vacancy resulting from an increase in the number of directors of that class will hold office for a term that coincides with the remaining term of that class.

Stock Certificates

The Bylaws provide that the shares of Common Stock shall be uncertificated and that all other shares of the Company shall be represented by certificate or shall be uncertificated, as determined by the Board.

Stockholder Action by Written Consent

The Certificate provides that no stockholder action may be taken except at an annual or special meeting of stockholders and that stockholders may not take any action by written consent.

Amendment to Certificate of Incorporation

The Certificate provides that the Company reserves the right to amend, alter, change or repeal any provision contained in the Certificate in a manner in keeping with the Certificate or the Delaware General Corporation Law (“GCL”), and that all rights conferred upon stockholders are granted subject to that reservation.

Amendment of Bylaws

The Certificate provides that the Board may alter, amend or repeal the Bylaws; provided, that no bylaws adopted shall invalidate any prior act of the Board that would have been valid if such bylaws had not been adopted. The Bylaws provide that they may be amended or altered or adopted either: (i) by the affirmative vote of at least the majority of the votes entitled to be cast by the Board or (ii) by the affirmative vote of the holders of at least a majority in voting power of the stock entitled to vote thereon.

Special Meeting of Stockholders

The Bylaws provide that special meetings of the stockholders may be only be called by the chief executive officer of the Company, the chairman of the Board or the Board.

Quorum

The Bylaws provide that the holders of a majority of the capital stock issued, outstanding and entitled to vote at a meeting of stockholders, present in person or represented by proxy, will constitute a quorum at any meeting of the stockholders held for the transaction of business.

Notice of Stockholder Meeting

The Bylaws provide that written notice of meetings of stockholders, stating the place, date and hour of the meeting and the purpose(s) for which the meeting is called, must be given, personally or by mail, to each stockholder of record entitled to vote whenever stockholders are required or permitted to take any action at any meeting not less than 10 nor more than 60 days before the date of the meeting.

Delivery & Notice Requirements of Stockholder Nominations and Proposals

The Bylaws provide that at any annual stockholders’ meeting only such business may be transacted as has been: (i) specified in the notice of meeting or any supplement thereto given by or at the direction of the Board or any duly authorized committee thereof; (ii) otherwise properly brought by or at the direction of the Board or any duly authorized committee thereof; or (iii) otherwise properly brought by any stockholder of the Company (A) who is a stockholder of record on the date of the giving of the notice provided for in the Bylaws and on the record date for the determination of stockholders entitled to notice of and to vote at such annual meeting, and (B) who complies with the notice procedures set forth in the Bylaws.

Nominations of directors, other than those directors appointed pursuant to the Certificate by a union affiliated with the Company (the “union directors”), may be made at any annual or special meeting of stockholders called for the purpose of electing such directors, (i) by or at the direction of the

Board or any duly authorized committee thereof; or (ii) by any stockholder of the Company (A) who is a stockholder of record on the date of the giving of the notice provided for in the Bylaws and on the record date for the determination of stockholders entitled to notice of and to vote at such annual meeting, and (B) who complies with the notice procedures set forth in the Bylaws.

When proposing to nominate a director, other than a union director, a stockholder's written notice to the secretary of the Company must set forth (A) with respect to any nominee: (i) the name, age and addresses of the person, (ii) such person's principal occupation or employment, (iii) the class and number of shares which are beneficially owned by the nominee, (iv) any other information that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for elections of directors pursuant to the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder, (v) such nominee's written consent to serve as a director if so elected and (vi) such other information as may be reasonably necessary to permit the Corporation to determine that the nominee satisfies the qualification requirements set forth in the Certificate and that no violation of the Clayton Act will occur and (B) as to the proposing stockholder, (i) the name and address of record of the stockholder; (ii) the class and number of shares which are beneficially owned by the stockholder; (iii) a description of all arrangements or understandings between the stockholder and any other person or persons (including their names) pursuant to which the nomination is to be

made by such stockholder; (iv) a representation that the stockholder intends to appear in person or by proxy at the meeting to nominate the person named in the notice and (v) any other information that would required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for elections of directors pursuant to the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated there under.

For a proposal, other than nominations of persons for election to the Board, to be properly brought before an annual meeting by a stockholder, the stockholder must have given timely written notice thereof to the secretary of the Company and such business must be a proper matter for stockholder action. A stockholder's written notice to the secretary for either an annual meeting or a special meeting, other than with respect to nomination of directors, must set forth: (i) a brief description of the business desired to be brought before the meeting and the reasons for conducting such business at the meeting; (ii) the name and address of record of the stockholder proposing that business; (iii) the class and number of shares which are beneficially owned by the stockholder; (iv) a description of all arrangements or understandings between the stockholder and any other person or persons (including their names) in connection with the proposal and any material interest of the stockholder in the business; and (v) a representation that the stockholder intends to appear in person or by proxy at the meeting to bring the business before the meeting.

Board Committees

Except as otherwise provided in the Restated Certificate, the Board may, by resolution adopted by the affirmative vote of at least a majority of the votes entitled to be cast by the entire Board, designate one or more committees of the Board, each such committee to consist of one or more directors.

Limitation of Personal Liability of Directors

The Certificate provides that no director will be personally liable to the Company or any of its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability for (i) any breach of the director's duty of loyalty to the Company or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the GCL or (iv) for any transaction from which a director derived an improper personal benefit.

Indemnification of Officers & Directors

The Certificate provides that each person who was or is made a party or is threatened to be made a party or is involved in any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (hereinafter a ''proceeding''), by reason of the fact that he or she, or a person of whom he or she is the legal representative, is or was a director, officer, or employee, of the Company or is or was serving at the request of the Company as a director, officer, or employee of another corporation or of a partnership, joint venture, trust or other enterprise shall be indemnified and held harmless by the Company to the fullest extent authorized by the GCL, as the same exists or may hereafter be amended, against all expense, liability and loss actually and reasonably incurred or suffered by such person in connection therewith. Such indemnification shall continue as to a person who has ceased to be a director, officer, or employee and shall inure to the benefit of his or her heirs, executors and administrators. Notwithstanding anything to the contrary, the Company shall not be obligated to indemnify a director, officer, or employee for costs and expenses relating to proceedings (or any part thereof) instituted against the Company by such director, officer, or employee (other than proceedings pursuant to which such director, officer, or employee is seeking to enforce such director's, officer's, or employee's indemnification rights hereunder). The right to indemnification shall include the right to be paid by the Company the expenses incurred in defending any such proceeding in advance of its final disposition.

The right to indemnification shall not be exclusive of any other right which any person may have or hereafter acquire under any statute, provision of the Certificate, by-law, agreement, vote of stockholders or disinterested directors or otherwise.

In addition, the Certificate provides that the Company may maintain insurance, at its expense, to protect itself and any director, officer, employee or agent of the Company or another corporation, partnership, joint venture,

trust or other enterprise against any such expense, liability or loss, whether or not the Company would have the power to indemnify such person against such expense, liability or loss under the GCL.

No Stockholder Rights Plan

Except as set forth in the Bylaws, the Board shall not adopt a stockholder rights plan without the approval of the Company's stockholders prior to, or within one year following the adoption of any such rights plan.

ITEM 9.01. Financial Statements and Exhibits

Exhibit No.	Description
3.1	Restated Certificate of UAL Corporation
3.2	Amended and Restated Bylaws of UAL Corporation
4.1	Revolving Credit, Term Loan and Guaranty Agreement, dated as of February 1, 2006, among United Air Lines, Inc., as borrower, UAL Corporation and the subsidiaries of United Air Lines, Inc. and UAL Corporation, as guarantors, the lenders party thereto, JPMorgan Chase Bank, N.A., as co-administrative agent, co-collateral agent and paying agent, Citicorp USA, Inc., as co-administrative agent and co-collateral agent, J.P. Morgan Securities Inc. and Citigroup Global Markets, Inc., as joint lead arrangers and joint bookrunners, and General Electric Capital Corporation, as syndication agent
4.2	PBGC Indenture, dated as of February 1, 2006, between UAL Corporation, as issuer, United Air Lines, Inc., as guarantor, and The Bank of New York Trust Company, N.A., as trustee
4.3	O'Hare Indenture, dated as of February 1, 2006, between UAL Corporation, as issuer, United Air Lines, Inc., as guarantor, and The Bank of New York Trust Company, N.A., as trustee
10.1	UAL Corporation 2006 Management Equity Incentive Plan
10.2	UAL Corporation 2006 Director Equity Incentive Plan

SIGNATURES

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.

Dated: February 1, 2006

UAL CORPORATION

By: /s/ Paul R. Lovejoy
Name: Paul R. Lovejoy
Title: Senior Vice President, General Counsel and Secretary

EXHIBIT INDEX

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10.2*	UAL Corporation 2006 Director Equity Incentive Plan

* Filed herewith electronically.

RESTATED CERTIFICATE
OF UAL CORPORATION

The present name of the corporation is UAL Corporation (the "Corporation"). The Corporation was incorporated under the name of UAL, Inc., the original Certificate of Incorporation having been filed with the Secretary of State of the State of Delaware on December 30, 1968. This Restated Certificate of the Corporation was duly adopted in accordance with the provisions of Sections 242 and 245 of the General Corporation Law of the State of Delaware (the "GCL").

ARTICLE FIRST. The name of the Corporation is UAL CORPORATION.

ARTICLE SECOND. The registered office of the Corporation in the State of Delaware is located at 2711 Centerville Road, Suite 400, in the City of Wilmington, County of Newcastle, Delaware 19808. The name and address of its registered agent is The Prentice-Hall Corporation System, Inc., 2711 Centerville Road, Suite 400, in the City of Wilmington, County of Newcastle, Delaware 19808.

ARTICLE THIRD. The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the GCL.

ARTICLE FOURTH. The total number of shares of capital stock of all classes of which the Corporation shall have authority to issue is 1,255,000,002, divided into five classes, as follows: 250,000,000 shares of Preferred Stock, without par value (hereinafter referred to as ''Serial Preferred Stock''), 5,000,000 shares of PBGC 2% Convertible Preferred Stock, par value $0.01 per share (the "PBGC Preferred Stock"), one (1) share of Class Pilot MEC Junior Preferred Stock, par value $0.01 per share (the ''Class Pilot MEC Preferred Stock''), one (1) share of Class IAM Junior Preferred Stock, par value $0.01 per share (the "Class IAM Preferred Stock'' and, together with the Serial Preferred Stock, the PBGC Preferred Stock, and the Class Pilot MEC Preferred Stock, the ''Preferred Stock''), and 1,000,000,000 shares of Common Stock, par value $0.01 per share (the "Common Stock").

PART I

Serial Preferred Stock

The board of directors of the Corporation (the "Board of Directors") is expressly authorized, without any vote or other action by the stockholders and subject to limitations prescribed by law, to adopt, from time to time, a resolution or resolutions providing for the issue of Serial Preferred Stock in one or more series, to fix the number of shares in each such series and to fix the designations and the powers, preferences and relative, participating, optional or other special rights, and the qualifications, limitations and restrictions thereof, of each such series. The authority of the Board of Directors with respect to each such series shall include a determination of the following (which may vary as between the different series of Serial Preferred Stock):

(a) The number of shares constituting the series and the distinctive designation of the series;

(b) The dividend rate on the shares of the series, the conditions and dates upon which dividends thereon shall be payable, the extent, if any, to which dividends thereon shall be cumulative, and the relative rights of preference, if any, of payment of dividends thereon;

(c) Whether or not the shares of the series are redeemable and, if redeemable, the time or times during which they shall be redeemable and the amount per share payable on redemption thereof, which amount may, but need not, vary according to the time and circumstances of such redemption;

(d) The amount payable in respect of the shares of the series, in the event of any liquidation, dissolution or winding up of the Corporation, which amount may, but need not, vary according to the time or circumstances of such action, and the relative rights of preference, if any, of payment of such amount;

(e) Any requirement as to a sinking fund for the shares of the series, or any requirement as to the redemption, purchase or other retirement by the Corporation of the shares of the series;

(f) The right, if any, to exchange or convert shares of the series into other securities or property, and the rate or basis, time, manner and condition of exchange or conversion;

(g) The voting rights, if any, to which the holders of shares of the series shall be entitled in addition to the voting rights provided by law; and

(h) Any other term, condition or provision with respect to the series not inconsistent with the provisions of this Article Fourth, Part I or any resolution adopted by the Board of Directors pursuant thereto.

PART II

PBGC 2% Convertible Preferred Stock

Unless otherwise indicated, any reference in this Article Fourth, Part II to "Section," "subsection," "paragraph," "subparagraph," or "clause" shall refer to a Section, subsection, paragraph, subparagraph or clause in this Article Fourth, Part II. Certain defined terms used in this Part II shall have the definitions ascribed to them in Section 10 hereof.

Section 1. *Dividends*.

1.1 General Obligation. To the extent permitted under the GCL, the Corporation shall pay preferential dividends to the holders of the PBGC Preferred Stock as provided in this Section 1.1 by increasing the aggregate Liquidation Value thereof on each Dividend Reference Date (as hereinafter defined) by an amount equal to the amount of the dividends to be paid. Once the Liquidation Value has been so increased, the dividends relating to such increase shall be deemed to have been paid. Except as otherwise provided herein, dividends on each share of the PBGC Preferred Stock (a "PBGC Preferred

Share") shall accrue on a daily basis at the rate of 2% per annum of the sum of the Liquidation Value thereof plus all accumulated and unpaid dividends thereon from and including the date of issuance of such PBGC Preferred Share (or, in the case of accumulated and unpaid dividends, from and including the Dividend Reference Date (as defined below) on which they were accumulated) to and including the first to occur of (i) the date on which the Liquidation Value of such PBGC Preferred Share, plus all accrued and unpaid dividends thereon, is paid to the holder thereof in connection with the liquidation, dissolution and/or winding up of the Corporation (including any transaction deemed to be a liquidation, dissolution and winding up of the Corporation under Section 2.2 below) or the redemption of such PBGC Preferred Share by the Corporation, (ii) the date on which such PBGC Preferred Share is converted into shares of Conversion Stock hereunder or (iii) the date on which such PBGC Preferred Share is otherwise acquired by the Corporation. Such dividends shall be cumulative and shall accrue on a daily basis whether or not they have been declared and whether or not there are profits, surplus or other funds of the Corporation legally available for the payment of dividends. Each distribution on the PBGC Preferred Stock shall be

payable to holders of record as they appear on the records of the Corporation on the record date declared by the Board of Directors, which shall be not fewer than ten (10) nor more than sixty (60) days preceding the related Dividend Reference Date. The date on which the Corporation initially issues any PBGC Preferred Share shall be deemed to be its "date of issuance" regardless of the number of times transfer of such PBGC Preferred Share is made on the stock records maintained by or for the Corporation and regardless of the number of certificates which may be issued to evidence such PBGC Preferred Share.

1.2 Dividend Reference Dates. To the extent not paid on June 30 and December 31 of each year, beginning June 30, 2006 (the "Dividend Reference Dates"), all dividends which have accrued on each PBGC Preferred Share outstanding during the six-month period (or the period beginning on the date of issuance of the PBGC Preferred Stock and ending on June 30, 2006 in the case of the initial Dividend Reference Date) ending upon each such Dividend Reference Date shall be accumulated (and dividends shall accrue thereon pursuant to Section 1.1) and shall remain accumulated dividends with respect to such PBGC Preferred Share until paid to the holder thereof pursuant to Section 1.1.

1.3 Pro Rata Payment. All dividends paid with respect to PBGC Preferred Shares pursuant to this Section 1 shall be paid pro rata and in like manner to the holders of each PBGC Preferred Share entitled thereto.

Section 2. *Liquidation*.

2.1 Generally. Upon any liquidation, dissolution and/or winding up of the Corporation (whether voluntary or involuntary, and including any transaction deemed to be a liquidation, dissolution and winding up of the Corporation pursuant to Section 2.2 below):

(a) each holder of PBGC Preferred Stock shall be entitled to be paid in respect of each PBGC Preferred Share then held by such holder, prior to and in preference to any distribution or payment to be made in respect of any Junior Securities or to be made in respect of any PBGC Preferred Shares pursuant to Section 2.1(b) below, an amount in cash equal to all accrued and unpaid dividends on such PBGC Preferred Share; and

(b) each holder of PBGC Preferred Stock shall be entitled to be paid in respect of each PBGC Preferred Share then held by such holder, prior to and in preference to any distribution or payment to be made in respect of any Junior Securities, an amount in cash equal to the Liquidation Value of each such PBGC Preferred Share.

2.2 Deemed Liquidations. The consummation of any Change in Ownership or Fundamental Change shall be deemed to be a liquidation, dissolution and winding up of the Corporation for purposes of this Section 2 (and, upon consummation thereof, each holder of PBGC Preferred Stock shall be entitled to receive, in exchange for cancellation of such holder's PBGC Preferred Shares, payment from the Corporation of the amounts payable under this Section 2 with respect to such holder's PBGC Preferred Shares upon a liquidation, dissolution and/or winding up of the Corporation).

2.3 Notice of Liquidations; Distribution of Partial Liquidation Proceeds. Except as otherwise agreed by the holders of a majority of the PBGC Preferred Shares then outstanding, not fewer than 45 days prior to the date of any liquidation, dissolution and/or winding up of the Corporation stated therein, the Corporation shall mail written notice of any liquidation, dissolution and/or winding up of the Corporation (including any transaction deemed to be a liquidation, dissolution and winding up of the Corporation under Section 2.2 above) to each record holder of PBGC Preferred Stock, setting forth in reasonable detail the amount of proceeds to be paid with respect to each PBGC Preferred Share and each share of Common Stock in connection with such liquidation, dissolution and/or winding up of the

Corporation. If, upon any liquidation, dissolution and/or winding up of the Corporation (whether voluntary or involuntary, and including any transaction deemed to be a liquidation, dissolution and winding up of the Corporation under Section 2.2 above), the Corporation's assets to be distributed among the holders of the PBGC Preferred Stock are insufficient to permit payment to such holders of the aggregate amount which they are entitled to be paid under Section 2.1(a) and Section 2.1(b) above, then the entire assets available to be distributed to the Corporation's stockholders shall be distributed pro rata among the holders of the PBGC Preferred Stock and Serial Preferred Stock ranking pari passu with the PBGC Preferred Stock on a pari passu basis according to the Liquidation Value of each PBGC Preferred Share and the liquidation value of each other share of Serial Preferred Stock.

Section 3. *Ranking*. The PBGC Preferred Stock shall, with respect to dividends, distributions and the distribution of assets upon liquidation, dissolution or winding up of the Corporation (including any transaction deemed to be a liquidation, dissolution and winding up of the Corporation under Section 2.2 above), rank on a parity with the Serial Preferred Stock and rank senior to the Junior Securities, including without limitation the Class Pilot MEC Preferred Stock, the Class IAM Preferred Stock and all shares of Common Stock. In determining whether any class or series of stock of the Corporation ranks on a parity or junior to the PBGC Preferred Stock, such class or series shall be deemed to rank:

(a) on a parity with the PBGC Preferred Stock as to the distribution of assets upon liquidation, dissolution or winding up, whether or not the liquidation prices per share thereof are different from those of the PBGC Preferred Stock, if the holders of such class or series of Serial Preferred Stock and the PBGC Preferred Stock shall be entitled to the receipt of amounts distributable upon liquidation, dissolution or winding up in proportion to their respective liquidation preferences, without preference or priority one over the other; and

(b) junior to the PBGC Preferred Stock, as to the distribution of assets upon liquidation, dissolution or winding up, if the holders of PBGC Preferred Stock shall be entitled to the receipt of amounts distributable upon liquidation, dissolution or winding up in preference or priority to the holders of shares of such class or series.

Section 4. *Redemptions*.

4.1 Optional Redemption. The Corporation may at any time and from time to time redeem all or any portion of the shares of PBGC Preferred Stock then outstanding. Upon any such redemption, the Corporation shall pay a price per PBGC Preferred Share equal to the Liquidation Value thereof (plus all accrued and unpaid dividends thereon). Each holder of PBGC Preferred Shares shall promptly surrender and deliver to the Corporation the certificates representing such shares. If fewer than all of the PBGC Preferred Shares outstanding are to be redeemed by the Corporation at any time, then the number of PBGC Preferred Shares to be redeemed from each holder of PBGC Preferred Shares at such time shall be determined pro rata based upon the aggregate Liquidation Value of all PBGC Preferred Shares held by each such holder (plus all accrued and unpaid dividends thereon).

4.2 Redemption Payments. For each PBGC Preferred Share that is to be redeemed hereunder, the Corporation shall be obligated on the Redemption Date to pay to the holder thereof (upon surrender by such holder at the Corporation's principal office of the certificate representing such PBGC Preferred Share) an amount in cash in immediately available funds equal to the Liquidation Value of such PBGC Preferred Share, plus all accrued and unpaid dividends thereon. If the funds of the Corporation legally available for redemption of PBGC Preferred Shares on any Redemption Date are insufficient to redeem the total number of PBGC Preferred Shares to be redeemed on such date, those funds which are legally available shall be used to redeem the maximum possible number of PBGC Preferred Shares pro rata among the holders of the PBGC Preferred Shares to be redeemed based upon the aggregate Liquidation

Value of all PBGC Preferred Shares held by each such holder, plus all accrued and unpaid dividends thereon.

4.3 Notice of Redemption. Except as otherwise provided herein, the Corporation shall mail written notice of each redemption of PBGC Preferred Stock to each record holder thereof not less than 45 days prior to the date on which such redemption is to be made. In case fewer than the total number of PBGC Preferred Shares represented by any certificate are redeemed, a new certificate representing the number of unredeemed PBGC Preferred Shares shall be issued to the holder thereof within five Business Days after surrender of the certificate representing the redeemed PBGC Preferred Shares.

4.4 Determination of the Number of Each Holder's Shares to be Redeemed. Except as otherwise provided herein, the PBGC Preferred Shares to be redeemed from the holders thereof in redemptions hereunder shall be allocated among such holders on a pro rata basis in accordance with the aggregate Liquidation Value of all PBGC Preferred Shares held by each such holder, plus all accrued and unpaid dividends thereon.

4.5 Dividends After Redemption Date. No PBGC Preferred Share shall be entitled to any dividends accruing after the date on which the Liquidation Value of such PBGC Preferred Share, together with all accrued and unpaid dividends thereon through the date of payment, is paid in full in immediately available funds to the holder of such PBGC Preferred Share. On such date, all rights of the holder of such PBGC Preferred Share shall cease, and such PBGC Preferred Share shall no longer be deemed to be issued and outstanding.

4.6 Redeemed or Otherwise Acquired Shares. Any PBGC Preferred Shares converted, redeemed, purchased or otherwise acquired by the Corporation in any manner whatsoever shall be retired and cancelled promptly after the acquisition thereof, and, if necessary to provide for the lawful redemption or purchase of such shares, the capital represented by such shares shall be reduced in accordance with the GCL. All such shares shall upon their cancellation be retired from the available capital stock of the Corporation and no longer be authorized shares of Preferred Stock of the Corporation.

Section 5. *Voting Rights*. Except as otherwise required by applicable law, the holders of PBGC Preferred Stock shall have no voting rights except that the affirmative vote of the holders of a majority of the outstanding PBGC Preferred Shares, voting as a separate class, shall be necessary for authorizing, effecting or validating the amendment, alteration or repeal (including any amendment, alteration or repeal by operation of merger or consolidation or otherwise) of any of the provisions of this Restated Certificate or of any certificate amendatory thereof or supplemental thereto (including any Certificate of Designation, Preferences and Rights or any similar document relating to any series of Serial Preferred Stock) which would adversely affect the powers, preferences or special rights of any of the PBGC Preferred Shares.

Section 6. *Conversion*.

6.1 Conversion Procedure.

(a) (i) At any time and from time to time following the earlier of (A) the second anniversary of the date of issuance of the PBGC Preferred Stock and (B) a Fundamental Change or a Change in Ownership pursuant to Section 2.3 above (in which case, any conversion would be effective simultaneously with the consummation of the Fundamental Change or Change in Ownership), any holder of PBGC Preferred Stock may convert all or any portion of such holder's PBGC Preferred Stock (including any fraction of a PBGC Preferred Share) held by such holder into the number of shares of Conversion Stock computed by multiplying the number of such holder's PBGC Preferred Shares to be

converted by the Liquidation Value (plus all accrued and unpaid dividends thereon) and dividing the result by the Conversion Price then in effect.

(ii) On the 15th anniversary of the date of issuance, each PBGC Preferred Share shall automatically convert into the number of shares of Conversion Stock computed by dividing the Liquidation Value (plus all accrued and unpaid dividends thereon) of such PBGC Preferred Share by the Conversion Price then in effect.

(b) Except as otherwise provided herein, each conversion of PBGC Preferred Stock shall be deemed to have been effected as of the close of business on the date on which the certificate or certificates representing the PBGC Preferred Stock to be converted have been surrendered for conversion at the principal office of the Corporation. At the time any such conversion has been effected, the rights of the holder of the shares converted as a

holder of PBGC Preferred Stock shall cease and the Person or Persons in whose name or names any certificate or certificates for shares of Conversion Stock are to be issued upon such conversion shall be deemed to have become the holder or holders of record of the shares of Conversion Stock represented thereby.

(c) The conversion rights of any PBGC Preferred Share subject to redemption hereunder shall terminate on the Redemption Date for such PBGC Preferred Share.

(d) Notwithstanding any other provision hereof, if a conversion of PBGC Preferred Stock is to be made in connection with a Change in Ownership, a Fundamental Change or similar transaction affecting the Corporation, the conversion of any shares of PBGC Preferred Stock may, at the election of the holder thereof, be conditioned upon the consummation of such transaction, in which case such conversion (i) shall not become effective unless such transaction is consummated, and (ii) shall be deemed to be effective immediately prior to the consummation of such transaction.

(e) As soon as possible after a conversion has been effected, but in any event within ten Business Days thereafter, the Corporation shall deliver to the converting holder:

(i) a certificate or certificates representing the number of shares of Conversion Stock issuable by reason of such conversion in the name of the record holder thereof and in such denomination or denominations as the converting holder has specified;

(ii) a certificate representing any shares of PBGC Preferred Stock which were represented by the certificate or certificates delivered to the Corporation in connection with such conversion but which were not converted; and

(iii) payment of the amount payable under Section 6.1(i) below with respect to such conversion.

(f) Upon conversion of each share of PBGC Preferred Stock, the Corporation shall take all such actions as are necessary in order to insure that the Conversion Stock issuable with respect to such conversion shall be validly issued, fully paid and nonassessable, free and clear of all taxes, liens, charges and encumbrances with respect to the issuance thereof.

(g) The Corporation shall not close its books against the transfer of PBGC Preferred Stock or of Conversion Stock issued or issuable upon conversion of PBGC Preferred Stock in any manner which interferes with the timely conversion of PBGC Preferred Stock. The Corporation shall assist and cooperate, in all reasonable respects, with any holder of PBGC Preferred Shares required to make any governmental filings or obtain any governmental approval prior to or in connection with any conversion

of PBGC Preferred Shares hereunder (including, without limitation, making any filings required to be made by the Corporation).

(h) The Corporation shall at all times reserve and keep available out of its authorized but unissued shares of Common Stock, solely for the purpose of issuance upon the conversion of the PBGC Preferred Stock, such number of shares of Conversion Stock issuable upon the conversion of all outstanding PBGC Preferred Stock. All shares of Conversion Stock which are so issuable shall, when issued, be duly and validly issued, fully paid and nonassessable and free from all taxes, liens, charges and encumbrances. The Corporation shall take all such actions as may be necessary to assure that all such shares of Conversion Stock may be so issued without violation of any applicable law or governmental regulation or any requirements of any domestic securities exchange upon which shares of Conversion Stock may be listed (except for official notice of issuance which shall be delivered by the Corporation promptly after such issuance). The Corporation shall not take any action which would cause the number of authorized but unissued shares of Common Stock to be fewer than the number of Conversion Shares required to be reserved hereunder for issuance upon conversion of all outstanding PBGC Preferred Stock.

(i) If any fractional interest in a share of Conversion Stock would, except for the provisions of this subparagraph, be delivered upon any conversion of any PBGC Preferred Shares, the Corporation, in lieu of delivering the fractional share therefor, shall pay an amount to the holder thereof equal to the Market Price of such fractional interest as of the date of conversion.

6.2 Conversion Price.

(a) The initial Conversion Price shall be 125% of the average of the closing prices of the sales of Common Stock on all domestic securities exchanges on which such Common Stock may at the time be listed, averaged over a period beginning on the date of issuance of the PBGC Preferred Stock and ending on the 60th consecutive trading day following such date (the “Conversion Price”). The Corporation shall deliver to Pension Benefit Guaranty Corporation (“PBGC”), on or prior to the 65th trading day following the date of issuance of the PBGC Preferred Stock, written notice setting forth the initial Conversion Price and the calculation thereof. In order to prevent dilution of the conversion rights granted under this Section 6, the Conversion Price shall be subject to adjustment from time to time pursuant to this Section 6.2 and Section 6.4 below.

(b) If and whenever the Corporation issues or sells, or in accordance with Section 6.3 is deemed to have issued or sold, any shares of its Common Stock for a consideration per share less than the Market Price in effect immediately prior to the time of such issuance or sale, then immediately upon such issuance or sale or deemed issuance or sale the Conversion Price shall be reduced to the Conversion Price determined by dividing (a) the sum of (1) the product derived by multiplying the Conversion Price in effect immediately prior to such issuance or sale by the number of shares of Common Stock Deemed Outstanding immediately prior to such issue or sale, plus (2) the consideration, if any, received by the Corporation upon such issuance or sale, by (b) the number of shares of Common Stock Deemed Outstanding immediately after such issuance or sale.

(c) Notwithstanding the foregoing, there shall be no adjustment in the Conversion Price as a result of (i) any issuance or sale (or deemed issuance or sale) of any Common Stock to directors, employees, consultants, and advisors of the Corporation and its Subsidiaries pursuant to stock option plans, stock ownership plans or other compensatory arrangements approved by the Board of Directors (as such number of shares is proportionately adjusted for subsequent stock splits, combinations and dividends affecting the Common Stock) or (ii) any issuance of Common Stock upon the conversion, exchange or exercise of any securities issued on or prior to the date of issuance of the PBGC Preferred Stock or pursuant to the Plan of Reorganization.

6.3 Effect on Conversion Price of Certain Events. For purposes of determining the adjusted Conversion Price under Section 6.2 above, the following shall be applicable:

(a) Issuance of Rights or Options. If the Corporation in any manner grants or sells any Options, other than as expressly provided in the Plan of Reorganization, and the price per share for which Common Stock is issuable upon the exercise of such Options, or upon the conversion or exchange of any Convertible Securities issuable upon the exercise of such Options, is less than the Market Price in effect immediately prior to the time of the granting or sale of such Options, then the total maximum number of shares of Common Stock issuable upon the exercise of such Options or upon conversion or exchange of the total maximum amount of such Convertible Securities issuable upon the exercise of such Options shall be deemed to be outstanding and to have been issued and sold by the Corporation at the time of the granting or sale of such Options for such price per share. For purposes of this paragraph, the "price per share for which Common Stock is issuable" shall be determined by dividing (A) the total amount, if any, received or receivable by the Corporation as consideration for the granting or sale of such Options, plus the minimum aggregate amount of additional consideration payable to the Corporation upon the exercise of all such Options, plus in the case of such Options which relate to Convertible Securities, the minimum aggregate amount of additional consideration, if any, payable to the Corporation upon the issuance or sale of such Convertible Securities and the conversion or exchange thereof, by (B) the total maximum number of shares of Common Stock issuable upon the exercise of such Options or upon the conversion or exchange of all such Convertible Securities issuable upon the exercise of such Options. No further adjustment of the Conversion Price shall be made when Convertible Securities are actually issued upon the exercise of such Options or when Common Stock is actually issued upon the exercise of such Options or the conversion or exchange of such Convertible Securities.

(b) Issuance of Convertible Securities. If the Corporation in any manner issues or sells any Convertible Securities, other than as expressly provided in the Plan of Reorganization, and the price per share for which Common Stock is issuable upon the conversion or exchange thereof is less than the Market Price in effect immediately prior to the time of such issue or sale, then the maximum number of shares of Common Stock issuable upon conversion or exchange of such Convertible Securities shall be deemed to be outstanding and to have been issued and sold by the Corporation at the time of the issuance or sale of such Convertible Securities for such price per share. For the purposes of this paragraph, the "price per share for which Common Stock is issuable" shall be determined by dividing (A) the total amount received or receivable by the Corporation as consideration for the issue or sale of such Convertible Securities, plus the minimum aggregate amount of additional consideration, if any, payable to the Corporation upon the conversion or exchange thereof, by (B) the total maximum number of shares of Common Stock issuable upon the conversion or exchange of all such Convertible Securities. No further adjustment of the Conversion Price shall be made when Common Stock is actually issued upon the conversion or exchange of such Convertible Securities, and if any such issue or sale of such Convertible Securities is made upon exercise of any Options for which adjustments of the Conversion Price had been or are to be made pursuant to other provisions of this Section 6, no further adjustment of the Conversion Price shall be made by reason of such issue or sale.

(c) Change in Option Price or Conversion Rate. If the purchase price provided for in any Option, the additional consideration, if any, payable upon the issue, conversion or exchange of any Convertible Securities or the rate at which any Convertible Security is convertible into or exchangeable for Common Stock changes at any time, the Conversion Price in effect at the time of such change shall be adjusted immediately to the Conversion Price which would have been in effect at such time had such Option or Convertible Security originally provided for such changed purchase price, additional consideration or conversion rate, as the case may be, at the time initially granted, issued or sold. For purposes of Section 6.3, if the terms of any Option or Convertible Security which was outstanding as of the date of issuance of the PBGC Preferred Stock are changed in the manner described in the immediately

preceding sentence, then such Option or Convertible Security and the Common Stock deemed issuable upon exercise, conversion or exchange thereof shall be deemed to have been issued as of the date of such change; provided that no such change shall at any time cause the Conversion Price hereunder to be increased.

(d) Treatment of Expired Options and Unexercised Convertible Securities. Upon the expiration of any Option or the termination of any right to convert or exchange any Convertible Security without the exercise of any such Option or right, the Conversion Price then in effect hereunder shall be adjusted immediately to the Conversion Price that would have been in effect at the time of such expiration or termination had such Option or Convertible Security, to the extent outstanding immediately prior to such expiration or termination, never been issued. For purposes of this Section 6.3, the expiration or termination of any Option or Convertible Security that was outstanding as of the date of issuance of the PBGC Preferred Stock shall not cause the Conversion Price hereunder to be adjusted unless, and only to the extent that, a change in the terms of such Option or Convertible Security caused it to be deemed pursuant to Section 6.3(c), to have been issued after the date of issuance of the PBGC Preferred Stock.

(e) Calculation of Consideration Received. If any Common Stock, Option or Convertible Security is issued or sold or deemed to have been issued or sold for cash, the consideration received therefor shall be deemed to be the amount received by the Corporation therefor (net of discounts, commissions and related expenses). If any Common Stock, Option or Convertible Security is issued or sold for a consideration other than cash, the amount of the consideration other than cash received by the Corporation shall be the fair value of such consideration, except where such consideration consists of securities, in which case the amount of consideration received by the Corporation shall be the Market Price thereof as of the date of the sale or issuance by the Corporation of such Common Stock, Option or Convertible Security. If any Common Stock, Option or Convertible Security is issued to the owners of the non-surviving Person in connection with any merger or consolidation in which the Corporation is the surviving Person, the amount of consideration therefor shall be deemed to be the fair value of the portion of the net assets and business of the non-surviving Person that is attributable to such Common Stock, Option or Convertible Security, as the case may be. The fair value of any consideration or net assets other than cash and securities (and, if applicable, the portion thereof attributable to any such stock or securities) shall be determined in good faith by the Board of Directors.

(f) Integrated Transactions. In case any Common Stock, Option or Convertible Security is issued in connection with the issue or sale of other securities of the Corporation, together comprising one integrated transaction in which no specific consideration is allocated to such Common Stock, Option or Convertible Security by the parties thereto, the Common Stock, Option or Convertible Security shall be deemed to have been issued for a consideration of $.01.

(g) Treasury Shares. The number of shares of Common Stock outstanding at any given time shall not include shares owned or held by or for the account of the Corporation or any of its Subsidiaries, and the disposition of any shares so owned or held shall be considered an issue or sale of Common Stock.

(h) Record Date. If the Corporation takes a record of the holders of Common Stock for the purpose of entitling them (a) to receive a dividend or other distribution payable in Common Stock, Options or in Convertible Securities or (b) to subscribe for or purchase Common Stock, Options or Convertible Securities, then such record date shall be deemed to be the date of the issuance or sale of the shares of Common Stock to be issued or sold upon the declaration of such dividend or upon the making of such other distribution or the date of the granting of such right of subscription or purchase, as the case may be.

6.4 Subdivision or Combination of Common Stock. If the Corporation at any time subdivides (by any stock split, stock dividend, recapitalization or otherwise) one or more classes of its outstanding shares of Common Stock into a greater number of shares, the Conversion Price in effect immediately prior to such subdivision shall be proportionately reduced, and if the Corporation at any time combines (by reverse stock split or otherwise) one or more classes of its outstanding shares of Common Stock into a smaller number of shares, the Conversion Price in effect immediately prior to such combination shall be proportionately increased.

6.5 Reorganization, Reclassification, Consolidation, Merger or Sale. Any recapitalization, reorganization, reclassification, consolidation, merger, sale or disposition of all or substantially all of the Corporation's property or assets or other transaction, in each case which is effected in such a manner that the holders of Common Stock are entitled to receive (either directly or upon subsequent liquidation) stock, securities, property or assets with respect to or in exchange for Common Stock, is referred to herein as an "Organic Change." Prior to the consummation of any Organic Change, unless the PBGC Preferred Stock receives in such Organic Change either (i) on an as-converted basis, the same proportionate consideration as the Common Stock or (ii) in exchange therefor, preferred stock of the successor Person resulting from the Organic Change (or its parent Person) bearing the same relative rights, privileges and priorities as the PBGC Preferred Stock, the Corporation shall make appropriate provisions to insure that the PBGC Preferred Stock shall not be cancelled or retired as a result of such Organic Change and each of the holders of the PBGC Preferred Stock shall thereafter have the right to acquire and receive, in lieu of the shares of Conversion Stock immediately theretofore acquirable and receivable upon the conversion of such holder's PBGC Preferred Stock, such shares of stock, securities or assets as such holder would have received in connection with such Organic Change if such holder had converted in accordance with this Section 6 all of such holder's PBGC Preferred Stock immediately prior to such Organic Change (plus all accrued and unpaid dividends on all PBGC Preferred Shares held by such holder immediately prior to such Organic Change). In each such case, the Corporation shall also make appropriate provisions to insure that the provisions of this Section 6 shall thereafter be applicable to the PBGC Preferred Stock (including, in the case of any such consolidation, merger, sale or disposition in which the successor Person or purchasing Person is other than the Corporation, an immediate adjustment of the Conversion Price to the value for the Common Stock reflected by the terms of such consolidation, merger, sale or disposition, and a corresponding immediate adjustment in the number of shares of Conversion Stock acquirable and receivable upon conversion of PBGC Preferred Stock, if the value so reflected is less than the Market Price in effect immediately prior to such consolidation, merger, sale or disposition). The Corporation shall not effect any such consolidation, merger, sale or disposition, unless prior to the consummation thereof, the successor Person (if other than the Corporation) resulting from consolidation or merger or the Person purchasing such assets assumes by written instrument, the obligation to deliver to each holder of PBGC Preferred Shares of stock, securities, property or assets as, in accordance with the foregoing provisions, such holder may be entitled to acquire.

6.6 Certain Events. If any event occurs of the type contemplated by the provisions of this Section 6 but not expressly provided for by such provisions (other than in respect of any compensatory arrangement described in Section 6.2(c)(i) above), then the Board of Directors shall make an appropriate adjustment in the Conversion Price so as to protect the rights of the holders of PBGC Preferred Stock; provided that no such adjustment shall increase the Conversion Price as otherwise determined pursuant to this Section 6 or decrease the number of shares of Conversion Stock issuable upon the conversion of any PBGC Preferred Share.

6.7 Notices.

(a) As soon as practicable after any adjustment of the Conversion Price, the Corporation shall give written notice thereof to all holders of PBGC Preferred Stock, setting forth in reasonable detail and certifying the calculation of such adjustment.

(b) The Corporation shall give written notice to all holders of PBGC Preferred Stock at least 20 days prior to the date on which the Corporation closes its books or takes a record (i) with respect to any dividend or distribution upon Common Stock, (ii) with respect to any pro rata subscription offer to holders of Common Stock or (iii) for determining rights to vote with respect to any Organic Change, dissolution or liquidation.

(c) The Corporation shall also give written notice to all holders of PBGC Preferred Stock at least 20 days prior to the date on which any Organic Change shall take place.

Section 7. *Registration of Transfer*. The Corporation shall keep at its principal office a register for the registration of PBGC Preferred Stock. Upon the surrender of any certificate representing PBGC Preferred Stock at such place, the Corporation shall, at the request of the record holder of such certificate, execute and deliver (at the Corporation's expense) a new certificate or certificates in exchange therefor representing in the aggregate the number of PBGC Preferred Shares represented by the surrendered certificate. Each such new certificate shall be registered in such name and shall represent such number of PBGC Preferred Shares as is requested by the holder of the surrendered certificate and shall be substantially identical in form to the surrendered certificate, and dividends shall accrue on the PBGC Preferred Stock represented by such new certificate from the date to which dividends have been fully paid on such PBGC Preferred Stock represented by the surrendered certificate.

Section 8. *Liquidating Dividends*. If the Corporation declares or pays a dividend upon the Common Stock payable otherwise than in cash out of earnings or earned surplus (determined in accordance with United States generally accepted accounting principles) except for a stock dividend payable in shares of Common Stock (a "Liquidating Dividend"), then the Corporation shall pay to the holders of PBGC Preferred Stock at the time of payment thereof the Liquidating Dividends which would have been paid in respect of shares of Conversion Stock had such PBGC Preferred Stock been converted immediately prior to the date on which a record is taken for such Liquidating Dividend, or, if no record is taken, the date as of which the record holders of such class of Common Stock entitled to such dividends are to be determined. The Liquidation Value of any PBGC Preferred Share shall be reduced by the amount of any Liquidating Dividend paid in respect of such Share.

Section 9. *Replacement*. Upon receipt of evidence reasonably satisfactory to the Corporation of the ownership and the loss, theft, destruction or mutilation of any certificate evidencing PBGC Preferred Shares, and in the case of any such loss, theft or destruction, upon receipt of indemnity reasonably satisfactory to the Corporation, or, in the case of any such mutilation upon surrender of such certificate, the Corporation shall execute and deliver in lieu of such certificate a new certificate of like kind representing the number of PBGC Preferred Shares represented by such lost, stolen, destroyed or mutilated certificate and dated the date of such lost, stolen, destroyed or mutilated certificate, and dividends shall accrue on the PBGC Preferred Stock represented by such new certificate from the date to which dividends have been fully paid on the PBGC Preferred Stock represented by such lost, stolen, destroyed or mutilated certificate or, if there is no such date, from the date of issuance of the PBGC Preferred Stock represented by such lost, stolen, destroyed or mutilated certificate.

Section 10. *Definitions*.

10.1 "*Business Day"* means each Monday, Tuesday, Wednesday, Thursday and Friday which is not a day on which banking institutions in New York, New York or U.S. governmental agencies are authorized or obligated by applicable law or executive order to remain closed.

10.2 "*Change in Ownership*" means any sale, disposition, transfer or issuance or series of sales, dispositions, transfers and/or issuances of shares of the capital stock by the Corporation or any holders thereof which results in any Person or group of Persons (as the term "group" is used under the Securities Exchange Act of 1934, as amended), other than the holders of Common Stock and PBGC Preferred Stock as of the date of issuance of the PBGC Preferred Stock, owning capital stock of the Corporation possessing the voting power (under ordinary circumstances and without regard to cumulative voting rights) to elect a majority of the Board of Directors.

10.3 "*Common Stock*" means the Corporation's Common Stock and any capital stock of any class of the Corporation hereafter authorized which is not limited to a fixed sum or percentage of par or stated value in respect to the rights of the holders thereof to participate in dividends or in the distribution of assets upon any liquidation, dissolution or winding up of the Corporation.

10.4 "*Common Stock Deemed Outstanding*" means, at any given time, the number of shares of Common Stock actually outstanding at such time, plus the number of shares of Common Stock outstanding or that would be outstanding upon exercise or conversion of all Options and Convertible Securities, whether or not the Options or Convertible Securities are actually exercisable at such time, including any shares of Common Stock issuable upon conversion of the PBGC Preferred Stock.

10.5 "*Conversion Stock*" means shares of Common Stock; provided that if there is a change such that the securities issuable upon conversion of the PBGC Preferred Stock are issued by a Person other than the Corporation or there is a change in the type or class of securities so issuable, then the term "Conversion Stock" shall mean shares of the security issuable upon conversion of the PBGC Preferred Stock if such security is issuable in shares, or shall mean the smallest unit in which such security is issuable if such security is not issuable in shares.

10.6 "*Convertible Securities*" means any stock or securities directly or indirectly convertible into or exchangeable for Common Stock.

10.7 "*Fundamental Change*" means the occurrence of any of the following: (a) any sale, transfer or disposition of more than 50% of the property or assets of the Corporation and its Subsidiaries on a consolidated basis (measured either by book value in accordance with generally accepted accounting principles consistently applied or by fair market value determined in the reasonable good faith judgment of the Board of Directors) in any transaction or series of transactions (other than sales in the ordinary course of business) and (b) any merger or consolidation to which the Corporation is a party, except for (x) a merger which is effected solely to change the state of incorporation of the Corporation or (y) a merger in which the Corporation is the surviving Person, the terms of the PBGC Preferred Stock are not changed or altered in any respect, the PBGC Preferred Stock is not exchanged for cash, securities or other property or assets, and after giving effect to such merger, the holders of the capital stock of the Corporation as of the date prior to the merger or consolidation shall continue to own the outstanding capital stock of the Corporation possessing the voting power (under ordinary circumstances) to elect a majority of the Board of Directors.

10.8 "*Junior Securities*" means any capital stock or other equity securities of the Corporation, except for the Serial Preferred Stock and the PBGC Preferred Stock.

10.9 "*Liquidation Value*" of any PBGC Preferred Share as of any particular date shall be the sum of (a) $100 and (b) all increases in Liquidation Value pursuant to Section 1.1 above.

10.10 "*Market Price*" of any security means the average of the closing prices of such security's sales on all securities exchanges on which such security may at the time be listed, or, if there has been no sales on any such exchange on any day, the average of the highest bid and lowest asked prices on all such exchanges at the end of such day, or, if on any day such security is not so listed, the average of the representative bid and asked prices quoted in the NASDAQ System as of 4:00 P.M., New York time, or, if on any day such security is not quoted in the NASDAQ System, the average of the highest bid and lowest asked prices on such day in the domestic over-the-counter market as reported by the National Quotation Bureau, Incorporated, or any similar successor organization, in each such case averaged over a period of 21 days consisting of the day as of which "Market Price" is being determined and the 20 consecutive Business Days prior to such day. If at any time such security is not listed on any securities exchange or quoted in the NASDAQ System or the over-the-counter market, the "Market Price" shall be the fair value thereof determined in good faith by the Corporation.

10.11 "*Options*" means any rights, warrants or options to subscribe for or purchase Common Stock or Convertible Securities.

10.12 "*Person*" means an individual, a corporation, a limited liability company, an association, a partnership, a joint venture, a trust, an unincorporated organization and a governmental entity or any department, agency or political subdivision thereof.

10.13 "*Plan of Reorganization*" means the Joint Plan of Reorganization under Chapter 11 of the United States Bankruptcy Code confirmed by the United States Bankruptcy Court for the Northern District of Illinois, on behalf of the Corporation and 27 other direct and indirect wholly owned subsidiaries,

in Case No. 02-B-48191, as in effect on the date of issuance of the PBGC Preferred Stock.

10.14 "*Redemption Date*" as to any PBGC Preferred Share means the applicable date specified in the notice of any redemption given in accordance with Section 4.3 above; provided that no such date shall be a Redemption Date unless the Liquidation Value of such PBGC Preferred Share, plus all accrued and unpaid dividends thereon, is actually paid in full on such date, and if not so paid in full, the Redemption Date shall be the date on which all such amounts are fully paid.

10.15 "*Subsidiary*" means, with respect to any Person, any corporation, limited liability company, partnership, association or other business entity of which (i) if a corporation, a majority of the total voting power of shares of stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person or a combination thereof, or (ii) if a limited liability company, partnership, association or other business entity, a majority of the partnership or other similar ownership interest thereof is at the time owned or controlled, directly or indirectly, by any Person or one or more Subsidiaries of that person or a combination thereof. For purposes hereof, a Person or Persons shall be deemed to have a majority ownership interest in a limited liability company, partnership, association or other business entity if such Person or Persons shall be allocated a majority of limited liability company, partnership, association or other business entity gains or losses or shall be or control the managing general partner of such limited liability company, partnership, association or other business entity.

Section 11. *Amendment and Waiver*. No amendment, modification or waiver shall be binding or effective with respect to any provision of this Article FOURTH, Part II without the prior written consent of the holders of a majority of the PBGC Preferred Shares outstanding at the time such action is taken.

Section 12. *Notices*. Except as otherwise expressly provided hereunder, all notices referred to herein shall be in writing and shall be delivered by registered or certified mail, return receipt requested and postage prepaid, or by reputable overnight courier service, charges prepaid, and shall be deemed to have been given when so mailed or sent (i) to the Corporation, at its principal executive offices and (ii) to any stockholder, at such holder's address as it appears in the stock records of the Corporation (unless otherwise indicated by any such holder).

PART III

Class Pilot MEC Junior Preferred Stock

Unless otherwise indicated, any reference in this Article Fourth, Part III to "Section," "subsection," "paragraph," "subparagraph," or "clause" shall refer to a Section, subsection, paragraph, subparagraph or clause in this Article Fourth, Part III.

Section 1. *Issuance; Restrictions on Transfer*.

The share of Class Pilot MEC Preferred Stock shall be issued only to, and shall be held only by, (i) the United Airlines Pilots Master Executive Council (the "MEC") of the Air Line Pilots Association, International ("ALPA") pursuant to ALPA's authority as the collective bargaining representative for the crafts or class of pilots employed by United Air Lines, Inc. ("United") or (ii) a duly authorized agent acting for the benefit of the MEC. Any purported sale, transfer, pledge or other disposition (a "transfer") of the share of Class Pilot MEC Preferred Stock to any person, other than a successor to the MEC by merger or reorganization of ALPA (in any such case, an "ALPA Successor"), or a duly authorized agent acting for the benefit of ALPA or an ALPA Successor, shall be null and void and of no force and effect. Upon any purported transfer of the share of Class Pilot MEC Preferred Stock by the holder thereof other than as expressly permitted above, and without any further action by the Corporation, such holder or any other person or entity, such share shall, to the extent of funds legally available therefor and subject to the other provisions of this Restated Certificate, be automatically redeemed by the Corporation in accordance with Subsection 9.2 hereof, and thereupon such share shall no longer be deemed outstanding, and neither such holder nor any purported transferee thereof shall have in respect thereof any of the voting powers, preferences or relative, participating, optional or special rights ascribed to the share of Class Pilot MEC Preferred Stock hereunder, but rather such holder thereafter shall only be entitled to receive the amount payable upon redemption in accordance with Section 9. The certificate representing the share of Class Pilot MEC Preferred Stock shall be legended to reflect the restrictions on transfer and automatic redemption provided for herein.

Section 2. *Definitions*. For purposes of this Article FOURTH, Part III, the following terms shall have the meanings indicated:

2.1 "*Affiliate*" shall have the meaning defined in Rule 12b-2 under the Exchange Act.

2.2 "*Board of Directors*" shall mean the board of directors of the Corporation or any committee thereof authorized by such board of directors to perform any of its responsibilities with respect to the Class Pilot MEC Preferred Stock.

2.3 "*Business Day*" shall mean any day other than a Saturday, Sunday or a day on which state or federally chartered banking institutions in New York, New York are not required to be open.

2.4 "*Exchange Act*" means the Securities Exchange Act of 1934, as amended, or any successor act thereto.

2.5 "*set apart for payment*" shall be deemed to include, without any action other than the following, the recording by the Corporation in its accounting ledgers of any accounting or bookkeeping entry which indicates, pursuant to a declaration of dividends or other distribution by the Board of Directors, the allocation of funds to be so paid on any series or class of capital stock of the Corporation; provided, however, that if any funds for any class or series of stock of the Corporation ranking on a parity with or junior to the Class Pilot MEC Preferred Stock as to distributions upon liquidation, dissolution or winding up of the Corporation are placed in a separate account of the Corporation or delivered to a disbursing, paying or other similar agent, then "set apart for payment" with respect to the Class Pilot MEC Preferred Stock shall mean, with respect to such distributions, placing such funds in a separate account or delivering such funds to a disbursing, paying or other similar agent.

2.6 "*Transfer Agent*" means the Corporation or such agent or agents of the Corporation as may be designated from time to time by the Board of Directors as the transfer agent for the Class Pilot MEC Preferred Stock.

Section 3. *Dividends*. The holder of the share of Class Pilot MEC Preferred Stock as such shall not be entitled to receive any dividends or other distributions (except as provided in Section 4).

Section 4. *Payments upon Liquidation*.

4.1 In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation, before any payment or distribution of the assets of the Corporation (whether capital or surplus) shall be made to or set apart for payment to the holders of any class or series of stock of the Corporation that ranks junior to the Class Pilot MEC Preferred Stock as to amounts distributable upon liquidation, dissolution or winding up of the Corporation, the holder of the share of Class Pilot MEC Preferred Stock shall be entitled to receive $0.01 for the share of Class Pilot MEC Preferred Stock (the "Liquidation Preference"), but such holder shall not be entitled to any further payment. If, upon any liquidation, dissolution or winding up of the Corporation, the assets of the Corporation, or proceeds thereof, distributable to the holder of the share of Class Pilot MEC Preferred Stock shall be insufficient to pay in full the Liquidation Preference and the liquidation preference on all other shares of any class or series of stock of the Corporation that ranks on a parity with the Class Pilot MEC Preferred Stock as to amounts distributable upon liquidation, dissolution or winding up of the Corporation, then such assets, or the proceeds thereof, shall be distributed among the holder of the share of Class Pilot MEC Preferred Stock and any such other parity stock ratably in accordance with the respective amounts that would be payable on such share of Class Pilot MEC Preferred Stock and any such other parity stock if all amounts payable thereon were paid in full. For the purposes of this Section 4, (i) a consolidation or merger of the Corporation with or into one or more corporations, or (ii) a sale, lease, exchange or transfer of all or substantially all of the Corporation's assets, shall not be deemed to be a liquidation, dissolution or winding up, voluntary or involuntary, of the Corporation.

4.2 Subject to the rights of the holders of shares of any series or class of stock ranking prior to or on a parity with the Class Pilot MEC Preferred Stock as to amounts distributable upon liquidation, dissolution or winding up of the Corporation, after payment shall have been made to the holder of the share of Class Pilot MEC Preferred Stock, as and to the fullest extent provided in this Section 4, any series or class of stock of the Corporation that ranks junior to the Class Pilot MEC Preferred Stock as to amounts distributable upon liquidation, dissolution or winding up of the Corporation, shall, subject to the respective terms and provisions (if any) applying thereto, be entitled to receive any and all assets remaining to be paid or distributed, and the holder of the share of Class Pilot MEC Preferred Stock shall not be entitled to share therein.

Section 5. *Shares to be Retired*. The share of Class Pilot MEC Preferred Stock which shall have been issued and reacquired in any manner (other than redemption pursuant to Section 9.1) by the Corporation shall be retired and restored to the status of an authorized but unissued share of Class Pilot MEC Preferred Stock and, in the event of the redemption of such share pursuant to Section 9.1 hereof, shall not be reissued.

Section 6. *Ranking*.

6.1 Any class or series of stock of the Corporation shall be deemed to rank:

(a) prior to the Class Pilot MEC Preferred Stock as to the distribution of assets upon liquidation, dissolution or winding up, if the holders of such class or series shall be entitled to the receipt of amounts distributable upon liquidation, dissolution or winding up in preference or priority to the holder of Class Pilot MEC Preferred Stock;

(b) on a parity with the Class Pilot MEC Preferred Stock as to the distribution of assets upon liquidation, dissolution or winding up, whether or not the liquidation prices per share thereof be different from those of the Class Pilot MEC Preferred Stock, if the holders of such class or series and the Class Pilot MEC Preferred Stock shall be entitled to the receipt of amounts distributable upon liquidation, dissolution or winding up in proportion to their respective liquidation preferences, without preference or priority one over the other; and

(c) junior to the Class Pilot MEC Preferred Stock, as to the distribution of assets upon liquidation, dissolution or winding up, if the holder of Class Pilot MEC Preferred Stock shall be entitled to the receipt of amounts distributable upon liquidation, dissolution or winding up in preference or priority to the holders of shares of such class or series.

6.2 The PBGC Preferred Stock shall be deemed to rank senior to the Class Pilot MEC Preferred Stock as to amounts distributable upon liquidation, dissolution or winding up. The Class IAM Preferred Stock shall be deemed to rank on a parity with the Class Pilot MEC Preferred Stock as to amounts distributable upon liquidation, dissolution or winding up. The Common Stock shall each be deemed to rank junior to the Class Pilot MEC Preferred Stock as to amounts distributable upon liquidation, dissolution or winding up.

Section 7. *Consolidation, Merger, etc.*

7.1 In case the Corporation enters into any consolidation, merger, share exchange or similar transaction, however named, involving the Corporation or its subsidiary, United (or any successor to all or substantially all the assets or business of United), pursuant to which the outstanding shares of Common Stock are to be exchanged for or changed, reclassified or converted into securities of any successor or resulting or other company (including the Corporation), or cash or other property (each of the foregoing transactions is referred to herein as a "Merger Transaction"), proper provision shall be made so that, upon consummation of such transaction, the share of Class Pilot MEC Preferred Stock shall be converted, reclassified or changed into or exchanged for preferred stock of such successor or resulting or other company having, in respect of such company, the same powers, preferences and relative, participating, optional or other special rights (including the rights provided by this Section 7), and the qualifications, limitations or restrictions thereof, that the Class Pilot MEC Preferred Stock had, in respect of the Corporation, immediately prior to such transaction; specifically including, without limitation, the right, until the ALPA Termination Date (as defined in Section 8.1 below), to elect one member of the board of directors (or similar governing body) of such company.

7.2 In case the Corporation shall enter into any agreement providing for any Merger Transaction, then the Corporation shall as soon as practicable thereafter (and in any event at least fifteen (15) Business Days before consummation of such transaction) give notice of such agreement and the material terms thereof to the holder of the share of Class Pilot MEC Preferred Stock. The Corporation shall not consummate any such Merger Transaction unless all of the terms of this Section 7 and Section 8 have been complied with.

Section 8. *Voting*. The holder of the share of Class Pilot MEC Preferred Stock shall have the following voting rights:

8.1 Until such time (the "ALPA Termination Date") as (i) there are no longer any persons represented by ALPA (or any ALPA Successor) employed by the Corporation or any of its Affiliates or (ii) the collective bargaining agreement between the Corporation or any of its Affiliates and ALPA has been amended by the parties thereto so that such agreement no longer provides that ALPA has the right to appoint a director of the Corporation, the holder of the share of Class Pilot MEC Preferred Stock shall have the right (a) voting as a separate class, to (1) elect one director to the Board of Directors at each annual meeting of stockholders for a term of office to expire at the succeeding annual meeting of stockholders, (2) remove such director with or without cause and (3) fill any vacancies in such directorship resulting from death, resignation, disqualification, removal or other cause, and (b) voting together as a single class with the holders of Common Stock and the holders of such other classes or series of stock that vote together with the Common Stock as a single class, to vote on all matters submitted to a vote of the holders of Common Stock of the Corporation (other than the election of Directors), except as otherwise required by law.

8.2 The affirmative vote of the holder of the share of Class Pilot MEC Preferred Stock, voting as a separate class, shall be necessary for authorizing, effecting or validating the amendment, alteration or repeal (including any amendment, alteration or repeal by operation of merger or consolidation) of any of the provisions of this Restated Certificate or of any certificate amendatory thereof or supplemental thereto (including any Certificate of Designation, Preferences and Rights or any similar document relating to any series of Serial Preferred Stock) which would adversely affect the powers, preferences or special rights of the Class Pilot MEC Preferred Stock.

8.3 For purposes of the foregoing provisions of Sections 8.1 and 8.2, the share of Class Pilot MEC Preferred Stock shall have one (1) vote.

Section 9. *Redemption*.

9.1 The share of Class Pilot MEC Preferred Stock shall, to the extent of funds legally available therefor and subject to the other provisions of this Restated Certificate, be automatically redeemed on the ALPA Termination Date, at a price of $0.01 per share, as provided herein below. As promptly as reasonably possible following the occurrence of the ALPA Termination Date, the Corporation shall give notice thereof and of the redemption under this Section 9 to the record holder of the Class Pilot MEC Preferred Stock. From and after the redemption provided for in this Section 9.1, all rights of the holder of the Class Pilot MEC Preferred Stock as such, except the right to receive the redemption price of such share upon the surrender of the certificate formerly representing the same, shall cease and terminate and such share shall not thereafter be deemed to be outstanding for any purpose whatsoever.

9.2 The share of Class Pilot MEC Preferred Stock shall, to the extent of funds legally available therefor and subject to the other provisions of this Restated Certificate, be automatically redeemed upon any purported transfer thereof other than as expressly permitted under Section 1.2. The redemption price to be paid in connection with any redemption shall be $0.01 per share of Class Pilot MEC Preferred

Stock. Upon any such redemption, all rights of the holder of Class Pilot MEC Preferred Stock as such, except the right to receive the redemption price of such share upon the surrender of the certificate formerly representing the same, shall cease and terminate and such share shall not thereafter be deemed to be outstanding for any purpose whatsoever.

9.3 The holder of the share of Class Pilot MEC Preferred Stock so redeemed pursuant to Section 9.1 or 9.2 shall present and surrender the certificate formerly representing such share to the Corporation and thereupon the redemption price of such share shall be paid to or on the order of the person whose name appears on such certificate as the owner thereof and the surrendered certificate shall be cancelled.

Section 10. *Record Holders*. The Corporation and the Transfer Agent (if other than the Corporation) may deem and treat the record holder of the share of Class Pilot MEC Preferred Stock as the true and lawful owner thereof for all purposes, and, except as otherwise provided by law, neither the Corporation nor the Transfer Agent shall be affected by any notice to the contrary.

PART IV

Class IAM Junior Preferred Stock

Unless otherwise indicated, any reference in this Article Fourth, Part IV to "Section," "subsection," "paragraph," "subparagraph," or "clause" shall refer to a Section, subsection, paragraph, subparagraph or clause in this Article Fourth, Part IV.

Section 1. *Issuance; Restrictions on Transfer*.

The share of Class IAM Preferred Stock shall be issued only to, and shall be held only by, (i) the International Association of Machinists and Aerospace Workers (the "IAM") pursuant to the IAM's authority as the collective bargaining representative for certain crafts or classes of public contact employees, ramp and stores employees, food service and security officer employees, Mileage Plus public contact employees, fleet technical instructors and related and maintenance instructor employees employed by United or (ii) a duly authorized agent acting for the benefit of the IAM. Any purported sale, transfer, pledge or other disposition (hereinafter a "transfer") of the share of Class IAM Preferred Stock to any person, other than a successor to the IAM by merger or reorganization of the IAM (in any such case, an "IAM Successor"), or a duly authorized agent acting for the benefit of the IAM or an IAM Successor, shall be null and void and of no force and effect. Upon any purported transfer of the share of Class IAM Preferred Stock by the holder thereof other than as expressly permitted above, and without any further action by the Corporation, such holder or any other person or entity, such share shall, to the extent of funds legally available therefor and subject to the other provisions of this Restated Certificate, be automatically redeemed by the Corporation in accordance with Subsection 9.2 hereof, and thereupon such share shall no longer be deemed outstanding, and neither such holder nor any purported transferee thereof shall have in respect thereof any of the voting powers, preferences or relative, participating, optional or special rights ascribed to the share of Class IAM Preferred Stock hereunder, but rather such holder thereafter shall only be entitled to receive the amount payable upon redemption in accordance

with Section 9. The certificate representing the share of Class IAM Preferred Stock shall be legended to reflect the restrictions on transfer and automatic redemption provided for herein.

Section 2. *Definitions*. For purposes of this Article Fourth, Part IV, the following terms shall have the meanings indicated:

2.1 "*Affiliate*" shall have the meaning defined in Rule 12b-2 under the Exchange Act.

2.2 "*Board of Directors*" shall mean the board of directors of the Corporation or any committee thereof authorized by such board of directors to perform any of its responsibilities with respect to the Class IAM Preferred Stock.

2.3 "*Business Day*" shall mean any day other than a Saturday, Sunday or a day on which state or federally chartered banking institutions in New York, New York are not required to be open.

2.4 "*Exchange Act*" means the Securities Exchange Act of 1934, as amended, or any successor act thereto.

2.5 "*set apart for payment*" shall be deemed to include, without any action other than the following, the recording by the Corporation in its accounting ledgers of any accounting or bookkeeping entry which indicates, pursuant to a declaration of dividends or other distribution by the Board of Directors, the allocation of funds to be so paid on any series or class of capital stock of the Corporation; provided, however, that if any funds for any class or series of stock of the Corporation ranking on a parity with or junior to the Class IAM Preferred Stock as to distributions upon liquidation, dissolution or winding up of the Corporation are placed in a separate account of the Corporation or delivered to a disbursing, paying or other similar agent, then ''set apart for payment'' with respect to the Class IAM Preferred Stock shall mean, with respect to such distributions, placing such funds in a separate account or delivering such funds to a disbursing, paying or other similar agent.

2.6 "*Transfer Agent*" means the Corporation or such agent or agents of the Corporation as may be designated from time to time by the Board of Directors as the transfer agent for the Class IAM Preferred Stock.

Section 3. *Dividends*. The holder of the share of Class IAM Preferred Stock as such shall not be entitled to receive any dividends or other distributions (except as provided in Section 4).

Section 4. *Payments upon Liquidation*.

4.1 In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation, before any payment or distribution of the assets of the Corporation (whether capital or surplus) shall be made to or set apart for payment to the holders of any class or series of stock of the Corporation that ranks junior to the Class IAM Preferred Stock as to amounts distributable upon liquidation, dissolution or winding up of the Corporation, the holder of the share of Class IAM Preferred Stock shall be entitled to receive $0.01 for the share of Class IAM Preferred Stock (the "Liquidation Preference"), but such holder shall not be entitled to any further payment. If, upon any liquidation, dissolution or winding up of the Corporation, the assets of the Corporation, or proceeds thereof, distributable to the holder of the share of Class IAM Preferred Stock shall be insufficient to pay in full the Liquidation Preference and the liquidation preference on all other shares of any class or series of stock of the Corporation that ranks on a parity with the Class IAM Preferred Stock as to amounts distributable upon liquidation, dissolution or winding up of the Corporation, then such assets, or the proceeds thereof, shall be distributed among the holder of the share of Class IAM Preferred Stock and any such other parity stock ratably in accordance with the respective amounts that would be payable on such share of Class IAM Preferred Stock and any such other parity stock if all amounts payable thereon were paid in full. For the purposes of this Section 4, (i) a consolidation or merger of the Corporation with or into one or more corporations, or (ii) a sale, lease, exchange or transfer of all or substantially all of the Corporation's assets, shall not be deemed to be a liquidation, dissolution or winding up, voluntary or involuntary, of the Corporation.

4.2 Subject to the rights of the holders of shares of any series or class of stock ranking prior to or on a parity with the Class IAM Preferred Stock as to amounts distributable upon liquidation, dissolution or winding up of the Corporation, after payment shall have been made to the holder of the share of Class IAM Preferred Stock, as and to the fullest extent provided in this Section 4, any series or class of stock of the Corporation that ranks junior to the Class IAM Preferred Stock as to amounts distributable upon liquidation, dissolution or winding up of the Corporation, shall, subject to the respective terms and provisions (if any) applying thereto, be entitled to receive any and all assets remaining to be paid or distributed, and the holder of the share of Class IAM Preferred Stock shall not be entitled to share therein.

Section 5. *Shares to be Retired*. The share of Class IAM Preferred Stock which shall have been issued and reacquired in any manner (other than redemption pursuant to Section 9.1) by the Corporation shall be retired and restored to the status of an authorized but unissued share of Class IAM Preferred Stock and, in the event of the redemption of such share pursuant to Section 9.1 hereof, shall not be reissued.

Section 6. *Ranking*.

6.1 Any class or series of stock of the Corporation shall be deemed to rank:

(a) prior to the Class IAM Preferred Stock as to the distribution of assets upon liquidation, dissolution or winding up, if the holders of such class or series shall be entitled to the receipt of amounts distributable upon liquidation, dissolution or winding up in preference or priority to the holder of Class IAM Preferred Stock;

(b) on a parity with the Class IAM Preferred Stock as to the distribution of assets upon liquidation, dissolution or winding up, whether or not the liquidation prices per share thereof be different from those of the Class IAM Preferred Stock, if the holders of such class or series and the Class IAM Preferred Stock shall be entitled to the receipt of amounts distributable upon liquidation, dissolution or winding up in proportion to their respective liquidation preferences, without preference or priority one over the other; and

(c) junior to the Class IAM Preferred Stock, as to the distribution of assets upon liquidation, dissolution or winding up, if the holder of Class IAM Preferred Stock shall be entitled to the receipt of amounts distributable upon liquidation, dissolution or winding up in preference or priority to the holders of shares of such class or series.

6.2 The PBGC Preferred Stock shall be deemed to rank senior to the Class IAM Preferred Stock as to amounts distributable upon liquidation, dissolution or winding up. The Class Pilot MEC Preferred Stock shall be deemed to rank on a parity with the Class IAM Preferred Stock as to amounts distributable upon liquidation, dissolution or winding up. The Common Stock shall be deemed to rank junior to the Class IAM Preferred Stock as to amounts distributable upon liquidation, dissolution or winding up.

Section 7. *Consolidation, Merger, etc*.

7.1 In case the Corporation enters into any consolidation, merger, share exchange or similar transaction, however named, involving the Corporation or its subsidiary, United (or any successor to all or substantially all the assets or business of United), pursuant to which the outstanding shares of Common Stock are to be exchanged for or changed, reclassified or converted into securities of any successor or resulting or other company (including the Corporation), or cash or other property (each of the foregoing transactions is referred to herein as a "Merger Transaction"), proper provision shall be made so that, upon consummation of such transaction, the share of Class IAM Preferred Stock shall be converted, reclassified

or changed into or exchanged for preferred stock of such successor or resulting or other company having, in respect of such company, the same powers, preferences and relative, participating, optional or other special rights (including the rights provided by this Section 7), and the qualifications, limitations or restrictions thereof, that the Class IAM Preferred Stock had, in respect of the Corporation, immediately prior to such transaction; specifically including, without limitation, the right, until the IAM Termination Date (as defined in Section 8.1 below), to elect one member of the board of directors (or similar governing body) of such company.

7.2 In case the Corporation shall enter into any agreement providing for any Merger Transaction, then the Corporation shall as soon as practicable thereafter (and in any event at least fifteen (15) Business Days before consummation of such transaction) give notice of such agreement and the material terms thereof to the holder of the share of Class IAM Preferred Stock. The Corporation shall not consummate any such Merger Transaction unless all of the terms of this Section 7 and Section 8 have been complied with.

Section 8. *Voting*. The holder of the share of Class IAM Preferred Stock shall have the following voting rights:

8.1 Until such time (the "IAM Termination Date") as (i) there are no longer any persons represented by the IAM (or any IAM Successor) employed by the Corporation or any of its Affiliates or (ii) the letter agreement between the Corporation and the IAM, dated as of May 1, 2003, no longer provides that the IAM has the right to appoint a director of the Corporation, the holder of the share of Class IAM Preferred Stock shall have the right (a) voting as a separate class, to (1) elect one director to the Board of Directors at each annual meeting of stockholders for a term of office to expire at the succeeding annual meeting of stockholders, (2) remove such director with or without cause and (3) fill any vacancies in such directorship resulting from death, resignation, disqualification, removal or other cause, and (b) voting together as a single class with the holders of Common Stock and the holders of such other classes or series of stock that vote together with the Common Stock as a single class, to vote on all matters submitted to a vote of the holders of Common Stock of the Corporation (other than the election of Directors), except as otherwise required by law.

8.2 The affirmative vote of the holder of the share of Class IAM Preferred Stock, voting as a separate class, shall be necessary for authorizing, effecting or validating the amendment, alteration or repeal (including any amendment, alteration or repeal by operation of merger or consolidation) of any of the provisions of this Restated Certificate or of any certificate amendatory thereof or supplemental thereto (including any Certificate of Designation, Preferences and Rights or any similar document relating to any series of Serial Preferred Stock) which would adversely affect the powers, preferences or special rights of the Class IAM Preferred Stock.

8.3 For purposes of the foregoing provisions of Sections 8.1 and 8.2, the share of Class IAM Preferred Stock shall have one (1) vote.

Section 9. *Redemption*.

9.1 The share of Class IAM Preferred Stock shall, to the extent of funds legally available therefor and subject to the other provisions of this Restated Certificate, be automatically redeemed on the IAM Termination Date, at a price of $0.01 per share, as provided herein below. As promptly as reasonably possible following the occurrence of the IAM Termination Date, the Corporation shall give notice thereof and of the redemption under this Section 9 to the record holder of the Class IAM Preferred Stock. From and after the redemption provided for in this Section 9.1, all rights of the holder of the Class IAM Preferred Stock as such, except the right to receive the redemption price of such share upon the surrender

of the certificate formerly representing the same, shall cease and terminate and such share shall not thereafter be deemed to be outstanding for any purpose whatsoever.

9.2 The share of Class IAM Preferred Stock shall, to the extent of funds legally available therefor and subject to the other provisions of this Restated Certificate, be automatically redeemed upon any purported transfer thereof other than as expressly permitted under Section 1.2. The redemption price to be paid in connection with any redemption shall be $0.01 per share of Class IAM Preferred Stock. Upon any such redemption, all rights of the holder of Class IAM Preferred Stock as such, except the right to receive the redemption price of such share upon the surrender of the certificate formerly representing the same, shall cease and terminate and such share shall not thereafter be deemed to be outstanding for any purpose whatsoever.

9.3 The holder of the share of Class IAM Preferred Stock so redeemed pursuant to Sections 9.1 or 9.2 shall present and surrender the certificate formerly representing such share to the Corporation and thereupon the redemption price of such share shall be paid to or on the order of the person whose name appears on such certificate as the owner thereof and the surrendered certificate shall be cancelled.

Section 10. *Record Holders*. The Corporation and the Transfer Agent (if other than the Corporation) may deem and treat the record holder of the share of Class IAM Preferred Stock as the true and lawful owner thereof for all purposes, and, except as otherwise provided by law, neither the Corporation nor the Transfer Agent shall be affected by any notice to the contrary.

PART V

Common Stock

Unless otherwise indicated, any reference in this Article Fourth, Part V to "Section," "subsection," "paragraph," "subparagraph," or "clause" shall refer to a Section, subsection, paragraph, subparagraph or clause in this Article Fourth, Part V.

Section 1. *Dividends*. Subject to any rights to receive dividends to which the holders of the shares of any other class or series of stock may be entitled, the holders of shares of Common Stock shall be entitled to receive dividends, if and when declared payable from time to time by the Board of Directors, from any funds legally available therefor.

Section 2. *Liquidation*. In the event of any dissolution, liquidation or winding up of the Corporation, whether voluntary or involuntary, after there shall have been paid to the holders of shares of any other class or series of stock ranking prior to the Common Stock in respect thereof the full amounts to which they shall be entitled, and subject to any rights of the holders of any other class or series of stock to participate therein, the holders of the then outstanding shares of Common Stock shall be entitled to receive, pro rata, any remaining assets of the Corporation available for distribution to its stockholders. Subject to the foregoing, the Board of Directors may distribute in kind to the holders of the shares of Common Stock such remaining assets of the Corporation, or may sell, transfer or otherwise dispose of all or any part of such remaining assets to any other corporation, trust or other entity and receive payment therefor in cash, stock or obligations of such, other corporations, trust or entity or any combination thereof, and may sell all or any part of the consideration so received, and may distribute the consideration so received or any balance thereof in kind to holders of the shares of Common Stock. The voluntary sale, conveyance, lease, exchange or transfer of all or substantially all the property or assets of the Corporation (unless in connection therewith the dissolution, liquidation or winding up of the Corporation is specifically approved), or the merger or consolidation of the Corporation into or with any other corporation, or the merger of any other corporation into it, or any purchase or redemption of shares of

stock of the Corporation of any class, shall not be deemed to be a dissolution, liquidation or winding up of the corporation for the purpose of this Section 2.

Section 3. *Voting*. Except as provided by law or this Restated Certificate, each outstanding share of Common Stock of the Corporation shall entitle the holder thereof to one vote on each matter submitted to a vote at a meeting of stockholders.

PART VI

General Provisions

Section 1. *No Preemptive Rights, Etc*. Except as otherwise provided herein, no holder of stock of the Corporation of any class shall have any preemptive, preferential or other right to purchase or subscribe for any shares of stock, whether now or hereafter authorized, of the Corporation of any class, or any obligations convertible into, or any options or warrants to purchase, any shares of stock, whether now or hereafter authorized, of the Corporation of any class, other than such, if any, as the Board of Directors may from time to time determine, and at such price as the Board of Directors may from time to time fix; and any shares of stock or any obligations, options or warrants which the Board of Directors may determine to offer for subscription to holders of any shares of stock of the Corporation may, as the Board of Directors shall determine, be offered to holders of shares of stock of the Corporation of any class or classes or series, and if offered to holders of shares of stock of more than one class or series, in such proportions as between such classes and series as the Board of Directors may determine.

Section 2. *Non-Citizen Voting Limitation*. All (x) capital stock of, or other equity interests in, the Corporation, (y) securities convertible into or exchangeable for shares of capital stock, voting securities or other equity interests in the Corporation, and (z) options, warrants or other rights to acquire the securities described in clauses (x) and (y), whether fixed or contingent, matured or unmatured, contractual, legal, equitable or otherwise (collectively, "Equity Securities") shall be subject to the following limitations:

(a) Non-Citizen Voting Limitation. In no event shall the total number of shares of Equity Securities held by all persons who fail to qualify as a "citizen of the United States," as the term is used in Section 40102(a)(15) of Title 49 of the United States Code, in any similar legislation of the United States enacted in substitution or replacement therefor, and as interpreted by the Department of Transportation, be entitled to be more than 24.9% (or such other maximum percentage as such Section or substitute or replacement legislation shall hereafter provide) of the aggregate votes of all outstanding Equity Securities of the Corporation (the "Cap Amount").

(b) Allocation of Cap Amounts. The restrictions imposed by the Cap Amount shall be applied pro rata among the holders of Equity Securities who fail to qualify as "citizens of the United States" based on the number of votes the underlying securities are entitled to.

Each certificate or other representative document for Equity Securities (including each such certificate or representative document for Equity Securities issued upon any permitted transfer of Equity Securities) shall contain a legend in substantially the following form:

"The **[type of Equity Securities]** represented by this **[certificate/representative document]** are subject to voting restrictions with respect to **[shares/warrants, etc.]** held by persons or entities that fail to qualify as "citizens of the United States" as the term is defined used in Section 40102(a)(15) of Title 49 of the United States Code. Such voting restrictions are contained in the Restated Certificate of UAL Corporation, as the same may be amended or restated from time to time. A complete and correct copy of

the Restated Certificate shall be furnished free of charge to the holder of such shares of **[type of Equity Securities]** upon written request to the Secretary of UAL Corporation."

Section 3. *Restrictions on Issuance of Securities*. (a) The Corporation shall not issue nonvoting equity securities on or prior to the second anniversary of the Corporation's emergence from protection under Chapter 11 of the Bankruptcy Code to the extent prohibited by Section 1123(a)(6) of the United States Bankruptcy Code for so long as such section is in effect and applicable to the Corporation (except to the extent of any voting restrictions on the PBGC Preferred Stock set forth in this Restated Certificate).

(b) Except as required by law or as approved by the Stockholders, the Corporation shall not issue serial preferred stock pursuant to Article Fourth, Part I with voting rights (unless such serial preferred stock is convertible into Common Stock, in which case such serial preferred stock may vote with the Common Stock on an as-converted basis).

Section 4. *Stockholder Action*. Any action required or permitted to be taken by the stockholders of the Corporation must be effected at a duly called annual or special meeting of such stockholders and may not be effected by any consent in writing by such stockholders.

Section 5. *5% Ownership Limit*.

5.1 For purposes of Sections 5, 6 and 7, the following terms shall have the meanings indicated (and any references to any portions of Treasury Regulation § 1.382-2T shall include any successor provisions):

"*5% Transaction*" means any Transfer of Corporation Securities described in clause (y) or (z) of paragraph 5.2, subject to the provision of such paragraph 5.2.

An "*Affiliate*" of any Person means any other Person, that, directly or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, such Person; and, for the purposes of this definition only, "control" (including the terms "controlling", "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management, policies or activities of a Person whether through the ownership of securities, by contract or agency or otherwise.

"*Associate*" has the meaning ascribed to such term in Rule 12b-2 under the Exchange Act.

A Person will be deemed the "*Beneficial Owner*" of, and will be deemed to "*Beneficially Own*," and will be deemed to have "*Beneficial Ownership*" of:

(a) any securities that such Person or any of such Person's Affiliates or Associates is deemed to "Beneficially Own" within the meaning of Rule 13d-3 under the Exchange Act, and any securities deposited into a trust established by or on behalf of the Person or any of its Affiliates or Associates, the sole beneficiaries of which are the shareholders of the Person;

(b) any securities (the "Underlying Securities") that such Person or any of such Person's Affiliates or Associates has the right to acquire (whether such right is exercisable immediately or only after the passage of time) pursuant to any agreement, arrangement or understanding (written or oral), or upon the exercise of conversion rights,

exchange rights, rights, warrants or options, or otherwise (it being understood that such Person will also be deemed to be the Beneficial Owner of the securities convertible into or exchangeable for the Underlying Securities); and

(c) any securities Beneficially Owned by persons that are part of a "group" (within the meaning of Rule 13d-5(b) under the Exchange Act) with such Person.

For purposes of calculating the percentage of Voting Securities that are Beneficially Owned by any Person, such calculation will be made based on the aggregate number of issued and outstanding securities at the time of such calculation, but will not include in the denominator any such securities issuable upon any options, warrants or other securities that are exercisable for such securities.

"*Code*" means the Internal Revenue Code of 1986, as amended.

"*Corporation Securities*" means (i) shares of Common Stock, (ii) shares of Preferred Stock (other than preferred stock described in Section 1504(a)(4) of the Code), (iii) warrants, rights, or options (including options within the meaning of Treasury Regulation § 1.382-2T(h)(4)(v)) to purchase stock of the Corporation, and (iv) any other interest that would be treated as "stock" of the Corporation pursuant to Treasury Regulation § 1.382-2T(f)(18).

"*Effective Date*" means February 1, 2006.

"*Exchange Act*" means the Securities Exchange Act of 1934, as amended, or any successor act thereto.

"*Five-Percent Shareholder*" means a Person or group of Persons that is identified as a "5-percent shareholder" of the Corporation pursuant to Treasury Regulation § 1.382-2T(g).

"*Percentage Stock Ownership*" means the percentage Stock Ownership interest as determined in accordance with Treasury Regulation § 1.382-2T(g), (h), (j) and (k).

"*Person*" means any individual, firm, corporation or other legal entity, and includes any successor (by merger or otherwise) of such entity.

"*Prohibited Transfer*" means any purported Transfer of Corporation Securities to the extent that such Transfer is prohibited and/or void under this Section 5.

"*Tax Benefit*" means the net operating loss carryovers, capital loss carryovers, general business credit carryovers, alternative minimum tax credit carryovers and foreign tax credit carryovers, as well as any loss or deduction attributable to a "net unrealized built-in loss" within the meaning of Section 382, of the Corporation or any direct or indirect subsidiary thereof.

"*Transfer*" means, with respect to any Person other than the Corporation, any direct or indirect sale, transfer, assignment, conveyance, pledge or other disposition, other than a sale, transfer, assignment, conveyance, pledge or other disposition to a wholly owned subsidiary of the transferor, or, if the transferor is wholly owned by a Person, to a wholly owned subsidiary of such Person. A Transfer also shall include the creation or grant of

an option (including an option within the meaning of Treasury Regulation § 1.382-2T(h)(4)(v)).

"*Voting Securities*" means all securities that by their terms are entitled to vote generally in the election of directors of the Corporation (without giving effect to any contractual limitations on voting).

5.2 Any attempted Transfer of Corporation Securities prior to the earliest of (A) February 1, 2011, (B) the repeal, amendment or modification of Section 382 of the Code (and any comparable successor provision) ("Section 382") in such a way as to render the restrictions imposed by Section 382 no longer applicable to the Corporation, (C) the beginning of a taxable year of the Corporation (or any successor thereof) in which no Tax Benefits are available, and (D) the date on which the limitation amount imposed by Section 382 in the event of an ownership change of the Corporation, as defined in Section 382, would not be materially less than the net operating loss carryforward or net unrealized built-in loss of the Corporation (the "Restriction Release Date"), or any attempted Transfer of Corporation Securities pursuant to an agreement entered into prior to the Restriction Release Date, shall be prohibited and void ab initio so far as it purports to transfer ownership or rights in respect of such stock to the Purported Transferee (y) if the transferor is a Five-Percent Shareholder or (z) to the extent that, as a result of such Transfer (or any series of Transfers of which such Transfer is a part), either (1) any Person or group of Persons shall become a Five-Percent Shareholder other than by reason of Treasury Regulation Section 1.382T(j)(3) or any successor to such regulation or (2) the Percentage Stock Ownership interest in the Corporation of any Five-Percent Shareholder shall be increased; provided, that this paragraph 5.2 shall not apply to, nor shall any other provision in this Restated Certificate prohibit, restrict or limit in any way, the issuance of Corporation Securities by the Corporation in accordance with the Second Amended Joint Plan of Reorganization of the Corporation dated January 20, 2006 (the "Chapter 11 Plan"). Notwithstanding the foregoing, the transfer restrictions described in this Section 5.2 shall not apply if (A) the Transferor is any of PBGC, any Person who purchased or acquired all or any part of the Unsecured PBGC Claim (as defined in the Plan of Reorganization) prior to Corporation's emergence from protection under Chapter 11 of the Bankruptcy Code pursuant to the Plan of Reorganization, or any of the trusts holding assets of the United Airlines Pilot Defined Benefit Pension Plan, the United Airlines Flight Attendant Defined Benefit Pension Plan, the United Airlines Ground Retirement Income Plan or the Management, Administrative and Public Contract Defined Benefit Pension Plan of United (each, a "PBGC Transferor") and (B) the Transfer is of Corporation Securities that the PBGC Transferor obtained pursuant to the terms of the Plan of Reorganization.

5.3 The restrictions set forth in paragraph 5.2 shall not apply to an attempted Transfer that is a 5% Transaction if the transferor or the transferee obtains the prior written approval of the Board of Directors or a duly authorized committee thereof.

As a condition to granting its approval pursuant to this paragraph 5.3, the Board of Directors may, in its discretion, require (at the expense of the transferor and/or transferee) an opinion of counsel selected by the Board of Directors that the Transfer shall not result in the application of any Section 382 limitation on the use of the Tax Benefits. The Board of Directors may exercise the authority granted by this Section 5 through duly authorized officers or agents of the Corporation.

5.4 Each certificate representing shares of Corporation Securities issued prior to the Restriction Release Date shall contain the legend set forth on Exhibit A hereto, evidencing the restrictions set forth in this Section 5 and Sections 6 and 7.

Section 6. *Treatment of Excess Securities*.

6.1 No employee or agent of the Corporation shall record any Prohibited Transfer, and the purported transferee of such a Prohibited Transfer (the "Purported Transferee") shall not be recognized as a stockholder of the Corporation for any purpose whatsoever in respect of the Corporation Securities which are the subject of the Prohibited Transfer (the "Excess Securities"). Until the Excess Securities are acquired by another Person in a Transfer that is not a Prohibited Transfer, the Purported Transferee shall not be entitled with respect to such Excess Securities to any rights of stockholders of the Corporation, including, without limitation, the right to vote such Excess Securities and to receive dividends or distributions, whether liquidating or otherwise, in respect thereof, if any; provided, however, that the Transferor of such Excess Securities shall not be required to disgorge, and shall be permitted to retain for its own account, any proceeds of such Transfer, and shall have no further rights, responsibilities, obligations or liabilities with respect to such Excess Securities, if such Transfer was a Prohibited Transfer pursuant to Section 5.2(z). Once the Excess Securities have been acquired in a Transfer that is not a Prohibited Transfer, the Corporation Securities shall cease to be Excess Securities. For this purpose, any transfer of Excess Securities not in accordance with the provisions of this Section 5 shall also be a Prohibited Transfer.

6.2 If the Board of Directors determines that a Transfer of Corporation Securities constitutes a Prohibited Transfer then, upon written demand by the Corporation, the Purported Transferee shall transfer or cause to be transferred any certificate or other evidence of ownership of the Excess Securities within the Purported Transferee's possession or control, together with any dividends or other distributions that were received by the Purported Transferee from the Corporation with respect to the Excess Securities ("Prohibited Distributions "), to an agent designated by the Board of Directors (the" Agent"). The Agent shall thereupon sell to a buyer or buyers, which may include the Corporation, the Excess Securities transferred to it in one or more arm's-length transactions (over the New York Stock Exchange or other national securities exchange on which the Corporation Securities may be traded, if possible, or otherwise privately); provided, however, that the Agent shall effect such sale or sales in an orderly fashion and shall not be required to effect any such sale within any specific time frame if, in the Agent's discretion, such sale or sales would disrupt the market for the Corporation Securities or otherwise would

adversely affect the value of the Corporation Securities. If the Purported Transferee has resold the Excess Securities before receiving the Corporation's demand to surrender Excess Securities to the Agent, the Purported Transferee shall be deemed to have sold the Excess Securities for the Agent, and shall be required to transfer to the Agent any Prohibited Distributions and proceeds of such sale, except to the extent that the Corporation grants written permission to the Purported Transferee to retain a portion of such sales proceeds not exceeding the amount that the Purported Transferee would have received from the Agent pursuant to Section 6.3 if the Agent rather than the Purported Transferee had resold the Excess Securities.

6.3 The Agent shall apply any proceeds of a sale by it of Excess Securities and, if the Purported Transferee had previously resold the Excess Securities, any amounts received by it from a Purported Transferee as follows: (x) first, such amounts shall be paid to the Agent to the extent necessary to cover its costs and expenses incurred in connection with its duties hereunder; (y) second, any remaining amounts shall be paid to the Purported Transferee, up to the amount paid by the Purported Transferee for the Excess Securities (or the fair market value, (1) calculated on the basis of the closing market price for the Corporation Securities on the day before the Prohibited Transfer, (2) if the Corporation Securities are not listed or admitted to trading on any stock exchange but are traded in the over-the-counter market, calculated based upon the difference between the highest bid and lowest asked prices, as such prices are reported by the National Association of Securities Dealers through its NASDAQ system or any successor system on the day before the Prohibited Transfer or, if none, on the last preceding day for which such quotations exist, or (3) if the Corporation Securities are neither listed nor admitted to trading on any stock exchange nor traded in the over-the-counter market, then as determined in good faith by the Board of Directors, of the Excess Securities at the time of the Prohibited Transfer to the Purported Transferee by gift, inheritance, or similar Transfer), which amount (or fair market value) shall be determined at the

discretion of the Board of Directors; and (z) third, any remaining amounts, subject to the limitations imposed by the following proviso, shall be paid to one or more organizations qualifying under Section 501(c)(3) of the Code (or any comparable successor provision) ("Section 501(c)(3)") selected by the Board of Directors; provided, however, that if the Excess Securities (including any Excess Securities arising from a previous Prohibited Transfer not sold by the Agent in a prior sale or sales), represent a 5% or greater Percentage Stock Ownership in any class of Corporation Securities, then any such remaining amounts to the extent attributable to the disposition of the portion of such Excess Securities exceeding a 4.99% Percentage Stock Ownership interest in such class shall be paid to two or more organizations qualifying under Section 501(c)(3) selected by the Board of Directors. The recourse of any Purported Transferee in respect of any Prohibited Transfer shall be limited to the amount payable to the Purported Transferee pursuant to clause (y) of the preceding sentence. In no event shall the proceeds of any sale of Excess Securities pursuant to this Section 5 inure to the benefit of the Corporation.

6.4 If the Purported Transferee fails to surrender the Excess Securities or the proceeds of a sale thereof to the Agent within thirty days from the date on which the Corporation makes a written demand pursuant to Section 6.2, then the Corporation shall use its best efforts to enforce the provisions hereof, including the institution of legal proceedings to compel the surrender.

6.5 The Corporation shall make the written demand described in Section 6.2 within thirty days of the date on which the Board of Directors determines that the attempted Transfer would result in Excess Securities; provided, however, that if the Corporation makes such demand at a later date, the provisions of Sections 5 and 6 shall apply nonetheless.

Section 7. *Board Authority*.

The Board of Directors shall have the power to determine all matters necessary for assessing compliance with Sections 5 and 6, including, without limitation, (A) the identification of Five-Percent Shareholders, (B) whether a Transfer is a 5% Transaction or a Prohibited Transfer, (C) the Percentage Stock Ownership in the Corporation of any Five-Percent Shareholder, (D) whether an instrument constitutes a Corporation Security, (E) the amount (or fair market value) due to a Purported Transferee pursuant to clause (y) of Section 6, and (F) any other matters which the Board of Directors determines to be relevant; and the good faith determination of the Board of Directors on such matters shall be conclusive and binding for all the purposes of Sections 5 and 6.

ARTICLE FIFTH.

Unless otherwise indicated, any reference in this Article Fifth to "Section," "subsection," "paragraph," "subparagraph," or "clause" shall refer to a Section, subsection, paragraph, subparagraph or clause in this Article Fifth.

Section 1. *Definitions*. As used in this Restated Certificate, the following terms shall have the following meanings:

1.1 "*Chief Executive Officer*" means the Chief Executive Officer of the Corporation.

1.2 "*Director*" means a director of the Corporation.

1.3 "*entire Board of Directors*" means all Directors of the Corporation who would be in office if there were no vacancies.

1.4 "*Exchange Act*" means the Securities Exchange Act of 1934, as amended, or any successor act thereto.

1.5 "*GCL*" means the General Corporation Law of the State of Delaware, as amended from time to time.

1.6 "*Person*" means any individual, corporation, limited liability company, association, partnership, joint venture, trust or unincorporated organization, or a governmental entity or any department, agency or political subdivision thereof.

1.7 "*Restated Bylaws*" means the Amended and Restated Bylaws of the Corporation, as amended from time to time.

1.8 "*Stockholders*" means the stockholders of the Corporation.

Section 2. *Directors*.

2.1 General Powers. Except as otherwise provided in this Restated Certificate, the business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors. The Board of Directors may adopt such rules and regulations, not inconsistent with this Restated Certificate, the Restated Bylaws or applicable law, as it may deem proper for the conduct of its meetings and the management of the Corporation. In addition to the powers conferred expressly by this Restated Certificate and the Restated Bylaws, the Board of Directors may exercise all powers and perform all acts that are not required, by this Restated Certificate, the Restated Bylaws or applicable law, to be exercised or performed by the Stockholders.

2.2 Number. Except as otherwise provided for or fixed by or pursuant to the provisions of Article Fourth hereof relating to the rights of the holders of any class or series of stock to elect Directors and take certain actions with respect to such elected Directors, the number of Directors shall be fixed from time to time exclusively pursuant to a resolution of the Board of Directors (but shall not be fewer than five). The initial number of Directors shall be twelve, and shall not be increased to any number greater than twelve prior to February 1, 2008.

2.3 Term of Office. Except as otherwise provided in this Restated Certificate, each Director shall hold office until the next annual meeting of Stockholders and until his or her successor is elected and qualified, subject to such Director's earlier death, resignation or removal.

2.4 Resignation of Directors. Any Director may resign at any time upon written notice to the Corporation.

2.5 Voting by Directors. Subject to any greater or additional vote of the Board or of any class of Directors required by law or by this Restated Certificate, an act of the Board shall require the affirmative vote of at least a majority of the votes entitled to be cast by the Directors present at a meeting of the Board at which a quorum is present. Each Director shall have one vote.

Section 3. *Special Voting Provisions*.

3.1 Election of Directors. Notwithstanding any other provision of this Restated Certificate, and except as otherwise required by law, whenever the holders of one or more series of Preferred Stock shall have the right, voting separately as a class, to elect one or more Directors, the term of office, the filling of vacancies, the removal from office and other features of such directorships shall be governed by the terms

of this Restated Certificate or the resolution or resolutions of the Board of Directors establishing such series of Preferred Stock. During any period when the holders of any series of Preferred Stock have the right to elect additional Directors as provided for or fixed by or pursuant to the provisions of Article Fourth hereof, then upon commencement and for the duration of the period during which such right continues: (i) the then otherwise total authorized number of Directors of the Corporation shall automatically be increased by such specified number of Directors, and the holders of such Preferred Stock shall be entitled to elect the additional Directors so provided for or fixed by or pursuant to said provisions, and (ii) each such additional Director shall serve until such office terminates pursuant to said provisions, whichever occurs earlier, subject to his or her earlier death, disqualification, resignation or removal. Except as otherwise provided by the Board of Directors in the resolution or resolutions establishing a series of Preferred Stock, whenever the holders of any series of Preferred Stock having a right to elect additional Directors are divested of such right pursuant to the provisions of such series of Preferred Stock, the terms of office of all such additional Directors elected by the holders of such series of Preferred Stock, or elected, or fill any vacancies resulting from the death, resignation, disqualification or removal of such additional Directors, shall forthwith terminate and the total authorized number of Directors of the Corporation shall be reduced accordingly.

3.2 Amendment to the Restated Bylaws. The Board of Directors is expressly authorized to make, alter, amend or repeal the Restated Bylaws; provided, however, that no bylaws hereafter adopted shall invalidate any prior act of the Board of Directors that would have been valid if such bylaws had not been adopted.

ARTICLE SIXTH.

(a) A director of the Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any breach of the director's duty of loyalty to the Corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the GCL, or (iv) for any transaction from which the director derived an improper personal benefit.

(b) Each person who was or is made a party or is threatened to be made a party or is involved in any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (hereinafter a ''proceeding''), by reason of the fact that he or she, or a person of whom he or she is the legal representative, is or was a director, officer, or employee, of the Corporation or is or was serving at the request of the Corporation as a director, officer, or employee of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans, whether the basis of such proceeding is alleged action in an official capacity as a director, officer, or employee or in any other capacity while serving as a director, officer, or employee, shall be indemnified and held harmless by the Corporation to the fullest extent authorized by the GCL, as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Corporation to provide broader indemnification rights than said law permitted the Corporation to provide prior to such amendment), against all expense, liability and loss (including attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts paid or to be paid in settlement) actually and reasonably incurred or suffered by such person in connection therewith. Such indemnification shall continue as to a person who has ceased to be a director, officer, or employee and shall inure to the benefit of his or her heirs, executors and administrators; *provided, however*, that, except as provided in paragraph (c) hereof, the Corporation shall indemnify any such person seeking indemnification in connection with a proceeding (or part thereof) initiated by such person only if such proceeding (or part thereof) was authorized by the Board of Directors. Notwithstanding anything to the contrary herein, the Corporation shall not be obligated to indemnify a director, officer, or

employee for costs and expenses relating to proceedings (or any part thereof) instituted against the Corporation by such director, officer, or employee (other than proceedings pursuant to which such director, officer, or employee is seeking to enforce such director's, officer's, or employee's indemnification rights hereunder). The right to indemnification conferred in this Article Sixth shall be a contract right and shall include the right to be paid by the Corporation the expenses incurred in defending any such proceeding in advance of its final disposition; *provided, however*, that, if the GCL requires, the payment of such

expense incurred by a director or officer in his or her capacity as a director or officer (and not in any other capacity in which service was or is rendered by such person while a director or officer, including, without limitation, service to an employee benefit plan) in advance of the final disposition of a proceeding, shall be made only upon delivery to the Corporation of an undertaking, by or on behalf of such director or officer, to repay all amounts so advanced if it shall ultimately be determined that such director or officer is not entitled to be indemnified under this Article Sixth or otherwise.

(c) If a claim under paragraph (b) of this Article Sixth is not paid in full by the Corporation within thirty days after a written claim has been received by the Corporation, the claimant may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim and, if successful in whole or in part, the claimant shall be entitled to be paid also the expense of prosecuting such claim. It shall be a defense to any such action (other than an action brought to enforce a claim for expenses incurred in defending any proceeding in advance of its final disposition where the required undertaking, if any is required, has been tendered to the Corporation) that the claimant has not met the standards of conduct which make it permissible under the GCL for the Corporation to indemnify the claimant for the amount claimed, but the burden of proving such defense shall be on the Corporation. Neither the failure of the Corporation (including its Board of Directors, independent legal counsel, or its stockholders) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because he or she has met the applicable standard of conduct set forth in the GCL, nor an actual determination by the Corporation (including its Board of Directors, independent legal counsel, or its stockholders) that the claimant has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that the claimant has not met the applicable standard of conduct.

(d) The right to indemnification and the payment of expenses incurred in defending a proceeding in advance of its final disposition conferred in this Article Sixth shall not be exclusive of any other right which any person may have or hereafter acquire under any statute, provision of this Restated Certificate, by-law, agreement, vote of stockholders or disinterested directors or otherwise.

(e) The Corporation may maintain insurance, at its expense, to protect itself and any director, officer, employee or agent of the Corporation or another corporation, partnership, joint venture, trust or other enterprise against any such expense, liability or loss, whether or not the Corporation would have the power to indemnify such person against such expense, liability or loss under the GCL.

ARTICLE SEVENTH. Except as expressly provided in this Restated Certificate, the Corporation reserves the right to amend, alter, change or repeal any provision contained in this Restated Certificate, in the manner now or hereafter prescribed by the laws of Delaware and this Restated Certificate, and all rights and powers conferred herein upon stockholders and directors are granted subject to this reservation.

I, the undersigned officer of UAL Corporation, a corporation of the State of Delaware, hereby certify that the foregoing is a true, correct and complete copy of the Restated Certificate of said Corporation as at present in force.

IN WITNESS WHEREOF, I have hereunto subscribed by name and affixed the seal of this Corporation this 1st day of February, 2006.

UAL CORPORATION

By: /s/ Paul R. Lovejoy
Name: Paul R. Lovejoy
Title: Senior Vice President,
General Counsel
and Secretary

Attest:

/s/ Deborah S. Porter

Title: Assistant Secretary

EXHIBIT A

Form of Stock Legend

The shares of UAL Corporation Common Stock represented by this Certificate are issued pursuant to the Plan of Reorganization for UAL Corporation, as confirmed by the United States Bankruptcy Court for the Northern District of Illinois. The transfer of securities represented hereby is subject to restriction pursuant to Article Fourth, Part VI, Sections 5, 6 and 7 of the Restated Certificate of Incorporation of UAL Corporation. UAL Corporation will furnish a copy of its Restated Certificate of Incorporation to the holder of record of this Certificate without charge upon written request addressed to UAL Corporation at its principal place of business.

AMENDED AND RESTATED BYLAWS

OF UAL CORPORATION

(as amended and restated on February 1, 2006)

ARTICLE 1

Definitions

As used in these Restated Bylaws, unless the context otherwise requires, the following terms shall have the following meanings:

1.1 "*Assistant Secretary*" means an Assistant Secretary of the Corporation.

1.2 "*Assistant Treasurer*" means an Assistant Treasurer of the Corporation.

1.3 "*Board*" means the Board of Directors of the Corporation.

1.4 "*Chairman*" means the Chairman of the Board of Directors of the Corporation.

1.5 "*Change in Ownership*" means any sale, disposition, transfer or issuance or series of sales, dispositions, transfers and/or issuances of shares of the capital stock by the Corporation or any holders thereof which results in any person or group of persons (as the term "group" is used under the Securities Exchange Act of 1934, as amended), other than the holders of Common Stock and PBGC Preferred Stock as of the date of issuance of the PBGC Preferred Stock, owning capital stock of the Corporation possessing the voting power (under ordinary circumstances and without regard to cumulative voting rights) to elect a majority of the Board.

1.6 "*Chief Executive Officer*" means the Chief Executive Officer of the Corporation.

1.7 "*Common Stock*" means the common stock, par value $0.01 per share, of the Corporation.

1.8 "*Corporation*" means UAL Corporation.

1.9 "*Director*" means a director of the Corporation.

1.10 "*Entire Board*" means all Directors who would be in office if there were no vacancies.

1.11 "*Fundamental Change*" means the occurrence of any of the following: (a) any sale, transfer or disposition of more than 50% of the property or assets of the Corporation and its subsidiaries on a consolidated basis (measured either by book value in accordance with generally accepted accounting principles consistently applied or by fair market value determined in the reasonable good faith judgment of the Board) in any transaction or series of transactions (other than sales in the ordinary course of business) and (b) any merger or consolidation to which the Corporation is a party, except for (x) a merger which is effected solely to change the state of incorporation of the Corporation or (y) a merger in which the Corporation is the surviving person, the terms of the PBGC Preferred Stock are not changed or altered in any respect, the PBGC Preferred Stock is not exchanged for cash, securities or other property or assets, and after giving effect to such merger, the holders of the capital stock of the Corporation as of the date prior to the merger or consolidation shall continue to own the outstanding capital stock of the Corporation possessing the voting power (under ordinary circumstances) to elect a majority of the Board.

1.12 "*General Counsel*" means the General Counsel of the Corporation.

1.13 "*GCL*" means the General Corporation Law of the State of Delaware, as amended from time to time.

1.14 "*PBGC Preferred Stock*" means the 2% convertible preferred stock, par value $0.01, of the Corporation.

1.15 "*Preferred Stock*" means the serial preferred stock, without par value, of the Corporation and the PBGC Preferred Stock.

1.16 "*President*" means the President of the Corporation.

1.17 "*Restated Certificate*" means the Restated Certificate of Incorporation of the Corporation, as amended from time to time.

1.18 "*Restated Bylaws*" means the Amended and Restated Bylaws of the Corporation, as amended from time to time.

1.19 "*Rights Plan*" means an arrangement for distribution to Stockholders of Common Stock or Preferred Stock purchase rights that provide all Stockholders, other than persons who meet certain criteria specified in the arrangement, with the right to purchase Common Stock or Preferred Stock at less than the prevailing market price (sometimes referred to as a "poison pill").

1.20 "*Secretary*" means the Secretary of the Corporation.

1.21 "*Stockholders*" means the stockholders of the Corporation.

1.22 "*Treasurer*" means the Treasurer of the Corporation.

1.23 *"Union Directors"* means those directors of the Corporation elected by the holders of Class IAM Preferred Stock and the Class Pilot MEC Preferred Stock pursuant to Article Fourth, Parts III and IV of the Restated Certificate.

1.24 *"Vice President"* means a Vice President of the Corporation.

ARTICLE 2

Stockholders' Meetings

2.1 *Annual Meeting.* A meeting of Stockholders shall be held annually for the election of Directors and the transaction of other business at an hour and date as shall be determined by the Board and designated in the notice of meeting.

2.2 *Special Meetings.* Subject to the Restated Certificate, a special meeting of the Stockholders may be called only by the Chief Executive Officer, the Chairman or the Board, and at an hour and date as shall be determined by them. At any special meeting of Stockholders, no business other than that set forth in the notice thereof given pursuant to Section 2.4 may be transacted.

2.3 *Place of Meetings.* All meetings of Stockholders shall be held at such places, within or without the State of Delaware, as may from time to time be fixed by the Board or as specified or fixed in the respective notices. The Board may, in its sole discretion, determine that a meeting of the Stockholders shall not be held at any place, but may instead be held solely by means of remote communication as authorized by Section 211(a)(2) of the GCL (or any successor provision thereto). Any previously scheduled meeting of the Stockholders may be postponed by action of the Board taken prior to the time previously scheduled for such annual meeting of Stockholders.

2.4 *Notices of Stockholders' Meetings.* Except as otherwise provided in Section 2.5 or otherwise required by the Restated Certificate or applicable law, written notice of each meeting of Stockholders, whether annual or special, shall be given to each Stockholder required or permitted to take any action at or entitled to notice of such meeting not less than ten (10) nor more than sixty (60) days before the date on which the meeting is to be

held, by delivering such notice to him, personally or by mail. If mailed, such notice shall be deemed to be given when deposited in the United States mail, with postage prepaid, directed to the Stockholder at his address as it appears on the stock books of the Corporation. Every notice of a meeting of Stockholders shall state the place, date and hour of the meeting and the purpose or purposes for which the meeting is called.

2.5 *Waivers of Notice.* Notwithstanding any other provision in these Restated Bylaws, notice of any meeting of Stockholders shall not be required as to any Stockholder who shall attend such meeting in person or be represented by proxy, except when such Stockholder attends such meeting for the express purpose of objecting at the beginning of the meeting to the transaction of any business at such meeting because the meeting is not lawfully called or convened. If any Stockholder shall, in person or represented by proxy, waive notice of any meeting, whether before or after such meeting, notice thereof shall not be required as to such Stockholder.

2.6 *Quorum Requirements and Required Vote at Stockholder Meetings.*

(a) Except as otherwise required by applicable law, the Restated Certificate or these Restated Bylaws, at all meetings of Stockholders the presence, in person or represented by proxy, of the holders of outstanding shares representing at least a majority of the total voting power entitled to vote at a meeting of Stockholders shall constitute a quorum for the transaction of business; *provided, however,* that where a separate vote of a class or classes or series of stock is required the presence in person or represented by proxy of the holders of outstanding shares representing at least a majority of the total voting power of all outstanding shares of such class or classes or series shall constitute a quorum thereof entitled to take action with respect to such separate vote.

(b) Except as otherwise required by applicable law, the Restated Certificate or these Restated Bylaws, including, without limitation, Section 3.3 hereof, the affirmative vote of a majority in voting power of the shares present in person or represented by proxy and entitled to vote on the subject matter at a meeting of Stockholders at which a quorum is present shall be the act of the Stockholders.

(c) The holders of a majority in voting power of the shares entitled to vote and present in person or represented by proxy at any meeting of Stockholders, whether or not a quorum is present, may adjourn such meeting to another time and place**.** At any such adjourned meeting at which a quorum shall be present, any business may be transacted that might have been transacted at the meeting as originally called. Unless otherwise required by applicable law, the Restated Certificate or these Restated Bylaws, no notice of an adjourned meeting need be given.

2.7 *Proxies.* Each Stockholder entitled to vote at a meeting of Stockholders may authorize another person or persons to act for him by proxy, but such proxy shall no longer be valid eleven months after the date of such proxy.

2.8 *Judges*. At every meeting of Stockholders, the votes shall be conducted by two judges appointed for that purpose by the Board. All questions with respect to the qualification of voters, the validity of the proxies and the acceptance or rejection of votes shall be decided by such judges. Before acting at any meeting, the judges shall be sworn faithfully to execute their duties with strict impartiality and according to the best of their ability. If any judge appointed to act at any meeting shall fail to be present or shall decline to act, the Board or the Chairman shall appoint another judge to act in his place.

2.9 *Conduct* of *Stockholders' Meetings.* The Chairman or, in his absence, a Director or officer designated by the Chairman, shall preside at all meetings of Stockholders and may establish such rules of procedure for conducting the meetings as he or she deems fair and reasonable.

2.10 *Proposing Business or Nominating Directors, other than Union Directors, at Stockholders' Meetings.*

(a) No business may be transacted at an annual meeting of Stockholders unless (1) specified in the notice of such meeting or any supplement thereto, given by or at the direction of the Board (or any duly authorized committee of the Board); (2) otherwise properly brought before the annual meeting by or at the direction of the Board (or any duly authorized committee of the Board); or (3) otherwise properly brought before the annual meeting by any Stockholder who (A) is a Stockholder of record on the date of the giving of the notice provided for in this Section 2.10 and, as of the record date for the determination of Stockholders, is entitled to vote at such annual meeting on the matter that is being brought before the meeting by such Stockholder, and (B) complies with the notice procedures set forth in this Section 2.10.

(b) Nominations for Directors, other than Union Directors, may be made at any annual meeting of Stockholders or at any special meeting of Stockholders called for the purpose of electing such Directors (the annual meeting or any special meeting of Stockholders herein called the "Stockholders' Meeting"), (1) by or at the direction of the Board (or any duly authorized committee of the Board), or (2) by any Stockholder who (A) is a Stockholder of record on the date of the giving of the notice provided for in this Section 2.10 and, as of the record date for the determination of Stockholders, is entitled to vote at such Stockholders' Meeting on the election of such Directors, and (B) complies with the notice procedures set forth in this Section 2.10.

(c) In addition to any other applicable requirements for business to be properly brought before, or for a nomination of a Director, other than a Union Director, to be made at, a Stockholders' Meeting by a Stockholder, such Stockholder must have given timely notice in writing to the Secretary. For a Stockholders' Meeting that is an annual meeting, a timely written notice must be delivered to, or mailed to and received by, the Secretary at the principal executive offices of the Corporation not less than one hundred-twenty (120) days prior to the anniversary date of the immediately preceding annual meeting of Stockholders. In the event the annual meeting is called for a date that is more than thirty (30) days earlier than or more than sixty (60) days later than such anniversary date, or if the Stockholders' Meeting is a special meeting, notice by the Stockholder, in order to be timely, must be received not later than the close of business on the tenth (10th) calendar day following the day on which notice of the date of the Stockholders' Meeting was mailed or public disclosure of the date of the Stockholders' Meeting was first made, whichever first occurs. In no event shall any adjournment of a Stockholders' Meeting or any announcement or notice thereof commence a new time period for the giving of a notice as described above.

(1) When proposing business other than the election of Directors in accordance with this Section, a Stockholder's notice to the Secretary must set forth (A) a brief description of the business desired to be brought before the Stockholders' Meeting and the reasons for conducting such business at the Stockholders' Meeting, (B) the name and record address of such Stockholder, (C) the class or series and number of shares of capital stock of the Corporation which are owned beneficially or of record by such Stockholder, (D) a description of all arrangements or understandings between such Stockholder and any other person or persons (including their names) in connection with the proposal of such business by such Stockholder and any material interest of such Stockholder in such business and (E) a representation that such Stockholder intends to appear in person or by proxy at the Stockholders' Meeting to bring such business before the meeting.

(2) When proposing to nominate a Director, other than a Union Director, a Stockholder's notice to the Secretary must set forth (A) as to each person whom the Stockholder proposes to nominate for election as a Director, other than a Union Director (i) the name, age, business address and residence address of the person, (ii) the principal occupation or employment of the person, (iii) the class or series and number of shares of capital stock of the Corporation which are owned beneficially or of record by the person, (iv) any other information relating to the person that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors pursuant to Section 14 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the rules and regulations promulgated thereunder, (v) the written consent of such person to be named as a nominee and to serve as a Director if so elected and (vi) such other information as may be reasonably necessary (as defined by the Board) to permit the Corporation to determine that (y) the person satisfies any qualification requirements of the Restated Certificate and (z) no violation of the Clayton Act will occur; and (B) as to the Stockholder giving notice, (i) the name and record address of such Stockholder, (ii) the class or series and number of shares of capital stock of the Corporation which are owned beneficially or of record by such Stockholder, (iii) a description of all arrangements or understandings between such Stockholder and each proposed nominee and any other person or persons (including their names) pursuant to which the nomination(s) are to be made by such Stockholder, (iv) a representation that such Stockholder intends to appear in person or by proxy at the Stockholders' Meeting to nominate the persons named in its notice and (v) any other information relating to such Stockholder that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of Directors pursuant to Section 14 of the Exchange Act and the rules and regulations promulgated thereunder. The Board shall have the power to determine all matters necessary for assessing compliance with the foregoing requirements.

(3) A Stockholder may propose to nominate a Director at a Stockholders' Meeting that is a special meeting by complying with the notice requirements of this Section only if such Stockholders' Meeting has been called for the purpose of electing Directors. A Stockholder may not propose any other

business to be brought before a Stockholders' Meeting that is a special meeting regardless of the purpose for which such Stockholders' Meeting has been called.

(4) Nominations for Union Directors shall only be made by the holders of the class of stock eligible to elect such class of Directors, and then only in accordance with the procedures and qualification requirements of the Restated Certificate and any stockholder agreements applicable to such nomination process.

(d) If the chairman of the Stockholders' Meeting determines that a nomination was not made in accordance with the foregoing procedures, the chairman shall declare to the Stockholders' Meeting that the nomination was defective and such defective nomination shall be disregarded.

(e) No business shall be conducted at a Stockholders' Meeting except business brought before the Stockholders' Meeting in accordance with the procedures set forth in Article 2 of these Restated Bylaws; provided, however, that, once business has been properly brought before the Stockholders' Meeting in accordance with such procedures, nothing in this Section 2.10 shall be deemed to preclude discussion by any Stockholder of any such business. If the chairman of a Stockholders' Meeting determines that business was not properly brought before the Stockholders' Meeting in accordance with the foregoing procedures, the chairman shall declare to the Stockholders' Meeting that the business was not properly brought before the meeting and such business shall not be transacted.

2.11 *List of Stockholders.* It shall be the duty of the Secretary or other officer who has charge of the stock ledger to prepare and make, at least ten (10) days before each Stockholders' Meeting, a complete list of the stockholders entitled to vote at such meeting, arranged in alphabetical order, and showing the address of each stockholder and the number of shares registered in such stockholder's name. Such list shall be produced and kept available at the times and places required by law.

ARTICLE 3

Board Of Directors

3.1 *Number and Term of Office.* The number and term of office of Directors on the Board shall be determined as provided in the Restated Certificate.

3.2 *Powers*. The Board may, except as otherwise provided in the Restated Certificate or the GCL, exercise all such powers and do all such acts and things as may be exercised or done by the Corporation.

3.3 *Election*. Except as otherwise required by applicable law or the Restated Certificate, and notwithstanding Section 2.6(c) hereof, Directors shall be elected by a plurality of the votes cast at a meeting of Stockholders by the holders of shares entitled to vote on their election.

3.4 *Place of Meetings.* Meetings of the Board may be held either within or without the State of Delaware.

3.5 *Organization Meeting*. The Board shall meet as soon as practicable after each annual meeting of Stockholders at the place of such annual meeting for the purpose of organization and the transaction of other business. No notice of such meeting of the Board shall be required. Such organization meeting may be held at any other time or place specified in a notice given as hereinafter provided for special meetings of the Board, or in a consent and waiver of notice thereof, signed by all of the Directors.

3.6 *Stated Meetings*. The Board shall from time to time, by resolution adopted by the affirmative vote of at least a majority of the votes entitled to be cast by the entire Board, appoint the time and place for holding stated meetings of the Board; and such meetings shall thereupon be held at the time and place so appointed, without the giving of any special notice with regard thereto. Any and all business may be transacted at any stated meeting.

3.7 *Special Meetings*. Special meetings of the Board shall be held whenever called by the Secretary of the Board, at the direction of any three Directors, or by the Chairman, or, in the event that the office of the Chairman is vacant, by the Chief Executive Officer, or in the event that the office of the Chairman and Chief Executive Officer

are vacant, by the President. Notice of a special meeting shall set forth a description of such meeting and be sent to the Directors as provided in Section 3.8.

3.8 *Notices of Board Meetings.* Notice of any meeting shall be sent to each Director at his residence or usual place of business either (a) by reputable overnight delivery service in circumstances to which such service guarantees next day delivery, not later than on the day that is the second business day immediately preceding the day of such meeting, or (b) by facsimile, telex, telegram or electronic mail, not later than twenty-four (24) hours before the time of such meeting. If sent by overnight delivery service, such notice shall be deemed to be given when delivered to such service; if sent by facsimile, telex, telegram or electronic mail, such notice shall be deemed to be given when transmitted. Notice of any meeting of the Board need not however be given to any Director, if waived by him in writing or if, subject to applicable law, he shall be present at the meeting. Any meeting of the Board shall be a legal meeting without any notice thereof having been given if all of the Directors shall be present thereat, except when a Director attends a meeting for the express purpose of objecting at the beginning of the meeting to the transaction of any business because the meeting is not lawfully called or convened.

3.9 *Quorum and Manner of Acting*. Except as otherwise required by applicable law, the Restated Certificate or these Restated Bylaws, the presence at any organization, stated or special meeting of Directors having at least a majority of the votes entitled to be cast by the Entire Board shall constitute a quorum for the transaction of business; and, except as otherwise required by applicable law, the Restated Certificate or these Restated Bylaws, the affirmative vote of a majority of the votes entitled to be cast by the Directors present at any meeting at which a quorum is present shall be the act of the Board. In the absence of a quorum, the affirmative vote of a majority of the votes entitled to be cast by the Directors present may adjourn any meeting, from time to time, until a quorum is present.

3.10 *Telephone Meetings*. Directors or members of any committee of the Board may participate in a meeting of the Board or of such committee by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting pursuant to this Section 3.10 shall constitute presence in person at such meeting.

3.11 *Chairman of the Board Pro Tempore.* In the absence of both the Chairman and the Chief Executive Officer at any meeting of the Board, the Board may appoint from among its members a Chairman of the Board pro tempore, who shall preside at such meeting, except where otherwise provided by law.

3.12 *Removal of Directors.* Any Director or the entire Board may be removed with or without cause as provided under the GCL.

3.13 *Vacancies and Newly Created Directorships.* Except as otherwise provided in the Restated Certificate, vacancies and newly created directorships resulting from any increase in the authorized number of Directors may be filled by a majority of the Directors then in office, even if less than a quorum, or by a sole remaining Director, and the Directors so chosen shall hold office until the next election of Directors and until their successors are duly elected and qualified or until earlier resignation or removal. If there are no Directors in office, then an election of Directors may be held in the manner provided by statute.

3.14 *Directors' Fees.* The Board shall have authority to determine, from time to time, the amount of compensation that shall be paid to its members for attendance at meetings of the Board or of any committee of the Board, which compensation may be payable currently or deferred.

3.15 *Action Without Meeting*. Any action required or permitted to be taken at any meeting of the Board or any committee of the Board may be taken without a meeting if all of the members of the Board or of any such committee, as the case may be, consent thereto in writing, by electronic transmission or transmissions, or as otherwise permitted by law and, if required by law, the writing or writings or electronic transmission or transmissions are filed with the minutes of proceedings of the Board or of such committee. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

3.16 *Emergency Bylaws*. In the event of any emergency, disaster or catastrophe, as referred to in Section 110 of the GCL, or other similar emergency condition, as a result of which a quorum of the Board or a standing committee of the Board cannot readily be convened for action, then the director or directors in attendance at the meeting shall constitute a quorum. Such director or directors in attendance may further take action to appoint

one or more of themselves or other directors to membership on any standing or temporary committees of the Board as they shall deem necessary and appropriate, provided that such appointments comply with any and all applicable laws, as well as rules of any securities exchange to which the Corporation is subject.

ARTICLE 4

Board Committees

4.1 *Designation.*

(a) Except as otherwise provided in the Restated Certificate, the Board may, by resolution adopted by the affirmative vote of at least a majority of the votes entitled to be cast by the entire Board designate one or more committees of the Board, each such committee to consist of one or more Directors. Except as otherwise provided in the Restated Certificate, unless sooner discharged by the affirmative vote of a majority of the votes entitled to be cast by the entire Board, members of each committee of the Board shall hold office until the organization meeting of the Board in the next subsequent year and until their respective successors are appointed. The Nominating/Governance Committee of the Board shall have power to recommend to the Board a chairman of each committee of the Board by the affirmative vote of a majority of the votes entitled to be cast by all of the members of the Nominating/Governance Committee. The Board shall have the power to appoint one of its members to act as chairman of each committee of the Board.

(b) So far as practicable, members of each committee of the Board shall be appointed annually at the organization meeting of the Board. The Board may designate one or more Directors as alternate members of any committee of the Board, who may replace any absent or disqualified member at any meeting of such committee.

(c) Notwithstanding the foregoing, the Board shall at all times maintain an Audit Committee, a Human Resources Committee and a Nominating/Governance Committee.

(d) Notwithstanding the foregoing, except as required by law, no committee of the Board will have the authority to (i) issue dividends, distributions or securities, except for issuances of cash or securities pursuant to employee benefit plans; (ii) to approve a Fundamental Change or Change in Ownership, except as may be required in the exercise of fiduciary duties; or (iii) to take any action that would require the approval of the Stockholders pursuant to the GCL. Notwithstanding Section 8.1, this Section 4.1(d) may only be amended by the affirmative vote of the holders of at least a majority in voting power of the stock entitled to vote thereon, at an annual meeting of Stockholders or at a special meeting thereof, the notice of which meeting shall include the form of the proposed amendment to this Section 4.1(d).

4.2 *Meetings*.

(a) Stated meetings of any committee of the Board shall be held at such times and at such places as shall be fixed, from time to time, by resolution adopted by the Board or by the affirmative vote of a majority of the votes entitled to be cast by the members of such committee of the Board and upon notification pursuant to Section 4.3 to all the members of such committee. Any and all business may be transacted at any stated meeting of any committee of the Board.

(b) Special meetings of any committee of the Board may be called at any time by the chairman of such committee or by any two members of such committee. Notice of a special meeting of any committee of the Board shall set forth a description of the business to be transacted at such meeting and be sent to the members of such committee of the Board as provided in Section 4.3.

4.3 *Notice of Board Committee Meetings*. Notice of any meeting of any committee of the Board shall be sent to each member of such committee at his residence or usual place of business either (a) by reputable overnight delivery service in circumstances to which such service guarantees next day delivery, not later than on the day that is the second business day immediately preceding the day of such meeting, or (b) by facsimile, telex, telegram or electronic mail, not later than twenty-four (24) hours before the time of such meeting. If sent by overnight delivery service, such notice shall be deemed to be given when delivered to such service; if sent by facsimile, telex, telegram or electronic mail, such notice shall be deemed to be given when transmitted. Notice of any meeting of a committee of the Board need not however be given to any member of such committee, if waived by him in writing or if, subject to applicable law, he shall be present at the meeting. Any meeting of a committee of

the Board shall be a legal meeting without any notice thereof having been given if all of the members shall be present thereat except when a Director attends a meeting for the express purpose of objecting at the beginning of the meeting to the transaction of any business because the meeting is not lawfully called or convened.

4.4 *Place of Meetings.* Meetings of any committee of the Board may be held either within or without the State of Delaware.

4.5 *Quorum and Voting Requirements of Board Committees.*

(a) The presence of Directors entitled to cast at least a majority of the aggregate number of votes entitled to be cast by all Directors on a committee of the Board shall constitute a quorum for the transaction of business, and any act of a committee of the Board shall require the affirmative vote of at least a majority of the votes entitled to be cast by the Directors present at a meeting of such committee at which a quorum is present.

(b) The members of any committee of the Board shall act only as a committee of the Board, and the individual members of the Board shall have no power as such.

4.6 *Records.* Each committee of the Board shall keep a record of its acts and proceedings and shall report the same, from time to time, to the Board. The Secretary, or, in his absence, an Assistant Secretary, shall act as secretary to each committee of the Board, or a committee of the Board may, in its discretion, appoint its own secretary.

4.7 *Vacancies*. Except as otherwise provided in the Restated Certificate, any vacancy in any committee of the Board shall be filled by a majority of the Directors then in office.

4.8 *Executive Committee*.

(a) In addition to any requirements set forth in the Restated Certificate, an Executive Committee shall be appointed, to consist of the Chairman, ex officio, and two or more other Directors; *provided, however,* that at least a majority of the Executive Committee shall consist of Directors who are neither officers nor employees of the Corporation or of any of its affiliated corporations.

(b) Subject to the provisions of the GCL, the Executive Committee shall have and may exercise all the powers of the Board in the management of the business and affairs of the Corporation, including, without limitation, the power to authorize the seal of the Corporation to be affixed to all papers that may require it, but excluding any powers granted by the Board to any other committee of the Board; *provided*, that neither the Executive Committee nor any other committee of the Board shall be authorized to (i) elect any officer designated as such in Section 5.1 or to fill any vacancy in any such office, (ii) designate the Chief Executive Officer, (iii) fill any vacancy in the Board or any newly created Directorship, (iv) amend these Restated Bylaws or (v) take any action that under these Restated Bylaws is required to be taken by vote of a specified proportion of the entire Board or of the Directors at the time in office.

(c) Subject to any provision in the Restated Certificate or the GCL, any action herein authorized to be taken by the Executive Committee and which is duly taken by it in accordance herewith shall have the same effect as if such action were taken by the Board.

ARTICLE 5

Officers, Employees and Agents: Powers And Duties

5.1 *Officers*. The officers of the Corporation, who shall be elected by the Board, may be a Chairman of the Board (who shall be a Director),a Treasurer and one or more Assistant Treasurers, and shall be a Chief Executive Officer (who shall be a Director), a President, one or more Vice Presidents, a General Counsel, a Secretary and one or more Assistant Secretaries. The Board may also elect such other officers and select such other employees or agents as, from time to time, may appear to be necessary or advisable in the conduct of the affairs of the Corporation. Any officer may also be elected to another office or offices.

5.2 *Term of Office.* Subject to the provisions of the Restated Certificate, so far as practicable, each officer shall be elected at the organization meeting of the Board in each year, and shall hold office until the organization meeting of the Board in the next subsequent year and until his successor is chosen or until his earlier death, resignation or removal in the manner hereinafter provided.

5.3 *Removal of Officers.* Any officer may be removed at any time, either for or without cause, by the affirmative vote of at least a majority of the votes entitled to be cast by the entire Board, at any meeting called for that purpose.

5.4 *Vacancies*. If any vacancy occurs in any office, the Board may elect a successor to fill such vacancy for the remainder of the term.

5.5 *Chief Executive Officer.* The Chief Executive Officer shall have general and active control of the business and affairs of the Corporation. He shall have general power (a) to execute bonds, deeds and contracts in the name of the Corporation, (b) to affix the corporate seal, (c) to sign stock certificates, (d) subject to the provisions of the Restated Certificate, these Restated Bylaws and the approval of the Board, to select all employees and agents of the Corporation whose selection is not otherwise provided for and to fix the compensation thereof, (e) to remove or suspend any employee or agent who shall not have been selected by the Board, (f) to suspend for cause, pending final action by the Board any employee or agent who shall have been selected by the Board and (g) to exercise all the powers usually and customarily performed by the chief executive officer of a corporation.

5.6 *Chairman of the Board.*

(a) The Board may elect a Director as Chairman of the Board.

(b) The Chairman shall preside at all meetings of Stockholders and of the Board at which he may be present. The Chairman shall have such other powers and duties as he may be called upon by the Board to perform.

5.7 *President.* The President, if not designated as Chief Executive Officer of the Corporation, shall perform such duties as are delegated by the Board, the Chairman or the Chief Executive Officer. In the event of an absence, disability or vacancy in the office of the Chief Executive Officer, the President shall act in the place of the Chief Executive Officer with authority to exercise all his powers and perform his duties.

5.8 *Vice Presidents and Other Officers.* The several Vice Presidents and other elected officers, including, without limitation, the General Counsel, shall perform all such duties and services as shall be assigned to or required of them, from time to time, by the Board, or the Chief Executive Officer, respectively. In the event of the absence or disability of both the Chairman and the Chief Executive Officer, the President may designate one of the several Vice Presidents to act in his place with authority to exercise all of his powers and perform his duties, provided that the Board may change such designation, or if the President fails or is unable to make such designation, the Board may make such designation at a regular or special meeting called for that purpose.

5.9 *Secretary.* The Secretary shall attend to the giving of notice of all meetings of Stockholders and the Board and shall keep and attest true records of all proceedings thereat. He shall have charge of the corporate seal and have authority to attest any and all instruments or writings to which the same may be affixed. He shall keep and account for all books, documents, papers and records of the Corporation, except those which are directed to be in charge of the Treasurer. He shall have authority to sign stock certificates and shall generally perform all the duties usually appertaining to the office of secretary of a corporation. In the absence of the Secretary, an Assistant Secretary or Secretary pro tempore shall perform his duties.

5.10 *Treasurer.* The Treasurer, if any, shall be responsible for the collection, receipt, care, custody and disbursement of the funds of the Corporation and shall deposit or cause to be deposited all funds of the Corporation in and with such depositories as the Board shall, from time to time, direct. He shall have the care and custody of all securities owned by the Corporation, and shall deposit such securities with such banks or in such safe deposit vaults, and under such controls, as the Board shall, from time to time, direct. He shall disburse funds of the Corporation on the basis of vouchers properly approved for payment by the controller of the Corporation or his duly authorized representative. He shall be responsible for the maintenance of detailed records of cash and security transactions and shall prepare such reports thereof as may be required. He shall have the power to sign stock certificates and to endorse for deposit or collection or otherwise all checks, drafts, notes, bills of exchange or other commercial paper payable to the Corporation and to give proper receipts or discharges therefor. He shall have such other duties as are

commonly incidental to the office of treasurer of a corporation. In the absence of the Treasurer, an Assistant Treasurer shall perform his duties.

5.11 *Additional Powers and Duties.* In addition to the foregoing especially enumerated duties and powers, the officers of the Corporation shall perform such other duties and exercise such further powers as may be provided in these Restated Bylaws or as the Board may, from time to time, determine or as may be assigned to them by any competent superior officer.

5.12 *Compensation.* Except as otherwise provided in the Restated Certificate, the compensation of all officers of the Corporation shall be fixed, from time to time, by the Board.

ARTICLE 6

Stock And Transfers Of Stock

6.1 *Stock Certificates*. The Common Stock shall be uncertificated. The shares of the Corporation other than the Common Stock shall be represented by certificates or shall be uncertificated. The Board shall have the power and authority to make such rules and regulations as it may deem expedient concerning the issue, transfer and registration of uncertificated shares or certificates for shares of stock of the Corporation. Each certificate shall be signed by the Chairman or the President or a Vice President, and by the Treasurer or an Assistant Treasurer, or the Secretary or an Assistant Secretary, certifying the number of certificated shares owned by such Stockholder in the Corporation. Any or all of the signatures on the certificate may be a facsimile. In case any officer, Transfer Agent or Registrar who has signed or whose facsimile signature has been placed upon a certificate shall cease to be such officer, Transfer Agent or Registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if he were such officer, Transfer Agent or Registrar at the date of issuance.

6.2 *Transfer Agents and Registrars*. The Board may, in its discretion, appoint responsible banks or trust companies as the Board may deem advisable, from time to time, to act as Transfer Agents and Registrars of the stock of the Corporation; and, when such appointments shall have been made, no stock certificate shall be valid until countersigned by one of such Transfer Agents and registered by one of such Registrars.

6.3 *Transfers of Stock*. Except as otherwise provided in the Restated Certificate, and subject to any other transfer restriction applicable thereto, shares of stock may be transferred by delivery of the certificates therefor, accompanied either by an assignment in writing on the back of the certificates or by written power of attorney to sell, assign and transfer the same, signed by the record holder thereof; but no transfer shall affect the right of the Corporation to pay any dividend upon the stock to the holder of record thereof, or to treat the holder of record as the holder in fact thereof for all purposes, and no transfer shall be valid, except between the parties thereto, until such transfer shall have been made upon the books of the Corporation. No transfer of stock in violation of the provisions of Article Fourth, Part IV, Sections 4 and 5 of the Restated Certificate shall be valid as against the Corporation for any purpose.

6.4 *Lost Certificates.* In case any certificate of stock shall be lost, stolen or destroyed, the Board, in its discretion, may authorize the issuance of a substitute certificate in place of the certificate lost, stolen or destroyed and may cause such substitute certificate to be countersigned by the appropriate Transfer Agent (if any) and registered by the appropriate Registrar (if any), *provided* that, in each such case, the applicant for a substitute certificate shall furnish to the Corporation and to such of its Transfer Agents and Registrars as may require the same, evidence to their satisfaction, in their discretion, of the loss, theft or destruction of such certificate and of the ownership thereof, and also such security or indemnity as may be required by them.

6.5 *Record Date.*

(a) In order that the Corporation may determine the Stockholders entitled to notice of or to vote at any meeting of Stockholders or any adjournment thereof, or, subject to applicable law, to express consent to corporate action in writing without a meeting, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board is authorized, from time to time, to fix, in advance, a record date, which shall not be more than sixty (60) nor less than ten (10) days before the date of such meeting, nor more than sixty (60) days prior to any other action.

(b) A determination of Stockholders of record entitled to notice of or to vote at a meeting of Stockholders shall apply to any adjournment of the meeting; *provided, however,* that the Board may fix a new record date for the adjourned meeting.

ARTICLE 7

Miscellaneous

7.1 *Fiscal Year*. The fiscal year of the Corporation shall be the calendar year.

7.2 *Surety Bonds*. The Treasurer, each Assistant Treasurer and such other officers or agents of the Corporation as the Board may direct, from time to time, shall be bonded for the faithful performance of their duties in such amounts and by such surety companies as the Board may determine. The premiums on such bonds shall be paid by the Corporation and the bonds so furnished shall be in the custody of the Chief Executive Officer or the chief financial officer.

7.3 *Signature of Negotiable Instruments*. All bills, notes, checks or other instruments for the payment of money shall be signed or countersigned by such officer or officers and in such manner as, from time to time, may be prescribed by resolution (whether general or special) of the Board.

7.4 *Subject to Law and Restated Certificate*. All powers, duties and responsibilities provided for in these Restated Bylaws, whether or not explicitly so qualified, are qualified by the provisions of the Restated Certificate and all applicable laws.

7.5 *Voting of Stocks*. Unless otherwise ordered by the Board of Directors, the Chairman of the Board, President and General Counsel shall each have full power and authority, in the name of and on behalf of the Corporation, to attend, act and vote at any meeting of stockholders of a corporation in which the Corporation may hold stock, and, in connection with any such meeting, shall posses and may exercise any and all rights and powers incident to the ownership of such stock which, as the owner thereof, the Corporation might possess and exercise. The Board of Directors from time to time may confer like powers upon any other person or persons.

7.6 *Rights Plan.* The Board shall not adopt a Rights Plan without the approval of the Stockholders; provided that the Board may determine to adopt a Rights Plan without first submitting it to a vote of the Stockholders if, under the circumstances then existing, the Board, including a majority of the independent Directors (as determined in accordance with NASDAQ listing standards), in the exercise of its fiduciary responsibilities, determines that it is in the best interest of the Stockholders to adopt a Rights Plan without the delay in adoption that would come from the time reasonably anticipated to seek Stockholder approval. In the event that the Board adopts a Rights Plan as contemplated by the foregoing sentence, the Board shall submit such Rights Plan to the Stockholders for ratification within 365 days of the date of adoption by the Board and, if such ratification is not obtained within such 365 day period, such Rights Plan will automatically expire. Any such Rights Plan so adopted by the Board, notwithstanding its ratification by the Stockholders, shall include a provision requiring a committee of the Board comprised solely of independent Directors to review the Rights Plan at least every three years and report to the Board as to whether it recommends that the Board modify or terminate such Rights Plans, which review will be supported by a report and recommendation from investment bankers and attorneys engaged by the Committee, based on an evaluation of the Corporation's performance, markets and developments in relevant corporate law. This Section 7.6 shall automatically sunset and be deemed to be of no further force and effect on the date that is two years after the Effective Date ("Sunset Date"). This Section 7.6 may not be amended prior to the Sunset Date without approval of the Stockholders.

ARTICLE 8

Amendments

8.1 *Amendment of these Restated Bylaws.* Except as herein otherwise expressly provided, these Restated Bylaws may be altered or repealed and new bylaws, not inconsistent with any provision of the Restated Certificate or applicable law, may be adopted, either (a) by the affirmative vote of at least a majority of the votes entitled to be cast by the entire Board, or (b) by the affirmative vote of the holders of at least a majority in voting power of the stock entitled to vote thereon, at an annual meeting of Stockholders, or at a special meeting thereof,

the notice of which meeting shall include the form of the proposed amendment or supplement to or modification of these Restated Bylaws or of the proposed new bylaws, or a summary thereof.

REVOLVING CREDIT, TERM LOAN AND GUARANTY AGREEMENT

Among

UNITED AIR LINES, INC.,

as Borrower,

and

UAL CORPORATION,

the Parent,

and

THE SUBSIDIARIES OF THE BORROWER AND THE PARENT NAMED HEREIN,

as Guarantors

and

THE LENDERS PARTY HERETO,

and

JPMORGAN CHASE BANK, N.A.,
as Co-Administrative Agent, Co-Collateral Agent and Paying Agent

CITICORP USA, INC.,
as Co-Administrative Agent and Co-Collateral Agent

J.P. MORGAN SECURITIES INC.,
as Joint Lead Arranger and Joint Bookrunner

CITIGROUP GLOBAL MARKETS, INC.,
as Joint Lead Arranger and Joint Bookrunner

GENERAL ELECTRIC CAPITAL CORPORATION,
as Syndication Agent

Dated as of February 1, 2006

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REVOLVING CREDIT, TERM LOAN AND GUARANTY AGREEMENT
Dated as of February 1, 2006

REVOLVING CREDIT, TERM LOAN AND GUARANTY AGREEMENT, dated as of February 1, 2006, among UNITED AIR LINES, INC., a Delaware corporation (the "Borrower"), UAL CORPORATION, a Delaware corporation and the parent company of the Borrower (the "Parent") and the direct and indirect domestic subsidiaries of the Parent other than Immaterial Subsidiaries signatory hereto (the "Subsidiaries" and together with the Parent, each a "Guarantor" and collectively the "Guarantors"), JPMORGAN CHASE BANK, N.A., a national banking corporation ("JPMCB"), CITICORP USA, INC., a Delaware corporation ("CITI"), GENERAL ELECTRIC CAPITAL CORPORATION, a Delaware corporation ("GE Capital"), each of the Lenders from time to time party hereto, JPMCB and CITI, as co-administrative agents (each, an "Agent" and together, the "Agents") and co-collateral agents for the Lenders (each, a "Collateral Agent" and together, the "Collateral Agents"), JPMCB, as paying agent (in such capacity, the "Paying Agent") for the Lenders, J.P. MORGAN SECURITIES INC. ("JPMSI") and CITIGROUP GLOBAL MARKETS, INC. ("CGMI"), as joint lead arrangers and joint bookrunners, and GE Capital, as syndication agent.

INTRODUCTORY STATEMENT

The Borrower has applied to the Lenders for a loan facility of up to $3,000,000,000 comprised of (a) a revolving credit and letter of credit facility in an aggregate principal amount not to exceed $200,000,000 as set forth herein and (b) a term loan in an aggregate principal amount up to $2,800,000,000 as set forth herein ($350,000,000 of which shall be available as a Delayed Draw Tranche B Loan (as defined below)), all of the Borrower's obligations under each of which are to be guaranteed by the Guarantors.

The proceeds of the Loans will be used to repay in full all of the obligations of the Borrower and the Guarantors under and in connection with the Existing DIP Facility, for working capital and other general corporate purposes of the Borrower and the Guarantors and for the other purposes described in Section 3.10.

To provide guarantees and security for the repayment of the Loans, the reimbursement of any draft drawn under a Letter of Credit and the payment of the other Obligations of the Borrower and the Guarantors hereunder and under the other Loan Documents, the Borrower and the Guarantors will, among other things, provide to the Agents, the Collateral Agents and the Lenders the following (each as more fully described herein):

(a) a guaranty from each of the Guarantors of the due and punctual payment and performance of the Obligations of the Borrower hereunder pursuant to Section 9 hereof; and

(b) a security interest on or mortgages (or comparable Liens) with respect to the Collateral from the Borrower and each of the Guarantors pursuant to the Collateral Documents.

Accordingly, the parties hereto hereby agree as follows:

SECTION 1. **DEFINITIONS**

SECTION 1.01 **Defined Terms**.

"1997 EETC Facility" shall mean that certain multiple tranche enhanced equipment pass through trust certificate financing commonly referred to as the "1997-1 EETC Transaction," the purpose of which was to finance 14 aircraft in the Borrower's fleet, which the Borrower entered into in December, 1997.

"ABR", when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are bearing interest at a rate determined by reference to the Alternate Base Rate.

"Account" shall mean any right to payment for goods sold or leased or for services rendered, whether or not earned by performance.

"Account Debtor" shall mean the Person obligated on an Account.

"Adjusted LIBO Rate" shall mean, with respect to any Eurodollar Borrowing for any Interest Period, an interest rate per annum (rounded upwards, if necessary, to the next 1/16 of 1%) equal to (a) the LIBO Rate for such Interest Period multiplied by (b) the Statutory Reserve Rate.

"Affiliate" shall mean, as to any Person, any other Person which, directly or indirectly, is in control of, is controlled by, or is under common control with, such Person. For purposes of this definition, a Person (a "Controlled Person") shall be deemed to be "controlled by" another Person (a "Controlling Person") if the Controlling Person possesses, directly or indirectly, power to direct or cause the direction of the management and policies of the Controlled Person whether by contract or otherwise; provided, that neither the trustees under the Indentures nor the PBGC shall be Affiliates of the Borrower or any Guarantor.

"Agents" shall have the meaning set forth in the first paragraph of this Agreement.

"Agreement" shall mean this Revolving Credit, Term Loan and Guaranty Agreement, as the same may be amended, restated, modified, supplemented, extended or amended and restated from time to time.

"Air Transportation Stabilization Act and Regulations" shall mean the Air Transportation Safety and System Stabilization Act, P.L. 107-42, as the same may be amended from time to time, and the regulations promulgated thereunder (14 C.F.R. Part 1310) and related OMB Regulations, 14 C.F.R. Part 1300.

"Aircraft" shall have the meaning set forth in the Aircraft Mortgage.

"Aircraft Mortgage" shall mean that "Aircraft Mortgage" as defined in Section 4.01(e), as the same may be amended, restated, modified, supplemented, extended or amended and restated from time to time.

"Aircraft Protocol" shall mean the Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment, as the same may be amended from time to time, available at: http://www.unidroit.org/english/conventions/mobile-equipment/aircraftprotocol.pdf, or any successor URL.

"Airport Authority" shall mean any public or private board or other body or organization chartered or otherwise established for the purpose of administering, operating or managing airports or related facilities.

"Alternate Base Rate" shall mean, for any day, a rate per annum equal to the greater of (a) the Prime Rate in effect on such day and (b) the sum of the Federal Funds Effective Rate in effect on such day plus ½ of 1%. Any change in the Alternate Base Rate due to a change in the Prime Rate or the Federal Funds Effective Rate shall be effective from and including the effective date of such change in the Prime Rate or the Federal Funds Effective Rate, respectively.

"Appraisal Report" shall mean an appraisal in form and substance reasonably satisfactory to the Agents and prepared by the Appraisers or the Real Estate Appraiser, which certifies, at the time of determination, the Appraised Value of the applicable Appraised Collateral, Eligible Collateral or Cure Collateral, as the case may be.

"Appraised Collateral" shall mean Collateral that is Mortgaged Collateral, Primary Routes, Primary Slots, Primary Foreign Slots, Flight Simulators, Ground Support Equipment, Real Property Assets, the Denver Training Facility or any other individual asset that is included in an Appraisal Report.

"Appraised Value" shall mean (a) in the case of such Appraised Collateral (excluding the Denver Training Facility but including Primary Slots and Ground Support Equipment), Eligible Collateral or assets, the fair market value thereof as reflected in the most recent Appraisal Report obtained in respect of such Collateral or assets in accordance with this Agreement, (b) in the case of the Denver Training Facility, the in-use value thereof as reflected in the most recent Appraisal Report obtained in respect of the Denver Training Facility in accordance with this Agreement (less (i) the amount attributed to the Real Property Assets associated with the Denver Training Facility, as set forth in the most current Appraisal Report prepared by the Appraiser in accordance with this Agreement, and (ii) the amount attributed to the Flight Simulators located at the Denver Training Facility, as set forth in the most current Appraisal Report prepared by the applicable Appraiser in accordance with this Agreement) and (c) in the case of Eligible Accounts Receivable, Eligible Accounts Receivable, as reflected in the most recent Officer's Certificate delivered pursuant to Section 5.01(q), each such value referred to in this definition to be (A) determined in a manner satisfactory to the Agents and (B) subject to reserves and other criteria established by the Agents in their commercially reasonable discretion.

"Appraisers" shall mean (a) Simat, Helliesen & Eichner, Inc., as to the Mortgaged Collateral, Primary Slots, Primary Routes, Primary Foreign Slots, Ground Support Equipment, Flight Simulators and Denver Training Facility and (b) such other appraisal firm or firms as may be retained by the Agents, in consultation with the Borrower, from time to time.

"Approved Fund" shall have the meaning given such term in Section 10.02(b).

"Assignment and Acceptance" shall mean an assignment and acceptance entered into by a Lender and an assignee (with the consent of any party whose consent is required by Section 10.02), and accepted by the Paying Agent, substantially in the form of Exhibit J.

"Availability Period" shall mean the period from and including the Closing Date to but excluding the Termination Date.

"Bankruptcy Code" shall mean The Bankruptcy Reform Act of 1978, as heretofore and hereafter amended, and codified as 11 U.S.C. Section 101 et seq.

"Bankruptcy Court" shall mean the United States Bankruptcy Court for the Northern District of Illinois.

"Board" shall mean the Board of Governors of the Federal Reserve System of the United States.

"Borrower" shall have the meaning set forth in the first paragraph of this Agreement.

"Borrowing" shall mean the incurrence, conversion or continuation of Loans of a single Type made from all the Tranche A Lenders or the Tranche B Lenders, as the case may be, on a single date and having, in the case of Eurodollar Loans, a single Interest Period.

"Borrowing Request" shall mean a request by the Borrower for a Borrowing in accordance with Section 2.03.

"Business Day" shall mean any day other than a Saturday, Sunday or other day on which commercial banks in New York City are required or authorized to remain closed (and, for a Letter of Credit, other than a day on which the Issuing Lender issuing such Letter of Credit is closed); provided, however, that when used in connection with a Eurodollar Loan, the term "Business Day" shall also exclude any day on which banks are not open for dealings in dollar deposits on the London interbank market.

"Cape Town Treaty" shall mean, collectively, the Aircraft Protocol and the Convention, as the same may be amended from time to time.

"Capitalized Lease" shall mean, as applied to any Person, any lease of property by such Person as lessee which would be capitalized on a balance sheet of such Person prepared in accordance with GAAP. The amount of obligations of such Person under a Capitalized Lease shall be the capitalized amount thereof determined in accordance with GAAP.

"Cash Collateralization" shall have the meaning given such term in Section 2.02(j).

"CERCLA" shall mean the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as heretofore and hereafter amended.

"CGMI" shall have the meaning set forth in the first paragraph of this Agreement.

"Change in Law" shall mean, after the date hereof, (a) the adoption of any law, rule or regulation after the date of this Agreement, (b) any change in any law, rule or regulation or in the interpretation or application thereof by any Governmental Authority, Airport Authority, or Foreign Aviation Authorities after the date of this Agreement applicable to the Borrower or any of the Guarantors or (c) compliance by any Lender or the Issuing Lender (or, for purposes of Section 2.13(b), by any lending office of such Lender or by such Lender's or the Issuing

Lender's holding company, if any) with any request, guideline or directive (whether or not having the force of law) of any Governmental Authority made or issued after the date of this Agreement.

"Change of Control" shall mean (a) the acquisition after the Closing Date of ownership, directly or indirectly, beneficially or of record, by any Person or group (within the meaning of the Securities Exchange Act of 1934 and the rules of the Securities and Exchange Commission thereunder as in effect on the date hereof), of Equity Interests representing more than 35% of the aggregate ordinary voting power represented by the issued and outstanding Equity Interests of the Parent; (b) during any period of up to 12 consecutive months, the occupation of a majority of the seats (other than vacant seats) on the Board of Directors of the Parent by Persons who were neither (i) directors at the time of the Consummation of the Plan of Reorganization nor (ii) nominated by the Board of Directors of the Parent or the Borrower nor (iii) appointed by directors so nominated; or (c) the Parent at any time owning less than 100% of the Equity Interests in the Borrower.

"Chase Bank" shall mean Chase Bank USA, N.A.

"CITI" shall have the meaning set forth in the first paragraph of this Agreement.

"Closing Date" shall mean the date on which this Agreement has been executed and the conditions precedent to the making of the initial Loans or the issuance of the initial Letter of Credit (whichever may occur first) set forth in Section 4.01 have been satisfied or waived.

"Co-Branded Agreement" shall mean that certain Co-Branded Card Marketing Services Agreement, effective July 1, 2001, among the Borrower, the Parent, UAL Loyalty Services, LLC and Chase Bank, as heretofore amended and as may be further amended, restated, modified, supplemented, extended or amended and restated from time to time.

"Co-Branded Obligations" shall mean the obligations of the Borrower, the Parent and UAL Loyalty Services, LLC to Chase Bank under the Co-Branded Agreement.

"Code" shall mean the Internal Revenue Code of 1986, as amended from time to time, and the regulations promulgated and rulings issued thereunder.

"Collateral" shall mean all of the "Collateral" referred to in the Collateral Documents, which shall not include (a) the Escrow Accounts, (b) the Payroll Accounts, (c) Petty Cash Accounts, and (d) other items as set forth in the Collateral Documents.

"Collateral Agents" shall have the meaning set forth in the first paragraph of this Agreement.

"Collateral Documents" shall mean, collectively, the Security Agreement, the Pledge Agreement, the Aircraft Mortgage (including, without limitation, any Mortgage Supplement), the Real Estate Mortgages, the SGR Security Agreement, the Trademark Security Agreement, the Patent Security Agreement, the Copyright Security Agreement, any Control

Agreements and other agreements, instruments or documents that create or purport to create a Lien in favor of the Collateral Agents for the benefit of the Secured Parties.

"Commitment Fee" shall have the meaning set forth in Section 2.19.

"Confirmation Order" shall mean the order of the Bankruptcy Court confirming the Plan of Reorganization pursuant to Section 1129 of the Bankruptcy Code, together with all schedules and exhibits thereto.

"Consummation of the Plan of Reorganization" shall mean the occurrence of the Effective Date (as defined in the Plan of Reorganization) and the substantial consummation of the Plan of Reorganization within the meaning of Section 1101(2) of the Bankruptcy Code.

"Contribution Agreement" shall mean a contribution agreement among the Borrower and each of the Guarantors, substantially in the form of Exhibit K hereto, as such agreement may be amended, restated, amended and restated, supplemented or otherwise modified, renewed or replaced from time to time.

"Control Agreements" shall mean the Deposit Account Control Agreements and the Investment Property Control Agreements.

"Convention" shall mean the Convention on International Interests in Mobile Equipment (Cape Town, 2001), as the same may be amended from time to time, available at: http://www.unidroit.org/english/conventions/mobile-equipment/mobile-equipment.pdf, or any successor URL.

"Copyright Security Agreement" shall mean that certain Copyright Security Agreement as defined in Section 4.01(f), as the same may be amended, restated, modified, supplemented, extended or amended and restated from time to time.

"Cure Collateral" shall mean (a) cash collateral pledged to the Collateral Agents (and held in a segregated account over which the Collateral Agents have sole and exclusive control), (b) the Ground Support Equipment (to the extent landlord lien waivers have been delivered to the Collateral Agents as required by Section 4.04(b) of the Security Agreement), (c) the Primary Slots, (d) the Eligible Accounts Receivable or (e) other assets of the Borrower or any Guarantor which shall be reasonably satisfactory to the Required Lenders, and all of which Ground Support Equipment, Primary Slots, Eligible Accounts Receivable or other assets shall (i) be valued by a new Appraisal Report or Field Audit, as the case may be, at the time the Borrower designates such assets as Eligible Collateral and (ii) be subject to a perfected first priority lien and/or mortgage (or comparable lien) in favor of the Collateral Agents (subject to junior liens permitted hereunder).

"DCA" shall mean Ronald Reagan Washington National Airport.

"Defaulting Lender" shall mean any Lender that (a) has failed to fund any portion of the Loans or participations in any Letter of Credit required to be funded hereunder within one (1) Business Day of the date required to be funded by it hereunder, unless the subject of a good faith dispute or subsequently cured, (b) has otherwise failed to pay over to the Agents or any Lender (or its banking Affiliates) any other amount required to be paid by it hereunder within one (1) Business Day of the date when due, unless the subject of a good faith dispute or

subsequently cured, or (c) has been deemed insolvent or become the subject of a bankruptcy or insolvency proceeding.

"Delayed Draw Tranche B Loan" shall have the meaning given to such term in Section 2.01(c) hereof.

"Delayed Draw Tranche B Loan Availability Period" shall mean the period commencing on the Closing Date and ending on the Delayed Draw Tranche B Loan Commitment Termination Date.

"Delayed Draw Tranche B Loan Commitment" shall mean the commitment of the Tranche B Lenders to make Delayed Draw Tranche B Loans to the Borrower up to an aggregate principal amount, at any one time, not in excess of the amount set forth opposite such Lender's name under the column entitled "Delayed Draw Tranche B Loan Commitment" on Annex A attached hereto or as may be subsequently set forth in the Register from time to time, as the case may be, and as may be reduced from time to time pursuant to Section 2.10 and 2.11.

"Delayed Draw Tranche B Loan Commitment Percentage" shall mean, at any time, with respect to each Tranche B Lender, the percentage obtained by dividing its Delayed Draw Tranche B Loan Commitment at such time by the Total Delayed Draw Tranche B Loan Commitment.

"Delayed Draw Tranche B Loan Commitment Termination Date" shall mean the earliest to occur of (i) the five month anniversary of the Closing Date, (ii) the date on which the full amount of the Delayed Draw Tranche B Loan Commitment has been borrowed and (iii) the date on which the Delayed Draw Tranche B Loan Commitment shall terminate in accordance with Section 2.10 or Article 7 hereof.

"Denver Training Facility" shall mean that certain parcel of real property owned in fee by the Borrower and located at 7401 Martin Luther King Boulevard, Denver, Colorado 80207 (as such real property is more particularly described in the applicable Real Estate Mortgage, together with all Collateral described in such Real Estate Mortgage) and all assets located on or used in conjunction with such property (including, without limitation, all Flight Simulators located at such location, training program contracts for training programs conducted at such location, but excluding assets located at the above address not owned by the Borrower or otherwise encumbered identified on Schedule 1.01(a)), taken as a whole.

"Deposit Account Control Agreement" shall mean an agreement in writing substantially in the form of Exhibit L attached hereto or in form and substance reasonably satisfactory to the Collateral Agents, by and among the Borrower or any Guarantor, as the case may be, the Collateral Agents, and any bank at which any deposit account of the Borrower or any Guarantor, as the case may be, is at any time maintained (other than Escrow Accounts, Payroll Accounts, Petty Cash Accounts and any accounts maintained at the Agents).

"Dollars" and "$" shall mean lawful money of the United States of America.

"DOT" shall mean the United States Department of Transportation and any successor thereto.

"Earned Revenue Percentage" shall mean, a percentage, representing the estimated portion of credit revenue which has been earned at any point in time, based on a rolling twelve-month analysis of ticket sales versus "load levels" (i.e. tickets used for actual flights) experienced by the Borrower during the most recent Rolling Twelve Month period for which such information is available at the time of such determination. The Earned Revenue Percentage shall initially be set at 46% and shall be subject to re-determination by either of the Agents based upon the results of each field audit of the Borrower conducted after the Closing Date.

"EBITDAR" shall mean, for any period, all as determined in accordance with GAAP, the consolidated net income (or net loss) of the Parent and its Subsidiaries for such period, plus (a) the sum of (i) depreciation expense; (ii) amortization expense; (iii) other non-cash charges; (iv) consolidated federal, state and local income tax expense; (v) gross interest expense for such period less gross interest income for such period; (vi) aircraft rent expense; (vii) extraordinary, non-recurring or unusual losses; (viii) any non-cash non-recurring charge or non-cash restructuring charge; (ix) the cumulative effect (whether positive or negative) of any change in accounting principles; (x) cash restructuring charges not to exceed $75,000,000 paid in fiscal year 2006 and (xi) any other cash restructuring charges in an amount not to exceed $15,000,000 in any fiscal year (other than fiscal year 2006) less (b) extraordinary, non-recurring or unusual gains plus or minus (c) the amount of cash received or expended in such period in respect of any amount which, under clause (a) (viii) above, was taken into account in determining EBITDAR for such or any prior period.

"EETC Deposit" shall mean certain funds that may be segregated or otherwise set aside in connection with any potential dispute concerning the amount of accrued interest that may be owed by the Borrower with respect to Tranche A of the 1997 EETC Facility.

"EETC Transaction" shall mean an enhanced equipment trust certificate or other similar refinancing transaction solely with respect to up to nineteen (19) aircraft (which may include the fourteen (14) aircraft that are subject to the 1997 EETC Facility) having a current market value pursuant to an Appraisal Report not in excess of $600,000,000 in the aggregate.

"Eligible Accounts" means, at the time of any determination thereof, each Account with respect to (i) balances owed to the Borrower for revenues associated with the Borrower's performance of cargo shipments for various freight brokers, freight forwarders and other airlines, (ii) balances owed to the Borrower from customers utilizing credit cards issued by the Borrower under the Universal Air Travel Plan utilized by the Borrower, (iii) balances owed to the Borrower from travel agencies for amounts charged back by the Borrower for additional passenger fares not properly charged at the time of the initial ticketing and other violations and (iv) balances owed to the Borrower from corporate customers generated from the sale of parts and the leasing of various airport ground equipment and gates and other non-transportation goods and services, in each case where such Account is not ineligible for inclusion in the calculation of Eligible Accounts pursuant to any of clauses (a) through (o) below. Without limiting the foregoing, to qualify as Eligible Accounts, an Account shall indicate no person other than the Borrower or a Guarantor as payee or remittance party. Criteria and eligibility standards used in determining Eligible Accounts may be fixed and revised from time to time by the Agents, in their reasonable discretion, and in the Agents' reasonable exclusive judgment, with any changes in such criteria to be effective upon the date of the next Field Audit to be conducted pursuant to the terms herein.

Unless otherwise approved from time to time in writing by the Agents, no Account shall be an Eligible Account if, without duplication:

(a) the Borrower or a Guarantor does not have sole lawful and absolute title to such Account; or

(b) it is not subject to a valid and perfected first priority Lien in favor of the Collateral Agents for the benefit of the Secured Parties, subject to no other Liens other than Liens permitted by the Agreement; or

(c) (i) it is unpaid more than 90 days from the original date of invoice or 60 days from the original due date or (ii) it has been written off the books of the Borrower or a Guarantor or has been otherwise designated on such books as uncollectible; or

(d) the Account Debtor is insolvent or the subject of any bankruptcy case or insolvency proceeding of any kind (other than postpetition accounts payable of an Account Debtor that is a debtor-in-possession under the Bankruptcy Code and reasonably acceptable to the Agents); or

(e) the Account is not payable in Dollars or the Account Debtor is either not organized under the laws of the United States of America, any state of the United States of America or the District of Columbia or is located outside or has its principal place of business or substantially all of its assets outside the United States; or

(f) the Account Debtor is the United States of America or any department, agency or instrumentality thereof, unless the relevant Borrower duly assigns its rights to payment of such Account to the Agent pursuant to the Assignment of Claims Act of 1940, as amended, which assignment and related documents and filings shall be in form and substance reasonably satisfactory to the Agents; or

(g) the associated revenue from such Account has not been earned by the Borrower or the Guarantor; or

(h) to the extent the Account is classified as a note receivable by the Borrower or a Guarantor; or

(i) the Account is a non-trade Account, or relates to payments for interest; or

(j) it arises out of a sale made by the Borrower or a Guarantor to an employee, officer, agent, director, stockholder, Subsidiary or Affiliate of the Borrower or a Guarantor; or

(k) such Account was not paid in full, and the Borrower or a Guarantor created a new receivable for the unpaid portion of the Account, and other Accounts constituting chargebacks, debit memos (other than debit memos reflecting balances owed to the Borrower referred to in clause (iii) of the first

sentence of this definition of Eligible Accounts) and other adjustments for unauthorized deductions; or

(l) such Account is subject to any counterclaim, deduction, defense, setoff or dispute, but only to the extent of the amount of such counterclaim, deduction, defense, setoff or dispute, unless the Agents, in their sole discretion, have established an appropriate reserve and determine to include such Account as an Eligible Account; or

(m) the Account does not comply in all material respects with the requirements of all applicable laws and regulations, whether Federal, state or local; or

(n) as to any Account, to the extent that a check, promissory note, draft, trade acceptance or other instrument for the payment of money has been received, presented for payment and returned uncollected for any reason (other than bank error prior to the correction thereof); or

(o) the Account is due from another airline.

"Eligible Accounts Receivable" shall mean, at the time of determination thereof, the sum of Eligible Accounts plus Estimated Credit Card Receivables Component.

"Eligible Assignee" shall mean (a) a commercial bank having total assets in excess of $1,000,000,000, (b) a finance company, insurance company or other financial institution or fund, in each case reasonably acceptable to the Agents, which in the ordinary course of business extends credit of the type contemplated herein and has total assets in excess of $200,000,000 and whose becoming an assignee would not constitute a prohibited transaction under Section 4975 of the Code or Section 406 of ERISA, (c) an Affiliate of the assignor Lender, (d) an Approved Fund and (e) any other financial institution reasonably satisfactory to the Agents.

"Eligible Collateral" shall mean (a) all Mortgaged Collateral (including, without limitation, aircraft, spare parts, spare engines and QEC Kits), Flight Simulators, Primary Routes and the Real Property Assets, in each case to the extent owned or held by the Borrower or a Guarantor and on which the Collateral Agents shall have a valid and perfected first priority lien and/or mortgage (or comparable lien), provided that if an Aircraft is (i) Parked, then 50% of the Appraised Value of such Aircraft as set forth in the most recent Appraisal Report shall be excluded from Eligible Collateral provided that an Appraisal Report establishing the current Appraised Value of such Aircraft in its Parked condition is delivered to the Agents within ninety (90) days of such Aircraft being Parked, and if no such Appraisal Report shall have been delivered within such period, then such Parked Aircraft shall be excluded from Eligible Collateral or (ii) Stored, then such Aircraft shall be excluded from Eligible Collateral, and (b) any Cure Collateral designated by the Borrower at its discretion.

"Engine" shall have the meaning set forth in the Aircraft Mortgage.

"Environmental Laws" shall mean all laws (including common law), rules, regulations, codes, ordinances, orders, decrees, judgments, injunctions or legally binding

agreements issued, promulgated or entered into by or with any Governmental Authority, relating to the environment, preservation or reclamation of natural resources, the handling, treatment, storage, disposal, Release or threatened Release of any Hazardous Material or the exposure of any Person (including employees) to any Hazardous Materials.

"Environmental Liability" shall mean any liability (including any liability for damages, natural resource damage, costs of environmental remediation, administrative oversight, costs, fines or penalties) directly resulting from or based upon (a) violation of any Environmental Law or requirement of any Airport Authority relating to environmental matters, (b) the generation, use, handling, transportation, storage, treatment or disposal of any Hazardous Materials, (c) exposure to any Hazardous Materials, (d) the Release or threatened Release of any Hazardous Materials into the environment or (e) any contract, agreement, lease or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

"Equity Interests" shall mean shares of capital stock, partnership interests, membership interests in a limited liability company, beneficial interests in a trust or other equity ownership interests in a Person (whether direct or indirect), and any warrants, options or other rights entitling the holder thereof to purchase or acquire any such equity interest.

"ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended from time to time, and the regulations promulgated and rulings issued thereunder.

"ERISA Affiliate" shall mean any trade or business (whether or not incorporated) that, together with the Borrower, is treated as a single employer under Section 414(b) or (c) of the Code or, solely for purposes of Section 302 of ERISA and Section 412 of the Code, is treated as a single employer under Section 414 of the Code.

"Escrow Accounts" shall mean certain funds set aside by the Borrower or any Guarantor to manage the collection and payment of amounts collected by the Borrower or such Guarantor for the benefit of third party beneficiaries relating to: (a) federal income tax withholding and backup withholding tax, employment taxes, transportation excise taxes and security related charges, including, without limitation, (i) federal payroll withholding taxes, as described in Sections 3101, 3111 and 3402 of the Code, (ii) federal Unemployment Tax Act taxes, as described in Chapter 23 of Subtitle C of the Code, (iii) federal air transportation excise taxes, as described in Sections 4261 and 4271 of the Code, (iv) federal security charges, as described in Title 49 of the Code of Federal Regulations of 2002 (referred to in this definition as the "CFR"), Chapter XII, Part 1510, (v) federal Animal and Plant Health Inspection Service of the United States Department of Agriculture (APHIS) user fees, as described in Title 21 of the United States Code (2002) (referred to in this definition as "U.S.C.") Section 136a and 7 CFR Section 354.3, (vi) federal Immigration and Naturalization Service (INS) fees, as described in 8 CFR Part 286, (vii) federal customs taxes as described in 19 U.S.C. Section 58c, and (viii) federal jet fuel taxes as described in Sections 4091 and 4092 of the Code collected on behalf of and owed to the federal government; (b) any and all state and local income tax withholding, employment taxes and related charges and fees and similar taxes, charges and fees, including, but not limited to, state and local payroll withholding taxes, unemployment and supplemental unemployment taxes, disability taxes, workman's or workers' compensation charges and related

charges and fees that are analogous to those described in Subtitle C of the Code and that are described in or are analogous to Chapter 23 of Title 19 Delaware Code Annotated (2002) collected on behalf of and owed to state and local authorities, agencies and entities; (c) passenger facility fees and charges as described in 49 U.S.C. Section 40117 (2005) and Title 14 of the CFR, Subchapter 1, Part 158 collected on behalf of and owed to various Airport Authorities or other applicable Governmental Authorities; (d) taxes, fees and charges similar to any of the foregoing set aside or collected on behalf of, or owed to, Foreign Aviation Authorities, Governmental Authorities or Airport Authorities; and (e) other funds held in trust for an identified beneficiary; in each case held in escrow accounts or trust funds in an aggregate amount for all of such Escrow Accounts not in excess of $250,000,000.

"Estimated Credit Card Receivables Component" shall mean an amount representing the estimated earned but outstanding portion of retail credit card receivables due from major credit card providers (including, without limitation, Visa, MasterCard, American Express, Discover and Carte Blanche) in connection with ticket purchases from the Borrower, as determined semi-annually in accordance with the following formula and set forth in the most recent Officer's Certificate delivered to the Agents pursuant to Section 5.01(q). Such amount shall be equal to three (3) times the average daily adjusted credit card sales (i.e., the product of (a) three (3) multiplied by (b) the gross retail credit card sales for the most recent fiscal month available at the time of determination multiplied by (c) the Earned Revenue Percentage divided by (d) the number of days in such month), subject to such adjustments as may be deemed appropriate by either of the Agents based upon the results of each Field Audit of the Borrower conducted after the Closing Date.

"Eurodollar", when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are bearing interest at a rate determined by reference to the Adjusted LIBO Rate.

"Eurodollar Borrowing" shall mean a Borrowing comprised of Eurodollar Loans.

"Event of Default" shall have the meaning given such term in Section 7.

"Excluded Taxes" shall mean, with respect to the Paying Agent, Agents, Collateral Agents, any Lender, any Issuing Lender or any other recipient of any payment to be made by or on account of any Obligation of the Borrower hereunder, (a) income or franchise taxes imposed on (or measured by) its net income by the United States of America, or by the jurisdiction under the laws of which such recipient is organized or in which its principal office is located or, in the case of any Lender, in which its applicable lending office is located, (b) any branch profits taxes imposed by the United States of America or any similar tax imposed by any other jurisdiction in which the Borrower is located and (c) in the case of a Foreign Lender, any withholding tax that is imposed by any jurisdiction other than the United States of America or any state thereof or is imposed by the United States of America on amounts payable to such Foreign Lender at the time such Foreign Lender becomes a party to this Agreement (or designates a new lending office) or is attributable to such Foreign

Lender's failure to comply with Section 2.15(e), except to the extent that such Foreign Lender (or its assignor, if any) was entitled, at the time of designation of a new lending office (or assignment), to receive additional amounts from the Borrower with respect to such withholding tax pursuant to Section 2.15(a).

"Existing DIP Facility" shall mean that certain Revolving Credit, Term Loan and Guaranty Agreement (as amended, restated, amended and restated, supplemented, extended or otherwise modified to the date hereof), dated as of December 24, 2002, among the Borrower, the Parent, the direct and indirect subsidiaries of the Borrower and Parent party thereto, the lenders from time to time party thereto, JPMCB and CITI, as co-administrative agents and co-collateral agents, and JPMCB, as paying agent.

"Existing DIP Facility Letter of Credit" shall mean each letter of credit that was issued under the Existing DIP Facility and remains outstanding as of the Closing Date.

"FAA" shall mean the Federal Aviation Administration of the United States of America and any successor thereto.

"Federal Funds Effective Rate" shall mean, for any day, the weighted average (rounded upwards, if necessary, to the next 1/100 of 1%) of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers, as published on the next succeeding Business Day by the Federal Reserve Bank of New York, or, if such rate is not so published for any day that is a Business Day, the average (rounded upwards, if necessary, to the next 1/100 of 1%) of the quotations for such day for such transactions received by the Agents from three Federal funds brokers of recognized standing selected by it.

"Fees" shall collectively mean the Commitment Fees, Letter of Credit Fees and other fees referred to in Sections 2.18, 2.19 and 2.20.

"Field Audit" shall mean a field examination conducted by a Field Auditor of the Borrower's and the Guarantors' accounts receivable and books and records related thereto, and the results of such field examination shall be reasonably satisfactory to the Agents in all respects.

"Field Auditor" shall mean the Agents or their respective Affiliates, appraisers or other advisors who may be retained by the Agents to conduct a Field Audit.

"Fifth-Freedom Rights" shall mean the operational right to enplane passenger traffic and cargo in a foreign country and deplane it in another foreign country.

"Fixed Charge Coverage Ratio" shall mean, at any date for which such ratio is to be determined, the ratio of EBITDAR for the Rolling Twelve Month period ended on such date to the sum of the following for such period: (a) Interest Expense, plus (b) the aggregate cash aircraft rental expense of the Parent and its Subsidiaries on a consolidated basis for such period payable in cash in respect of any aircraft leases (other than Capitalized Leases), all as determined in accordance with GAAP, plus (c) scheduled principal payments on all Indebtedness (including Capitalized Leases) of the Parent and its Subsidiaries on a consolidated basis.

"Flight Simulators" shall mean the flight simulators and flight training devices of the Borrower or any applicable Guarantor (including, without limitation, any such simulators or training devices located on a Real Property Asset) other than the flight simulators listed on Schedule 1.01(a) (as such Schedule may be amended from time to time with the consent of the Agents to remove one or more flight simulators from such Schedule).

"Foreign Aviation Authorities" shall mean any foreign governmental, quasi-governmental, regulatory or other agencies, public corporations or private entities that exercise jurisdiction over the issuance or authorization (a) to serve any foreign point on each of the Routes and/or to conduct operations related to the Routes and Supporting Route Facilities and/or (b) to hold and operate any Foreign Slots.

"Foreign Lender" shall mean any Lender that is organized under the laws of a jurisdiction other than that in which the Borrower is located. For purposes of this definition, the United States of America, each State thereof and the District of Columbia shall be deemed to constitute a single jurisdiction.

"Foreign Slot" shall mean all of the rights and operational authority, now held or hereafter acquired, of Borrower and, if applicable, a Guarantor, to conduct one landing or takeoff at a specific time or in a specific time period on a specific day of the week at each non-U.S. airport served in conjunction with Borrower's, or, if applicable, a Guarantor's operations over a Route.

"GAAP" shall mean generally accepted accounting principles applied in accordance with Section 1.03.

"Gate Interests" shall mean all of the right, title, privilege, interest, and authority now or hereafter acquired or held by the Borrower or, if applicable, a Guarantor in connection with the right to use or occupy space in any airport terminal located in the United States at which the Borrower conducts scheduled operations.

"GE Capital" shall have the meaning set forth in the first paragraph of this Agreement.

"Governmental Authority" shall mean the government of the United States of America, any other nation or any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank organization, or other entity exercising executive, legislative, judicial, taxing or regulatory powers or functions of or pertaining to government. Governmental Authority shall not include any Airport Authority.

"Ground Support Equipment" shall mean the equipment owned by the Borrower or, if applicable, a Guarantor for crew and passenger ground transportation, cargo, mail and luggage handling, catering, fuel/oil servicing, de-icing, aircraft maintenance and servicing, dispatching, security and motor vehicles.

"Guarantee" of or by any Person (the "guarantor") shall mean any obligation, contingent or otherwise, of the guarantor guaranteeing or having the economic effect of guaranteeing any Indebtedness or other obligation of any other Person (the "primary obligor") in any manner, whether directly or indirectly, and including any obligation of the guarantor, direct or indirect, (a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation or to purchase (or to advance or supply funds for the purchase of) any security for the payment thereof, (b) to purchase or lease property, securities or services for the purpose of assuring the owner of such Indebtedness or other obligation of the payment thereof, (c) to maintain working capital, equity capital or any other financial statement

condition or liquidity of the primary obligor so as to enable the primary obligor to pay such Indebtedness or other obligation or (d) as an account party in respect of any letter of credit or letter of guaranty issued to support such Indebtedness or obligation; provided, that the term Guarantee shall not include (i) endorsements for collection or deposits or (ii) customary contractual indemnities in commercial agreements, in each case in the ordinary course of business and consistent with past practice. The amount of any obligation relating to a Guarantee shall be deemed to be an amount equal to the stated or determinable amount of the primary obligation in respect of which such Guarantee is made (or, if less, the maximum reasonably anticipated liability for which such Person may be liable pursuant to the terms of the instrument evidencing such Guarantee) or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof (assuming such Person is required to perform) as determined by the guaranteeing Person in good faith.

"Guarantor" shall have the meaning set forth in the first paragraph of this Agreement.

"Hazardous Materials" shall mean all explosive or radioactive substances or wastes and all hazardous or toxic substances, wastes or other pollutants, including petroleum or petroleum distillates, asbestos or asbestos containing materials, polychlorinated biphenyls, radon gas, infectious or medical wastes and all other substances or wastes of any nature regulated pursuant to any Environmental Law.

"Hedging Agreement" shall mean any agreement with respect to any swap, forward, future or derivative transaction or option or similar agreement involving, or settled by reference to, one or more rates, currencies, commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value or any similar transaction or any combination of these transactions.

"Immaterial Subsidiaries" shall mean one or more Subsidiaries of the Parent, for which, (a) the assets of all such designated Subsidiaries constitute, in the aggregate, less than or equal to 2½% of the total assets of the Parent and its Subsidiaries on a consolidated basis, and (b) the revenues of such Subsidiaries account for less than or equal to 2½% of the total revenues of the Parent and its Subsidiaries on a consolidated basis. The Immaterial Subsidiaries as of the Closing Date shall be listed on Schedule 1.01(g).

"Indebtedness" of any Person shall mean, without duplication, (a) all obligations of such Person for borrowed money or with respect to deposits or advances of any kind, (b) all obligations of such Person evidenced by bonds, debentures, notes or similar instruments, (c) all obligations of such Person upon which interest charges are customarily paid, (d) all obligations of such Person under conditional sale or other title retention agreements relating to property acquired by such Person, (e) all obligations of such Person in respect of the deferred purchase price of property or services (excluding current accrued expenses incurred and current accounts payable, in each case in the ordinary course of business), (f) all Indebtedness of others secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien on property owned or acquired by such Person, whether or not the Indebtedness secured thereby has been assumed, (g) all Guarantees by such Person of Indebtedness of others, (h) all Obligations of such Person in respect of Capitalized Leases, (i) all

obligations, contingent or otherwise, of such Person as an account party in respect of letters of credit and letters of guaranty, (j) all obligations, contingent or otherwise, of such Person in respect of bankers' acceptances, (k) all obligations of such person to pay a specified purchase price for goods or services, whether or not delivered or accepted, i.e., take-or-pay and similar obligations, and (l) all obligations in respect of Hedging Agreements valued at the amount equal to what would be payable by such Person to its counterparty to such Hedging Agreements if such Hedging Agreement was terminated early on such date of determination. The Indebtedness of any Person shall include the Indebtedness of any other entity (including any partnership in which such Person is a general partner) to the extent such Person is liable therefor as a result of such Person's ownership interest in or other relationship with such entity, except to the extent the terms of such Indebtedness provide that such Person is not liable therefor.

"Indemnified Taxes" shall mean Taxes other than Excluded Taxes.

"Indemnitee" shall have the meaning given such term in Section 10.04(b).

"Indentures" shall mean, collectively, the (a) Senior Convertible Note Indenture, (b) Senior Convertible Note Indenture-2 and (c) the Senior Note Indenture.

"Intercreditor Agreement" shall mean that certain Intercreditor Agreement dated the date hereof between the Agents, the Collateral Agents, Chase Bank, the Borrower and the Guarantors party thereto in substantially the form attached as Exhibit I.

"Interest Election Request" shall mean a request by the Borrower to convert or continue a Borrowing in accordance with Section 2.05.

"Interest Expense" shall mean, for any period, the gross cash interest expense (including the interest component of Capitalized Leases), of the Parent and its Subsidiaries on a consolidated basis for such period, including, without limitation or duplication, (a) cash interest expense in respect of the Loans and all other outstanding Indebtedness, (b) commissions, discounts and other fees and charges payable in connection with letters of credit, and (c) net payments payable in connection with all Hedging Agreements involving interest rates (including amortization of any discount), all as determined in accordance with GAAP.

"Interest Payment Date" shall mean (a) as to any Eurodollar Loan having an Interest Period of two weeks or one, two or three months, the last day of such Interest Period, (b) as to any Eurodollar Loan having an Interest Period of more than three months, the last day of such Interest Period and, in

addition, each date during such Interest Period that would be the last day of an Interest Period commencing on the same day as the first day of such Interest Period but having a duration of three months or any integral multiple thereof and (c) with respect to ABR Loans, the last Business Day of each March, June, September and December.

"Interest Period" shall mean, as to any Borrowing of Eurodollar Loans, the period commencing on the date of such Borrowing (including as a result of a conversion from ABR Loans) or on the last day of the preceding Interest Period applicable to such Borrowing and ending two weeks thereafter or on the numerically corresponding day (or if there is no corresponding day, the last day) in the calendar month that is one, three, six, nine or twelve months thereafter, as the Borrower may elect in the related notice delivered pursuant to

Sections 2.03 or 2.05; provided, however, that, to be available as an Interest Period hereunder, any two week, nine month or twelve month Interest Period requested by the Borrower must be available to all of the Lenders; provided, further, that (a) if any Interest Period would end on a day which shall not be a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless such next succeeding Business Day would fall in the next calendar month, in which case such Interest Period shall end on the next preceding Business Day, and (b) no Interest Period shall end later than the Termination Date.

"Investment Property" shall mean all of the Borrower's and Guarantors' investment property, as such term is defined in the New York Uniform Commercial Code, whether now owned or hereafter acquired, including, but not limited to, all securities, security entitlements, securities accounts, commodity contracts, commodity accounts, stocks, bonds, mutual fund shares, money market shares and U.S. Government securities.

"Investment Property Control Agreement" shall mean an agreement in writing substantially in the form of Exhibit M attached hereto or in form and substance reasonably satisfactory to the Collateral Agents, by and among the Borrower or any Guarantor, as the case may be, and any securities intermediary, commodity intermediary or other Person who has custody, control or possession of any Investment Property.

"Investments" shall mean any stock, evidence of indebtedness or other security of any Person, any loan, advance, contribution of capital, extension of credit or commitment therefor (including, without limitation, the Guarantee of loans made to others, but excluding current trade and customer accounts receivable arising in the ordinary course of business and payable in accordance with customary trading terms in the ordinary course of business), and any purchase or acquisition of (a) any security of another Person or (b) a line of business, or all or substantially all of the assets, of any Person.

"Issuing Lender" shall mean JPMCB or CITI (or any of their banking affiliates), each in its capacity as the issuer of Letters of Credit hereunder, and their successors in such capacity as provided in Section 2.02(i), and one or more other Lenders, which other Lenders shall be reasonably satisfactory to the Borrower and the Agents. The Issuing Lender may, in its reasonable discretion, in consultation with the Borrower, arrange for one or more Letters of Credit to be issued by Affiliates of the Issuing Lender, in which case the term "Issuing Lender" shall include any such Affiliate with respect to Letters of Credit issued by such Affiliate.

"Jet Fuel Supply Agreement" shall mean that certain Jet Fuel Supply Agreement, entered into effective as of October 21, 2003, as amended from time to time, among the Borrower, UAFC and MSCG, pursuant to which MSCG will supply jet fuel for the Borrower's domestic operations, will assume certain of the Borrower's and UAFC's existing supply and third-party sale agreements and will sublease certain of the Borrower's and UAFC's existing infrastructure agreements.

"JFK" shall mean New York's John F. Kennedy (JFK) International Airport.

"Joint Commitment Letter" shall mean that certain Amended and Restated Joint Commitment Letter dated as of November 16, 2005 among the Agents, JPMSI, CGMI, GE Capital and the Borrower.

"Joint Lead Arrangers" shall mean JPMSI and CGMI.

"JPMCB" shall have the meaning set forth in the first paragraph of this Agreement.

"JPMSI" shall have the meaning set forth in the first paragraph of this Agreement.

"LC Disbursement" shall mean a payment made by the Issuing Lender pursuant to a Letter of Credit.

"LC Exposure" shall mean, at any time, the sum of (a) the aggregate maximum undrawn amount of all outstanding Letters of Credit at such time plus (b) the aggregate amount of all LC Disbursements that have not yet been reimbursed by or on behalf of the Borrower at such time. The LC Exposure of any Tranche A Lender at any time shall be its Tranche A Commitment Percentage of the LC Exposure at such time.

"Lenders" shall mean the Tranche A Lenders and the Tranche B Lenders.

"Letter of Credit" shall mean (a) any irrevocable letter of credit issued pursuant to Section 2.02, which letter of credit shall be (i) a standby letter of credit, (ii) issued for purposes that are consistent with the ordinary course of business of the Borrower or any Guarantor, (iii) denominated in Dollars and (iv) otherwise in such form as may be reasonably approved from time to time by the Agents and the applicable Issuing Lender and (b) each Existing DIP Facility Letter of Credit. On the Closing Date, each Existing DIP Facility Letter of Credit shall be deemed for all purposes herein to be a Letter of Credit issued pursuant to Section 2.02 and to constitute usage of the Total Tranche A Commitment.

"Letter of Credit Account" shall mean the account established by the Borrower under the sole and exclusive control of the Paying Agent maintained at the office of the Paying Agent at 270 Park Avenue, New York, New York 10017 designated as the "United Airlines LC Account" that shall be used solely for the purposes set forth herein.

"Letter of Credit Fees" shall mean the fees payable in respect of Letters of Credit pursuant to Section 2.20.

"LGA" shall mean New York's LaGuardia Airport.

"LIBO Rate" shall mean, with respect to any Eurodollar Borrowing for any Interest Period, the rate appearing on Page 3750 of the Dow Jones Market Service (or on any successor or substitute page of such service, or any successor to or substitute for such service, providing rate quotations comparable to those currently provided on such page of such service, as determined by the Paying Agent from time to time for purposes of providing quotations of interest rates applicable to dollar deposits in the London interbank market) at approximately 11:00 a.m., London time, two Business Days prior to the commencement of such Interest Period,

as the rate for dollar deposits with a maturity comparable to such Interest Period. In the event that such rate is not available at such time for any reason, then the "LIBO Rate" with respect to such Eurodollar Borrowing for such Interest Period shall be the rate at which dollar deposits of $5,000,000 and for a maturity comparable to such Interest Period are offered by the principal London office of the Paying Agent in immediately available funds in the London interbank market at approximately 11:00 a.m., London time, two Business Days prior to the commencement of such Interest Period.

"Lien" shall mean (a) any mortgage, deed of trust, pledge, hypothecation, security interest, easement (including, without limitation, reciprocal easement agreements and utility agreements), rights-of-ways, reservations, encroachments, zoning and other land use restrictions, claim or any other title defect, lease, encumbrance, restriction, lien or charge of any kind whatsoever, (b) the interest of a vendor or a lessor under any conditional sale, capital lease or other title retention agreement (or any financing lease having substantially the same economic effect as any of the foregoing) and (c) in the case of securities, any purchase option, call or similar right or interest of a third party with respect to such securities (other than employee stock option plans).

"Loan" shall mean, collectively, the Tranche A Loans and the Tranche B Loans.

"Loan Documents" shall mean this Agreement, the Letters of Credit (including applications for Letters of Credit and related reimbursement agreements), the Collateral Documents, the Intercreditor Agreement and any other instrument or agreement (which is designated as a Loan Document therein) executed and delivered to the Paying Agent, the Agents, the Collateral Agents or any Lender, in each case, as the same may be amended, restated, modified, supplemented, extended or amended and restated from time to time.

"Material Adverse Change" shall mean any event, development or circumstance that has had or could reasonably be expected to have a Material Adverse Effect.

"Material Adverse Effect" shall mean a material adverse effect on (a) the business, property, operations or condition (financial or otherwise) of the Borrower and the Guarantors, taken as a whole, (b) the validity or enforceability of any of the Loan Documents or the rights or remedies of the Agents and the Lenders thereunder, or (c) the ability of the Borrower or any Guarantor to perform its respective obligations under the Loan Documents.

"Material Agreement" shall mean any credit agreement, indenture, or other agreement related to indebtedness of the Borrower or any Guarantor for borrowed money in excess of $40,000,000 (other than this Credit Agreement and the other Loan Documents).

"Material Indebtedness" shall mean Indebtedness (other than the Loans and Letters of Credit), of any one or more of the Borrower and Guarantors in an aggregate principal amount exceeding $40,000,000.

"Maturity Date" shall mean February 1, 2012.

"Minority Lenders" shall have the meaning given such term in Section 10.08(b).

"Moody's" shall mean Moody's Investors Service, Inc.

"Morgan Lewis" shall have the meaning given such term in Section 10.04(a).

"Mortgaged Collateral" shall mean all of the "Collateral" as defined in the Aircraft Mortgage (including any Mortgage Supplement), defined to include, without limitation, all aircraft, spare engines, spare parts inventory and QEC Kits included within the Collateral.

"Mortgage Supplement" shall have the meaning set forth in the Aircraft Mortgage.

"MSCG" shall mean Morgan Stanley Capital Group Inc.

"Multiemployer Plan" shall mean a "multiemployer plan" as defined in Section 4001(a)(3) of ERISA, which is maintained or contributed to by (or to which there is an obligation to contribute of) the Borrower or a Subsidiary of the Borrower or an ERISA Affiliate, and each such plan for the five-year period immediately following the latest date on which the Borrower, or a Subsidiary of the Borrower or an ERISA Affiliate maintained, contributed to or had an obligation to contribute to such plan.

"Multiple Employer Plan" shall mean a Single Employer Plan, which (a) is maintained for employees of the Borrower or an ERISA Affiliate and at least one person (as defined in Section 3(9) of ERISA) other than the Borrower and its ERISA Affiliates or (b) was so maintained and in respect of which the Borrower or an ERISA Affiliate could have liability under Section 4064 or 4069 of ERISA in the event such Plan has been or were to be terminated.

"Non-Primary Routes" shall mean all of the Routes other than the Primary Routes.

"Obligations" shall mean the unpaid principal of and interest on (including interest, reasonable fees and reasonable out-of-pocket costs accruing after the maturity of the Loans and interest, reasonable fees and reasonable out-of-pocket costs accruing after the filing of any petition of bankruptcy, or the commencement of any insolvency, reorganization or like proceeding, relating to the Borrower, whether or not a claim for post-filing or post-petition interest, fees or costs is allowed in such proceeding) the Loans and all other obligations and liabilities of the Borrower to any Agent or Lender, whether direct or indirect, absolute or contingent, due or to become due, or now existing or hereafter incurred, which arise under, out of, or in connection with, this Agreement, any other Loan Document, any treasury, depository and cash management services and automated clearing house transfers of funds services provided by a Lender or any of its banking Affiliates, but not any other Person, as permitted by Section 6.03(g), any foreign exchange contracts, currency swap agreements, currency future or option contracts and other similar agreements designed to hedge against fluctuations in foreign exchange rates and currency values and any interest rate swap, cap or collar agreements, interest rate future or option contracts and other similar agreements designed to hedge against fluctuations in interest rates, in each case to the extent that the Indebtedness related to such contract or agreement is owing to a Lender or any of its banking Affiliates and is permitted to be secured pursuant to Section 6.01(dd), or any other document made, delivered or given in connection herewith or therewith, whether on account of principal, interest, reimbursement

obligations, reasonable fees, indemnities, reasonable out-of-pocket costs, reasonable out-of-pocket expenses (including all reasonable fees, charges and disbursements of counsel to any Agent or Lender that are required to be paid by the Borrower pursuant hereto) or otherwise.

"Officer's Certificate" shall mean, as applied to the Borrower or any Guarantor, a certificate executed by a Responsible Officer of such Person in his/her capacity as such.

"Other Taxes" shall mean any and all present or future stamp, mortgage, intangible or documentary taxes or any other excise or property taxes, charges or similar levies arising from any payment made hereunder or from the execution, delivery or enforcement of, or otherwise with respect to, this Agreement.

"Parent" shall have the meaning set forth in the first paragraph of this Agreement.

"Parked" shall mean, as to any Aircraft, that such Aircraft has been removed from service and is not intended to be used for scheduled service for a period in excess of thirty (30) days, including, without limitation, those Aircraft that have been Stored, other than Aircraft temporarily grounded for maintenance being actively conducted.

"Patent Security Agreement" shall mean that certain Patent Security Agreement as defined in Section 4.01(f), as the same may be amended, restated, modified, supplemented, extended or amended and restated from time to time.

"Participant" shall have the meaning given such term in Section 10.02(d).

"Patriot Act" shall mean the USA Patriot Act, Title III of Pub. L. 107-56, signed into law on October 26, 2001 or any subsequent legislation that amends, supplements or supersedes such Act.

"Paying Agent" shall have the meaning set forth in the first paragraph of this Agreement.

"Payroll Accounts" shall mean depository accounts used only for payroll.

"PBGC" shall mean the Pension Benefit Guaranty Corporation, or any successor agency or entity performing substantially the same functions.

"Permitted Acquisition" shall mean any acquisition, whether by purchase, merger, consolidation or otherwise, by the Parent, the Borrower or any Guarantor (other than the Parent) of all or substantially all the assets of, or all the Equity Interests in, a Person or a division, line of business or other business unit of a Person but only so long as:

(a) (i) no Event of Default has occurred and is continuing immediately prior or immediately after giving effect to the Transactions and (ii) all transactions related thereto are consummated in all material respects in accordance with applicable laws;

(b) the Borrower has delivered to the Agents an Officer's Certificate to the effect set forth in clause (a) above, together with the relevant financial information for the Person or assets to be acquired;

(c) the Borrower has provided the Agents with written notice ten (10) days prior to a Permitted Acquisition and copies of the material acquisition documents promptly after consummation of such acquisition; and

(d) the aggregate amount extended for such acquisition is in compliance with Section 6.10(u).

"Permitted Investments" shall mean:

(a) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America (or by any agency thereof to the extent such obligations are backed by the full faith and credit of the United States of America), in each case maturing within one year from the date of acquisition thereof;

(b) direct obligations of state and local government entities in each case maturing within one year from the date of acquisition thereof, which have a rating of at least A- (or the equivalent thereof) from S&P or A-3 (or the equivalent thereof) from Moody's;

(c) obligations of domestic or foreign companies and their subsidiaries (including, without limitation, agencies, sponsored enterprises or instrumentalities chartered by an Act of Congress, which are not backed by the full faith and credit of the United States of America), including, without limitation, bills, notes, bonds, debentures, and mortgage-backed securities, in each case maturing within one year from the date of acquisition thereof;

(d) investments in commercial paper maturing within 365 days from the date of acquisition thereof and having, at such date of acquisition, which have a rating of at least A-2 (or the equivalent thereof) from S&P or P-2 (or the equivalent thereof) from Moody's;

(e) investments in certificates of deposit, banker's acceptances and time deposits maturing within one year from the date of acquisition thereof issued or guaranteed by or placed with, and money market deposit accounts issued or offered by, any domestic office of any other commercial bank of recognized standing organized under the laws of the United States of America or any State thereof that has a combined capital and surplus and undivided profits of not less than $250,000,000 and which has a long term unsecured debt rating of at least A from S&P and A-2 from Moody's (or is the principal banking Subsidiary of a bank holding company that has such ratings);

(f) fully collateralized repurchase agreements with a term of not more than six (6) months for underlying securities that would otherwise be eligible for investment;

(g) Investments of money in an investment company organized under the Investment Company Act of 1940, as amended, or in pooled accounts or funds offered through mutual funds, investment advisors, banks and brokerage houses which invest its assets in obligations of the type described in (a) through (f) above. This could include, but not be limited

to, money market funds or short-term and intermediate bonds funds; and

(h) money market funds that (i) comply with the criteria set forth in Securities and Exchange Commission Rule 2a-7 under the Investment Company Act of 1940, (ii) are rated AAA (or the equivalent thereof) by S&P and Aaa (or the equivalent thereof) by Moody's and (iii) have portfolio assets of at least $5,000,000,000.

"Permitted Liens" shall mean: (a) Liens imposed by law (other than Liens imposed under Environmental Laws and any Lien imposed under ERISA) for taxes, assessments, levies or charges of any Governmental Authority for claims not yet due or which are being contested in good faith by appropriate proceedings and with respect to which adequate reserves or other appropriate provisions are being maintained in accordance with GAAP; (b) Liens of landlords, carriers, warehousemen, consignors, mechanics, materialmen and other Liens (other than Liens imposed under Environmental Laws and any Lien imposed under ERISA) in existence on the Closing Date (which, in the case of Real Property Assets, are specified in the applicable Real Estate Mortgage) or thereafter imposed by law and created in the ordinary course of business and securing obligations that are not overdue or are being contested in compliance with Section 5.05; (c) Liens (other than any Lien imposed under ERISA) incurred or deposits made (including, without limitation, surety bonds and appeal bonds) in connection with workers' compensation, unemployment insurance and other types of social security benefits or to secure the performance of tenders, bids, leases, contracts (other than for the repayment of Indebtedness), statutory obligations and other similar obligations or arising as a result of progress payments under government contracts; (d) easements (including, without limitation, reciprocal easement agreements and utility agreements), rights-of-way, covenants, reservations, encroachments, land use restrictions or encumbrances, which (i) do not interfere materially with the ordinary conduct of the business of the Borrower or any Guarantor, as the case may be, (ii) do not materially detract from the value of the property to which they attach or materially impair the use thereof to the Borrower or any Guarantor, as the case may be and (iii) do not materially adversely affect the marketability of the applicable property; (e) letters of credit or deposits in the ordinary course to secure leases; (f) in the case of Real Property Assets, those Liens specified in the applicable Real Estate Mortgage; and (g) extensions, renewals or replacements of any Lien referred to in paragraphs (a) through (e) above, provided, that the principal amount of the obligation secured thereby is not increased and that any such extension, renewal or replacement is limited to the property originally encumbered thereby.

"Person" shall mean any natural person, corporation, division of a corporation, partnership, limited liability company, trust, joint venture, association, company, estate, unincorporated organization or Governmental Authority or any agency or political subdivision thereof.

"Petty Cash Accounts" shall mean domestic or foreign deposit accounts of the Borrower and Guarantors holding aggregate balances in an amount not to exceed $25,000,000 at any one time.

"Plan" shall mean a Single Employer Plan or a Multiple Employer Plan that is a pension plan subject to the provisions of Title IV of ERISA, Section 412 of the Code or Section 302 of ERISA.

"Plan of Reorganization" shall mean the Debtors' First Amended Joint Plan of Reorganization pursuant to Chapter 11 of the United States Bankruptcy Code, dated October 20, 2005, together with all schedules and exhibits thereto, as confirmed by the Confirmation Order, together with any amendments, supplements or modifications thereto that have been approved or authorized by the Bankruptcy Court prior to the Closing Date.

"Pledge Agreement" shall mean that certain Pledge Agreement as defined in Section 4.01(c), as the same may be amended, restated, modified, supplemented, extended or amended and restated from time to time.

"Primary Foreign Slots" shall mean the Foreign Slots set forth on Schedule 1.01(b), as such Schedule may be amended from time to time pursuant to Section 5.13(c).

"Primary Gate Interests" shall mean the Gate Interests used by the Borrower to conduct scheduled nonstop operations from the points listed on Schedule 1.01(e) servicing the Primary Routes, to the extent such space is used for the operation of such flights.

"Primary Routes" shall mean the Routes set forth on Schedule 1.01(c), as such Schedule may be amended from time to time pursuant to Section 5.18(b).

"Primary Slots" shall mean those certain Slots located at LGA, DCA, JFK and any other Slots that may be transferred for consideration, all as set forth on Schedule 1.01(h), as such schedule may be amended from time to time pursuant to Section 5.12(c); provided that those certain Slots at LGA and JFK shall be excluded from Primary Slots if no Slot regulations apply at such airports.

"Primary Supporting Route Facilities" shall mean the Supporting Route Facilities of the Borrower and, if applicable, a Guarantor, at the airports listed on Schedule 1.01(f), necessary to operate, or otherwise used in support of, the operation of scheduled service over the applicable Primary Route.

"Prime Rate" shall mean the rate of interest per annum publicly announced from time to time by JPMCB as its prime rate in effect at its principal office in New York City; each change in the Prime Rate shall be effective from and including the date such change is publicly announced as being effective.

"QEC Kits" shall mean the quick engine change kits of the Borrower and any applicable Guarantor.

"Real Estate Appraiser" shall mean, in the case of the Real Property Assets, (a) CB Richard Ellis Inc., with respect to that certain parcel of real property located at 1200 Algonquin Road, Elk Grove Village, Illinois 60007, (b) National Valuation Consultants, Inc., with respect to the Denver Training Facility, or (c) such other appraisal firms as may be retained by the Agents, in consultation with the Borrower, from time to time.

"Real Estate Mortgages" shall mean, collectively, (a) that certain Real Estate Mortgage, Assignment of Leases and Rents, Security Agreement, Fixture Filing and Financing Statement and that certain Deed of Trust, Assignment of Leases and Rents, Security Agreement, Fixture Filing and Financing Statement, each dated the date hereof, by the Borrower to the Collateral Agents, in substantially the form of Exhibit A and (b) each other mortgage granted pursuant to the terms

hereof, as the same may be amended, restated, modified, supplemented, extended or amended and restated from time to time.

"Real Property Assets" shall mean those certain parcels of real property owned in fee by the Borrower and located at (i) 1200 Algonquin Road, Elk Grove Village, Illinois 60007 and (ii) the Denver Training Facility and together with, in each case, all buildings, improvements, facilities, appurtenant fixtures and equipment, easements and other property and rights incidental or appurtenant to the ownership of such parcel of real property (as each such real property is more particularly described in the applicable Real Estate Mortgage) (including, without limitation, all Collateral described in the applicable Real Estate Mortgage), and, from time to time, all Collateral identified in a Real Estate Mortgage granted pursuant to Section 5.15, Section 5.18 or any other provision of this Agreement, or designated as Cure Collateral.

"Redeemable Stock" shall mean any class or series of Equity Interests of any Person that by its terms or otherwise (a) is required to be redeemed prior to the Maturity Date, (b) may be required to be redeemed at the option of the holder of such class or series of Equity Interests at any time prior to the Maturity Date or (c) is convertible into or exchangeable for (i) Equity Interests referred to in clause (a) or (b) above or (ii) Indebtedness having a scheduled maturity prior to the Maturity Date.

"Register" shall have the meaning set forth in Section 10.02(b)(iv).

"Related Parties" shall mean, with respect to any specified Person, such Person's Affiliates and the respective directors, officers, employees, agents and advisors of such Person and such Person's Affiliates.

"Release" shall have the meaning specified in Section 101(22) of CERCLA.

"Required Lenders" shall mean, at any time, Lenders having Tranche A Commitments at such time (or, if the Total Tranche A Commitment has been terminated, Lenders holding Tranche A Loans and LC Exposure at such time), Lenders having a Delayed Draw Tranche B Loan Commitment at such time and Lenders holding a portion of the Tranche B Loan at such time collectively representing in excess of 50% of the Total Commitment.

"Responsible Officer" shall mean the chief executive officer, president, chief financial officer, treasurer, vice president, controller or chief accounting officer of the Borrower or the Guarantor, if applicable, but in any event, with respect to financial matters, the chief financial officer, treasurer, controller or chief accounting officer of the Borrower or the Guarantor, if applicable.

"Restricted Payment" shall mean any dividend or other distribution (whether in cash, securities or other property) with respect to any Equity Interests in the Borrower or any Guarantor, or any payment (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, cancellation or termination of any such Equity Interests in the Borrower or any option, warrant or other right to acquire any such Equity Interests in the Borrower.

"Restricted Prepayments" shall mean, with respect to any Person, any repayment, redemption, repurchase, defeasance (including, but not limited to, in substance or legal defeasance) or other acquisition or retirement for value (other than through the issuance solely of Equity Interests (other than Redeemable Stock) or warrants, rights or options to acquire Equity Interests (other than Redeemable Stock)) of subordinated Indebtedness (or any transaction that has a substantially similar effect) of such Person or any Subsidiary of such Person, directly or indirectly (including by way of setoff or amendment of the terms of any subordinated Indebtedness in connection with any retirement or acquisition of such Indebtedness), which is made other than at any scheduled maturity thereof or by any scheduled repayment or scheduled sinking fund payment (collectively for this definition, a "prepayment"); provided that prepayment of the Loans shall not constitute a Restricted Prepayment.

"Rolling Twelve Months" shall mean, with respect to any date of determination, the month then ended and the eleven (11) immediately preceding months considered as a single period.

"Routes" shall mean the routes for which the Borrower or, if applicable, a Guarantor, holds or hereafter acquires the requisite authority to operate foreign air transportation pursuant to Title 49 including, without limitation, applicable frequencies, exemption and certificate authorities, Fifth-Freedom Rights and "behind/beyond rights".

"S&P" shall mean Standard & Poor's, a division of The McGraw-Hill Companies, Inc.

"SEC" shall mean the United States Securities and Exchange Commission.

"Secured Parties" shall mean the Agents, the Collateral Agents, the Paying Agent, the Lenders and each of their respective successors and assigns.

"Security Agreement" shall mean that certain Security Agreement as defined in Section 4.01(c), as the same may be amended, restated, modified, supplemented, extended or amended and restated from time to time.

"Senior Convertible Note Indenture" shall mean that certain Indenture to be entered into by and among the Parent as issuer, the Borrower as guarantor and The Bank of New York Trust Company, N.A. as Trustee, for the issuance of $726,424,000 principal amount of Senior Convertible Notes, the form of which has heretofore been furnished to the Agents, or such other indenture on terms not materially adverse to the Lenders, as determined in the reasonable judgment of the Agents.

"Senior Convertible Note Indenture-2" shall mean that certain Indenture dated as of February 1, 2006 by and among the Parent as issuer, the Borrower as guarantor and The Bank of New York Trust Company, N.A., as Trustee, for the issuance of $149,646,114 principal amount of Senior Convertible Notes or such other indenture on terms not materially adverse to the Lenders, as determined in the reasonable judgment of the Agents.

"Senior Note Indenture" shall mean that certain Indenture, dated as of February 1, 2006 for the issuance of up to $1,000,000,000 (or, as may be adjusted pursuant to the terms of

the Indenture) principal amount of Senior Notes or such other indenture on terms not materially adverse to the Lenders, as determined in the reasonable judgment of the Agents.

"SGR Security Agreement" shall mean that certain Slot, Gate and Route Security and Pledge Agreement as defined in Section 4.01(d), as the same may be amended, restated, modified, supplemented, extended or amended and restated from time to time.

"Single Employer Plan" shall mean a single employer plan, as defined in Section 4001(a)(15) of ERISA, that (a) is maintained for employees of the Borrower or an ERISA Affiliate or (b) was so maintained and in respect of which the Borrower could reasonably be expected to have liability under Title IV of ERISA in the event such Plan has been or were to be terminated.

"Slot" shall mean all of the rights and operational authority of the Borrower and, if applicable, a Guarantor, now held or hereafter acquired, to conduct one Instrument Flight Rule (as defined under the FAA regulations) or scheduled landing or takeoff operation at a specific time or during a specific time period at any airport in the United States at which landing or takeoff operations are restricted, including, but not limited to, slots, arrival authorizations, and other similar landing or takeoff authorities, whether pursuant to FAA, DOT or local airport regulations, including Title 14, federal or local statute or otherwise, now or hereinafter in effect; so long as such restrictions shall be or remain in effect at such airport.

"Spare Engine" shall have the meaning set forth in the Aircraft Mortgage.

"Spare Parts" shall have the meaning set forth in the Aircraft Mortgage.

"Statutory Reserve Rate" shall mean a fraction (expressed as a decimal), the numerator of which is the number one and the denominator of which is the number one minus the aggregate of the maximum reserve percentages (including any marginal, special, emergency or supplemental reserves) expressed as a decimal established by the Board to which the Paying Agent is subject with respect to the Adjusted LIBO Rate, for eurocurrency funding (currently referred to as "Eurocurrency Liabilities" in Regulation D of the Board). Such reserve percentages shall include those imposed pursuant to such Regulation D. Eurodollar Loans shall be deemed to constitute eurocurrency funding and to be subject to such reserve requirements without benefit of or credit for proration, exemptions or offsets that may be available from time to time to any Lender under such Regulation D or any comparable regulation. The Statutory Reserve Rate shall be adjusted automatically on and as of the effective date of any change in any reserve percentage.

"Stored" shall mean, as to any Aircraft, Engine or Spare Engine (as each is defined in the Aircraft Mortgage), that such Aircraft, Engine or Spare Engine has been stored (a) with a low expectation of a return to service and (b) in a manner intended to minimize the rate of environmental degradation of the structure and components of such Aircraft, Engine or Spare Engine (as the case may be) during such period.

"Subsidiary" shall mean, with respect to any Person (in this definition referred to as the "parent"), any corporation, association or other business entity (whether now existing or hereafter organized) of which at least a majority of the securities or other ownership or

membership interests having ordinary voting power for the election of directors is, at the time as of which any determination is being made, owned or controlled by the parent or one or more subsidiaries of the parent or by the parent and one or more subsidiaries of the parent.

"Supporting Route Facilities" shall mean gates, ticket counters and other facilities assigned, allocated, leased, or made available to the Borrower at non-U.S. airports used in the operation of scheduled service over a Route.

"Swap Termination Value" means, in respect of any contract or agreement relating to Indebtedness permitted by 6.03(f), after taking into account the effect of any legally enforceable netting agreement relating to such contract or agreement, (a) for any date on or after the date such contract or agreement has been closed out and termination value(s) determined in accordance therewith, such termination value(s), and (b) for any date prior to the date referenced in clause (a), the amount(s) determined as the mark-to-market value(s) for such contract or agreement, as determined based upon one or more mid-market or other readily available quotations provided by any recognized dealer in such contract or agreement (which may include a Lender or any Affiliate of a Lender).

"Tax Sharing Agreement" shall mean an agreement among the Parent and certain of its Subsidiaries providing for tax sharing and/or tax allocation between the parties thereto which agreement shall be reasonably satisfactory to the Agents.

"Taxes" shall mean any and all present or future taxes, levies, imposts, duties, deductions, charges or withholdings imposed by any Governmental Authority.

"Termination Date" shall mean the earlier to occur of (a) the Maturity Date and (b) the acceleration of the Loans and the termination of the Total Commitment in accordance with the terms hereof.

"Termination Event" shall mean (a) any "reportable event", as defined in Section 4043 of ERISA or the regulations issued thereunder with respect to a Plan (other than an event for which the 30-day notice period is waived), (b) an event described in Section 4068 of ERISA, (c) the withdrawal of the Borrower or any ERISA Affiliate from a Multiple Employer Plan during a plan year in which it was a "substantial employer," as such term is defined in Section 4001(a)(2) of ERISA, (d) the incurrence of liability by the Borrower or any ERISA Affiliate under Section 4064 of ERISA upon the termination of a Multiple Employer Plan, (e) the imposition of Withdrawal Liability or receipt of notice from a Multiemployer Plan that such liability may be imposed, (f) a determination that a Multiemployer Plan is, or is expected to be, insolvent or in reorganization, within the meaning of Title IV of ERISA, (g) providing notice of intent to terminate a Plan pursuant to Section 4041(c) of ERISA or the treatment of a Plan amendment as a termination under Section 4041 of ERISA, if such amendment requires the provision of security, (h) the institution of proceedings to terminate a Plan by the PBGC under Section 4042 of ERISA, (i) the existence with respect to any Plan of an "accumulated funding deficiency" (as defined in Section 412 of the Code or Section 302 of ERISA), whether or not

waived, (j) the filing pursuant to Section 412(d) of the Code or Section 303(d) of ERISA of an application for a waiver of the minimum funding standard with respect to any Plan, or (k) any other event or condition which would reasonably be expected to constitute grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Plan, or the imposition of any liability under Title IV of ERISA (other than for the payment of premiums to the PBGC in the ordinary course).

"Title 14" shall mean Title 14 of the United States Code of Federal Regulations, including Part 93, Subparts K and S thereof, as amended from time to time or any successor or recodified regulation.

"Title 49" shall mean Title 49 of the United States Code, which, among other things, recodified and replaced the U.S. Federal Aviation Act of 1958, and the rules and regulations promulgated pursuant thereto or any subsequent legislation that amends, supplements or supersedes such provisions.

"Total Commitment" shall mean, at any time, the sum of the Total Tranche A Commitment (or, if the Total Tranche A Commitment has been terminated, the Tranche A Total Commitment Usage at such time), the Total Delayed Draw Tranche B Loan Commitment (only until the Delayed Draw Tranche B Loan Commitment Termination Date shall have occurred) and the Total Tranche B Commitment at such time.

"Total Commitment Percentage" shall mean, at any time, with respect to each Tranche A Lender or Tranche B Lender, the percentage obtained by dividing such Lender's Tranche A Commitment, Delayed Draw Tranche B Loan Commitment and/or Tranche B Commitment, as the case may be, by the Total Commitment at such time.

"Total Delayed Draw Tranche B Loan Commitment" shall mean, at any time, the sum of the Delayed Draw Tranche B Commitments at such time.

"Total Tranche A Commitment" shall mean, at any time, the sum of the Tranche A Commitments at such time.

"Total Tranche B Commitment" shall mean, at any time, the outstanding amount of the Tranche B Loan at such time.

"Trademark Security Agreement" shall mean that certain Trademark Security Agreement as defined in Section 4.01(f), as the same may be amended, restated, modified, supplemented, extended or amended and restated from time to time.

"Tranche A Commitment" shall mean the commitment of each Tranche A Lender to make Tranche A Loans hereunder in the amount set forth opposite its name in Annex A hereto or as may be subsequently set forth in the Register from time to time, as the case may be, and as may be reduced from time to time pursuant to Section 2.10 and Section 2.11.

"Tranche A Commitment Percentage" shall mean, at any time, with respect to each Tranche A Lender, the percentage obtained by dividing its Tranche A Commitment at such time by the Total Tranche A Commitment or, if the Tranche A Commitments have been terminated, the Tranche A Commitment Percentage of each Tranche A Lender that existed immediately prior to such termination.

"Tranche A Lender" shall mean each Lender having a Tranche A Commitment.

"Tranche A Loan" shall have the meaning set forth in Section 2.01(a).

"Tranche A Total Commitment Usage" shall mean at any time, the sum of (a) the aggregate outstanding principal amount of all Tranche A Loans and (b) the aggregate LC Exposure at such time.

"Tranche B Commitment" shall mean the commitment of each Tranche B Lender to make such amount of the Tranche B Loan hereunder in the amount set forth opposite its name in Annex A hereto or as may be subsequently set forth in the Register from time to time, as the case may be.

"Tranche B Commitment Percentage" shall mean, at any time, with respect to each Tranche B Lender, the percentage obtained by dividing its Tranche B Commitment at such time by the Total Tranche B Commitment.

"Tranche B Lender" shall mean each Lender having a Tranche B Commitment and/or a Delayed Draw Tranche B Loan Commitment.

"Tranche B Loan" shall have the meaning set forth in Section 2.01(b).

"Transactions" shall mean the execution, delivery and performance by the Borrower and Guarantors of this Agreement and the other Loan Documents to which they may be a party, the creation of the Liens in the Collateral in favor of the Collateral Agents, the borrowing of Loans, the use of the proceeds thereof and the request for and issuance of Letters of Credit hereunder.

"Type", when used in reference to any Loan or Borrowing, refers to whether the rate of interest on such Loan, or on the Loans comprising such Borrowing, is determined by reference to the Adjusted LIBO Rate or the Alternate Base Rate.

"UAFC" shall mean United Aviation Fuels Corporation.

"United States Citizen" shall have the meaning set forth in Section 3.02.

"Unrestricted Cash" shall mean all cash and Permitted Investments of the Borrower or any Guarantor held in an account (other than Escrow Accounts, Payroll Accounts, Petty Cash Accounts and proceeds of insurance claims temporarily held pursuant to Section 2.11(b)) maintained at one of the Agents or an account at another bank or financial institution which account is the subject of a Control Agreement that has been executed and delivered to the Collateral Agents.

"Unused Total Tranche A Commitment" shall mean, at any time, (a) the Total Tranche A Commitment less (b) the Tranche A Total Commitment Usage.

"Use or Lose Rule" shall mean with respect to Slots or Foreign Slots, as the case may be, the terms of 14 C.F.R. Section 93.227 or other applicable utilization requirements issued by the FAA, other Governmental Authorities, any Foreign Aviation Authorities or any Airport Authorities.

"Withdrawal Liability" shall have the meaning given such term under Part I of Subtitle E of Title IV of ERISA and shall include liability that results from either a complete or partial withdrawal.

SECTION 1.02 **Terms Generally**. The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation". The word "will" shall be construed to have the same meaning and effect as the word "shall". Unless the context requires otherwise (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, restated, supplemented, extended, amended and restated or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (b) any reference herein to any Person shall be construed to include such Person's permitted successors and assigns, (c) the words "herein", "hereof" and "hereunder", and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (d) all references herein to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, this Agreement, (e) the words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights and (f) "knowledge" or "aware" or words of similar import shall mean, when used in reference to the Borrower or the Guarantors, the actual knowledge of any Responsible Officer.

SECTION 1.03 **Accounting Terms; GAAP**. Except as otherwise expressly provided herein, all terms of an accounting or financial nature shall be construed in accordance with GAAP, as in effect from time to time; provided that, if the Borrower notifies the Agents that the Borrower requests an amendment to any provision hereof to eliminate the effect of any change occurring after the date hereof in GAAP or in the application thereof on the operation of such provision (or if either Agent (in consultation with the other Agent) notifies the Borrower that the Required Lenders request an amendment to any provision hereof for such purpose), regardless of whether any such notice is given before or after such change in GAAP or in the application thereof, then such provision shall be interpreted on the basis of GAAP as in effect and applied immediately before such change shall have become effective until such notice shall have been withdrawn or such provision amended in accordance herewith. Upon any such request for an amendment, Borrower, the Required Lenders and the Agents agree to consider in good faith any such amendment in order to amend the provisions of this Agreement so as to reflect equitably such accounting changes so that the criteria for evaluating the Borrower's financial

condition shall be the same after such accounting changes as if such accounting changes had not occurred.

SECTION 2. **AMOUNT AND TERMS OF CREDIT**

SECTION 2.01 **Commitments of the Lenders**.

(a) Tranche A Revolving Commitment. (i) Each Tranche A Lender severally, and not jointly with the other Tranche A Lenders, agrees, upon the terms and subject to the conditions herein set forth, to make revolving credit loans (each a "Tranche A Loan" and collectively, the "Tranche A Loans") to the Borrower at any time and from time to time during the Availability Period in an aggregate principal amount not to exceed, when added to such Tranche A Lender's Tranche A Commitment Percentage of its LC Exposure, the Tranche A Commitment of such Lender, which Tranche A Loans may be repaid and reborrowed in accordance with the provisions of this Agreement. At no time shall the sum of the then outstanding aggregate principal amount of the Tranche A Loans plus the LC Exposure exceed the Total Tranche A Commitment of $200,000,000 as the same may be reduced from time to time pursuant to Section 2.10 and Section 2.11.

(ii) Each Borrowing of a Tranche A Loan shall be made from the Tranche A Lenders pro rata in accordance with their respective Tranche A Commitments; provided, however, that the failure of any Tranche A Lender to make any Tranche A Loan shall not in itself relieve the other Tranche A Lenders of their obligations to lend.

(b) Tranche B Term Loan Commitment. (i) Each Tranche B Lender, severally and not jointly with the other Tranche B Lenders, agrees, upon the terms and subject to the conditions herein set forth, to make available to the Borrower a term loan in an aggregate principal amount equal to such Tranche B Lender's Tranche B Commitment (collectively and together with the Delayed Draw Tranche B Loan, if made, as set forth in Section 2.01(c), the "Tranche B Loan"). Upon the satisfaction (or waiver) of the conditions set forth in Section 4.01, each Tranche B Lender shall make its portion of the Tranche B Loan to the Borrower in the amount equal to such Tranche B Lender's Tranche B Commitment Percentage of $2,450,000,000. Once repaid, the Tranche B Loan may not be reborrowed and the Total Tranche B Commitment shall be automatically and permanently reduced by an amount equal to the amount so repaid.

(ii) The Tranche B Loan shall be made by the Tranche B Lenders pro rata in accordance with their respective Tranche B Commitment; provided, however, that the failure of any Tranche B Lender to make its Tranche B Loan shall not in itself relieve the other Tranche B Lenders of their obligations to lend.

(c) Delayed Tranche B Loan Availability. (i) Each Tranche B Lender, severally and not jointly with the other Tranche B Lenders, agrees, upon the terms and subject to the conditions hereinafter set forth, to make available to the Borrower an additional Tranche B Loan (the "Delayed Draw Tranche B Loan") on any Business Day during the Delayed Draw Tranche B Loan Availability Period. Upon the satisfaction (or waiver) of the conditions set forth in Section 4.03, each Tranche B Lender shall make its portion of the Delayed Draw Tranche B

Loan to the Borrower in the amount equal to such Tranche B Lender's Delayed Draw Tranche B Loan Commitment Percentage of $350,000,000. Once repaid, the Delayed Draw Tranche B Loan may not be reborrowed and the Total Delayed Draw Tranche B Loan Commitment shall be automatically and permanently reduced by an amount equal to the amount so repaid. Once made, the Delayed Draw Tranche B Loan shall be a "Tranche B Loan" and a "Loan" for all purposes hereunder and shall be pari passu with all other Loans made hereunder.

(ii) The Delayed Draw Tranche B Loan shall be made by the Tranche B Lenders holding a Delayed Draw Tranche B Loan Commitment pro rata in accordance with their respective Delayed Draw Tranche B Loan Commitments; provided, however, that the failure of any such Tranche B Lender to make its Delayed Draw Tranche B Loan shall not in itself relieve the other Tranche B Lenders of their obligations to lend.

(d) Type of Borrowing. Other than as otherwise provided in Section 2.03(b), each Borrowing shall be comprised entirely of ABR Loans or Eurodollar Loans as the Borrower may request in accordance herewith. Each Lender at its option may make any Eurodollar Loan by causing any domestic or foreign branch or Affiliate of such Lender to make such Loan; provided that any exercise of such option shall not affect the obligation of the Borrower to repay such Loan in accordance with the terms of this Agreement.

(e) Amount of Borrowing. At the commencement of each Interest Period for any Eurodollar Borrowing, such Borrowing shall be in an aggregate amount that is in an integral multiple of $1,000,000 and not less than $5,000,000. At the time that each ABR Borrowing is made, such Borrowing shall be in an aggregate amount that is an integral multiple of $100,000 and not less than $1,000,000 provided, that an ABR Borrowing may be in an aggregate amount that is equal to the entire Unused Total Tranche A Commitment or that is required to finance the reimbursement of an LC Disbursement as contemplated by Section 2.02(f). Borrowings of more than one Type may be outstanding at the same time.

(f) Limitation on Interest Period. Notwithstanding any other provision of this Agreement, the Borrower shall not be entitled to request, or to elect to convert or continue, any Borrowing if the Interest Period requested with respect thereto would end after the Maturity Date.

SECTION 2.02 **Letters of Credit**. (a) General. Subject to the terms and conditions set forth herein, the Borrower may request the issuance of one or more Letters of Credit for its own account, in a form reasonably acceptable to the Agents, the Issuing Lender and the Borrower at any time and from time to time during the Availability Period. In the event of any inconsistency between the terms and conditions of this Agreement and the terms and conditions of any form of letter of credit application or other agreement submitted by the Borrower to, or entered into by the Borrower with, the Issuing Lender relating to any Letter of Credit, the terms and conditions of this Agreement shall control. At no time shall a Letter of Credit be issued if the sum of the then outstanding aggregate principal amount of the Tranche A Loans plus the LC Exposure (inclusive of the amount of such proposed Letter of Credit) would exceed the Total Tranche A Commitment of $200,000,000, as the same may be reduced from time to time pursuant to Sections 2.10 and 2.11.

(b) Notice of Issuance, Amendment, Renewal, Extension; Certain Conditions. To request the issuance of a Letter of Credit (or the amendment, renewal or extension of an outstanding Letter of Credit), the Borrower shall either provide (i) telephonic notice promptly followed by written notice or (ii) hand deliver or telecopy (or transmit by electronic communication, if arrangements for doing so have been approved by the Issuing Lender (which approval shall not be unreasonably withheld, delayed or conditioned)) to the Issuing Lender and the Paying Agent (reasonably in advance of the requested date of issuance, amendment, renewal or extension) a notice requesting the issuance of a Letter of Credit, or identifying the Letter of Credit to be amended, renewed or extended, and specifying the date of issuance, amendment, renewal or extension (which shall be a Business Day), the date on which such Letter of Credit is to expire (which shall comply with paragraph (c) of this Section), the amount of such Letter of Credit, the name and address of the beneficiary thereof and such other information as shall be necessary to prepare, amend, renew or extend such Letter of Credit. If requested by the Issuing

Lender, the Borrower also shall submit a letter of credit application on the Issuing Lender's standard form in connection with any request for a Letter of Credit; provided, that to the extent such standard form is inconsistent with the Loan Documents, the Loan Documents shall control. A Letter of Credit shall be issued, amended, renewed or extended only if (and upon issuance, amendment, renewal or extension of each Letter of Credit the Borrower shall be deemed to represent and warrant that), after giving effect to such issuance, amendment, renewal or extension the LC Exposure (together with the then outstanding aggregate principal amount of the Tranche A Loans) shall not exceed $200,000,000. No Issuing Lender (other than the Paying Agent or an Affiliate thereof) shall permit any such issuance, renewal, extension or amendment resulting in an increase in the amount of any Letter of Credit to occur without first obtaining written confirmation from either Agent (in consultation with the other Agent) that it is then permitted under this Agreement.

(c) Expiration Date. Each Letter of Credit shall expire at or prior to the close of business on the earlier of (i) the date one year after the date of the issuance of such Letter of Credit (or, in the case of any renewal or extension thereof, one year after such renewal or extension) and (ii) the Maturity Date.

(d) Participations. By the issuance of a Letter of Credit (or an amendment, renewal or extension of a Letter of Credit including any amendment increasing the amount thereof), including, without limitation, each Existing DIP Facility Letter of Credit that is deemed to be a Letter of Credit hereunder, and without any further action on the part of the Issuing Lender or the Tranche A Lenders, the Issuing Lender hereby grants to each Tranche A Lender, and each Tranche A Lender hereby acquires from the Issuing Lender, a participation in such Letter of Credit equal to such Tranche A Lender's Tranche A Commitment Percentage of the aggregate amount available to be drawn under such Letter of Credit. In consideration and in furtherance of the foregoing, each Tranche A Lender hereby absolutely and unconditionally agrees to pay to the Paying Agent, for the account of the Issuing Lender, such Tranche A Lender's Tranche A Commitment Percentage of each LC Disbursement made by the Issuing Lender and not reimbursed by the Borrower on the date due as provided in paragraph (e) of this Section, or of any reimbursement payment required to be refunded to the Borrower for any reason. Each Tranche A Lender acknowledges and agrees that its obligation to acquire participations pursuant to this paragraph in respect of Letters of Credit is absolute and unconditional and shall not be affected by any circumstance whatsoever, including any

amendment, renewal or extension of any Letter of Credit or the occurrence of an Event of Default or reduction or termination of the Tranche A Commitments, and that each such payment shall be made without any offset, abatement, withholding or reduction whatsoever.

(e) Reimbursement. If the Issuing Lender shall make any LC Disbursement in respect of a Letter of Credit, the Borrower shall reimburse such LC Disbursement by paying to the Paying Agent an amount equal to such LC Disbursement not later than the first Business Day following the date the Borrower receives notice of such LC Disbursement; provided, that, to the extent not reimbursed and, subject to the satisfaction (or waiver) of the conditions to borrowing set forth herein, including, without limitation, making a request in accordance with Section 2.03(a) that such payment shall be financed with an ABR Borrowing in an equivalent amount and, to the extent so financed, the Borrower's obligation to make such payment shall be discharged and replaced by the resulting ABR Borrowing. If the Borrower fails to make such payment when due (including by a Borrowing), the Paying Agent shall notify each Tranche A Lender of the applicable LC Disbursement, the payment then due from the Borrower in respect thereof and such Tranche A Lender's Tranche A Commitment Percentage thereof. Promptly following receipt of such notice, each Tranche A Lender shall pay to the Paying Agent its Tranche A Commitment Percentage of the payment then due from the Borrower, in the same manner as provided in Section 2.04 with respect to Tranche A Loans made by such Tranche A Lender (and Section 2.04 shall apply, mutatis mutandis, to the payment obligations of the Tranche A Lenders), and the Paying Agent shall promptly pay to the Issuing Lender the amounts so received by it from the Tranche A Lenders. Promptly following receipt by the Paying Agent of any payment from the Borrower pursuant to this paragraph, the Paying Agent shall distribute such payment to the Issuing Lender or, to the extent that Tranche A Lenders have made payments pursuant to this paragraph to reimburse the Issuing Lender, then to such Tranche A Lenders and the Issuing Lender as their interests may appear. Any payment made by a Tranche A Lender pursuant to this paragraph to reimburse the Issuing Lender for any LC Disbursement (other than the funding of ABR Loans as contemplated above) shall not constitute a Tranche A Loan and shall not relieve the Borrower of its obligation to reimburse such LC Disbursement.

(f) Obligations Absolute. The Borrower's obligation to reimburse LC Disbursements as provided in paragraph (e) of this Section shall be absolute, unconditional and irrevocable, and shall be performed strictly in accordance with the terms of this Agreement under any and all circumstances whatsoever and irrespective of (i) any lack of validity or enforceability of any Letter of Credit or this Agreement, or any term or provision therein or herein, (ii) any draft or other document presented under a Letter of Credit proving to be forged, fraudulent or invalid in any respect or any statement therein being untrue or inaccurate in any respect, (iii) payment by the Issuing Lender under a Letter of Credit against presentation of a draft or other document that does not comply with the terms of such Letter of Credit, or (iv) any other event or circumstance whatsoever, whether or not similar to any of the foregoing, that might, but for the provisions of this Section, constitute a legal or equitable discharge of, or provide a right of setoff against, the Borrower's obligations hereunder. Neither the Paying Agent, the Agents, the Tranche A Lenders nor the Issuing Lender, nor any of their Related Parties, shall have any liability or responsibility by reason of or in connection with the issuance or transfer of any Letter of Credit or any payment or failure to make any payment thereunder (irrespective of any of the circumstances referred to in the preceding sentence), or any error, omission, interruption, loss or

delay in transmission or delivery of any draft, notice or other communication under or relating to any Letter of Credit (including any document required to make a drawing thereunder), any error in interpretation of technical terms or any consequence arising from causes beyond the control of the Issuing Lender; provided, that the foregoing shall not be construed to excuse the Issuing Lender from liability to the Borrower to the extent of any direct damages (as opposed to consequential damages, claims in respect of which are hereby waived by the Borrower to the extent permitted by applicable law) suffered by the Borrower that are caused by the Issuing Lender's failure to exercise care when determining whether drafts and other documents presented under a Letter of Credit comply with the terms thereof. The parties hereto expressly agree that, in the absence of gross negligence, bad faith or willful misconduct on the part of the Issuing Lender (as finally determined by a court of competent jurisdiction), the Issuing Lender shall be deemed to have exercised care in each such determination. In furtherance of the foregoing and without limiting the generality thereof, the parties agree that, with respect to documents presented which appear on their face to be in substantial compliance with the terms of a Letter of Credit, the Issuing Lender may, in its sole discretion, either accept and make payment upon such documents without responsibility for further investigation, regardless of any notice or information to the contrary, or refuse to accept and make payment upon such documents if such documents are not in strict compliance with the terms of such Letter of Credit.

(g) Disbursement Procedures. The Issuing Lender shall, promptly following its receipt thereof, examine all documents purporting to represent a demand for payment under a Letter of Credit. The Issuing Lender shall promptly notify the Paying Agent and the Borrower by telephone

(confirmed by telecopy) of such demand for payment and whether the Issuing Lender has made or will make an LC Disbursement thereunder; provided, that any failure to give or delay in giving such notice shall not relieve the Borrower of its obligation to reimburse the Issuing Lender and the Tranche A Lenders with respect to any such LC Disbursement in accordance with the terms herein.

(h) Interim Interest. If the Issuing Lender shall make any LC Disbursement, then, unless the Borrower shall reimburse (including by a Borrowing) such LC Disbursement in full not later than the first Business Day following the date such LC Disbursement is made, the unpaid amount thereof shall bear interest, for each day from and including the date such LC Disbursement is made to but excluding the date that the Borrower reimburses such LC Disbursement, at the rate per annum then applicable to ABR Loans; provided, that, if the Borrower fails to reimburse such LC Disbursement when due pursuant to paragraph (e) of this Section, then Section 2.07 shall apply. Interest accrued pursuant to this paragraph shall be for the account of the Issuing Lender, except that interest accrued on and after the date of payment by any Tranche A Lender pursuant to paragraph (e) of this Section to reimburse the Issuing Lender shall be for the account of such Tranche A Lender to the extent of such payment.

(i) Replacement of the Issuing Lender. Any Issuing Lender may be replaced at any time by written agreement among the Borrower, the Agents, the replaced Issuing Lender and the successor Issuing Lender. The Agents shall notify the Tranche A Lenders of any such replacement of the Issuing Lender. At the time any such replacement shall become effective, the Borrower shall pay all unpaid fees accrued for the account of the replaced Issuing Lender pursuant to Section 2.20. From and after the effective date of any such replacement, (i) the successor Issuing Lender shall have all the rights and obligations of the Issuing Lender under this

Agreement with respect to Letters of Credit to be issued thereafter and (ii) references herein to the term "Issuing Lender" shall be deemed to refer to such successor or to any previous Issuing Lender, or to such successor and all previous Issuing Lenders, as the context shall require. After the replacement of an Issuing Lender hereunder, the replaced Issuing Lender shall remain a party hereto and shall continue to have all the rights and obligations of an Issuing Lender under this Agreement with respect to Letters of Credit issued by it prior to such replacement, but shall not be required to issue additional Letters of Credit.

(j) Replacement of Letters of Credit; Cash Collateralization. Upon or prior to the occurrence of the Termination Date the Borrower shall (i) cause all Letters of Credit which expire after the Termination Date to be returned to the Issuing Lender undrawn and marked "cancelled" or (ii) if the Borrower is unable to do so in whole or in part either (A) provide one or more "back-to-back" letters of credit to one or more Issuing Lenders in a form reasonably satisfactory to each such Issuing Lender that is a beneficiary of such "back-to-back" letter of credit and the Agents, issued by a bank reasonably satisfactory to each such Issuing Lender and the Agents, and/or (B) deposit cash in the Letter of Credit Account, the sum of (A) and (B) of the foregoing sentence to be in an aggregate amount equal to 102% of the then undrawn stated amount of all LC Exposure (less the amount, if any, then on deposit in the Letter of Credit Account) as collateral security for the Borrower's reimbursement obligations in connection therewith, such cash to be promptly remitted to the Borrower upon the expiration, cancellation or other termination or satisfaction of such reimbursement obligations in whole or in part ("Cash Collateralization"). The Paying Agent shall have exclusive dominion and control, including the exclusive right of withdrawal, over such account. Other than any interest earned on the investment of such deposits, which investments shall be made at the option and sole discretion of the Paying Agent (in accordance with its usual and customary practices for investments of this type) and at the Borrower's risk and reasonable expense, such deposits shall not bear interest. Interest or profits, if any, on such investments shall accumulate in such account. Moneys in such account shall be applied by the Paying Agent to reimburse the Issuing Lender for LC Disbursements for which it has not been reimbursed and, to the extent not so applied, shall be held for the satisfaction of the reimbursement obligations of the Borrower for the LC Exposure at such time and paid over to the Borrower when such Letters of Credit are terminated or cancelled or when the reimbursement obligations have been satisfied, provided no Event of Default or event which upon notice or lapse of time or both would constitute an Event of Default has occurred or is continuing.

(k) Issuing Lender Agreements. Unless otherwise requested by the Paying Agent, each Issuing Lender shall report in writing to the Paying Agent (i) on the first Business Day of each week, the daily activity (set forth by day) in respect of Letters of Credit during the immediately preceding week, including all issuances, extensions, amendments and renewals, all expirations and cancellations and all disbursements and reimbursements, (ii) on or prior to each Business Day on which such Issuing Lender expects to issue, amend, renew or extend any Letter of Credit, the date of such issuance, amendment, renewal or extension, and the aggregate face amount of the Letters of Credit to be issued, amended, renewed, or extended by it and outstanding after giving effect to such issuance, amendment, renewal or extension occurred (and whether the amount thereof changed), it being understood that such Issuing Lender shall not permit any issuance, renewal, extension or amendment resulting in an increase in the amount of any Letter of Credit to occur without first obtaining written confirmation from either Agent (in

consultation with the other Agent) that it is then permitted under this Agreement, (iii) on each Business Day on which such Issuing Lender makes any LC Disbursement, the date of such LC Disbursement and the amount of such LC Disbursement, (iv) on any Business Day on which a Borrower fails to reimburse an LC Disbursement required to be reimbursed to such Issuing Lender on such day, the date of such failure, and the amount and currency of such LC Disbursement and (v) on any other Business Day, such other information as the Paying Agent shall reasonably request.

SECTION 2.03 **Requests for Borrowings**.

(a) Tranche A Loans. Unless otherwise agreed to by the Agents in connection with making the initial Loans, to request a Borrowing of Tranche A Loans, the Borrower shall notify the Paying Agent of such request by telephone (i) in the case of a Eurodollar Borrowing, not later than 2:00 p.m., New York City time, three (3) Business Days before the date of the proposed Borrowing and (ii) in the case of an ABR Borrowing, not later than 2:00 p.m., New York City time, one (1) Business Day before the date of the proposed Borrowing (subject, in the case of an ABR Borrowing, to the last sentence of this Section 2.03(a)); provided, that any such notice of an ABR Borrowing to finance the reimbursement of an LC Disbursement as contemplated by Section 2.02(e) may be given not later than 12:00 noon, New York City time, on the date of the proposed Borrowing. Each such telephonic Borrowing Request shall be irrevocable and shall be confirmed promptly by hand delivery or telecopy to the Paying Agent of a written Borrowing Request in a form approved by the Paying Agent and signed by the Borrower. Each such telephonic and written Borrowing Request shall specify the following information in compliance with Section 2.01(a):

(i) the aggregate amount of the requested Borrowing (which shall not be less than $5,000,000 (and integral multiples of $1,000,000) in the case of a Eurodollar Borrowing and $1,000,000 (and integral multiples of $100,000) in the case of an ABR Borrowing);

(ii) the date of such Borrowing, which shall be a Business Day;

(iii) whether such Borrowing is to be an ABR Borrowing or a Eurodollar Borrowing; and

(iv) in the case of a Eurodollar Borrowing, the initial Interest Period to be applicable thereto, which shall be a period contemplated by the definition of the term "Interest Period".

If no election as to the Type of Borrowing is specified, then the requested Borrowing shall be an ABR Borrowing. If no Interest Period is specified with respect to any requested Eurodollar Borrowing, then the Borrower shall be deemed to have selected an Interest Period of one month's duration. Promptly following receipt of a Borrowing Request in accordance with this Section 2.03(a), the Paying Agent shall advise each Tranche A Lender of the details thereof and of the amount of such Tranche A Lender's Loan to be made as part of the requested Borrowing. Notwithstanding anything to the contrary contained herein, with respect to an ABR Borrowing in an aggregate amount of $20,000,000 or less, the Lenders shall make such Borrowings available

to the Paying Agent and the Paying Agent shall disburse such Borrowings in accordance with the Borrower's instructions consistent with this Agreement by 3:00 p.m., New York City time, on the same Business Day that the Borrower gives notice to the Paying Agent of such Borrowing by 12:00 p.m., New York City time.

(b) Tranche B Loan. To request the initial Borrowing of the Tranche B Loan or the Delayed Draw Tranche B Loan, the Borrower shall notify the Paying Agent of such request by telephone (i) in the case of a Eurodollar Borrowing, not later than 2:00 p.m., New York City time, three (3) Business Days before the date of the proposed Borrowing and (ii) in the case of an ABR Borrowing, not later than 2:00 p.m., New York City time, one (1) Business Day before the date of the proposed Borrowing (subject, in the case of an ABR Borrowing, to the last sentence of this Section 2.03(b)). Such telephonic notice shall be irrevocable and shall be confirmed promptly by hand delivery or telecopy to the Paying Agent of a written Borrowing Request in a form approved by the Paying Agent and signed by the Borrower. Such telephone and written Borrowing Request shall specify the following information in compliance with Section 2.01:

(i) the aggregate amount of the requested Borrowing (which shall not be less than $5,000,000 (and integral multiples of $1,000,000) in the case of a Eurodollar Borrowing and $1,000,000 (and integral multiples of $100,000) in the case of an ABR Borrowing);

(ii) the date of such Borrowing, which shall be a Business Day;

(iii) the portion of the Borrowing that is to be an ABR Borrowing and that is to be a Eurodollar Borrowing; and

(iv) in the case of such portion of the Borrowing that is a Eurodollar Borrowing, the initial Interest Period applicable thereto, which shall be a period contemplated by the definition of the term "Interest Period".

If no election as to the Type of Borrowing is specified, then the requested Borrowing shall be an ABR Borrowing. If no Interest Period is specified with respect to any portion of the requested Borrowing that is to be a Eurodollar Borrowing, then the Borrower shall be deemed to have selected an Interest Period of one month's duration. Promptly following receipt of the Borrowing Request in accordance with this Section 2.03(b), the Paying Agent shall advise each Tranche B Lender of the details thereof and of the amount of such Tranche B Lender's Loan to be made as part of the requested Borrowing.

SECTION 2.04 **Funding of Borrowings**. (a) Each Lender shall make each Loan to be made by it hereunder on the proposed date thereof by wire transfer of immediately available funds by 3:00 p.m., New York City time, or such earlier time as may be reasonably practicable, to the account of the Paying Agent most recently designated by it for such purpose by notice to the Lenders. The Paying Agent will make such Loans available to the Borrower by promptly crediting the amounts so received, in like funds, to an account of the Borrower maintained with the Paying Agent and designated by the Borrower in the applicable Borrowing

Request; provided that ABR Loans made to finance the reimbursement of an LC Disbursement as provided in Section 2.02(e) shall be remitted by the Paying Agent to the Issuing Lender.

(b) Unless the Paying Agent shall have received notice from a Lender prior to the proposed date of any Borrowing that such Lender will not make available to the Paying Agent such Lender's share of such Borrowing, the Paying Agent may assume that such Lender has made such share available on such date in accordance with paragraph (a) of this Section and may, in reliance upon such assumption, make available to the Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable Borrowing available to the Paying Agent, then the applicable Lender and the Borrower severally agree to pay to the Paying Agent forthwith upon written demand such corresponding amount with interest thereon, for each day from and including the date such amount is made available to the Borrower to but excluding the date of payment to the Paying Agent, at (i) in the case of such Lender, the greater of the Federal Funds Effective Rate and a rate determined by the Paying Agent in accordance with banking industry rules on interbank compensation or (ii) in the case of the Borrower, the interest rate applicable to ABR Loans. If such Lender pays such amount to the Paying Agent, then such amount shall constitute such Lender's Loan included in such Borrowing.

SECTION 2.05 **Interest Elections**. (a) Each Borrowing of Tranche A Loans and the Borrowing of the Tranche B Loan initially shall be of the Type or, in the case of the Tranche B Loan, Types specified in the applicable Borrowing Request and, in the case of a Eurodollar Borrowing, shall have an initial Interest Period as specified in such Borrowing Request. Thereafter, the Borrower may elect to convert such Borrowings to a different Type or to continue such Borrowing and, in the case of a Eurodollar Borrowing, may elect Interest Periods therefor, all as provided in this Section. The Borrower may elect different options with respect to different portions of the affected Borrowing, in which case each such portion shall be allocated ratably among the Lenders holding the Tranche A Loans or Tranche B Loan, as the case may be, comprising such Borrowing, and the Tranche A Loans and Tranche B Loan, as

the case may be, comprising each such Type shall be considered a separate Borrowing. No more than ten (10) Borrowings of Eurodollar Loans may be outstanding at any one time.

(b) To make an Interest Election Request pursuant to this Section, the Borrower shall notify the Paying Agent of such election by telephone by the time that a Borrowing Request would be required under Section 2.03(a) or Section 2.03(b) if the Borrower were requesting a Borrowing of the Type resulting from such election to be made on the effective date of such election. Each such telephonic Interest Election Request shall be irrevocable and shall be confirmed promptly by hand delivery or telecopy to the Paying Agent of a written Interest Election Request in a form approved by the Paying Agent and signed by the Borrower.

(c) Each telephonic and written Interest Election Request shall specify the following information in compliance with Section 2.01:

(i) the Borrowing to which such Interest Election Request applies and, if different options are being elected with respect to different portions thereof, the portions thereof to be allocated to each resulting Borrowing (in which case the

information to be specified pursuant to clauses (iii) and (iv) below shall be specified for each resulting Borrowing);

(ii) the effective date of the election made pursuant to such Interest Election Request, which shall be a Business Day;

(iii) whether the resulting Borrowing is to be an ABR Borrowing or a Eurodollar Borrowing; and

(iv) if the resulting Borrowing is a Eurodollar Borrowing, the Interest Period to be applicable thereto after giving effect to such election, which shall be a period contemplated by the definition of the term "Interest Period".

If any such Interest Election Request requests a Eurodollar Borrowing but does not specify an Interest Period, then the Borrower shall be deemed to have selected an Interest Period of one month's duration.

(d) Promptly following receipt of an Interest Election Request, the Paying Agent shall advise each Lender of the details thereof and of such Lender's portion of each resulting Borrowing.

(e) If the Borrower fails to deliver a timely Interest Election Request with respect to a Eurodollar Borrowing prior to the end of the Interest Period applicable thereto, then, unless such Borrowing is repaid as provided herein, at the end of such Interest Period such Borrowing shall be converted to an ABR Borrowing. Notwithstanding any contrary provision hereof, if an Event of Default has occurred and is continuing, then, so long as an Event of Default is continuing (i) no outstanding Borrowing may be converted to or continued as a Eurodollar Borrowing and (ii) unless repaid, each Eurodollar Borrowing shall be converted to an ABR Borrowing at the end of the Interest Period applicable thereto.

SECTION 2.06 **Interest on Loans**.

(a) Subject to the provisions of Section 2.07, each ABR Loan shall bear interest (computed on the basis of the actual number of days elapsed over a year of 360 days or, when the Alternate Base Rate is based on the Prime Rate, a year with 365 days or 366 days in a leap year) at a rate per annum equal to the Alternate Base Rate plus 2.75%.

(b) Subject to the provisions of Section 2.07, each Eurodollar Loan shall bear interest (computed on the basis of the actual number of days elapsed over a year of 360 days) at a rate per annum equal, during each Interest Period applicable thereto, to the Adjusted LIBO Rate for such Interest Period in effect for such Borrowing plus 3.75%.

(c) Accrued interest on all Loans shall be payable in arrears on each Interest Payment Date applicable thereto, on the Termination Date and after the Termination Date on written demand and (with respect to Eurodollar Loans) upon any repayment or prepayment thereof (on the amount prepaid); provided that in the event of any conversion of any Eurodollar Loan to an ABR Loan, accrued interest on such Loan shall be payable on the effective date of such conversion.

SECTION 2.07 **Default Interest**. If the Borrower or any Guarantor, as the case may be, shall default in the payment of the principal of or interest on any Loan or in the payment of any other amount becoming due hereunder (including, without limitation, the reimbursement pursuant to Section 2.02(e) of any LC Disbursements), whether at stated maturity, by acceleration or otherwise, the Borrower or such Guarantor, as the case may be, shall on written demand of the Paying Agent from time to time pay interest, to the extent permitted by law, on all Loans and overdue amounts up to (but not including) the date of actual payment (after as well as before judgment) at a rate per annum (computed on the basis of the actual number of days elapsed over a year of 360 days or when the Alternate Base Rate is applicable and is based on the Prime Rate, a year with 365 days or 366 days in a leap year) equal to (a) the rate then applicable for such Borrowings plus 2.0% and (b) in the case of all other amounts, the rate applicable for ABR Loans plus 2.0%.

SECTION 2.08 **Alternate Rate of Interest**. In the event, and on each occasion, that on the day two Business Days prior to the commencement of any Interest Period for a Eurodollar Loan, the Paying Agent shall have reasonably determined (which determination shall be conclusive and binding upon the Borrower absent manifest error) that reasonable means do not exist for ascertaining the applicable Adjusted LIBO Rate, the Paying Agent shall, as soon as practicable thereafter, give written, facsimile or telegraphic notice of such determination to the Borrower and the Lenders, and any request by the Borrower for a Borrowing of Eurodollar Loans (including pursuant to a refinancing with Eurodollar Loans) pursuant to Section 2.03 shall be deemed a request for a Borrowing of ABR Loans. After such notice shall have been given and until the circumstances giving rise to such notice no longer exist, each request for a Borrowing of Eurodollar Loans shall be deemed to be a request for a Borrowing of ABR Loans.

SECTION 2.09 **Amortization of Tranche B Loan; Repayment of Loans; Evidence of Debt**.

(a) The Borrower shall repay principal of the Tranche B Loan on each semi-annual date set forth below in the aggregate principal amount set forth opposite such date (it being understood that each such amount shall be reduced proportionately if the Delayed Draw Tranche B Loan referred to in Section 2.01(c) is not made or, if made, is in an aggregate principal amount that is less than $350,000,000):

Date	Amount
August 1, 2006	$ 14,000,000
February 1, 2007	$ 14,000,000
August 1, 2007	$ 14,000,000
February 1, 2008	$ 14,000,000
August 1, 2008	$ 14,000,000
February 1, 2009	$ 14,000,000
August 1, 2009	$ 14,000,000
February 1, 2010	$ 14,000,000
August 1, 2010	$ 14,000,000
February 1, 2011	$ 14,000,000
August 1, 2011	$ 14,000,000
February 1, 2012	unpaid principal amount of Tranche B Loan

Once repaid, no portion of the Tranche B Loan may be reborrowed.

(b) The Borrower hereby unconditionally promises to pay to the Paying Agent for the ratable account of each Lender the then unpaid principal amount of each Loan on the Termination Date.

(c) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Borrower to such Lender resulting from each Loan made by such Lender, including the amounts of principal and interest payable and paid to such Lender from time to time hereunder.

(d) The Paying Agent shall maintain accounts in which it shall record (i) the amount of each Loan made hereunder, the Type thereof and the Interest Period applicable thereto, (ii) the amount of any principal or interest due and payable or to become due and payable from the Borrower to each Lender hereunder and (iii) the amount of any sum received by the Paying Agent hereunder for the account of the Lenders and each Lender's share thereof. The Borrower shall have the right, upon reasonable notice, to request information regarding the accounts referred to in the preceding sentence.

(e) The entries made in the accounts maintained pursuant to paragraph (c) or (d) of this Section shall be prima facie evidence of the existence and amounts of the obligations recorded therein; provided that the failure of any Lender or the Paying Agent to maintain such accounts or any error therein shall not in any manner affect the obligation of the Borrower to repay the Loans in accordance with the terms of this Agreement.

(f) Any Lender may request that Loans made by it be evidenced by a promissory note. In such event, the Borrower shall promptly execute and deliver to such Lender a promissory note payable to the order of such Lender (or, if requested by such Lender, to such Lender and its registered assigns) in a form furnished by the Paying Agent and reasonably acceptable to the Borrower. Thereafter, the Loans evidenced by such promissory note and interest thereon shall at all times (including after assignment pursuant to Section 10.02) be represented by one or more promissory notes in such form payable to the order of the payee named therein (or, if such promissory note is a registered note, to such payee and its registered assigns).

SECTION 2.10 **Optional Termination or Reduction of Commitment**.

(a) Upon at least one (1) Business Day prior written notice to the Paying Agent, the Borrower may at any time in whole permanently terminate, or from time to time in part permanently reduce, the Unused Total Tranche A Commitment or the Total Delayed Draw Tranche B Loan Commitment; provided that each such notice shall be revocable to the extent such termination or reduction would have resulted from a refinancing of the Obligations, which refinancing shall not be consummated or shall otherwise be delayed. Each such reduction of the Unused Total Tranche A Commitment or the Total Delayed Draw Tranche B Loan Commitment

shall be in the principal amount not less than $5,000,000 and in an integral multiple of $1,000,000. Simultaneously with each reduction or termination of the Tranche A Commitment or the Total Delayed Draw Tranche B Loan Commitment, the Borrower shall pay to the Paying Agent for the account of (i) each Tranche A Lender the Commitment Fee accrued and unpaid on the amount of the Tranche A Commitment of such Tranche A Lender so terminated or reduced through the date thereof and (ii) each Tranche B Lender the Commitment Fee accrued and unpaid on the amount of the Delayed Draw Tranche B Loan Commitment of such Tranche B Lender so terminated or reduced through the date thereof. Any reduction of the Total Tranche A Commitment or the Delayed Draw Tranche B Loan Commitment pursuant to this Section, as the case may be, shall be applied to reduce the Tranche A Commitment of each Tranche A Lender or the Delayed Draw Tranche B Loan Commitment of each Tranche B Lender, as the case may be.

(b) The Total Delayed Draw Tranche B Loan Commitment shall automatically terminate on the last day of the Delayed Draw Tranche B Loan Availability Period.

SECTION 2.11 **Mandatory Prepayment; Commitment Termination**.

(a) Within three (3) Business Days of the Borrower or any Guarantor receiving any net cash proceeds of an insurance claim, indemnity payments or other amounts received as the result of an Event of Loss (as defined in the Aircraft Mortgage) concerning an Airframe (as defined in the Aircraft Mortgage), the Borrower or such Guarantor shall deposit an amount equal to 100% of such net cash proceeds into an account that is maintained with the Paying Agent which the Borrower may use to replace such Airframe in accordance with the requirements of the Aircraft Mortgage, provided that upon the

occurrence of an Event of Default prior to the use of such deposit for such purpose, such deposit may be applied by the Paying Agent to the prepayment of the Loans.

(b) Within three (3) Business Days of the Borrower or any Guarantor receiving any net cash proceeds of an insurance claim, indemnity payments or other amounts received as the result of an Event of Loss (as defined in the Aircraft Mortgage) concerning an Engine, Spare Engine or, to the extent the value thereof exceeds $5,000,000 for such Event of Loss, Spare Parts (each as defined in the Aircraft Mortgage), the Borrower or such Guarantor shall deposit an amount equal to 100% of such net cash proceeds into an account that is maintained with the Paying Agent for such purpose which the Borrower may use to replace such Engine, Spare Engine or Spare Parts in accordance with the requirements of the Aircraft Mortgage, provided that no Event of Default, or an event which upon notice or lapse of time or both would constitute an Event of Default has occurred and is continuing and such party has (i) within 45 days after the receipt of such net cash proceeds, determined to apply such net cash proceeds to replace such Engine, Spare Engine or Spare Parts and (ii) as soon as commercially reasonable (A) and in any event within 180 days after the receipt of such net cash proceeds, has so applied such net cash proceeds or has entered into a binding contractual arrangement for such application, the amount of net cash proceeds necessary to replace such Spare Parts or (B) and in any event with 365 days after the receipt of such net cash proceeds, has so applied such net cash proceeds or has entered into a binding contractual arrangement for such application, the amount of net cash proceeds necessary to replace such Engine or Spare Engine; provided further that the Borrower shall have complied with Section 5.18(a) with respect to any such replacement. In the event that (i) such determination or application described in the

immediately preceding sentence shall not have occurred within the time periods provided, such net cash proceeds shall be applied to prepay the Loans in accordance with Section 2.11(g) or (ii) an Event of Default shall have occurred and be continuing prior to the use of such deposits for such purposes, such deposits may be applied by the Paying Agent to the prepayment of the Loans in accordance with Section 2.11(g).

(c) Within three (3) Business Days of a Change of Control, the Borrower shall prepay the Loans in an amount equal to 100% of the then outstanding principal amount thereof.

(d) Within three (3) Business Days of receipt by the Borrower of any proceeds of any EETC Transaction, the Borrower shall prepay the Tranche B Loans in an amount equal to the first $250,000,000 of such EETC Transaction proceeds. Each such prepayment of Tranche B Loans shall be applied pro rata among the Tranche B Lenders in accordance with each Tranche B Lender's Tranche B Commitment Percentage.

(e) Within three (3) Business Days of receipt by the Borrower or any Guarantor of any proceeds of a refinancing, refunding, renewal or extension which are required to be applied to prepay the Loans pursuant to the proviso to Section 6.03(t), the Borrower shall prepay the Loans in accordance with Section 2.11(g).

(f) Within three (3) Business Days of receipt by the Borrower or any Guarantor of any proceeds from the issuance of additional Equity Interests or subordinated Indebtedness which are required to be applied to prepay the Loans pursuant to the proviso to Section 6.08(f), the Borrower shall prepay the Loans in accordance with Section 2.11(g).

(g) Each prepayment of Loans pursuant to paragraphs (a), (b), (e) or (f) of this Section 2.11 or pursuant to Section 6.06(a) or (b) shall be applied to the Loans and to collateralization of the LC Exposure, pro rata based on the Total Commitment Percentages of the Tranche A Lenders and the Tranche B Lenders. Upon any such prepayment, the Total Tranche B Commitment and the Total Delayed Draw Tranche B Loan Commitment shall be automatically and permanently reduced in an amount equal to the amount so prepaid, provided, that if, at the time of any prepayment pursuant to this Section 2.11, the amounts to be applied to prepay the Tranche A Loans and collateralize the LC Exposure shall exceed the Tranche A Loans and the LC Exposure at such time, then such excess portion of such prepayment shall be held as Collateral for additional Tranche A Loans made hereunder, and Letters of Credit issued hereunder, subsequent to the application of such prepayment.

(h) Upon the Termination Date, the Total Commitment shall be terminated in full and the Borrower shall repay the Loans in full and, except as the Agents may otherwise agree in writing, if any Letter of Credit remains outstanding, provide Cash Collateralization for such Letter of Credit.

(i) All prepayments under this Section 2.11 shall be accompanied by accrued but unpaid interest on the principal amount being prepaid to (but not including) the date of prepayment, plus any Fees and any losses, costs and expenses, as more fully described in Sections 2.14 and 2.18 hereof. Any prepayments of the Tranche B Loan under this Section 2.11

shall be applied pro rata to the remaining scheduled amortization payments set forth in Section 2.09(a).

SECTION 2.12 **Optional Prepayment of Loans**.

(a) Subject to Section 2.12(d) below, the Borrower shall have the right at any time and from time to time to prepay any Loans, in whole or in part, (i) with respect to Eurodollar Loans, upon (A) telephonic notice followed promptly by written or facsimile notice or (B) written or facsimile notice received by 1:00 p.m., New York City time, three Business Days prior to the proposed date of prepayment and (ii) with respect to ABR Loans, upon written or facsimile notice received by 1:00 p.m., New York City time, one Business Day prior to the proposed date of prepayment; provided that ABR Loans may be prepaid on the same day notice is given if such notice is received by the Agents by 12:00 noon, New York City time; provided further, however, that (A) each such partial prepayment shall be in an amount not less than $5,000,000 and in integral multiples of $1,000,000, (B) no prepayment of Eurodollar Loans shall be permitted pursuant to this Section 2.12(a) other than on the last day of an Interest Period applicable thereto unless such prepayment is accompanied by the payment of the amounts described in Section 2.14, and (C) no partial prepayment of a Borrowing of Eurodollar Loans shall result in the aggregate principal amount of the Eurodollar Loans remaining outstanding pursuant to such Borrowing being less than $10,000,000.

(b) Any prepayments under Section 2.12(a) shall be applied at the Borrower's option, to (i) repay the outstanding Tranche A Loans of the Tranche A Lenders (without any reduction in the Total Tranche A Commitment) until the Total Tranche A Commitment shall have been wholly and permanently terminated, all Tranche A Loans shall have been paid in full (plus any accrued but unpaid interest and fees thereon) and no Letters of Credit shall be outstanding, or, if outstanding, then backed by Cash Collateralization, and/or (ii) the Tranche B Loan of the Tranche B Lenders. All prepayments under

Section 2.12(a) shall be accompanied by accrued but unpaid interest on the principal amount being prepaid to (but not including) the date of prepayment, plus any Fees and any losses, costs and expenses, as more fully described in Sections 2.14 and 2.18 hereof. Any partial prepayments of the Tranche B Loan shall be applied at the direction of the Borrower.

(c) Each notice of prepayment shall specify the prepayment date, the principal amount of the Loans to be prepaid and in the case of Eurodollar Loans, the Borrowing or Borrowings pursuant to which made, shall be irrevocable and shall commit the Borrower to prepay such Loan by the amount and on the date stated therein; provided, that the Borrower may revoke any notice of prepayment under this Section 2.12 if such prepayment would have resulted from a refinancing of the Obligations hereunder, which refinancing shall not be consummated or shall otherwise be delayed. The Paying Agent shall, promptly after receiving notice from the Borrower hereunder, notify each Lender of the principal amount of the Loans held by such Lender which are to be prepaid, the prepayment date and the manner of application of the prepayment.

(d) All voluntary prepayments of the Tranche B Loans, in whole or in part, effected on or prior to the first anniversary of the Closing Date with the proceeds of a substantially concurrent issuance or incurrence of new term loans under a new facility shall be

accompanied by a prepayment fee equal to 1.00% of the aggregate principal amount of such prepayments if the applicable rate (or similar interest rate spread) applicable to such new term loans is or, upon the satisfaction of certain conditions, could be less than the applicable rate applicable to the Tranche B Loans on the Closing Date.

SECTION 2.13 **Increased Costs**. (a) If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit or similar requirement against assets of, deposits with or for the account of, or credit extended by, any Lender (except any such reserve requirement reflected in the Adjusted LIBO Rate) or the Issuing Lender;

(ii) change the basis of taxation of payments to any Lender or the Issuing Lender of the principal of or interest on any Eurodollar Loan or any Letter of Credit or participation therein, or any fees or other amounts payable hereunder (other than changes in respect of Taxes imposed on, or measured by, the net income or overall gross receipts or franchise taxes of such Lender by the national jurisdiction in which such Lender has its principal office or in which the applicable lending office for such Eurodollar Loan is located or by any political subdivision or taxing authority therein, or by any other jurisdiction or by any political subdivision or taxing authority); or

(iii) impose on any Lender or the Issuing Lender or the London interbank market any other condition affecting this Agreement or Eurodollar Loans made by such Lender or any Letter of Credit or participation therein;

and the result of any of the foregoing shall be to increase the cost to such Lender of making or maintaining any Eurodollar Loan (or of maintaining its obligation to make any such Loan) or to increase the cost to such Lender or the Issuing Lender of participating in, issuing or maintaining any Letter of Credit or to reduce the amount of any sum received or receivable by such Lender or the Issuing Lender hereunder (whether of principal, interest or otherwise), then the Borrower will pay to such Lender or the Issuing Lender, as the case may be, such additional amount or amounts as will compensate such Lender or the Issuing Lender, as the case may be, for such additional costs incurred or reduction suffered.

(b) If any Lender or the Issuing Lender reasonably determines in good faith that any Change in Law regarding capital requirements has or would have the effect of reducing the rate of return on such Lender's or the Issuing Lender's capital or on the capital of such Lender's or the Issuing Lender's holding company, if any, as a consequence of this Agreement or the Loans made by, or participations in Letters of Credit held by, such Lender, or the Letters of Credit issued by the Issuing Lender, to a level below that which such Lender or the Issuing Lender or such Lender's or the Issuing Lender's holding company could have achieved but for such Change in Law (taking into consideration such Lender's or the Issuing Lender's policies and the policies of such Lender's or the Issuing Lender's holding company with respect to capital adequacy), then from time to time the Borrower will pay to such Lender or the Issuing Lender, as the case may be, such additional amount or amounts, in each case as documented by such Lender or Issuing Lender to the Borrower as will compensate such Lender or the Issuing Lender or such Lender's or the Issuing Lender's holding company for any such reduction

suffered; it being understood that to the extent duplicative of the provisions in Section 2.15, this Section 2.13(b) shall not apply to Taxes.

(c) A certificate of a Lender or the Issuing Lender setting forth the amount or amounts necessary to compensate such Lender or the Issuing Lender or its holding company, as the case may be, as specified in paragraph (a) or (b) of this Section shall be delivered to the Borrower and shall be conclusive absent manifest error. The Borrower shall pay such Lender or the Issuing Lender, as the case may be, the amount shown as due on any such certificate within fifteen (15) days after receipt thereof.

(d) Failure or delay on the part of any Lender or the Issuing Lender to demand compensation pursuant to this Section shall not constitute a waiver of such Lender's or the Issuing Lender's right to demand such compensation; provided, that the Borrower shall not be required to compensate a Lender or the Issuing Lender pursuant to this Section for any increased costs or reductions incurred more than 180 days prior to the date that such Lender or the Issuing Lender, as the case may be, notifies the Borrower of the Change in Law giving rise to such increased costs or reductions and of such Lender's or the Issuing Lender's intention to claim compensation therefor; provided further that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the 180-day period referred to above shall be extended to include the period of retroactive effect thereof. The protection of this Section shall be available to each Lender regardless of any possible contention as to the invalidity or inapplicability of the law, rule, regulation, guideline or other change or condition which shall have occurred or been imposed.

SECTION 2.14 **Break Funding Payments**. In the event of (a) the payment of any principal of any Eurodollar Loan other than on the last day of an Interest Period applicable thereto (including as a result of the occurrence and continuance an Event of Default), (b) the conversion of any Eurodollar Loan other than on the last day of the Interest Period applicable thereto (including as a result of the occurrence and continuance an Event of Default), (c) the failure to borrow, convert, continue or prepay any Eurodollar Loan on the date specified in any notice delivered pursuant hereto, or (d) the assignment of any

Eurodollar Loan other than on the last day of the Interest Period applicable thereto as a result of a request by the Borrower pursuant to Section 2.16, then, in any such event, at the request of such Lender the Borrower shall compensate such Lender for the loss, cost and expense attributable to such event. In the case of a Eurodollar Loan, such loss, cost or expense to any Lender shall be deemed to include an amount reasonably determined in good faith by such Lender to be the excess, if any, of (i) the amount of interest which would have accrued on the principal amount of such Loan had such event not occurred, at the Adjusted LIBO Rate that would have been applicable to such Loan, for the period from the date of such event to the last day of the then current Interest Period therefor (or, in the case of a failure to borrow, convert or continue, for the period that would have been the Interest Period for such Loan), over (ii) the amount of interest which would accrue on such principal amount for such period at the interest rate which such Lender would bid were it to bid, at the commencement of such period, for dollar deposits of a comparable amount and period from other banks in the eurodollar market. A certificate of any Lender setting forth any amount or amounts that such Lender is entitled to receive pursuant to this Section shall be delivered to the Borrower and shall be conclusive absent manifest error. The Borrower shall pay such Lender the amount shown as due on any such certificate within fifteen (15) days after receipt thereof.

SECTION 2.15 **Taxes**. (a) Any and all payments by or on account of any obligation of the Borrower hereunder shall be made free and clear of and without deduction for any Indemnified Taxes or Other Taxes; provided, that if the Borrower shall be required to deduct any Indemnified Taxes or Other Taxes from such payments, then (i) the sum payable shall be increased as necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section) the Paying Agent, Lender or Issuing Lender (as the case may be) receives an amount equal to the sum it would have received had no such deductions been made, (ii) the Borrower shall make such deductions and (iii) the Borrower shall pay the full amount deducted to the relevant Governmental Authority in accordance with applicable law.

(b) In addition, the Borrower shall pay any Other Taxes to the relevant Governmental Authority in accordance with applicable law.

(c) The Borrower shall indemnify the Paying Agent, each Lender and the Issuing Lender, within thirty (30) days after written demand therefor, for the full amount of any Indemnified Taxes or Other Taxes paid by the Paying Agent, such Lender or the Issuing Lender, as the case may be, on or with respect to any payment by or on account of any obligation of the Borrower hereunder (including Indemnified Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this Section) and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Borrower by a Lender or the Issuing Lender, or by the Paying Agent on its own behalf or on behalf of a Lender or the Issuing Lender, shall be conclusive absent manifest error.

(d) As soon as practicable after any payment of Indemnified Taxes or Other Taxes by the Borrower to a Governmental Authority, the Borrower shall deliver to the Paying Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment to the extent available, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Paying Agent.

(e) Any Foreign Lender that is entitled to an exemption from or reduction of withholding tax under the law of the jurisdiction in which the Borrower is located, or any treaty to which such jurisdiction is a party, with respect to payments under this Agreement shall deliver to the Borrower (with a copy to the Paying Agent), at the time or times prescribed by applicable law, such properly completed and executed documentation prescribed by applicable law or requested by the Borrower as will permit such payments to be made without withholding or at a reduced rate.

(f) If the Paying Agent or a Lender determines, in its reasonable discretion, that it has received a refund of any Taxes or Other Taxes as to which it has been indemnified by the Borrower or with respect to which the Borrower has paid additional amounts pursuant to this Section 2.15, it shall pay over such refund to the Borrower (but only to the extent of indemnity payments made, or additional amounts paid, by the Borrower under this Section 2.15 with respect to the Taxes or Other Taxes giving rise to such refund), net of all out-of-pocket expenses of the Paying Agent or such Lender and without interest (other than any interest paid by the

relevant Governmental Authority with respect to such refund); provided, that the Borrower, upon the request of the Paying Agent or such Lender, agrees to repay the amount paid over to the Borrower (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to the Paying Agent or such Lender in the event the Paying Agent or such Lender is required to repay such refund to such Governmental Authority. This Section shall not be construed to require the Paying Agent or any Lender to make available its tax returns (or any other information relating to its taxes which it deems confidential) to the Borrower or any other Person.

SECTION 2.16 **Payments Generally; Pro Rata Treatment**.

(a) The Borrower shall make each payment or prepayment required to be made by it hereunder (whether of principal, interest, fees or reimbursement of LC Disbursements, or of amounts payable under Section 2.13 or 2.14, or otherwise) prior to 1:00 p.m., New York City time, on the date when due, in immediately available funds, without set-off or counterclaim. Any amounts received after such time on any date may, in the reasonable discretion of the Paying Agent, be deemed to have been received on the next succeeding Business Day for purposes of calculating interest thereon. All such payments shall be made to the Paying Agent at its offices at 270 Park Avenue, New York, New York, pursuant to wire instructions to be provided by the Paying Agent, except payments to be made directly to the Issuing Lender as expressly provided herein and except that payments pursuant to Sections 2.13, 2.14 and 10.04 shall be made directly to the Persons entitled thereto. The Paying Agent shall distribute any such payments received by it for the account of any other Person to the appropriate recipient promptly following receipt thereof. If any payment hereunder shall be due on a day that is not a Business Day, the date for payment shall be extended to the next succeeding Business Day, and, in the case of any payment accruing interest, interest thereon shall be payable for the period of such extension. All payments hereunder shall be made in dollars.

(b) If at any time insufficient funds are received by and available to the Paying Agent to pay fully all Obligations then due hereunder, such funds shall be applied (i) first, towards payment of Fees and expenses then due under Sections 2.18 and 10.04 payable to the Agents, the Collateral Agents and the Paying Agent, in their respective capacities as such, ratably among the parties entitled thereto in accordance with the amounts of Fees and expenses then due to such parties, (ii) second, towards payment of Fees and expenses then due under Sections 2.19, 2.20 and 10.04 payable to the Lenders and the Issuing Lender and towards payment of interest then due on account of the Tranche A Loans, Letters of Credit and Tranche B Loans, ratably among the parties entitled thereto in accordance with the amounts of such Fees and expenses and interest then due to such parties, and (iii) third, towards payment of

(A) principal of the Tranche A Loans, unreimbursed LC Disbursements and Tranche B Loans then due hereunder, and (B) any obligations owing to any Lender or its banking Affiliates in connection with any Indebtedness permitted under Section 6.03(g) and any Indebtedness permitted pursuant to Section 6.03(f) to the extent such Indebtedness is secured as permitted by Section 6.01(dd) (pro rata among the holders of such Indebtedness that is secured as permitted by Section 6.01(dd)), ratably among the parties entitled thereto in accordance with the amounts of principal, unreimbursed LC Disbursements, cash management obligations and

Indebtedness permitted pursuant to Section 6.03(f) (but only to the extent such Indebtedness is secured as permitted by Section 6.01(dd)) then due to such parties.

(c) Unless the Paying Agent shall have received notice from the Borrower prior to the date on which any payment is due to the Paying Agent for the account of the Lenders or the Issuing Lender hereunder that the Borrower will not make such payment, the Paying Agent may assume that the Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders or the Issuing Lender, as the case may be, the amount due. In such event, if the Borrower has not in fact made such payment, then each of the Lenders or the Issuing Lender, as the case may be, severally agrees to repay to the Paying Agent forthwith on demand the amount so distributed to such Lender or Issuing Lender with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Paying Agent, at the greater of the Federal Funds Effective Rate and a rate determined by the Paying Agent in accordance with banking industry rules on interbank compensation.

(d) If any Lender shall fail to make any payment required to be made by it pursuant to Section 2.02(e), 2.04(a) or (b) 10.04(c), then the Paying Agent may, in its discretion (notwithstanding any contrary provision hereof), apply any amounts thereafter received by the Paying Agent for the account of such Lender to satisfy such Lender's obligations under such Sections until all such unsatisfied obligations are fully paid.

SECTION 2.17 **Mitigation Obligations; Replacement of Lenders**. (a) If the Borrower is required to pay any additional amount to any Lender under Section 2.13 or to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.15, then such Lender shall use reasonable efforts to designate a different lending office for funding or booking its Loans hereunder, to assign its rights and obligations hereunder to another of its offices, branches or affiliates or to file any certificate or document reasonably requested by the Borrower, if, in the judgment of such Lender, such designation, assignment or filing (i) would eliminate or reduce amounts payable pursuant to Section 2.13 or 2.15, as the case may be, in the future and (ii) would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender. The Borrower hereby agrees to pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment.

(b) If, after the date hereof, any Lender requests compensation under Section 2.13 or if the Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.15, or if any Lender defaults in its obligation to fund Loans hereunder, then the Borrower may, at its sole expense and effort, upon notice to such Lender and the Agents, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in Section 10.02), all its interests, rights and obligations under this Agreement to an assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment); provided, that (i) the Borrower shall have received the prior written consent of the Agents (and if a Tranche A Commitment is being assigned, the Issuing Lender), which consent shall not unreasonably be withheld, (ii) such Lender shall have received payment of an amount equal to the outstanding principal of its Loans and participations in LC Disbursements, accrued interest

thereon, accrued fees and all other amounts due, owing and payable to it hereunder at such time, from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of all other amounts) and (iii) in the case of payments required to be made pursuant to Section 2.15, such assignment will result in a reduction in such compensation or payments. A Lender shall not be required to make any such assignment and delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Borrower to require such assignment and delegation cease to apply.

SECTION 2.18 **Certain Fees**. The Borrower shall pay to the Agents, for the respective accounts of the Paying Agent and the Lenders, the fees set forth in that certain Amended and Restated Joint Fee Letter dated as of November 16, 2005 among the Agents, JPMSI, CGMI, GE Capital and the Borrower, at the times set forth therein, and as otherwise heretofore agreed.

SECTION 2.19 **Commitment Fee**. The Borrower shall pay to the Paying Agent for the accounts of the Tranche A Lenders and the Tranche B Lenders a commitment fee (the "Commitment Fee") (i) in the case of the Tranche A Commitment, for the period commencing on the Closing Date to the Termination Date or the earlier date of termination of the Tranche A Commitment and (ii) in the case of the Delayed Draw Tranche B Loan Commitment, for the period commencing on the Closing Date to the Delayed Draw Tranche B Loan Commitment Termination Date, in each case computed (on the basis of the actual number of days elapsed over a year of 360 days) at the rate of one-half of one percent (1/2%) per annum on the average daily Unused Total Tranche A Commitment or the Delayed Draw Tranche B Loan Commitment, as the case may be. Such Commitment Fee, to the extent then accrued, shall be payable (a) on the last Business Day of each March, June, September and December, (b) on the Termination Date with respect to the Tranche A Commitment or the Delayed Draw Tranche B Loan Commitment Termination Date with respect to the Delayed Draw Tranche B Loan Commitment, and (c) as provided in Section 2.10 hereof, upon any reduction or termination in whole or in part of the Total Tranche A Commitment or Total Delayed Draw Tranche B Loan Commitment.

SECTION 2.20 **Letter of Credit Fees**. The Borrower shall pay with respect to each Letter of Credit (a) to the Paying Agent on behalf of the Tranche A Lenders a fee calculated (on the basis of the actual number of days elapsed over a year of 360 days) at the rate of four and one-half percent (4½%) per annum on the daily average LC Exposure (excluding any portion thereof attributable to unreimbursed LC Disbursements) and (b) to the Issuing Lender such Issuing Lender's customary fees for issuance, amendments and processing referred to in Section 2.02. In addition, the Borrower agrees to pay each Issuing Lender for its account a fronting fee of one quarter of one percent (¼%) per annum in respect of each Letter of Credit issued by such Issuing Lender, for the period from and including the date of issuance of such Letter of Credit to and including the date of termination of such Letter of Credit. Accrued fees described in this paragraph in respect of each Letter of Credit shall be due and payable quarterly in arrears on the last Business Day of each March, June, September and December and on the Termination Date.

SECTION 2.21 **Nature of Fees**. All Fees shall be paid on the dates due, in immediately available funds, to the Paying Agent, as provided herein and in the fee letter described in Section 2.18. Once paid, none of the Fees shall be refundable under any circumstances.

SECTION 2.22 **Right of Set-Off**. Upon the occurrence and during the continuance of any Event of Default, each of the Agents and each Lender (and their respective banking Affiliates) is hereby authorized at any time and from time to time, to the fullest extent permitted by law, to set off and apply any and all deposits (general or special, time or demand, provisional or final but excluding Escrow Accounts, Payroll Accounts and other accounts held in trust for an identified beneficiary) at any time held and other indebtedness at any time owing by such Agent and each such Lender (or any of such banking Affiliates) to or for the credit or the account of the Borrower or any Guarantor against any and all of the obligations of such Borrower or Guarantor now or hereafter existing under the Loan Documents, irrespective of whether or not such Agent or Lender shall have made any demand under any Loan Document and although such obligations may not have been accelerated. Each Lender and Agent agree promptly to notify the Borrower and Guarantors after any such set-off and application made by such Lender or Agent (or any of such banking Affiliates), as the case may be, provided that the failure to give such notice shall not affect the validity of such set-off and application. The rights of each Lender and the Agents under this Section are in addition to other rights and remedies which such Lender and the Agents may have upon the occurrence and during the continuance of any Event of Default.

SECTION 2.23 **Security Interest in Letter of Credit Account**. The Borrower and the Guarantors hereby pledge to the Collateral Agents, for their benefit and for the ratable benefit of the other Secured Parties, and hereby grant to the Collateral Agents, for their benefit and for the ratable benefit of the other Secured Parties, a first priority security interest, senior to all other Liens, if any, in all of the Borrower's and the Guarantors' right, title and interest in and to the Letter of Credit Account and any direct investment of the funds contained therein. Cash held in the Letter of Credit Account shall not be available for use by the Borrower, and shall be released to the Borrower only as described in clause (ii)(B) of Section 2.02(j).

SECTION 2.24 **Payment of Obligations**. Subject to the provisions of Section 7.01, upon the maturity (whether by acceleration or otherwise) of any of the Obligations under this Agreement or any of the other Loan Documents of the Borrower and the Guarantors, the Lenders shall be entitled to immediate payment of such Obligations.

SECTION 2.25 **Defaulting Lenders**. (a) If at any time any Lender becomes a Defaulting Lender, then the Borrower may, on ten (10) Business Days' prior written notice to the Agents and such Lender, replace such Lender by causing such Lender to (and such Lender shall be obligated to) assign pursuant to Section 10.02(b) (with the assignment fee to be paid by the Borrower in such instance) all of its rights and obligations under this Agreement to one or more assignees; provided that neither the Agents nor any Lender shall have any obligation to the Borrower to find a replacement Lender or other such Person.

(b) Any Lender being replaced pursuant to Section 2.25(a) above shall (i) execute and deliver an Assignment and Acceptance with respect to such Lender's outstanding Loans and participations in Letters of Credit, and (ii) deliver any documentation evidencing such Loans to the Borrower or the Agents. Pursuant to such Assignment and Acceptance, (A) the assignee Lender shall acquire all or a portion, as the case may be, of the assigning Lender's outstanding Loans and participations in Letters of Credit, (B) all obligations of the Borrower owing to the assigning Lender relating to the Loans and participations so assigned shall be paid

in full by the assignee Lender to such assigning Lender concurrently with such assignment and acceptance and (C) upon such payment and, if so requested by the assignee Lender, delivery to the assignee Lender of the appropriate documentation executed by the Borrower in connection with previous Borrowings, the assignee Lender shall become a Lender hereunder and the assigning Lender shall cease to constitute a Lender hereunder with respect to such assigned Loans and participations, except with respect to indemnification provisions under this Agreement, which shall survive as to such assigning Lender.

(c) Notwithstanding anything to the contrary contained above, any Lender that is an Issuing Lender hereunder may not be replaced at any time that it has a Letter of Credit outstanding hereunder unless arrangements reasonably satisfactory to such Issuing Lender have been made with respect to each such outstanding Letter of Credit and the Agents may not be replaced hereunder except in accordance with the terms of Section 8.05.

SECTION 3. REPRESENTATIONS AND WARRANTIES

In order to induce the Lenders to make Loans and issue and/or participate in Letters of Credit hereunder, the Borrower and each of the Guarantors jointly and severally represent and warrant as follows:

SECTION 3.01 **Organization and Authority**. Each of the Borrower and the Guarantors (a) is duly organized, validly existing and in good standing (to the extent such concept is applicable in the applicable jurisdiction) under the laws of the jurisdiction of its organization and is duly qualified and in good standing in each jurisdiction in which the failure to so qualify would have a Material Adverse Effect, (b) has the requisite corporate or limited liability company power and authority to effect the Transactions, and (c) has all requisite power and authority and the legal right to own or lease and operate its properties and pledge or mortgage Collateral, and to conduct its business as now or currently proposed to be conducted.

SECTION 3.02 **Air Carrier Status**. (a) The Borrower is an "air carrier" within the meaning of Section 40102 of Title 49 and holds a certificate under Section 41102 of Title 49. The Borrower holds an air carrier operating certificate issued pursuant to Chapter 447 of Title 49. The Borrower and the Parent are each a "citizen of the United States" as defined in Section 40102(a)(15) of Title 49 and as that statutory provision has been interpreted by the DOT pursuant to its policies (a "United States Citizen"). The Borrower possesses all necessary certificates, franchises, licenses, permits, rights, designations, authorizations, exemptions, concessions, frequencies and consents which relate to the operation of the routes flown by it and the conduct of its business and operations as currently conducted except where failure to so possess would not, in the aggregate, have a Material Adverse Effect.

(b) No Guarantor is an "air carrier" within the meaning of Section 40102(a)(2) of Title 49, and no Guarantor holds a certificate under Section 41102 of Title 49 (other than as a result of a Guarantor becoming an "air carrier" or holding such certificate in connection with a Permitted Acquisition).

SECTION 3.03 **Due Execution**. The execution, delivery and performance by each of the Borrower and the Guarantors of each of the Loan Documents to which it is a party (a) are

within the respective corporate or limited liability company powers of each of the Borrower and the Guarantors, have been duly authorized by all necessary corporate or limited liability company action, including the consent of shareholders or members where required, and do not (i) contravene the charter, by-laws or limited liability company agreement (or equivalent documentation) of any of the Borrower or the Guarantors, (ii) violate any applicable law (including, without limitation, the Securities Exchange Act of 1934) or regulation (including, without limitation, Regulations T, U or X of the Board), or any order or decree of any court or Governmental Authority, (iii) conflict with or result in a breach of, constitute a default under, or create an adverse liability or rights under, any material indenture, mortgage or deed of trust or any material lease, agreement or other instrument binding on the Borrower or the Guarantors or any of their properties, which, in the aggregate, would have a Material Adverse Effect, or (iv) result in or require the creation or imposition of any Lien upon any of the property of any of the Borrower or the Guarantors other than the Liens granted pursuant to this Agreement, the other Loan Documents or in connection with the Co-Branded Agreement; and (b) do not require the consent, authorization by or approval of or notice to or filing or registration with any Governmental Authority other than (i) the filing of financing statements under the New York Uniform Commercial Code, (ii) the filings and consents contemplated by the Collateral Documents, (iii) approval of the Bankruptcy Court which approval shall have been obtained prior to the Closing Date, (iv) approvals, consents and exemptions that have been obtained prior to the Closing Date and (v) consents, approvals and exemptions that the failure to do so in the aggregate would not be reasonably expected to result in a Material Adverse Effect. This Agreement has been duly executed and delivered by each of the Borrower and the Guarantors. This Agreement is, and each of the other Loan Documents to which the Borrower and each of the Guarantors is or will be a party, when delivered hereunder or thereunder, will be, a legal, valid and binding obligation of the Borrower and each Guarantor, as the case may be, enforceable against the Borrower and the Guarantors, as the case may be, in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

SECTION 3.04 **Statements Made**. No representation or warranty or certification of the Borrower or any Guarantor contained in writing in this Agreement, any other Loan Document or in any other document, report, public or private confidential information memorandum, financial statement, certificate or other written information furnished by or on behalf of the Borrower to the Agents or any Lender in connection with the negotiation of this Agreement or delivered hereunder (as modified or supplemented by other information so furnished, other than to the extent that any such statements constitute projections, budgets, estimates or other forward looking statements), taken as a whole and in light of the circumstances in which made, contains any untrue statement of a material fact or omits to state a material fact necessary to make such statements not materially misleading; and, to the extent that any such information constitutes projections, budgets, estimates or other forward looking statements, such projections, budgets, estimates or other forward looking statements were prepared in good faith on the basis of assumptions, methods, data, tests and information believed by the Borrower or such Guarantor to be reasonable at the time such projections, budgets, estimates or other forward looking statements were furnished (it being understood that projections, budgets, estimates or other forward looking statements by their nature are inherently uncertain, that no assurances can be given that projections, budgets, estimates or other forward

looking statements will be realized and that actual results in fact may differ materially from any projections, budgets, estimates or other forward looking statements provided to the Agents or the Lenders).

SECTION 3.05 **Financial Statements; Material Adverse Change**.

(a) The Borrower has furnished the Agents on behalf of the Lenders with copies of (i) the audited consolidated financial statement and schedules of the Parent and its Subsidiaries for the fiscal year ended December 31, 2004, and (ii) the unaudited consolidated financial statements for the Parent and its Subsidiaries for the fiscal quarter ended September 30, 2005, certified by its chief financial officer. Such financial statements present fairly, in all material respects, in accordance with GAAP (subject to year end adjustments and the absence of footnotes with respect to unaudited financial statements), the financial condition and results of operations of the Parent and its Subsidiaries on a consolidated basis as of such date and for such period; such balance sheets and the notes thereto disclose all liabilities, direct or contingent, of the Parent and its Subsidiaries as of the date thereof required to be disclosed by GAAP and such financial statements were prepared in a manner consistent with GAAP in all material respects.

(b) Since December 31, 2004 there has been no Material Adverse Change.

SECTION 3.06 **Ownership**. The Borrower is a direct wholly-owned Subsidiary of the Parent and on the Closing Date the Parent owns no other Subsidiaries, whether directly or indirectly, other than the Borrower, the Guarantors (other than the Parent) and as of the Closing Date other subsidiaries as listed on Schedule 3.06. As of the Closing Date, other than as set forth on Schedule 3.06, (a) each of the Persons listed on Schedule 3.06 is a wholly-owned, direct or indirect Subsidiary of the Borrower, and (b) the Borrower owns no other Subsidiaries, whether directly or indirectly.

SECTION 3.07 **Liens**. Except for the Liens existing on the Closing Date as reflected on Schedule 3.07, there are no Liens of any nature whatsoever on any assets of the Borrower or any of the Guarantors other than: (a) Permitted Liens; (b) other Liens permitted pursuant to Section 6.01 (including any waiver or amendment thereto subsequent to the Closing Date); and (c) Liens in favor of the Collateral Agents and the Lenders pursuant to the Loan Documents. Neither the Borrower nor the Guarantors are parties to any contract, agreement, lease or instrument the performance of which, either unconditionally or upon the happening of an event, will result in or require the creation of a Lien on any assets of the Borrower or any Guarantor (other than Liens permitted pursuant to Section 6.01 (including any waiver or amendment thereto subsequent to the Closing Date)) other than (i) the Liens granted to the Collateral Agents and the other Secured Parties as provided for in this Agreement and (ii) to the extent that the terms of any mortgage or security agreement extends any Lien over an airframe or engine for parts which are subsequently installed on such airframe or engine (to the extent permitted by law).

SECTION 3.08 **Compliance with Laws and Agreements**.

(a) Except for matters which could not reasonably be expected to have a Material Adverse Effect, the operations of the Borrower and the Guarantors comply in all

material respects with all applicable aviation, transportation, and health and safety statutes and regulations.

(b) To the Borrower's and each of the Guarantor's knowledge, neither the Borrower nor any Guarantor (nor any of its respective property or asset) is in violation of any (i) law, rule or regulation, or in default with respect to any judgment, writ, injunction or decree of any Governmental Authority or Foreign Aviation Authorities or (ii) obligation, covenant or condition contained in any Material Agreement to which it is a party or by which it or any of its property or assets is bound in any respect, which in each case, the violation of which, or a default with respect to which, would have a Material Adverse Effect.

(c) Schedule 3.08 hereto is a true and complete listing as of the Closing Date of the Material Agreements.

SECTION 3.09 **Insurance**. All policies of insurance of any kind or nature owned by or issued to the Borrower and the Guarantors, including, without limitation, policies of life, fire, theft, product liability, public liability, property damage, other casualty, employee fidelity, workers' compensation, employee health and welfare, title, property and liability insurance, are in full force and effect and are of a nature and provide such coverage, including, without limitation, war risk and terrorism liability insurance, that is in an amount that is no less than the amount as is customarily carried by major United States air carriers in the United States domestic airline industry; and the Borrower and the Guarantors maintain other insurance in such amounts as is customary in the United States domestic airline industry for major United States air carriers having both substantial domestic and international operations. In addition, the Borrower shall maintain all insurance coverage on the Mortgaged Collateral as required pursuant to the Aircraft Mortgage.

SECTION 3.10 **Use of Proceeds**. The proceeds of the Loans and Letters of Credit shall be used for working capital and for other general corporate purposes of the Borrower and the Guarantors (including for the payment of fees and transaction costs as contemplated hereby and as referred to in Section 2.18).

SECTION 3.11 **Litigation and Environmental Matters**. Other than as set forth on Schedule 3.11:

(a) There are no actions, suits, proceedings or investigations pending or, to the knowledge of the Borrower or the Guarantors, threatened against or affecting the Borrower or the Guarantors or any of their respective properties, before any court or governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, (i) that are reasonably likely to be determined adversely to the Borrower or the Guarantors and, if so determined adversely to the Borrower or the Guarantors, would have a Material Adverse Effect or (ii) that purport to, or could reasonably be expected to, affect the legality, validity, binding effect or enforceability of the Loan Documents or, in any material respect, the rights and remedies of the Agents, the Collateral Agents or the Lenders thereunder or in connection with the Transactions.

(b) Except with respect to any matters that, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect, none of the Borrower or the Guarantors (i) is currently not in compliance with any Environmental Law or requirement of any Airport Authority with respect to environmental matters or does not maintain or comply with any permit, license or other approval required under any Environmental Law or by any Airport Authority with respect to environmental matters, (ii) has become subject to any Environmental Liability, or (iii) has received written notice of any claim with respect to any Environmental Liability.

SECTION 3.12 **Slot Utilization**. Except for matters which could not reasonably be expected to have a Material Adverse Effect, the Borrower and, if applicable, a Guarantor, are utilizing the Slots in a manner consistent with applicable rules, regulations, laws and contracts in order to preserve both their respective right to hold and operate the Slots, taking into account any waivers or other relief granted to the Borrower and, if applicable, a Guarantor, by the FAA, other applicable Governmental Authority or Airport Authority. The Borrower and, if applicable, a Guarantor, have not received any written notice from the FAA, other applicable Governmental Authority or Airport Authority, and are not aware of any other event or circumstance, that would be reasonably likely to impair in any material respect their respective right to hold and operate any Slot; provided that the Borrower is aware, and has informed the Agents, that the Slot regime in place at LGA and JFK pursuant to Title 14 as of the Closing Date is set to expire on January 1, 2007, under Section 41715(a) of Title 49.

SECTION 3.13 **Primary Foreign Slot Utilization**. The Borrower and, if applicable, a Guarantor, are utilizing the Primary Foreign Slots in a manner consistent with applicable regulations, foreign laws and contracts in order to preserve their respective right to hold and operate the Primary Foreign Slots. The Borrower and, if applicable, a Guarantor, have not received any written notice from any applicable Foreign Aviation Authorities, nor are the Borrower and, if applicable, a Guarantor, aware of any other event or circumstance, that would be reasonably likely to impair in any material respect their respective right to hold and operate any Primary Foreign Slot.

SECTION 3.14 **Primary Route Utilization**. The Borrower and, if applicable, a Guarantor, hold the requisite authority to operate each of the Primary Routes pursuant to Title 49, applicable foreign law, and the applicable rules and regulations of any applicable Foreign Aviation Authorities, and have, at all times after being awarded each such Primary Route, complied in all material respects with all of the terms, conditions and limitations of each such certificate or order issued by the DOT and the applicable Foreign Aviation Authorities regarding such Primary Route and with all applicable provisions of Title 49, applicable foreign law, and the applicable rules and regulations of any Foreign Aviation Authorities. There exists no violation of such terms, conditions or limitations that gives the FAA, DOT or any applicable Foreign Aviation Authorities the right to terminate, cancel, withdraw or modify in any material adverse respect the rights of the Borrower and, if applicable, a Guarantor, in any such Primary Route.

SECTION 3.15 **Margin Regulations; Investment Company Act**.

(a) The Borrower is not engaged and will not engage, principally or as one of its important activities, in the business of purchasing or carrying margin stock (within the meaning of Regulation U issued by the Board), or extending credit for the purpose of purchasing or carrying margin stock and no proceeds of any Loans or proceeds from any Letter of Credit will be used to purchase or carry any margin stock or to extend credit to others for the purpose of purchasing or carrying any margin stock.

(b) Neither the Borrower nor any Guarantor is or is required to be registered as an "investment company" under the Investment Company Act of 1940. Neither the making of any Loan, nor the issuance of any Letters of Credit, nor the application of the proceeds or repayment thereof by the Borrower, nor the consummation of the other transactions contemplated by the Loan Documents, will violate any provision of such Act or any rule, regulation or order of the Securities and Exchange Commission thereunder.

SECTION 3.16 **Ownership Interest in Slots, Routes and Gates**. No Guarantor (other than assets of a Guarantor acquired in connection with a Permitted Acquisition) has any right, title or interest in any of the Slots, Foreign Slots, Routes, Supporting Route Facilities or Gate Interests.

SECTION 3.17 **ERISA**. Except as set forth on Schedule 3.17 and other than in connection with the bankruptcy proceedings of the Borrower, the Parent and certain of the direct and indirect subsidiaries of the Parent in the Bankruptcy Court, no Termination Event has occurred or is reasonably expected to occur. The present value of all accumulated benefit obligations under each Plan (based on the assumptions used for purposes of Statement of Financial Accounting Standards No. 87) did not, as of the date of the most recent financial statements reflecting such amounts, exceed by more than $10,000,000 the fair market value of the assets of such Plan, and the present value of all accumulated benefit obligations of all underfunded Plans (based on the assumptions used for purposes of Statement of Financial Accounting Standards No. 87) did not, as of the date of the most recent financial statements reflecting such amounts, exceed by more than $10,000,000 the fair market value of the assets of all such underfunded Plans.

SECTION 3.18 **Indebtedness; Off-Balance Sheet Transactions**. Schedule 3.18 correctly sets forth the consolidated Indebtedness of the Borrower and the Guarantors as of the Closing Date. Other than as disclosed in the notes to the financial statements described in Section 3.05, as of the Closing Date, there are no transactions, arrangements or other relationships between and/or among the Borrower, the Parent, or any of their respective affiliates (as such term is described in Rule 405 under the Securities Act of 1933, as amended) and any unconsolidated entity, including but not limited to, any structured finance, special purpose or limited purpose entity.

SECTION 3.19 **Properties**.

(a) The Borrower and the Guarantors have good title to (and with respect to Real Property Assets, good and marketable title to) each of the properties and assets reflected on the financial statements referred to in Section 3.05 hereof, including, without limitation, the Real Property Assets (other than such properties or assets disposed of in the ordinary course of

business since the date of such financial statements or as permitted hereunder). As of the Closing Date, Schedule 3.19(a) is a true and complete description of (i) each parcel of real property owned or leased by the Borrower or any Guarantor and (ii) the entity who owns or leases such real property.

(b) Each of the Borrower and the Guarantors owns, or is licensed to use, all trademarks, trade names, copyrights, patents and other intellectual property material to its business and the use thereof by such Borrower or Guarantor, to such Borrower's or Guarantor's knowledge, does not infringe upon the rights of any other Person, except for any such infringements that, individually or in the aggregate, could not be reasonably expected to result in a Material Adverse Effect.

(c) Neither the Borrower nor any Guarantor has received any written notice of a pending or contemplated condemnation proceeding affecting any Real Property Asset.

SECTION 3.20 **Perfected Security Interests**. The Collateral Documents, taken as a whole, are effective to create in favor of the Collateral Agents, for the benefit of the Secured Parties, a legal, valid and enforceable security interest in all of the Collateral subject as to enforceability to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law. At such time as (a) financing statements in appropriate form are filed in the appropriate offices (and the appropriate fees are paid), (b) the Aircraft Mortgage (including, without limitation, any Mortgage Supplement) is filed for recordation with the FAA (and the appropriate fees are paid), (c) with respect to identified intellectual property registered in the United States, the Trademark Security Agreement and the Patent Security Agreement are filed in the appropriate divisions of the United States Patent and Trademark Office (and the appropriate fees are paid) and the Copyright Security Agreement is filed in the United States Copyright Office (and the appropriate fees are paid), (d) the Real Estate Mortgages are filed in the appropriate recording office (and the appropriate fees are paid), (e) execution of the Control Agreements and (f) delivery of pledged securities under the Pledge Agreement (together with appropriate stock powers) to the Agents, the Collateral Agents, for the benefit of the Secured Parties, shall have a first priority perfected security interest and/or mortgage (or comparable Lien) in all of the Collateral, subject in each case only to Liens permitted by Section 6.01 (or, in the case of the Real Property Assets, subject only to the Permitted Liens and other Liens specified in the applicable Real Estate Mortgage).

SECTION 3.21 **Payment of Taxes**. Each of the Borrower and the Guarantors has timely filed or caused to be filed all Tax returns and reports required to have been filed and has paid or caused to be paid all Taxes required to have been paid by it, except to the extent in each case (a) Taxes that are being contested in good faith by appropriate proceedings and for which the Borrower or such Guarantor, as applicable, has set aside on its books adequate reserves or (b) to the extent that the failure to do so could not reasonably be expected to result in a Material Adverse Effect.

SECTION 3.22 **Solvency**. Immediately after the consummation of the Transactions to occur on the Closing Date and immediately following the making of the initial Loans or the issuing of the initial Letter of Credit, whichever may occur first, and after giving

effect to the application of the proceeds thereof, (a) the fair market value of the assets of the Borrower and the Guarantors, taken as a whole, will exceed their debts and liabilities, subordinated, contingent or otherwise, (b) the present fair saleable value of the property (on a going concern basis) of the Borrower and the Guarantors, taken as a whole, will be greater than the amount that will be required to pay the probable liability of their debts and other liabilities, subordinated, contingent or otherwise, as such debts and other liabilities become absolute and matured, (c) the Borrower and the Guarantors, taken as a whole, will be able to pay their debts and liabilities, subordinated, contingent or otherwise, as such debts and liabilities become absolute and matured, and (d) the Borrower and the Guarantors, taken as a whole, will not have unreasonably small capital with which to conduct the business in which they are engaged as such business is now conducted and is proposed to be conducted following the Closing Date. The amount of any contingent liability at any time shall be

computed as the amount that, in light of all facts and circumstances existing at the time, represents the amount that could reasonably be expected to become an actual liability.

SECTION 3.23 **Section 1110**. The Aircraft, Engines and Spare Engines listed on Schedule 3.23 represent each of the Aircraft, Engine or Spare Engines constituting Mortgaged Collateral that were first placed in service prior to October 22, 1994.

SECTION 3.24 **Labor Matters**. There are no strikes, lockouts or slowdowns against the Borrower or any Guarantor (or, to the knowledge of the Borrower or the Parent, threatened) that could reasonably be expected to have a Material Adverse Effect.

SECTION 4. **CONDITIONS OF LENDING**

SECTION 4.01 **Conditions Precedent to Initial Loans and Initial Letters of Credit**. The obligation of the Lenders to make the initial Loans or the Issuing Lender to issue the initial Letter of Credit, whichever may occur first, is subject to the satisfaction (or waiver in accordance with Section 10.08) of the following conditions precedent:

(a) Supporting Documents. The Agents shall have received for each of the Borrower and the Guarantors:

(i) a copy of such entity's certificate of incorporation or formation, as amended, certified as of a recent date by the Secretary of State of the state of its incorporation or formation;

(ii) a certificate of the Secretary of State of the state of such entity's incorporation or formation, dated as of a recent date, as to the good standing of and payment of taxes by that entity (to the extent available in the applicable jurisdiction) and as to the charter documents on file in the office of such Secretary of State;

(iii) a certificate of the Secretary or an Assistant Secretary of that entity dated the date of the initial Loans or the initial Letter of Credit hereunder, whichever first occurs, and certifying (A) that attached thereto is a true and complete copy of the by-laws or limited liability company agreement of that entity as in effect on the date of such certification, (B) that attached thereto is a true and complete copy of resolutions adopted by the Board of Directors, Board of Managers or Members of that entity authorizing the

Borrowings and Letter of Credit extensions hereunder (to the extent applicable), the execution, delivery and performance in accordance with their respective terms of this Agreement, the Loan Documents and any other documents required or contemplated hereunder or thereunder and the granting of the security interest in the Letter of Credit Account and other Liens contemplated hereby or the other Loan Documents, (C) that the certificate of incorporation or formation of that entity has not been amended since the date of the last amendment thereto indicated on the certificate of the Secretary of State furnished pursuant to clause (i) above, and (D) as to the incumbency and specimen signature of each officer of that entity executing this Agreement and the Loan Documents or any other document delivered by it in connection herewith or therewith (such certificate to contain a certification by another officer of that entity as to the incumbency and signature of the officer signing the certificate referred to in this clause (iii)); and

(iv) an Officer's Certificate from the Borrower certifying (A) as to the truth in all material respects of the representations and warranties contained in the Loan Documents as though made on and as of the date of the initial Loans or initial Letter of Credit, whichever first occurs, except to the extent that any such representation or warranty relates to a specified date, in which case such representation or warranty shall be or was true and correct in all material respects as of such date after giving effect to the Consummation of the Plan of Reorganization and to the Transactions and (B) the absence of any event occurring and continuing, or resulting from the initial Loans or initial Letter of Credit, whichever first occurs, that constitutes an Event of Default or event which, with giving of notice or passage of time or both, would be an Event of Default.

(b) Credit Agreement. The Borrower and each of the Guarantors shall have duly executed and delivered to the Agents this Agreement.

(c) Security Agreement, Pledge Agreement and Perfection Certificate. The Borrower and each of the Guarantors shall have duly executed and delivered to the Collateral Agents a Security Agreement in substantially the form of Exhibit B (the "Security Agreement") and a Pledge Agreement in substantially the form of Exhibit C (the "Pledge Agreement"), together with (i) any pledged Collateral (together with undated stock powers executed in blank) required to be delivered thereunder, (ii) all documents, certificates, forms and filing fees that the Collateral Agents may deem necessary to perfect and protect the liens and security interests created under the Security Agreement and Pledge Agreement, including, without limitation, financing statements in form and substance reasonably acceptable to the Collateral Agents, as may be required to grant, continue and maintain an enforceable security interest in the Collateral (subject to the terms hereof and of the other Loan Documents) in accordance with the Uniform Commercial Code as enacted in all relevant jurisdictions and (iii) the perfection certificate attached as an exhibit to the Security Agreement.

(d) SGR Security Agreement. The Borrower shall have duly executed and delivered to the Collateral Agents a slot, gate and route security and pledge agreement, in substantially the form of Exhibit D (the "SGR Security Agreement"), together with (i) in respect of each of the Primary Slots (except the Primary Slots at Westchester County Airport located in White Plains, New York), undated slot transfer documents, executed in blank to be held in escrow by the Collateral Agents and (ii) all documents, certificates, forms and filing fees that the

Collateral Agents may deem reasonably necessary to perfect (to the extent provided in the SGR Security Agreement) and protect the liens and security interests created under the SGR Security Agreement, including, without limitation, financing statements in form and substance reasonably acceptable to the Collateral Agents, as may be required to grant, continue and maintain an enforceable security interest in the applicable Collateral (subject to the terms hereof and of the other Loan Documents) in accordance with the Uniform Commercial Code as enacted in all relevant jurisdictions.

(e) Aircraft Mortgage. The Borrower shall have duly executed and delivered to the Collateral Agents an aircraft mortgage, in substantially the form of Exhibit E (the "Aircraft Mortgage"), and a Mortgage Supplement with respect to the Mortgaged Collateral in substantially the form annexed to the Aircraft Mortgage, together with (i) evidence of the filing for recordation with the FAA of the Aircraft Mortgage and the Mortgage

Supplement (together with any other necessary documents, instruments, affidavits or certificates) as the Collateral Agent may deem reasonably necessary to perfect and protect the Liens created thereby, including, without limitation, recordings and filings with the FAA, and all filings and recording fees and taxes in respect thereof shall have been duly paid and (ii) evidence that all other action that the Collateral Agents may deem reasonably necessary to perfect and protect the liens and security interests created under the Aircraft Mortgage and the Mortgage Supplement has been taken. The parties hereto acknowledge and agree that any Lien described in this Agreement on the Mortgaged Collateral is a Lien in favor of the Collateral Agents for the ratable benefit of the Secured Parties.

(f) Intellectual Property Security Agreements. The Borrower and each applicable Guarantor shall have duly executed and delivered to the Collateral Agent a (i) Trademark Security Agreement in substantially the form of Exhibit F-1 (the "Trademark Security Agreement"), (ii) Patent Security Agreement in substantially the form of Exhibit F-2 (the "Patent Security Agreement") and (iii) Copyright Security Agreement, in substantially the form of Exhibit F-3 (the "Copyright Security Agreement"), together with all documents, certificates, forms and filing fees that the Collateral Agent may deem reasonably necessary to perfect and protect the liens and security interests created in the identified intellectual property in the Trademark Security Agreement, the Patent Security Agreement and the Copyright Security Agreement.

(g) Real Estate Mortgages. The Borrower or the applicable Guarantor (as the case may be) shall have duly executed and delivered to the Collateral Agents the Real Estate Mortgages, together with (i) evidence that Real Estate Mortgages shall be recorded in all places to the extent that the Collateral Agents may deem reasonably necessary to perfect and protect the Liens created thereby, including, without limitation, recordings and filings with the appropriate agencies, and all filings and recording fees and taxes in respect thereof shall have been duly paid and (ii) evidence that all other action that the Collateral Agents may deem reasonably necessary to perfect and protect the liens and security interests created under the Real Estate Mortgages has been taken.

(h) Appraisals and Field Audits. The Agents shall have received, in form and substance reasonably satisfactory to them, (i) appraisals from (1) the Appraisers in respect of the Appraised Collateral (other than the Real Property Assets) and (2) the Real Estate Appraiser in

respect of the Real Property Assets and (ii) a Field Audit in respect of the Eligible Accounts Receivable.

(i) Opinions of Counsel. The Agents, the Lenders and the Collateral Agents shall have received:

(i) a written opinion of Kirkland & Ellis LLP, counsel to the Borrower and the Guarantors, dated the date of the initial Loans or the issuance of the initial Letters of Credit, whichever first occurs, substantially in the form of Exhibit G-1;

(ii) a written opinion of Vedder, Price, Kaufman & Kammholz, special counsel to the Borrower and the Guarantors, dated the date of the initial Loans or the issuance of the initial Letters of Credit, whichever first occurs, substantially in the form of Exhibit G-2;

(iii) a written opinion of McAfee & Taft, special counsel to the Agents, dated the date of the initial Loans or the issuance of the initial Letters of Credit, whichever first occurs, substantially in the form of Exhibit G-3; and

(iv) a written opinion with respect to each Real Estate Mortgage reasonably satisfactory to the Agents of such other local real estate counsel as the Agents may reasonably request.

(j) Payment of Fees and Expenses. The Borrower shall have paid to the Paying Agent the then unpaid balance of all accrued and unpaid Fees due, owing and payable under and pursuant to this Agreement, as referred to in Section 2.18 and as heretofore agreed upon by the Borrower and the Agents, and all reasonable fees and reasonable out-of-pocket expenses of the Agents, the Lead Arrangers and the Collateral Agents (including the reasonable fees and reasonable out-of-pocket expenses of counsel to the Agents) as to which invoices have been issued and presented.

(k) Corporate and Judicial Proceedings. All corporate and judicial proceedings and all instruments and agreements in connection with the transactions among the Borrower, the Guarantors, the Agents and the Lenders contemplated by this Agreement shall be reasonably satisfactory in form and substance to the Agents, and the Agents shall have received all information and copies of all documents and papers, including records of corporate and judicial proceedings, which the Agents may have reasonably requested in connection therewith, such documents and papers where appropriate to be certified by proper corporate, governmental or judicial authorities.

(l) Access; Compliance with Laws. The Borrower and the Guarantors shall have granted the Agents access to and the right to inspect all reports, audits and other internal information of the Borrower and the Guarantors relating to environmental matters, and any third party verification of certain matters relating to compliance with Environmental Laws and regulations reasonably requested by the Agents, and the Agents shall be reasonably satisfied that the Borrower and the Guarantors are in compliance in all material respects with all applicable Environmental Laws and any requirements of Airport Authorities with respect to environmental matters; provided that each of the Borrower and the Guarantors shall not be required to disclose

reports, audits or other internal information that is privileged and would materially adversely effect the Borrower's or such Guarantor's ability to defend against any claims brought against it.

(m) Lien Searches. The Agents shall have received UCC searches (including tax liens and judgments) conducted in the jurisdictions in which the Borrower and the Guarantors are incorporated or such other jurisdictions as the Agents may reasonably require and Lien searches conducted in the recording office of the Federal Aviation Administration as may be reasonably satisfactory to the Agents (dated as of a date reasonably satisfactory to the Agents), reflecting the absence of Liens and encumbrances on the assets of the Borrower and the Guarantors other than Liens permitted hereunder and as may be reasonably satisfactory to the Agents and (in the case of the searches conducted at the recording office of the FAA) indicating that the Borrower (or a Guarantor) is the registered owner of each of the aircraft which is intended to be covered by the Aircraft Mortgage.

(n) Insurance. (i) The Collateral Agents shall have received original certificates of insurance with respect to insurance maintained by the Borrower or any Guarantor, as the case may be, which certificates evidence compliance by the Borrower and the Guarantors with the insurance requirements set forth herein and in the Collateral Documents as of the Closing Date and contain signatures of duly authorized representatives of AON Risk Services or such other insurance broker as may be reasonably acceptable to the Collateral Agents.

(ii) The Collateral Agents shall have been named as loss payees with respect to the Mortgaged Collateral and Real Property Assets, and additional insureds (as their interests may appear), on such policies of insurance of the Borrower and the Guarantors as the Collateral Agents may have reasonably requested (or as otherwise specified in the Collateral Documents).

(o) Title/Survey. The Collateral Agents shall have received title insurance policies with respect to each Real Property Asset from Chicago Title Insurance Company and real property surveys with respect to (i) that certain parcel of real property located at 1200 Algonquin Road, Elk Grove Village, Illinois 60007 from V3 Companies of Illinois Ltd. and (ii) the Denver Training Facility from Yistra Aker Surveying, all in form and substance reasonably satisfactory to the Collateral Agents.

(p) Order; Plan of Reorganization. (i) The Confirmation Order shall have been entered in accordance with the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, any applicable orders of the Bankruptcy Court and any applicable local rules and shall be reasonably satisfactory to the Agents, (ii) the Plan of Reorganization shall, in a manner reasonably satisfactory to the Agents, contemplate and authorize this Agreement, the Transactions and all actions to be taken, undertakings to be made and obligations to be incurred by the Borrower and the Guarantors in connection herewith and therewith (including, without limitation, the payment of all of the Fees and performance of the obligations set forth in Section 10.04 hereof) and shall not have been amended or modified unless reasonably satisfactory to the Agents, (iii) the Confirmation Order shall be in full force and effect and not subject to stay and, unless otherwise waived by the Agents (provided, that such waiver shall not be unreasonably withheld, delayed or conditioned and that prior notice to other parties in interest shall not be required with respect to any such waiver), (A) the time to appeal the Confirmation Order or to

seek review, rehearing or certiorari with respect to the Confirmation Order shall have expired and (B) no appeal or petition for review, rehearing or certiorari with respect to the Confirmation Order shall be pending, and (iv) all conditions to the effectiveness of the Plan of Reorganization shall have been satisfied (or, with the prior written consent of the Agents, which written consent shall not be unreasonably withheld, delayed or conditioned, waived in accordance with the terms of the Plan of Reorganization, in the reasonable judgment of the Agents) and the Consummation of the Plan of Reorganization shall have occurred simultaneously with the Closing Date.

(q) Repayment of Existing DIP Facility. Upon Consummation of the Plan of Reorganization and the making of the initial Loans or the initial Letter of Credit, the Existing DIP Facility shall have been repaid in full and terminated, and all action necessary to release all collateral pledged to secure the Loans shall have been taken, in form and substance reasonably satisfactory to the Agents.

(r) Consents. All governmental and third party consents and approvals necessary or, in the reasonably discretion of the Agents, advisable in connection with the financing contemplated hereby and the continuing operations of the Borrower and the Guarantors shall have been obtained, in form and substance reasonably satisfactory to the Agents, and be in full force and effect.

(s) Financial Statements. The Lenders shall have received (i) audited consolidated financial statements of the Parent and the Borrower for the two most recent fiscal years ended prior to the Closing Date as to which such audited financial statements are available and (ii) unaudited interim consolidated financial statements of the Parent and the Borrower for each quarterly period ended subsequent to the date of the latest financial statements delivered pursuant to clause (i) of this Section 4.01(s) as to which such financial statements are available.

(t) No Illegality. No law or regulation shall be applicable in the reasonable judgment of the Agents or the Lenders that restrains, prevents or imposes materially adverse conditions upon the Transactions.

(u) Representations and Warranties. All representations and warranties set forth in Section 3 hereof shall be true and correct in all material respects on and as of the Closing Date, after giving effect to the Consummation of the Plan of Reorganization and to the Transactions, as though made on and as of such date (except to the extent any such representation or warranty by its terms is made as of a different specified date, in which event such representation or warranty shall be true and correct in all material respects as of such specified date).

(v) No Event of Default. After giving effect to the Consummation of the Plan of Reorganization and the Transactions, no Event of Default or event which, with the giving of notice or passage of time or both, would be an Event of Default shall have occurred and be continuing on the Closing Date.

(w) Borrowing Request. The Paying Agent shall have received a Borrowing Request pursuant to Section 2.03.

(x) Projections. The Agents and the Lenders shall have received reasonably satisfactory projections for the fiscal years 2006 through and including 2010 reflecting, among other things, transactions to be effected pursuant to the Plan of Reorganization.

(y) Intercreditor Agreement. The Borrower, the Agents and Chase Bank shall have executed the Intercreditor Agreement.

(z) Eligible Collateral. At the time the Lenders make the initial Loans or the Issuing Lender issues the initial Letter of Credit, whichever may occur first, and after giving effect thereto, the Appraised Value of the Eligible Collateral shall not be less than 165% of the sum of the aggregate outstanding amount of the Loans plus the undrawn amount of outstanding Letters of Credit issued for the account of the Borrower and the unreimbursed amount of drawings under such Letters of Credit.

(aa) Control Agreements. The Borrower or any Guarantor, as the case may be, shall use commercially reasonable efforts to deliver to the Collateral Agents a Control Agreement, properly executed by the Borrower or any Guarantor, as the case may be, and each bank or other financial

institution (as may be specified by the Collateral Agents) at which the Borrower or any Guarantor, as the case may be, maintains deposit accounts (other than Escrow Accounts, Payroll Accounts, Petty Cash Accounts and accounts with the Agents) or has Investment Property, as the case may be.

(bb) Environmental Due Diligence. The Agents shall have received an ASTM compliant Phase I environmental assessment, which report shall include a visual inspection for the presence of suspect asbestos containing materials and a due diligence-level compliance assessment identifying any material non-compliances with Environmental Laws, for each Real Property Asset as they shall direct, which assessment shall be prepared by Environmental Resources Management (ERM) or other environmental consultant reasonably acceptable to the Agents and shall otherwise be in form and substance reasonably acceptable to the Agents.

(cc) Flights. The Agents shall have received an Officer's Certificate of the Borrower showing the total number of nonstop flights the Borrower operated during the fiscal quarter ended December 31, 2005 serving any point in China, London's Heathrow Airport, Osaka's Kansai International Airport, Tokyo's Narita Airport, Nagoya Airport, or Hong Kong International Airport from a gateway in the United States and between Hong Kong and Singapore, Hong Kong and Ho Chi Minh, Tokyo and Seoul, Tokyo and Bangkok, Tokyo and Hong Kong, Tokyo and Singapore, Tokyo and Taipei, and Nagoya and Taipei.

(dd) Other Documentation and Information. The Agents shall have received (i) such documents and certificates as the Agents or their counsel may reasonably request relating to the organization, existence and good standing of the Borrower, the authorization of the Transactions and any other legal matters relating to the Borrower or any Guarantor, this Agreement or the Transactions and (ii) fully executed originals of the Contribution Agreement, all in form and substance reasonably satisfactory to the Agents and their counsel.

SECTION 4.02 **Conditions Precedent to Each Loan and Each Letter of Credit**. The obligation of the Lenders to make each Loan and of the Issuing Lender to issue each Letter

of Credit, including the initial Loan and the initial Letter of Credit, is subject to the satisfaction (or waiver in accordance with Section 10.08) of the following conditions precedent:

(a) Notice. The Paying Agent shall have received a Borrowing Request pursuant to Section 2.03 with respect to such borrowing or issuance, as the case may be.

(b) Representations and Warranties. All representations and warranties contained in this Agreement and the other Loan Documents shall be true and correct in all material respects on and as of the date of each Borrowing or the issuance of each Letter of Credit hereunder with the same effect as if made on and as of such date except to the extent such representations and warranties expressly relate to an earlier date and in such case, such representations and warranties shall be true and correct in all material respects as of such date.

(c) No Default. On the date of each Borrowing hereunder or the issuance of each Letter of Credit, no Event of Default or event which upon notice or lapse of time or both would constitute an Event of Default shall have occurred and be continuing nor shall any such event occur by reason of the making of the requested Borrowing or the issuance of the requested Letter of Credit.

The request by the Borrower for, and the acceptance by the Borrower of, each extension of credit hereunder shall be deemed to be a representation and warranty by the Borrower that the conditions specified in this Section have been satisfied or waived at that time.

SECTION 4.03 **Conditions Precedent to Delayed Draw Tranche B Loan.** The obligation of the Tranche B Lenders to make the Delayed Draw Tranche B Loan is subject to the satisfaction (or waiver by Tranche B Lenders in accordance with Section 10.08) of the following conditions precedent:

(a) Additional Collateral. The Borrower shall have obtained unencumbered title to the airframes and engines that currently secure the 1997 EETC Facility.

(b) Supplement or Modification to Aircraft Mortgage. The Borrower shall have duly executed and delivered to the Collateral Agents with respect to the additional Collateral referred to in Section 4.03(a) above, a Mortgage Supplement or, if requested by the Collateral Agents, an amended and restated Aircraft Mortgage that will comply with Section 5.20 hereof and be substantially consistent with the Aircraft Mortgage, and the Collateral Agent shall have received evidence that the Mortgage Supplement or such amended and restated Aircraft Mortgage has been recorded with the FAA and any other registry as may be required in accordance with Section 5.20 hereof.

(c) Opinions of Counsel. The Agents and the Collateral Agents shall have received:

(i) a written opinion of counsel to the Borrower and the Guarantors reasonably satisfactory to the Agents, dated the date of the making of the Delayed Draw Tranche B Loan, reasonably satisfactory in form and substance to the Agents; and

(ii) a written opinion of McAfee & Taft, special counsel to the Agents, dated the date of the making of the Delayed Draw Tranche B Loan, reasonably satisfactory in form and substance to the Agents.

(d) Insurance Designation. The Collateral Agents shall have been named as loss payee with respect to the additional Collateral referred to in Section 4.03(a) above, and additional insured (as its interests may appear), on such policies of insurance of the Borrower and the Guarantors as the Collateral Agents may have reasonably requested with respect to such additional Collateral.

(e) Notice. The Paying Agent shall have received a notice with respect to the borrowing of the Delayed Draw Tranche B Loan, as required by Section 2.

(f) Representations and Warranties. All representations and warranties contained in this Agreement and the other Loan Documents shall be true and correct in all material respects on and as of the date of the Borrowing of the Delayed Draw Tranche B Loan hereunder with the same effect as if made on and as of such date except to the extent such representations and warranties expressly relate to an earlier date in which case they shall have been true and correct in all material respects as of such date.

(g) No Default. On the date of the Borrowing of the Delayed Draw Tranche B Loan hereunder, no Event of Default or event which upon notice or lapse of time or both would constitute an Event of Default shall have occurred and be continuing.

The request by the Borrower for, and the acceptance by the Borrower of, each extension of credit hereunder shall be deemed to be a representation and warranty by the Borrower that the conditions specified in this Section have been satisfied or waived at that time.

SECTION 5. **AFFIRMATIVE COVENANTS**

From the date hereof and for so long as any Tranche A Commitment or Tranche B Commitment shall be in effect or any Letter of Credit shall remain outstanding (in a face amount in excess of the amount of cash then held in the Letter of Credit Account, or in excess of the face amount of back-to-back Letters of Credit delivered, in each case pursuant to Section 2.02(c)), or any amount shall remain outstanding or unpaid under this Agreement (other than contingent indemnification obligations not due and payable), the Borrower and each of the Guarantors agree that, unless the Required Lenders shall otherwise consent in writing, the Borrower and each of the Guarantors will:

SECTION 5.01 **Financial Statements, Reports, etc**. Deliver to the Agents on behalf of the Lenders:

(a) Within 90 days after the end of each fiscal year, the Parent's consolidated balance sheet and related statement of income and cash flows, showing the financial condition of the Parent and its Subsidiaries on a consolidated basis as of the close of such fiscal year and the results of their respective operations during such year, the consolidated statement of the Parent to be audited for the Parent by Deloitte and Touche LP or other independent public accountants of recognized national standing and accompanied by an opinion of such accountants (without a

"going concern" or like qualification or exception and without any qualification or exception (other than with respect to the 2004 audit and the 2005 audit) as to the scope of such audit) and to be certified by a Responsible Officer of the Parent to the effect that such consolidated financial statements fairly present in all material respects the financial condition and results of operations of the Parent and its Subsidiaries on a consolidated basis in accordance with GAAP; provided that documents required to be delivered pursuant to this clause (a) which are made available via EDGAR, or any successor system of the SEC, on the Parent's Annual Report on Form 10-K shall be deemed delivered when made so available and the Agents shall have received notice that such documents have been made so available;

(b) Within 45 days after the end of each of the first three fiscal quarters, the Parent's consolidated balance sheets and related statements of income and cash flows, showing the financial condition of the Parent and its Subsidiaries on a consolidated basis as of the close of such fiscal quarter and the results of their operations during such fiscal quarter and the then elapsed portion of the fiscal year, each certified by a Responsible Officer of the Parent as fairly presenting in all material respects the financial condition and results of operations of the Parent and its Subsidiaries on a consolidated basis in accordance with GAAP, subject to normal year-end audit adjustments and the absence of footnotes; provided that documents required to be delivered pursuant to this clause (b) which are made available via EDGAR, or any successor system of the SEC, on the Parent's Annual Report on Form 10-K shall be deemed delivered when made so available and the Agents shall have received notice that such documents have been made so available;

(c) (i) concurrently with any delivery of financial statements under (a) and (b) above, a certificate of a Responsible Officer of the Parent (A) certifying that no Event of Default or event which upon notice or lapse of time or both would constitute an Event of Default has occurred, or, if such an Event of Default or event has occurred, specifying the nature and extent thereof and any corrective action taken or proposed to be taken with respect thereto, (B) setting forth computations in reasonable detail satisfactory to the Agents demonstrating compliance with the provisions of Sections 6.03, 6.04, 6.05, 6.06 and 6.10 and (C) stating whether any change in GAAP or in the application thereof has occurred since the date of the audited financial statements referred to in Section 3.05 and, if any such change has occurred, specifying the effect of such change on the financial statements accompanying such certificate; (ii) concurrently with any delivery of financial statements under (a) above, a certificate of a Responsible Officer of the Parent setting forth a list of the direct and indirect Subsidiaries (other than Immaterial Subsidiaries) of the Parent as of such date; and (iii) concurrently with any delivery of financial statements under (a) above, a certificate (which certificate may be limited to accounting matters and disclaim responsibility for legal interpretations) of the accountants auditing the consolidated financial statements delivered under (a) above certifying that, in the course of the regular audit of the business of the Borrower, the Parent and its Subsidiaries, such accountants have obtained no knowledge that an Event of Default under Sections 6.04, 6.05 or 6.06 has occurred and is continuing or if, in the opinion of such accountants, such an Event of Default has occurred and is continuing, specifying the nature thereof and all relevant facts with respect thereto;

(d) promptly after the same become publicly available, copies of all registration statements and all periodic and other reports, proxy statements and other materials filed by it with the Securities and Exchange Commission, or any governmental authority

succeeding to any of or all the functions of said commission, or with any national securities exchange, as the case may be; provided that documents required to be delivered pursuant to this clause (d) which are made available via EDGAR, or any successor system of the SEC, shall be deemed delivered when made so available and the Agents shall have received notice that such documents have been made so available.

(e) Within sixty (60) days from the last Business Day of the immediately preceding fiscal year, a detailed consolidated budget for the following 12-month period (including a projected consolidated balance sheet and related statements of projected operations and cash flow for such period) and, promptly when available, any significant revisions of such budget;

(f) as soon as available and in any event within fifteen (15) Business Days after the Borrower or any of its ERISA Affiliates knows or has reason to know that any Termination Event has occurred, a statement of a Responsible Officer of the Borrower describing the full details of such

Termination Event and the action, if any, which the Borrower or such ERISA Affiliate is required or proposes to take with respect thereto, together with any notices required or proposed to be given to or filed with or by the Borrower, the ERISA Affiliate, the PBGC, a Plan participant or the Plan administrator with respect thereto;

(g) promptly and in any event within fifteen (15) Business Days after receipt thereof by the Borrower or any of its ERISA Affiliates from the PBGC copies of each notice received by the Borrower or any such ERISA Affiliate of the PBGC's intention to terminate any Single Employer Plan of the Borrower or such ERISA Affiliate or to have a trustee appointed to administer any such Plan;

(h) if requested by either Agent (in consultation with the other Agent), promptly and in any event within 30 days after the filing thereof with the Internal Revenue Service, copies of each Schedule B (Actuarial Information) to the annual report (Form 5500 Series) with respect to each Plan of the Borrower or any of its ERISA Affiliates;

(i) within fifteen (15) Business Days after notice is given or required to be given to the PBGC under Section 302(f)(4)(A) of ERISA of the failure of the Borrower or any of its ERISA Affiliates to make timely payments to a Plan, a copy of any such notice filed and a statement of a Responsible Officer of the Borrower setting forth (i) sufficient information necessary to determine the amount of the lien under Section 302(f)(3), (ii) the reason for the failure to make the required payments and (iii) the action, if any, which the Borrower or any of its ERISA Affiliates proposed to take with respect thereto;

(j) promptly and in any event within fifteen (15) Business Days after receipt thereof by the Borrower or any ERISA Affiliate from a Multiemployer Plan sponsor, a copy of each notice received by the Borrower or any ERISA Affiliate concerning (i) the imposition of Withdrawal Liability by a Multiemployer Plan, (ii) the determination that a Multiemployer Plan is, or is expected to be, in reorganization within the meaning of Title IV of ERISA, (iii) the termination of a Multiemployer Plan within the meaning of Title IV of ERISA, or (iv) the amount of liability incurred, or which may be incurred, by the Borrower or any ERISA Affiliate in connection with any event described in clause (i), (ii) or (iii) above;

(k) promptly after any Responsible Officer of the Borrower obtains knowledge thereof, notice of any taxes, assessments and governmental charges or Liens imposed upon the Borrower or any of the Guarantors or any of its or their properties, or any action, suit, investigation or proceeding in respect thereof that has the reasonable likelihood of adverse determination, as to which the Borrower or such Guarantor has obtained written notice and which, either individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect;

(l) promptly after a Responsible Officer obtains knowledge of (i) the filing or commencement of any action, suit or proceeding by or before any arbitrator or Governmental Authority against or affecting the Parent or any Subsidiary that has a reasonable likelihood of adverse determination and such adverse determination could reasonably be expected to result in a Material Adverse Effect; (ii) the receipt of any environmental audits and reports, whether prepared by personnel of the Borrower or any Guarantor or by independent consultants, with respect to significant environmental matters or which relate to an Environmental Liability which could be expected to have a Material Adverse Effect, together with copies of such audits and reports; or (iii) any other development that results in, or could reasonably be expected to result in, a Material Adverse Effect; each notice delivered under this sub-paragraph shall be accompanied by a statement of a Responsible Officer of the Parent and the Borrower setting forth the details of the event or development requiring such notice and any action taken or proposed to be taken with respect thereto;

(m) promptly, from time to time, such other information regarding the operations (including, without limitation, any information regarding Slot utilization), business affairs and financial condition of the Borrower or any Guarantor as either of the Agents, at the request of any Lender, may reasonably request;

(n) on the fifth Business Day following the end of each calendar month in which the Borrower and, if applicable, a Guarantor, file with the FAA, other applicable Governmental Authority or Airport Authority a report on Primary Slot utilization pursuant to 14 C.F.R. Part 93 or other applicable regulations or law regarding Primary Slot utilization, a copy of such report, and a summary thereof, in a format reasonably acceptable to the Agents;

(o) on the fifth Business Day following the end of each calendar month, a Primary Foreign Slot Utilization Report, in a format reasonably acceptable to the Agents, showing by day of week the number of times the Borrower and, if applicable, a Guarantor, canceled or otherwise did not operate a flight utilizing each such Primary Foreign Slot in the just ended calendar month;

(p) on the fifth Business Day following the end of each calendar month, a certificate of a Responsible Officer of the Borrower and, if applicable, a Guarantor, (i) stating that at all times since the last certificate delivered under this Section 5.01(p) (or, in the case of the first certificate to be delivered after the Closing Date, at all times since the Closing Date) the Borrower and, if applicable, a Guarantor, are utilizing the Primary Routes and the Primary Foreign Slots in a manner consistent in all material respects with applicable regulations, rules, law, foreign law and contracts in order to preserve their respective rights in and to use each of the Primary Routes and Primary Foreign Slots and whether the Borrower and, if applicable, a

Guarantor, has satisfied all applicable utilization requirements set forth in any such regulation, rule, law, foreign law and contract and (ii) stating whether the Borrower and, if applicable, a Guarantor, has discontinued, suspended or otherwise not operated nonstop service between Hong Kong and Singapore, Hong Kong and Ho Chi Minh, Tokyo and Seoul, Tokyo and Bangkok, Tokyo and Hong Kong, Tokyo and Singapore, Tokyo and Taipei, Nagoya and Taipei, or to points in China, Tokyo's Narita Airport, Osaka's Kansai International Airport, Nagoya Airport, Hong Kong International Airport or London's Heathrow Airport from any gateway in the United States from which the Borrower and, if applicable, a Guarantor, operated nonstop service during the previous month, for more than fifteen (15) consecutive days;

(q) from and after Eligible Accounts Receivable being designated as Eligible Collateral, promptly and in any event within forty-five (45) days of each six (6) month anniversary of the Closing Date, an Officer's Certificate from the Parent setting forth the amount of Eligible Accounts Receivable as of such date, together with all supporting documents and additional reports with respect to Eligible Accounts Receivable as the Agents may reasonably request.

Subject to the next succeeding sentence, information delivered pursuant to this Section 5.01 to the Agents may be made available by the Agents to the Lenders by posting such information on the Intralinks website on the Internet at http://www.intralinks.com. Information delivered pursuant to this Section 5.01 may also be delivered by electronic communication pursuant to procedures approved by the Agents pursuant to Section 10.01 hereto. Information required to be delivered pursuant to this Section 5.01 (to the extent not made available as set forth above) shall be deemed to have been delivered to the Agents on the date on which the Borrower provides written notice to the Agents that such information has been posted on the Borrower's website on the Internet at http://www.united.com (to the extent such information has been posted or is available as described in such notice). Information required to be delivered pursuant to this Section 5.01 shall be in a format which is suitable for transmission.

Unless (i) expressly marked by the Borrower as "PUBLIC" or (ii) copies of its public filings with the SEC, any notice or other communication delivered pursuant to this Section 5.01, or otherwise pursuant to this Agreement, shall be deemed to contain material non-public information.

SECTION 5.02 **Existence**. Preserve and maintain in full force and effect all governmental rights, privileges, qualifications, permits, licenses and franchises necessary in the normal conduct of its business except (a)(i) if in the reasonable business judgment of the Borrower it is no longer necessary for the Borrower and the Guarantors to preserve and maintain such rights, privileges, qualifications, permits, licenses and franchises, and (ii) such failure to preserve the same could not, in the aggregate, reasonably be expected to have a Material Adverse Effect, and (b) as otherwise permitted in connection with (i) sales of assets permitted by Section 6.11 or (ii) mergers, liquidations and dissolutions permitted by Section 6.02.

SECTION 5.03 **Insurance**.

(a) In addition to the requirements of Sections 5.03(b) and (c) or as set forth in each Real Property Mortgage and the Aircraft Mortgage, (i) keep its properties insured at all

times, against such risks, including fire and other risks insured against by extended coverage, as is customary with companies of the same or similar size in the same or similar businesses and otherwise on terms and conditions and with insurance carriers which are reasonably satisfactory to the Collateral Agents; (ii) maintain in full force and effect public liability insurance against claims for personal injury or death or property damage occurring upon, in, about or in connection with the use of any properties owned, occupied or controlled by the Borrower or any Guarantor, as the case may be, in such amounts and with such deductibles as are customary with companies of the same or similar size in the same or similar businesses and in the same geographic area; and (iii) maintain such other insurance or self insurance as may be required by law.

(b) Maintain in full force and effect war risk and terrorism insurance on all its property in an amount that is no less than the maximum amount available to the Borrower and the Guarantors from the DOT under the Federal Aviation Insurance Program, as amended by the Air Transportation Stabilization Act and Regulations and further amended by the Homeland Security Act of 2002, and as further amended by the Vision–100 Century of Aviation Reauthorization Act.

(c) Maintain business interruption insurance in amounts that are reasonably satisfactory to the Agents and as is customary in the United States domestic airline industry for major United States air carriers having both substantial domestic and international operations.

(d) All such insurance referred to in this Section 5.03 shall (i) contain a Lender's Loss Payable Endorsement in favor of the Collateral Agents, on behalf of the Secured Parties, in all loss or damage insurance policies, (ii) provide that no cancellation, material reduction in an amount or material change in coverage thereof shall be effective until at least thirty (30) days (or such shorter period as may be set forth in the Aircraft Mortgage) after written notice thereof to the Collateral Agents, on behalf of the Secured Parties, permitting the Collateral Agents to cure any default with respect to applicable outstanding premiums, (iii) name the Collateral Agents, for the benefit of the Secured Parties, as loss payees for physical damage insurance with respect to property which constitutes Collateral or a Real Property Asset as to which a Lien has been granted to the Collateral Agents, and as additional insureds for liability insurance, (iv) provide that once the Collateral Agents have given notice of the occurrence of an Event of Default, no loss shall be adjusted or otherwise settled without the prior written consent of the Collateral Agents, (v) state that none of the Collateral Agents, any of the Lenders, nor any other Secured Party shall be responsible for premiums, commissions, club calls, assessments or advances, and (vi) otherwise be reasonably satisfactory in all respects (including deductibles) to the Collateral Agents.

(e) Promptly deliver to the Collateral Agents copies of any notices received from its insurers with respect to insurance programs required by the Terrorism Risk Insurance Act of 2002 (as extended by the Terrorism Risk Insurance Extension Act of 2005) and, if so requested by the Collateral Agents, procure and maintain in force the insurance that is offered in such programs to the same extent maintained by companies of the same or similar size in the same or similar businesses.

(f) No less frequently than annually, but in any event prior to expiration of any insurance policy maintained in connection herewith or in connection with any Collateral

Document, furnish to the Collateral Agents original certificates of insurance with respect to insurance maintained by the Borrower or any Guarantor, as the case may be, which certificates evidence compliance by the Borrower and the Guarantors with the insurance requirements set forth herein and in any of the Collateral Documents and contain signatures of duly authorized representatives of AON Risk Services or such other insurance broker as may be reasonably acceptable to the Collateral Agents, at all times prior to policy termination, cessation or cancellation.

(g) Make available, upon the reasonable request of the Collateral Agents and upon reasonable prior notice, copies of all insurance policies maintained by the Borrower and the Guarantors for the review of the Collateral Agents and any agents or representatives thereof.

SECTION 5.04 **Maintenance of Properties**. Except to the extent otherwise permitted hereunder, each of the Parent and the Borrower, in its reasonable business judgment, will, and will cause each of its respective Subsidiaries to, keep and maintain all property material to the conduct of its business (and all Real Property Assets) in good working order and condition (ordinary wear and tear and damage by casualty and condemnation excepted), except where the failure to keep such property in good working order and condition would not have a Material Adverse Effect.

SECTION 5.05 **Obligations and Taxes**. With respect to the Borrower and each Guarantor, pay all its material obligations promptly and in accordance with their terms and pay and discharge promptly all material taxes, assessments and governmental charges, levies or claims imposed upon it or upon its income or profits or in respect of its property, before the same shall become more than ninety (90) days delinquent; provided, however, that the Borrower and each Guarantor shall not be required to pay and discharge or to cause to be paid and discharged any such obligation, tax, assessment, charge, levy or claim so long as the validity or amount thereof shall be contested in good faith by appropriate proceedings (if the Borrower and the Guarantors shall have set aside on their books adequate reserves therefor in accordance with GAAP).

SECTION 5.06 **Notice of Event of Default, etc**. Promptly upon the Borrower's knowledge thereof give to the Agents notice in writing of any Event of Default or the occurrence of any event or circumstance which with the passage of time or giving of notice or both would constitute an Event of Default.

SECTION 5.07 **Access to Books and Records**. (a) Maintain or cause to be maintained at all times true and complete books and records in all material respects in a manner consistent with GAAP in all material respects of the financial operations of the Borrower and the Guarantors; and provide the Agents, the Collateral Agents and their respective representatives and advisors reasonable access to all such books and records, as well as any appraisals of the Collateral, during regular business hours, in order that the Agents and the Collateral Agents may upon reasonable prior notice and with reasonable frequency examine and make abstracts from such books, accounts, records, appraisals and other papers, and permit the Agents, the Collateral Agents and their respective representatives and advisors to confer with the officers of the Borrower and the Guarantors and representatives (provided that the Borrower shall be given the right to participate in such discussions with such representatives) of the Borrower and the Guarantors, all for the purpose of verifying the accuracy of the various reports delivered by the

Borrower or the Guarantors to the Agents or the Lenders pursuant to this Agreement or for otherwise ascertaining compliance with this Agreement; and at any reasonable time and from time to time during regular business hours, upon reasonable notice to the Borrower, permit the Agents, the Collateral Agents, and any agents or representatives (including, without limitation, appraisers) thereof to visit the properties of the Borrower and the Guarantors and to conduct examinations of and to monitor the Collateral held by the Collateral Agents, in each case at the expense of the Borrower (provided, that the Borrower shall not be required to pay the expenses of more than one such visit a year unless an Event of Default has occurred and is continuing).

(b) Grant access to and the right to inspect all final reports, final audits (and draft reports and audits where no final reports or audits are available) and other similar internal information of the Borrower relating to the Real Property Assets with respect to environmental matters upon reasonable notice, and obtain any third party verification of matters relating to the Release or alleged Release of Hazardous Materials at the Real Property Assets and compliance with Environmental Laws and requirements of Airport Authorities with respect to environmental matters (for matters that would impact the value of the Real Property Assets) reasonably requested by the Agents at any time and from time to time.

SECTION 5.08 **Compliance with Laws**.

(a) Each of the Borrower and the Parent will, and will cause each of its respective Subsidiaries to, comply with all applicable laws, rules, regulations and orders of any Airport Authority (with respect to environmental matters) or Governmental Authority applicable to it or its property (including Environmental Laws), except where such noncompliance, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

(b) To the extent the following are required by Environmental Laws or any requirements of an Airport Authority relating to environmental matters, each of the Parent and the Borrower will conduct, and will cause each of their Subsidiaries to conduct, any and all investigations, studies, sampling and testing and will take, and will cause each of their Subsidiaries to take, any and all necessary remedial action in connection with the presence, storage, use, disposal, transportation or Release of any Hazardous Materials for which the Borrower or the Guarantors or their respective Subsidiaries is, or could be, liable. The foregoing shall not apply if, and only to the extent that (i) the Borrower's or the Guarantors' or their respective Subsidiaries' liability for or any requirement of an Airport Authority with respect to such presence, storage, use, disposal, transportation or Release of any Hazardous Materials is being contested in good faith and by appropriate proceedings diligently conducted by such Persons, (ii) such remedial action is taken by other Persons responsible for such remedial action through an indemnification of the Borrower or the Guarantors or Subsidiary thereof or (iii) such non-compliance would not in any case or in the aggregate reasonably be expected to have a Material Adverse Effect. In the event that the Borrower or the Guarantors or any of their respective Subsidiaries undertakes any such investigation, study, sampling, testing or remedial action with respect to any Hazardous Materials, the Borrower or such Guarantors will, and will cause any such Subsidiary to, conduct and complete such action in compliance in all material respects with all applicable Environmental Laws and (if the failure to do so could reasonably be

expected to result in a Material Adverse Effect) applicable requirements of Airport Authorities relating to environmental matters.

(c) If an Event of Default has occurred and is continuing or upon a reasonable belief that the Borrower has breached any representation, warranty or covenant hereunder with regard to environmental matters, at the request of the Agents from time to time, the Borrower will provide to the Agents within sixty (60) days after such request, or such longer time period as is reasonably necessary to secure any required governmental or third party authorizations for soil or groundwater investigations or other invasive samplings, at the expense of the Borrower, an environmental site assessment report for any properties of the Borrower, Guarantors or any of their Subsidiaries described in such request, prepared by an environmental consulting firm reasonably acceptable to the Agents, reasonable in scope based upon the circumstances of the request, indicating, where relevant under the circumstances of the request, the presence or absence of Hazardous Materials and the estimated cost of any compliance, removal or remedial action in connection with any Hazardous Materials on such properties; without limiting the generality of the foregoing, if the Agents reasonably determine at any time that a material risk exists that any such report will not be provided in the time referred to above, the Agents reasonably may retain an environmental consulting firm to prepare such report at the expense of the Borrower, and the Borrower and the Guarantors hereby grant, and agree to cause any Subsidiary that owns property described in such a request to grant, at the time of such request to the Agents, such firm and any agents or representatives thereof a right, subject to the rights of tenants, to enter into their respective properties to undertake such an assessment.

SECTION 5.09 **Appraisal Reports and Field Audits**. Cooperate with the Appraiser, Real Estate Appraiser or Field Auditor, as the case may be, such that the Agents shall receive one or more Appraisal Reports or Field Audits, as the case may be, establishing the value of the Appraised Collateral or Eligible Accounts Receivable, as the case may be, (a) by no later than thirty (30) days prior to each anniversary of the Closing Date, (b) on the date upon which any additional property or assets that constitutes Appraised Collateral (including, without limitation, applicable Cure Collateral) is pledged as Collateral to the Collateral Agents to secure the Obligations, but only with respect to such additional Collateral, and (c) promptly at the request of either Agent (in consultation with the other Agent) upon the occurrence and during the continuation of an Event of Default.

SECTION 5.10 **FAA and DOT Matters; Citizenship**. In the case of the Borrower, (a) maintain at all times its status as an "air carrier" within the meaning of Section 40102(a)(2) of Title 49, and hold a certificate under Section 41102(a)(1) of Title 49; (b) at all times hereunder be a United States Citizen; (c) maintain at all times its status at the FAA as an air carrier and hold an air carrier operating certificate and other operating authorizations issued by the FAA pursuant to 14 C.F.R. Parts 119 and 121 as currently in effect or as may be amended or recodified from time to time; and (d) possess and maintain all necessary certificates, exemptions, franchises, licenses, permits, designations, rights, concessions, authorizations, frequencies and consents which are material to the operation of the Slots, the Primary Routes and Primary Foreign Slots flown by it and the conduct of its business and operations as currently conducted except in any case described in this clause (d), where the failure to do so, either individually or in the aggregate, could not be reasonably likely to have a Material Adverse Effect.

SECTION 5.11 **Gate Interests**. Maintain Primary Gate Interests sufficient to ensure its ability to retain its right in and to the Primary Routes and to preserve its right in and to the Primary Foreign Slots.

SECTION 5.12 **Slot Utilization; Updated Schedule**.

(a) Utilize (i) the Primary Slots (except Slots at JFK so long as such Slots are Primary Slots as a result of Slot regulations existing on the Closing Date and Slots which are reasonably determined by the Appraisers to be of de minimis value) in a manner consistent in all material respects with applicable regulations, rules, law and contracts in order to preserve its right to hold and operate the Primary Slots and (ii) except where the failure to so utilize would not have a Material Adverse Effect, the Slots (other than the Primary Slots, but including Slots at JFK for so long as such Slots are excluded from the preceding clause) in a manner consistent in all material respects with applicable regulations, rules, law and contracts in order to preserve its right to hold and operate the Slots (other than the Primary Slots, but including Slots at JFK for so long as such Slots are excluded from the preceding clause), in each case taking into account any waivers or other relief granted to the Borrower by the FAA, or other applicable Governmental Authority or Airport Authority.

(b) Cause to be done all things reasonably necessary to preserve and keep in full force and effect its rights in and use of the Primary Slots (except Slots at JFK so long as such Slots are Primary Slots as a result of Slot regulations existing on the Closing Date and Slots which are reasonably determined by the Appraisers to be of de minimis value), and except where the failure to so preserve would not have a Material Adverse Effect, the Slots (other than the Primary Slots), including, without limitation, satisfying any applicable Use or Lose Rule.

(c) Cause to be delivered to the Agents an updated Schedule 1.01(h) to replace the then-existing Schedule 1.01(h) within ten (10) Business Days after (i) the allocation to, or the acquisition, by whatever means, of any permanent Primary Slot to be added to Borrower's or, if applicable a Guarantor's, base of Primary Slots; (ii) any permanent disposition or transfer by Borrower or, if applicable, a Guarantor, of any Primary Slot permitted pursuant to the terms of this Agreement and the SGR Security Agreement; or (iii) any reasonable request by the Agents to update such Schedule 1.01(h).

SECTION 5.13 **Primary Foreign Slot Utilization; Updated Schedule**.

(a) Utilize the Primary Foreign Slots in a manner consistent in all material respects with applicable regulations, rules, foreign law and contracts in order to preserve its right to hold and operate the Primary Foreign Slots, taking into account any waivers or other relief granted to the Borrower by any applicable Foreign Aviation Authorities.

(b) Cause to be done all things reasonably necessary to preserve and keep in full force and effect its right in and use of the Primary Foreign Slots, including, without limitation, satisfying any applicable Use or Lose Rule.

(c) Cause to be delivered to the Agents an updated Schedule 1.01(b) to replace the then-existing Schedule 1.01(b) within ten (10) Business Days after (i) the allocation to, or acquisition by, Borrower or, if applicable, a Guarantor, of an additional slot at any airport

outside the United States listed on Schedule 1.01(b); (ii) any permanent disposition or transfer of any Primary Foreign Slot permitted pursuant to the terms of this Agreement and the SGR Security Agreement; or (iii) any reasonable request by the Agents to update such Schedule 1.01(b).

SECTION 5.14 **Primary Route Utilization; Route Reporting; Updated Schedule**.

(a) Utilize the Primary Routes in a manner consistent in all material respects with Title 49, applicable foreign law, the applicable rules and regulations of any applicable Foreign Aviation Authorities, and any applicable treaty in order to preserve its rights to hold and operate the Primary Routes and maintain access to Primary Supporting Route Facilities sufficient to ensure its ability to retain its rights in and to the Primary Routes.

(b) Cause to be done all things reasonably necessary to preserve and keep in full force and effect its authority to serve the Primary Routes. Without in any way limiting the foregoing, the Borrower and, if applicable, a Guarantor, shall promptly take (i) all such steps as may be reasonably necessary to obtain renewal of its authority to serve each such Primary Route from the DOT and any applicable Foreign Aviation Authorities, within a reasonable time prior to the expiration of such authority (as prescribed by law or regulation, if any), and notify the Agents of the status of such renewal and (ii) all such other steps as may be necessary to maintain, renew and obtain Primary Supporting Route Facilities as needed for the continued and future operations of the Borrower and, if applicable, a Guarantor, over the Primary Routes. The Borrower and, if applicable, a Guarantor, shall further take all actions reasonably necessary or, in the reasonable judgment of either Agent (in consultation with the other Agent), advisable in order to maintain its material

rights to use each Primary Route (including, without limitation, protecting each Primary Route from dormancy or withdrawal by the DOT) and to have access to the Primary Supporting Route Facilities. The Borrower and any applicable Guarantor shall pay any applicable filing fees and other expenses related to the submission of applications, renewal requests, and other filings as may be reasonably necessary to maintain or obtain such entity's rights in the Primary Routes and have access to the Primary Supporting Route Facilities.

(c) Promptly upon receipt thereof, deliver to the Agents copies of (i) each certificate or order issued by the DOT and the applicable Foreign Aviation Authorities with respect to Primary Routes and Primary Supporting Route Facilities, (ii) all filings made by the Borrower and, if applicable, a Guarantor, with the DOT, any Governmental Authority, or any Foreign Aviation Authorities related to preserving and maintaining the Primary Routes and having access to the Primary Supporting Route Facilities and (iii) any written notices received from any Person notifying the Borrower or any applicable Guarantor of an event which could have a potential Material Adverse Effect upon the Primary Routes and Primary Supporting Route Facilities, or of the failure to preserve such Primary Routes or to have access to such Primary Supporting Route Facilities as required pursuant to this Section 5.14.

(d) Cause to be delivered to the Agents an updated Schedule 1.01(c) to replace the then existing Schedule 1.01(c), within ten (10) Business Days of (i) any disposition or permanent transfer of any Primary Route which is permitted pursuant to the terms of this

Agreement and the SGR Security Agreement or (ii) any reasonable request by the Agents to update such Schedule 1.01(c).

SECTION 5.15 **Additional Subsidiaries**. If any additional Subsidiary of the Borrower or the Parent is formed or acquired after the Closing Date, the Borrower will promptly, and in any event within twenty (20) Business Days after such Subsidiary is formed or acquired, (a) notify the Agents thereof, (b) to the extent such Subsidiary is an entity incorporated or organized in the United States and is not an Immaterial Subsidiary, cause such Subsidiary to become a party to the Guarantee contained in Section 9 hereof, each applicable Collateral Document and all other agreements, instruments or documents that create or purport to create and perfect a Lien in favor of the Collateral Agents for the benefit of the Secured Parties, by executing an Instrument of Assumption and Joinder substantially in the form attached hereto as Exhibit H and, subject to preexisting Liens on such Subsidiary's assets and the terms thereof (to the extent the same are permitted under this Agreement), promptly take such actions to create and perfect Liens on such Subsidiary's assets to secure the Obligations as the Agents shall reasonably request and (c) cause any shares of Equity Interests or promissory notes evidencing Indebtedness of such Subsidiary that are owned by or on behalf of the Borrower or any Guarantor to be pledged to the extent required by the Collateral Documents, provided that, if such Subsidiary is directly owned by the Parent, the Borrower or any Guarantor (other than the Parent) and is organized under the laws of a jurisdiction other than the United States of America or any state thereof or the District of Columbia, shares of common stock of such Subsidiary to be pledged shall be limited to 65% of the outstanding shares of voting common stock of such Subsidiary.

SECTION 5.16 **Concentration Account.** Maintain JPMCB as the principal concentration bank of the Borrower and the Guarantors, other than for funds maintained in the Escrow Accounts, Payroll Accounts and Petty Cash Accounts, pursuant to a cash management system reasonably satisfactory to the Agents.

SECTION 5.17 **Operational Matters.** Provide the Collateral Agents with prompt written notice upon, but in no event later than five (5) Business Days after, an aircraft being Parked, which notice shall identify the location at which such Aircraft will be Parked.

SECTION 5.18 **Additional Collateral; Additional Grantors**.

(a) If any assets (including any owned real property interests valued individually in excess of $5,000,000 or $20,000,000 in the aggregate from the Closing Date, but excluding any leasehold interests) are acquired by the Borrower or any Guarantor after the Closing Date (other than assets constituting Collateral under any Collateral Documents that become subject to the Lien of such Collateral Document upon acquisition thereof), the Borrower will promptly notify the Agents thereof and at the Agents' request within thirty (30) days of such notice, will cause such assets to be subjected to a Lien securing the Obligations to the extent not excluded from the definition of "Collateral" under the Loan Documents, subject to preexisting Liens on such assets and other Liens permitted hereunder (to the extent the same are permitted under this Agreement), and will take, and cause the Guarantors to take, such actions as shall be necessary to grant and perfect such Liens, including actions described in paragraph (a) of this Section, all at the expense of the Borrower and Guarantors; provided that with respect to an

acquisition of additional Aircraft, Engines or Spare Engines, if the Agents receive, on or before the date of such acquisition, a copy of an executed commitment letter, letter of intent, memorandum of understanding or other similar document that evidences a commitment to consummate a financing of such Aircraft, Engines or Spare Engines within fourteen (14) days of the date of such acquisition, the Collateral Agent will not file a Mortgage Supplement pertaining to such acquired Aircraft, Engine or Spare Engine, as the case may be, with the FAA until the earlier to occur of (x) fifteen (15) days after such acquisition (unless such financing has been made available within such period) and (y) the date upon which such commitment letter, letter of intent, memorandum of understanding or other similar document shall have terminated, expired or shall no longer be in force and effect. Upon the occurrence of an event described in (x) or (y) above, the Collateral Agent shall be authorized to file such Mortgage Supplement with the FAA, provided that upon the occurrence of the event described in clause (x), the Lenders hereby authorize the Collateral Agent to withhold or delay such filing if the Collateral Agent shall be satisfied in their respective sole discretion that the applicable acquisition shall be consummated within a reasonable timeframe thereafter.

(b) Upon any Guarantor acquiring any right, title or interest in any Slots, Foreign Slots, Routes, Supporting Route Facilities or Gate Interests acquired in connection with a Permitted Acquisition, such Guarantor will promptly, and in any event within twenty (20) Business Days of such acquisition, become a party to the SGR Security Agreement.

SECTION 5.19 **Non-Primary Route Flight Operations**. If, from the Closing Date through the date upon which the Agents shall have received the Officer's Certificate required to be delivered pursuant to Section 5.01(c) with respect to the fiscal year ended December 31, 2006, which certificate shall demonstrate compliance with the covenant set forth in Section 6.04 hereof for the fiscal quarter ending December 2006, the number of flights operated by the Borrower using the Non-Primary Routes (i) during any fiscal quarter has decreased by more than 15% from the number of flights operated by the Borrower using the Non-Primary Routes in the immediately preceding fiscal quarter or (ii) at any time is less than 85% of the flights operated by the Borrower using the

Non-Primary Routes as of the Closing Date, then the Borrower shall promptly notify the Collateral Agents and shall provide the Collateral Agents with such information as the Collateral Agents may reasonably request regarding any such decrease in flights using the Non-Primary Routes.

SECTION 5.20 **Further Assurances**. Execute any and all further documents and instruments, and take all further actions, that may be required or advisable under applicable law, the Cape Town Treaty or by the FAA, or that the Collateral Agents may reasonably request, in order to effectuate the Transactions contemplated by the Loan Documents and in order to create, grant, establish, preserve, protect and perfect the validity, perfection and priority of the Liens and security interests created or intended to be created by the Collateral Documents, including, without limitation, amending, amending and restating, supplementing, assigning or otherwise modifying, renewing or replacing the Aircraft Mortgage or other agreements, instruments or documents relating thereto, in each case as may be reasonably requested by the Collateral Agents, in order to (i) create interests (including, but not limited to, international interests, assignments, prospective international interests, prospective assignments, and subordinations, each as defined in the Cape Town Treaty) that may be registered and/or assigned under the Cape Town Treaty (including the assignment of associated rights as defined in the Cape Town Treaty),

(ii) create, grant, establish, preserve, protect and perfect the Liens in favor of the Collateral Agents for the benefit of the Secured Parties to the fullest extent possible under the Cape Town Treaty, including, where necessary, the subordination of other rights or interests and (iii) realize the benefit of the remedial provisions that are contemplated by the Cape Town Treaty to the extent the Borrower shall have agreed to any such beneficial remedial provisions in favor of another secured creditor in connection with a new financing or a refinancing, replacement or extension of any existing financing arrangement.

SECTION 5.21 **Post Closing Items**. Perform, execute and deliver, as the case may be, each of the items set forth on Schedule 5.21 as required by certain of the Loan Documents within the time periods set forth on such schedule (or such longer periods to which the Collateral Agent may agree).

SECTION 6. **NEGATIVE COVENANTS**

From the date hereof and for so long as any Tranche A Commitment or Tranche B Commitment shall be in effect or any Letter of Credit shall remain outstanding (in a face amount in excess of the amount of Cash Collateralization held in the Letter of Credit Account, or in excess of the face amount of back-to-back letters of credit delivered, in each case pursuant to Section 2.02(j)) or any amount shall remain outstanding or unpaid under this Agreement (other than contingent indemnification obligations not due and payable), unless the Required Lenders shall otherwise consent in writing, the Borrower and each of the Guarantors will not:

SECTION 6.01 **Liens**. Incur, create, assume or suffer to exist any Lien on any asset of the Borrower or the Guarantors, now owned or hereafter acquired by the Borrower or any of such Guarantors, other than (a) Liens which were existing on the Closing Date as reflected on Schedule 3.07; (b) Permitted Liens; (c) Liens in favor of the Collateral Agents and the Lenders pursuant to the Loan Documents; (d) Liens (except with respect to Real Property Assets) securing Indebtedness or Capitalized Leases permitted by Sections 6.03(d) and (l), provided that such Lien is limited to the particular assets acquired; (e) other Liens in favor of the Lenders and their banking Affiliates (except with respect to Real Property Assets) securing Indebtedness permitted by Section 6.03(g); (f) licenses, leases and subleases of (A) Mortgaged Collateral and Collateral as defined in the SGR Security Agreement granted to others but only to the extent permitted by the Aircraft Mortgage with respect to Mortgaged Collateral and to the extent permitted by the SGR Security Agreement with respect to Collateral as defined therein and (B) all other Collateral to the extent such license, sublicense, lease or sublease does not interfere in any material respect with the business of the Borrower and the Guarantors, taken as a whole, in each case, such license, sublicense, lease or sublease to be subject to the Liens granted to the Collateral Agent pursuant to the Collateral Documents; (g) Liens arising from precautionary UCC financing statements regarding operating leases permitted by this Agreement; (h) any interest or title of a licensor, sublicensor, lessor or sublessor under any lease or license granted in the ordinary course of business; (i) Liens on real and personal property acquired in connection with acquisitions permitted by this Agreement to the extent such Liens exist on such acquired property at the time of acquisition and not incurred in contemplation of such acquisition or Liens existing on any property or asset of any Person that becomes a Guarantor after the date hereof prior to the time such Person becomes a Guarantor, provided, (1) such Liens are not created in contemplation of or in connection with such acquisition or such Person becoming a Guarantor, as the case may be, (2) such Liens shall not apply to any other property or assets of the Borrower or any Guarantor and (3) such Liens shall secure only those obligations which it secures on the date of such acquisition or the date such Person becomes a Guarantor, as the case may be; (j) Liens in favor of credit card processors consisting of rights of setoff, revocation, refund or charge back with respect to money or instruments of the Borrower

or any Guarantor; (k) Liens in favor of English travel agencies consisting of rights of setoff, revocation, refund or charge back with respect to money or instruments of the Borrower or any Guarantor; (l) Liens on (1) the Borrower's right to receive a refund of unearned insurance premiums and (2) such insurance policies and the proceeds thereof, to secure the Borrower's payment of such insurance premiums financed by Indebtedness permitted pursuant to Section 6.03(d); (m) Liens on cash in an aggregate amount not in excess of $18,000,000 representing a deposit securing the obligations of the Borrower and UAFC under the Jet Fuel Supply Agreement; (n) junior Liens (subject and fully subordinate to the Liens granted to the Collateral Agents on behalf of the Secured Parties hereunder and under the Collateral Documents) on the Collateral in favor of Chase Bank securing the Co-Branded Obligations, provided, that (1) such Liens shall be subject in all respects to terms set forth in the Intercreditor Agreement, including, without limitation, that the holder of such Liens shall not be permitted to exercise any remedies with respect thereto unless all of the Obligations have been paid in full and the Lenders have no further Tranche A Commitment or Tranche B Commitment hereunder and (2) the instruments and agreements pursuant to which such Liens are created are reasonably satisfactory in form and substance to the Agents; (o) junior Liens on the Collateral securing the Indebtedness permitted pursuant to Section 6.03(n), provided, that such Liens shall be (1) pari passu with or junior to the Liens granted in favor of Chase Bank securing the Co-Branded Obligations and (2) subject in all respects to an intercreditor agreement substantially in the form of the Intercreditor Agreement; (p) Liens consisting of setoff or netting rights in connection with Hedging Agreements; (q) Liens securing reimbursement obligations in respect of standby or documentary letters of credit or bankers acceptances, provided that in the case of (1) documentary letters of credit or bankers acceptances, such Liens attach only to the documents, goods covered thereby and proceeds thereof and (2) in the case of standby letters of credit, such Liens may only be on cash in an amount not to exceed $50,000,000; (r) Liens attaching solely to cash earnest money deposits in connection with Investments permitted pursuant to Section 6.10; (s) Liens on the underlying commodity trading accounts or other brokerage accounts incurred in the ordinary course of business; (t) Liens which arise under Article 2 of the UCC; (u) replacement, extension and renewal of any Lien permitted hereby, provided that any such replacement, extension, or renewal of any Lien shall not extend to any property or assets of the Borrower or any Guarantor which was not subject to the Lien being replaced, extended or renewed; (v) Liens in favor of any of the Borrower or a Guarantor; (w) a Lien in favor of the United States of America arising from the right of the Internal Revenue Service to effect a setoff or recoupment against

the sum of $25,000,000 withheld pursuant to that certain Stipulation for Settlement of Controversy between the Debtors and the United States of America approved by the Bankruptcy Court in March 2003; (x) Liens on the EETC Deposit; (y) Liens arising by operation of law in connection with judgments, attachment or awards which do not constitute an Event of Default hereunder; (z) Liens on assets acquired in connection with a Permitted Acquisition (so long as such Lien is not in contemplation of such acquisition); (aa) other Liens incurred by the Borrower and the Guarantors (except with respect to Real Property Assets) so long as the Indebtedness and other obligations secured thereby does not exceed Indebtedness permitted by Section 6.03(d); (bb) Liens on cash collateral and fuel inventory (and the proceeds thereof) or Letters of Credit in an aggregate amount at any one time for all such cash, fuel and Letters of Credit securing Indebtedness permitted pursuant to Section 6.03(e), and Indebtedness owed to Lenders (or their banking Affiliates) permitted by Section 6.03(f) in excess of the amount thereof that is secured as permitted by Section 6.01(dd), not in excess of the greater of (1) $500,000,000 and (2) an amount equal to 15% of the Unrestricted Cash; (cc) other Liens so long as the obligations secured thereby do not exceed $5,000,000 at any time; (dd) Liens on the

Collateral that are pari passu with the Liens in favor of the Collateral Agents securing Indebtedness in an aggregate amount not in excess of $150,000,000 owed to Lenders (or their banking Affiliates) permitted by Section 6.03(f); and (ee) liens in connection with the EETC Transaction on the aircraft, engines and related assets subject to the EETC Transaction.

SECTION 6.02 **Merger, etc**. Merge into or consolidate with any other Person, or permit any other Person to merge into or consolidate with it, or sell, transfer, lease or otherwise dispose of (in one transaction or in a series of transactions) all or any substantial part of its assets, or all or substantially all of the stock of any of its Subsidiaries (in each case, whether now owned or hereafter acquired), or liquidate or dissolve, except that (a) any Subsidiary (so long as such Subsidiary is not the Borrower) may merge into the Borrower or any other Guarantor in a transaction in which the Borrower or any Guarantor is the surviving corporation if immediately after giving effect thereto no Event of Default or event with which upon notice or the passage of time or both would constitute an Event of Default shall have occurred and be continuing and (b) any Subsidiary (so long as such Subsidiary is not the Borrower) may liquidate or dissolve if the Borrower determines in good faith that such liquidation or dissolution is in the best interests of the Borrower and is not materially disadvantageous to the Lenders, provided that (i) an Event of Default does not result from such merger, consolidation, dissolution, liquidation or disposition and (ii) any such merger involving a Person whose Equity Interests are not 100% owned by the Parent directly or indirectly immediately prior to such merger shall not be permitted unless also permitted by Section 6.11 and (c) asset sales permitted hereunder.

SECTION 6.03 **Indebtedness**. Contract, create, incur, assume or suffer to exist any Indebtedness, except for (a) Indebtedness under the Loan Documents; (b) Indebtedness incurred prior to the Closing Date or with respect to which an option exists (including existing Capitalized Leases) as set forth on Schedule 3.18; (c) intercompany Indebtedness between the Borrower and the Guarantors, which Indebtedness shall be pledged to the Collateral Agents pursuant to the Pledge Agreement; (d) Indebtedness not to exceed $150,000,000 at any one time outstanding for Indebtedness (i) incurred subsequent to the Closing Date to acquire any asset and secured by purchase money Liens on such asset (except with respect to Real Property Assets) (including Capitalized Leases), (ii) of the Borrower or any Guarantor owed to one or more Persons in connection with the financing of certain insurance premiums and (iii) incurred subsequent to the Closing Date that will be secured Indebtedness; (e) Indebtedness owed to any Lender (or any of its banking Affiliates) or any other Person in respect of fuel hedges and other derivatives contracts, in each case to the extent that such agreement or contract is entered into in the ordinary course of business consistent with past practices; (f) Indebtedness owed to any Lender or any of its banking Affiliates or any other Person in respect of (i) foreign exchange contracts, currency swap agreements, currency future or option contracts and other similar agreements designed to hedge against fluctuations in foreign exchange rates and currency values and (ii) interest rate swap, cap or collar agreements, interest rate future or option contracts and other similar agreements designed to hedge against fluctuations in interest rates, in each case to the extent that such agreement or contract is entered into in the ordinary course of business for bona fide hedging purposes; (g) Indebtedness owed to any Lender or any of its banking Affiliates or any other Person in respect of any overdrafts and related liabilities arising from treasury, depository and cash management services or in connection with any automated clearing house transfers of funds; (h) guarantees permitted under Section 6.07; (i) Indebtedness of any of the Borrower and the Guarantors consisting of take-or-pay obligations contained in

supply agreements entered into in the ordinary course of business and consistent with past practices of the Borrower and the Guarantors; (j) Indebtedness of any of the Borrower and the Guarantors arising in the ordinary course of business of the relevant party and owing to Citibank, N.A., its banking Affiliates and other financial institutions providing netting services permitted to be incurred and outstanding pursuant to this Agreement so long as such Indebtedness does not remain outstanding for more than three (3) days from the date of its incurrence; (k) Indebtedness of any of the Borrower and the Guarantors to credit card processors in connection with credit card processing services incurred in the ordinary course of business of the Borrower and the Guarantors; (l) Indebtedness incurred to finance (i) the acquisition of aircraft, provided that such Indebtedness is incurred prior to or within twelve (12) months after such acquisition and (ii) the acquisition of other assets, provided that such Indebtedness is incurred prior to or within 120 days after such acquisition; (m) Indebtedness of the Borrower incurred in connection with the Co-Branded Agreement in an aggregate amount not to exceed $850,000,000; (n) Indebtedness of the Borrower and the Guarantor in an aggregate amount not to exceed $1,500,000,000, provided that such Indebtedness shall have a final maturity nine months after the Maturity Date and shall be on terms reasonably satisfactory to the Agents; (o) Indebtedness consisting of promissory notes issued to current or former directors, consultants, managers, officers and employees or their spouses or estates to purchase or redeem capital stock of the Parent issued to such director, consultant, manager, officer or employee in an aggregate amount not to exceed $1,000,000 annually; (p) Indebtedness to the extent permitted by an Investment permitted by Section 6.10(k); (q) Indebtedness of a person or acquired assets that is the subject of a Permitted Acquisition which Indebtedness was in existence at the time of such Permitted Acquisition and not incurred in contemplation thereof; (r) Guarantees in respect of Indebtedness otherwise permitted under this Section 6.03; (s) intercompany Indebtedness owed by the Borrower and any Guarantor to another Subsidiary, which is not a Guarantor, in an amount not to exceed $25,000,000 in the aggregate at any one time outstanding; (t) any Indebtedness extending, renewing, replacing or refinancing all or any portion of any Indebtedness permitted hereunder provided that (1) 50% of any cash proceeds (net of transaction costs) of any such extension, renewal, replacement or refinancing in excess of such amount not otherwise permitted hereunder, shall be applied as a payment of the Loans pursuant to Section 2.11(e), (2) any such extension, renewal, replacement or refinancing which is subordinated to the Obligations shall remain subordinated on substantially the same basis, and (3) the weighted average life to maturity of (A) such Indebtedness which prior to such extension, renewal, replacement or refinancing, had a weighted average life to maturity prior to the Maturity Date shall not be decreased and (B) such Indebtedness which prior to such extension, renewal, replacement or refinancing had a weighted average life to maturity after the Maturity Date shall not be shortened to a weighted average life to maturity prior to the Maturity Date; (u) other unsecured Indebtedness incurred subsequent to the Closing Date in an aggregate amount not to exceed $25,000,000 at any one time outstanding; (v) Indebtedness in respect of Redeemable Stock; (w) Indebtedness in respect of deferred rent; (x) Indebtedness in respect of deferred taxes; (y) Indebtedness issued pursuant to the terms of the Senior Convertible Note Indenture and the Senior Note Indenture; (z) Indebtedness incurred in connection

with an EETC Transaction, provided that an amount equal to the first $250,000,000 of the proceeds of such EETC Transaction shall be applied as a prepayment of the Tranche B Loans pursuant to Section 2.11(d); and (aa) Indebtedness permitted to be secured pursuant to Section 6.01(q).

SECTION 6.04 **Fixed Charge Coverage**. Permit the Fixed Charge Coverage Ratio as of the last day of each fiscal quarter ending in the month below to be less than the corresponding ratio opposite such month:

Fiscal quarter ending	Ratio
December 2006	0.90:1.00
March 2007	0.95:1.00
June 2007	0.95:1.00
September 2007	1.00:1.00
December 2007	1.10:1.00
March 2008	1.10:1.00
June 2008	1.10:1.00
September 2008	1.10:1.00
December 2008	1.15:1.00
March 2009	1.15:1.00
June 2009	1.15:1.00
September 2009	1.15:1.00
December 2009 and thereafter for each fiscal quarter ending through the Maturity Date	1.20:1.00

SECTION 6.05 **Unrestricted Cash Reserve**. Permit the aggregate amount of Unrestricted Cash to be less than $1,200,000,000 at any time, provided that such minimum cash amount shall be reduced to $1,000,000,000 at any time after December 31, 2006 upon the delivery to the Agents of an Officer's Certificate pursuant to Section 5.01(c) certifying that the Borrower is in compliance with the covenant set forth in Section 6.04 hereof.

SECTION 6.06 **Coverage Ratio**. (a) Permit the Appraised Value of the Eligible Collateral at any time to be less than 150% of the sum of the aggregate outstanding principal amount of the Loans plus LC Exposure plus the Swap Termination Value of all contracts or agreements relating to Indebtedness permitted pursuant to Section 6.03(f) to the extent secured as permitted by Section 6.01(dd), provided, that if, upon delivery of an Appraisal Report or a Field Audit (as applicable) pursuant to Section 5.09 hereof, it is determined that the Borrower shall not be in compliance with this Section 6.06, the Borrower shall, within forty-five (45) days of the date of such Appraisal Report or Field Audit (as applicable), (i) designate Cure Collateral as additional Eligible Collateral in accordance with clause (b) of the definition of Eligible Collateral in Section 1.01 or (ii) prepay the Loans, in each case in an amount sufficient to enable the Borrower to comply with this Section 6.06.

(b) At the Borrower's request, the Lien on an asset constituting Eligible Collateral (other than the Primary Routes), will be promptly released provided, that the following conditions are satisfied or waived: (i) no Event of Default or event which upon notice or lapse of time or both would constitute an Event of Default shall have occurred and be continuing, (ii) either (A) after giving effect to such release, the remaining Eligible Collateral shall continue to satisfy this Section 6.06, (B) the Borrower shall prepay the Loans in an amount required to

comply with this Section 6.06, or (C) the Borrower shall deliver to the Collateral Agents Cure Collateral in an amount required to comply with this Section 6.06, and (iii) the Borrower shall deliver an Officer's Certificate demonstrating compliance with this Section 6.06. In connection herewith, the Collateral Agents agree to promptly provide any documents or releases reasonably requested by the Borrower to evidence such release.

SECTION 6.07 **Guarantees and Other Liabilities**. Purchase or repurchase (or agree, contingently or otherwise, so to do) the Indebtedness of, or assume, guarantee (directly or indirectly or by an instrument having the effect of assuring another's payment or performance of any obligation or capability of so doing, or otherwise), endorse or otherwise become liable, directly or indirectly, in connection with the obligations, stock or dividends of any Person, except (a) for any guaranty of Indebtedness or other obligations of the Borrower or any Guarantor if the Borrower or such Guarantor could have incurred such Indebtedness or obligations under this Agreement, (b) by endorsement of negotiable instruments for deposit or collection in the ordinary course of business, (c) to the extent in existence on the Closing Date, (d) for any guaranty of Indebtedness of joint ventures of the Borrower and the Guarantors to the extent permitted by Section 6.10(i), (e) any other guaranty by the Borrower and the Guarantors in an aggregate amount not to exceed $25,000,000 at any time, (f) for any guaranty of Indebtedness or other obligations by the Borrower or any Guarantor of a Subsidiary which is not a Guarantor, to the extent permitted by Section 6.10(w); and (g) guarantees or indemnities in the nature of a guarantee provided in connection with leases, fuel consortiums and, where necessary to comply with International Air Transport Association (IATA) standards, contracts with a foreign entity where performance takes place outside the United States, that are unsecured and in the ordinary course of business.

SECTION 6.08 **Dividends; Capital Stock**. Declare or pay, directly or indirectly, or otherwise make any Restricted Payment or set apart any sum for the aforesaid purposes, provided, that (a) any Guarantor other than the Parent may pay dividends or other distributions or make transfers to the Borrower or another Guarantor; (b) the Borrower and any Guarantor (other than the Parent) may pay dividends or make other distributions or payments to the Parent for (i) corporate expenses, including, without limitation, taxes and salaries and (ii) to permit the Parent to repurchase or redeem stock held by officers, directors, employees, former officers, directors or employees of the Parent, the Borrower or any Guarantor (A) upon their death, disability, retirement, severance or termination of employment or service or (B) pursuant to any equity plan, stock plan or management plan, collectively, in an amount not to exceed $1,000,000 in the aggregate at any one time outstanding; (c) dividends by any Subsidiary to any other holder of its equity on a pro rata basis; (d) any Guarantor or Borrower may pay dividends in the form of capital stock; (e) repurchases of Equity Interests deemed to occur upon the exercise of stock options if the Equity Interests represents a portion of the exercise price thereof; and (f) the Borrower or any Guarantor may pay dividends with the proceeds from the issuance of additional Equity Interests or subordinated Indebtedness permitted hereunder, provided that (1) the Agents shall have received an Officer's Certificate required to be delivered pursuant to Section 5.01(c), which certificate shall demonstrate compliance with the covenant set forth in Section 6.04 hereof for the fiscal quarter ending December 2006, (2) an amount equal to such dividend paid from the proceeds from the issuance of additional Equity Interests or

subordinated Indebtedness shall be applied as a payment of the Loans pursuant to Section 2.11(f) and (3) no Event of Default shall have occurred and be continuing at the time of payment of such dividend.

SECTION 6.09 **Transactions with Affiliates**. Sell or transfer any property or assets to, or otherwise engage in any other material transactions with, any of its Affiliates (other than the Borrower, the Parent and the Subsidiaries) or its shareholders, other than (a) on overall terms and conditions not less favorable to the Borrower or such Guarantor than could be obtained on an arm's-length basis from unrelated third parties; (b) transactions contemplated by the Plan of Reorganization; (c) fees and compensation paid to, and indemnity provided on behalf of, officers, directors or employees of the Borrower or any Guarantor as reasonably determined by the Board of Directors or senior management, as the case may be, of the Borrower or any Guarantor; (d) any dividends, other distributions or payments permitted by Section 6.08; (e) the existence of, and the performance by a Guarantor or the Borrower of its obligations under the terms of, any limited liability company, limited partnership or other organization document or securityholders agreement (including any registration rights agreement or purchase agreement related thereto) to which it is a party on the Closing Date and set forth on Schedule 6.09, and similar agreements that it may enter into thereafter; (f) performance of the Borrower's and each Guarantor's obligations under the Tax Sharing Agreement; and (g) transactions with Affiliates set forth on Schedule 6.09.

SECTION 6.10 **Investments, Loans and Advances**. Purchase, hold or acquire any Investments, except for: (a) ownership by the Parent of the capital stock of the Borrower or any Guarantor, subject in each case to Section 6.02; (b) ownership by the Borrower and the Guarantors of the capital stock of each of the Subsidiaries subject in each case to Section 6.02; (c) Permitted Investments; (d) advances and loans among the Borrower and the Guarantors in the ordinary course of business; (e) Investments in the Escrow Accounts and other trust accounts; (f) Investments described on Schedule 6.10 hereto; (g) Investments in connection with (i) currency swap agreements, currency future or option contracts and other similar agreements designed to hedge against fluctuations in foreign interest rates and currency values, (ii) interest rate swap, cap or collar agreements and interest rate future or option contracts, and (iii) fuel hedges and other derivatives contracts, in each case to the extent that such agreement or contract is entered into in the ordinary course of business for bona fide hedging purposes; (h) Investments received (i) in settlement of amounts due to any of the Borrower and the Guarantors effected in the ordinary course of business (including as a result of dispositions permitted by this Agreement) or (ii) in connection with the bankruptcy or the reorganization of any customers or suppliers; (i) Investments in an amount not to exceed $150,000,000 in the aggregate at any one time outstanding in connection with (1) Investments in travel or airline related businesses made in connection with marketing and promotion agreements, alliance agreements, distribution agreement, agreements with respect to fuel consortiums, agreements relating to flight training, agreement relating to insurance arrangements, agreement relating to parts management systems and other similar agreements, (2) additional Investments in joint ventures listed on Schedule 6.10 or Investments in new joint ventures made after the Closing Date together with any guaranty of Indebtedness of joint ventures pursuant to Section 6.07(d), and (3) Investments by the Borrower and the Guarantors not otherwise permitted under this Agreement; (j) advances to officers, directors and employees of the Borrower and the Guarantors in an aggregate not to exceed (i) $10,000 at any time outstanding to any individual officer, director or employee or (ii) $500,000 in the aggregate at any time outstanding for all such advances; (k) Investments held or invested in by any of the Borrower and the Guarantors in the form of foreign cash equivalents in the ordinary course of business; (l) advances to officers, directors and employees of the Borrower and the Guarantors in connection with relocation expenses or signing bonuses for newly hired

officers, directors or employees of the Borrower and the Guarantors; (m) the ownership of the A, B and C tranches of indebtedness under the 1997 EETC Facility by the Borrower; (n) Investments in the form of lease, utility and other similar deposits or any other deposits permitted hereunder in the ordinary course of business; (o) pledges and deposits by the Borrower and the Guarantors permitted under Sections 6.01 or 6.03; (p) Investments and guarantees by the Borrower and the Guarantors permitted under Sections 6.01 or 6.03; (q) loans or Investments by the Borrower or any Guarantor that could otherwise be made as a distribution permitted under Section 6.08; (r) Investments held by the Borrower or any Guarantor to the extent such Investments reflect an increase in the value of Investments; (s) Investments by the Borrower and the Guarantors creating new Subsidiaries so long as they comply with Section 5.15 hereof; (t) Investments in (1) Subsidiaries which are not Guarantors in an aggregate amount not to exceed $10,000,000 in the aggregate at any one time outstanding and (2) in Four Star Insurance Co. Ltd., to the extent reasonably necessary to support its working capital insurance obligations in respect of the Borrower and the Guarantors; (u) any Permitted Acquisition by the Borrower or any Guarantor in an aggregate amount not to exceed $250,000,000; (v) any Investments acquired in connection with Permitted Acquisitions; (w) capitalization or forgiveness of any Indebtedness owed to the Borrower or any Guarantor by any other Guarantor; and (x) cancellation, forgiveness, set-off, or acceptance of prepayments by the Borrower or any Guarantor with respect to debt, other obligations and/or equity securities in the ordinary course of business and to the extent not otherwise prohibited by the terms of this Agreement. The amount of any investment or loan shall be the initial amount of such investment less all returns of principal, capital, dividends and other cash returns thereof and less all liabilities expressly assumed by another person in connection with the sale of such investment.

SECTION 6.11 **Disposition of Assets**. Sell or otherwise dispose of any assets (including, without limitation, the capital stock of any Subsidiary, but excluding de minimis inventory assets sold or otherwise disposed of in the ordinary course of business), except that such sale or other disposition shall be permitted (other than with respect to Primary Routes) provided that upon consummation of any such sale, or other disposition (i) no Event of Default shall have occurred and be continuing, (ii) it is determined that the Borrower is in compliance with Section 6.06 hereto and (iii) to the extent such disposition is a disposition of Collateral, such sale or other disposition is permitted by the Collateral Documents.

SECTION 6.12 **Nature of Business**. Enter into any business that is materially different from those conducted by the Borrower and the Guarantors on the Closing Date, except for any business ancillary to the businesses conducted by the Borrower and the Guarantors on the Closing Date.

SECTION 6.13 **Changes to Corporate Documents**. Amend the articles or certificate of incorporation, certificate of formation, by-laws or limited liability company agreement of the Borrower or any Guarantor in any manner which could be reasonably expected to have a Material Adverse Effect.

SECTION 6.14 **Restricted Prepayments**. Neither the Parent nor the Borrower will, and they will not permit any other Guarantor to, declare or make, or agree to pay or make, or agree to pay or make, directly or indirectly, or set apart any sum for, any Restricted Prepayment, or incur any obligation (contingent or otherwise) to do so, except (i) the Borrower

and each Guarantor may make payments with respect to Indebtedness owed to the Borrower or any other Guarantor, as the case may be and (ii) the Borrower or any Guarantor may enter into an agreement to make a Restricted Prepayment provided that (A) the effectiveness of such agreement is expressly conditioned upon consent of the requisite Lenders hereunder or (B) such obligation to make the Restricted Prepayment shall not be due and payable until the payment in full of the Obligations.

SECTION 6.15 **Restrictive Agreements**. Directly or indirectly, enter into, incur or permit to exist any agreement or other arrangement that prohibits, restricts or imposes any condition upon (a) the ability of the Borrower or any Guarantor to create, incur or permit to exist any Lien upon any of its property or assets, or (b) the ability of the Borrower or any Guarantor to pay dividends or other distributions with respect to any shares of its capital stock or to make or repay loans or advances to the Borrower or any other Guarantor or to Guarantee Indebtedness of the Borrower or any other Guarantor; provided that (i) the foregoing shall not apply to restrictions and conditions imposed by law or by any Loan Document, (ii) the foregoing shall not apply to restrictions and conditions existing on the date hereof identified on Schedule 6.15, (iii) the foregoing shall not apply to customary restrictions and conditions contained in agreements relating to the sale of a Subsidiary pending such sale, provided such restrictions and conditions apply only to the Subsidiary that is to be sold and such sale is permitted hereunder, (iv) clause (a) of the foregoing shall not apply to restrictions or conditions imposed by any agreement relating to secured Indebtedness permitted by this Agreement if such restrictions or conditions apply only to the property or assets securing such Indebtedness, (v) clause (a) of the foregoing shall not apply to customary provisions in leases, subleases or licenses, sublicenses or service contracts restricting the assignment thereof, (vi) the foregoing shall not apply to any agreement in effect at the time any Person becomes a Subsidiary of the Borrower or a Guarantor, provided that such agreement was not entered in contemplation of such Person becoming a Subsidiary, (vii) clause (a) of the foregoing shall not apply to assets encumbered by Liens permitted hereunder as long as such restriction applies only to the asset encumbered by such Lien, and (viii) the foregoing shall not apply to the Indentures; and provided, further, that none of the restrictions referred to in clauses (i) through (viii) shall prohibit or restrict the Liens contemplated hereby or Liens securing any Indebtedness that refinances or replaces the Obligations hereunder.

SECTION 6.16 **Fiscal Year**. Change the last day of its fiscal year from December 31.

SECTION 7. **EVENTS OF DEFAULT**

SECTION 7.01 **Events of Default**. In the case of the happening of any of the following events and the continuance thereof beyond the applicable grace period if any (each, an "Event of Default"):

(a) any representation or warranty made by the Borrower or any Guarantor in this Agreement, in any other Loan Document or in any written document required to be delivered in connection herewith or therewith, shall prove to have been false or materially misleading when made or delivered; or

(b) default shall be made in the payment of any (i) Fees or interest on the Loans and such default shall continue unremedied for more than five (5) Business Days, (ii) other amounts payable hereunder when due (other than amounts set forth in clauses (i) and (iii) hereof), and such default shall continue unremedied for more than ten (10) Business Days, or (iii) principal of the Loans or reimbursement obligations or cash collateralization in respect of Letters of Credit, when and as the same shall become due and payable, whether at the due date thereof or at a date fixed for prepayment thereof or by acceleration thereof or otherwise; or

(c) default shall be made by the Borrower or any Guarantor in the due observance or performance of any covenant, condition or agreement contained in Section 6 hereof; or

(d) default shall be made by the Borrower or any Guarantor in the due observance or performance of any other covenant, condition or agreement to be observed or performed pursuant to the terms of this Agreement or any of the other Loan Documents and such default shall continue unremedied for more than thirty (30) days from the earlier of (i) a Responsible Officer having knowledge of such default and (ii) written notice by the Agents of such default; or

(e) the Borrower or any Guarantor or any of their respective Subsidiaries shall fail to make any payment of principal, interest or premium in respect of any Material Indebtedness, when and as the same shall become due and payable (after giving effect to any applicable grace periods or waivers or amendments); or

(f) any event or condition occurs that results in any Material Indebtedness becoming due prior to its scheduled maturity or that enables or permits (with or without the giving of notice, the lapse of time or both) the holder or holders of any Material Indebtedness or any trustee or agent on its or their behalf to cause any Material Indebtedness to become due, or to require the prepayment, repurchase, redemption or defeasance thereof, prior to its scheduled maturity; or

(g) an involuntary proceeding shall be commenced or an involuntary petition shall be filed seeking (i) liquidation, reorganization or other relief in respect of the Borrower or any Guarantor or its debts, or of a substantial part of its assets, under any Federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect or (ii) the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for the Borrower or any Guarantor for a substantial part of its assets, and, in any such case, such proceeding or petition shall continue undismissed for sixty (60) days or an order or decree approving or ordering any of the foregoing shall be entered; or

(h) the Borrower or any Guarantor shall (i) voluntarily commence any proceeding or file any petition seeking liquidation, reorganization or other relief under any Federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect, (ii) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or petition described in clause (h) of this Article, (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for the Borrower or any Guarantor or for a substantial part of its assets, (iv) file an answer admitting the

material allegations of a petition filed against it in any such proceeding, (v) make a general assignment for the benefit of creditors or (vi) take any action for the purpose of effecting any of the foregoing; or

(i) the Borrower or any Guarantor admits in writing its inability to pay its debts; or

(j) a Change of Control shall occur; or

(k) any material provision of any Loan Document shall, for any reason, cease to be valid and binding on the Borrower or any of the Guarantors, or the Borrower or any of the Guarantors shall so assert in any pleading filed in any court or any material portion of any Lien on the Collateral (as reasonably determined by the Agents, the Collateral Agents and the Borrower) intended to be created by the Loan Documents shall cease to be or shall not be a valid and perfected Lien having the priorities contemplated hereby or thereby; or

(l) any final judgment in excess of $40,000,000 (exclusive of any judgment or order the amounts of which are fully covered by insurance less any applicable deductible) and as to which the insurer has been notified of such judgment and has not denied coverage shall be rendered against the Borrower or any of the Guarantors and the enforcement thereof shall not have been stayed, vacated, discharged or bonded pending appeal within sixty (60) consecutive days; or

(m) a Change in Law shall have occurred with respect to Primary Routes or Primary Foreign Slots, which Change in Law would reasonably be expected to have a Material Adverse Effect with respect to such Collateral or a Material Adverse Effect; or

(n) any Termination Event that could reasonably be expected to result in a Material Adverse Effect shall have occurred; or

(o) (i) the Borrower or any ERISA Affiliate thereof shall have been notified by the sponsor or trustee of a Multiemployer Plan that it has incurred Withdrawal Liability to such Multiemployer Plan, (ii) the Borrower or such ERISA Affiliate does not have reasonable grounds, in the opinion of the Agent, to contest such Withdrawal Liability and is not in fact contesting such Withdrawal Liability in a timely and appropriate manner, and (iii) the amount of such Withdrawal Liability specified in such notice, when aggregated with all other amounts required to be paid to Multiemployer Plans in connection with Withdrawal Liabilities (determined as of the date of such notification), exceeds an amount that could reasonably be expected to result in a Material Adverse Effect; or

(p) the Borrower or any ERISA Affiliate thereof shall have been notified by the sponsor of a Multiemployer Plan that such Multiemployer Plan is in reorganization or is being terminated, within the meaning of Title IV of ERISA, if as a result of such reorganization or termination the aggregate annual contributions of the Borrower and its ERISA Affiliates to all Multiemployer Plans that are then in reorganization or being terminated have been or will be increased over the amounts contributed to such Multiemployer Plans for the plan years that include the date hereof by an amount that could reasonably be expected to result in a Material Adverse Effect; or

(q) the Borrower or any ERISA Affiliate shall have committed a failure described in Section 302(f)(1) of ERISA (other than the failure to make any contribution accrued and unpaid as of the Closing Date or any contribution waived in accordance with the grant of a minimum funding waiver under Section 303 of ERISA or Section 412(d) of the Code) and the amount determined under Section 302(f)(3) of ERISA is equal to or greater than $10,000,000; or

(r) it shall be determined that the Borrower or any Guarantor is liable for the payment of claims arising out of any failure to comply (or to have complied) with applicable Environmental Laws or regulations or requirements of Airport Authorities (with respect to environmental matters) the payment of which will have a Material Adverse Effect, and the enforcement thereof shall not have been stayed, vacated or discharged within 30 days; or

(s) (i) during the first month of any two-month FAA slot reporting period (or other applicable Slot utilization reporting period), 50% or more of the Primary Slots (except Slots at JFK so long as such Slots are Primary Slots as a result of Slot regulations existing on the Closing Date and Slots which are reasonably determined by the Appraisers to be of de minimis value) are not utilized 80% of the time or more over such period, taking into account any waivers or other relief granted by the FAA, other applicable Governmental Authorities or Airport Authorities, or (ii) during any two-month FAA slot reporting period (or other applicable Slot utilization reporting period), the Borrower or, if applicable a Guarantor, fails to satisfy any applicable Use or Lose Rule with respect to 20% or more of the Primary Slots (except Slots at JFK so long as such Slots are Primary Slots as a result of Slot regulations existing on the Closing Date and Slots which are reasonably determined by the Appraisers to be of de minimis value) at any airport; or

(t) (i) during the first half of any regulatory reporting period established by any Governmental Authority, Foreign Aviation Authority or Airport Authority regarding the utilization of the Primary Foreign Slots, 50% or more of such Primary Foreign Slots are not utilized 80% of the time or more over such period or (ii) during such regulatory reporting period, the Borrower or, if applicable, a Guarantor, fails to satisfy any applicable Use or Lose Rule with respect to 10% or more of the Primary Foreign Slots; or

(u) the Borrower or, if applicable, a Guarantor, loses its right in or to serve any of the Primary Routes or its rights in or to use Primary Foreign Slots, other than (i) in cases where the Primary Route(s) and/or Primary Foreign Slot(s) are transferred or otherwise disposed of as permitted in this Agreement or the SGR Security Agreement or (ii) in cases where the Collateral Agents have provided prior written consent to the loss or such loss could not reasonably be expected to have a material adverse effect on the relevant Primary Routes, taken as a whole; or

(v) all or substantially all of the Borrower’s flights or operations are suspended for more than two (2) consecutive days (other than as a result of an FAA suspension due to force majeure);

then, and in every such event and at any time thereafter during the continuance of such event, either Agent (in consultation with the other Agent) may, and at the request of the Required Lenders, the Agents shall, by written notice to the Borrower, take one or more of the following

actions, at the same or different times: (i) terminate forthwith the Total Commitment; (ii) declare the Loans or any portion thereof then outstanding to be forthwith due and payable, whereupon the principal of the Loans together with accrued interest thereon and any unpaid accrued Fees and all other liabilities of the Borrower accrued hereunder and under any other Loan Document, shall become forthwith due and payable, without presentment, demand, protest or any other notice of any kind, all of which are hereby expressly waived by the Borrower and the Guarantors, anything contained herein or in any other Loan Document to the contrary notwithstanding; (iii) require the Borrower and the Guarantors promptly upon written demand to deposit in the Letter of Credit Account Cash Collateralization for the LC Exposure (and to the extent the Borrower and the Guarantors shall fail to furnish such funds as demanded by either Agent (in consultation with the other Agent), the Agents shall be authorized to debit the accounts of the Borrower and the Guarantors maintained with the Agents in such amounts; (iv) set-off amounts in the Letter of Credit Account or any other accounts (other than Escrow Accounts, Payroll Accounts or other accounts held in trust for an identified beneficiary) maintained with the Agents or the Collateral Agents (or any of their respective affiliates) and apply such amounts to the obligations of the Borrower and the Guarantors hereunder and in the other Loan Documents; and (v) exercise any and all remedies under the Loan Documents and under applicable law available to the Agents, the Collateral Agents and the Lenders. In case of any event with respect to the Borrower or any Guarantor or any of their respective Subsidiaries described in clause (g) or (h) of this Section, the Total Commitments shall automatically terminate and the principal of the Loans then outstanding, together with accrued interest thereon and all fees and other obligations of the Borrower accrued hereunder, shall automatically become due and payable, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrower. Any payment received as a result of the exercise of remedies hereunder shall be applied in accordance with Section 2.16(b).

SECTION 8. **THE AGENTS**

SECTION 8.01 **Administration by Agents**. (a) Each of the Lenders and each Issuing Lender hereby irrevocably appoints the Agents, Collateral Agents and Paying Agent as its agents and authorizes the Agents, Collateral Agents and Paying Agent to take such actions on its behalf and to exercise such powers as are delegated to the Agents, Collateral Agents and Paying Agent by the terms hereof, together with such actions and powers as are reasonably incidental thereto.

(b) Each of the Lenders and each Issuing Lender hereby authorizes the Agents and the Collateral Agents, as applicable, and in their sole discretion:

(i) in connection with the sale or other disposition of any asset that is part of the Collateral of the Borrower or any Guarantor, as the case may be, to the extent permitted by the terms of this Agreement, to release a Lien granted to the Collateral Agents, for the benefit of the Secured Parties, on such asset;

(ii) to determine that the cost to the Borrower or any Guarantor, as the case may be, is disproportionate to the benefit to be realized by the Secured Parties by perfecting a Lien in a given asset or group of assets included in the Collateral and that the Borrower or such Guarantor, as the case may be, should not be

required to perfect such Lien in favor of the Collateral Agents, for the benefit of the Secured Parties;

(iii) to enter into and perform its obligations under the other Loan Documents; and

(iv) to enter into intercreditor and/or subordination agreements in accordance with Section 6.01(o) on terms acceptable to the Agents.

SECTION 8.02 **Rights of Agent, Paying Agent and Collateral Agents**. Any institution serving as the Agents, Collateral Agents and Paying Agent hereunder shall have the same rights and powers in their respective capacities as Lenders as any other Lender and may exercise the same as though it were not an Agent, Collateral Agent or Paying Agent, and such bank and its respective Affiliates may accept deposits from, lend money to and generally engage in any kind of business with the Borrower or any Subsidiary or other Affiliate thereof as if it were not an Agent, Collateral Agent or Paying Agent hereunder.

SECTION 8.03 **Liability of Agents**.

(a) The Agents, Collateral Agents and Paying Agent shall not have any duties or obligations except those expressly set forth herein. Without limiting the generality of the foregoing, (i) the Agents, Collateral Agents and Paying Agent shall not be subject to any fiduciary or other implied duties, regardless of whether an Event of Default has occurred and is continuing, (ii) the Agents, Collateral Agents and Paying Agent shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby that each such agent is required to exercise in writing as directed by the Required Lenders (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided in Section 10.08), and (iii) except as expressly set forth herein, the Agents, Collateral Agents and Paying Agent shall not have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Parent or any of its Subsidiaries that is communicated to or obtained by the institution serving as an Agent, Collateral Agent or Paying Agent or any of its Affiliates in any capacity. None of the Agents, Collateral Agents and Paying Agent shall be liable for any action taken or not taken by it with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided in Section 10.08) or in the absence of its own gross negligence, bad faith or willful misconduct. The Agents, Collateral Agents and Paying Agent shall be deemed not to have knowledge of any Event of Default unless and until written notice thereof is given to the Agents, Collateral Agents and Paying Agent by the Borrower or a Lender, and the Agents, Collateral Agents and Paying Agent shall not be responsible for, or have any duty to ascertain or inquire into, (A) any statement, warranty or representation made in or in connection with this Agreement, (B) the contents of any certificate, report or other document delivered hereunder or in connection herewith, (C) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein, (D) the validity, enforceability, effectiveness or genuineness of this Agreement or any other agreement, instrument or document, or (E) the satisfaction of any condition set forth in Section 4 or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Agents, Collateral Agents and Paying Agent.

(b) The Agents, Collateral Agents and Paying Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing believed by it to be genuine and to have been signed or sent by the proper Person. The Agents, Collateral Agents and Paying Agent also may rely upon any statement made to it orally or by telephone and believed by it to be made by the proper Person, and shall not incur any liability for relying thereon. The Agents, Collateral Agents and Paying Agent may consult with legal counsel (who may be counsel for the Borrower), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

(c) Each of the Agents, Collateral Agents and Paying Agent may perform any and all of its respective duties and exercise its respective rights and powers by or through any one or more sub-agents appointed by such agent. The Agents, Collateral Agents and Paying Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers through its Related Parties. The exculpatory provisions of the preceding paragraphs shall apply to any such sub-agent and to the Related Parties of the Agents, Collateral Agents and Paying Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as Agents, Collateral Agents and Paying Agent.

SECTION 8.04 **Reimbursement and Indemnification**. Each Lender agrees (a) to reimburse on demand the Agents (and the Collateral Agents and Paying Agent) for such Lender's Total Commitment Percentage of any expenses and fees incurred for the benefit of the Lenders under this Agreement and any of the Loan Documents, including, without limitation, counsel fees and compensation of agents and employees paid for services rendered on behalf of the Lenders, and any other expense incurred in connection with the operations or enforcement thereof, not reimbursed by the Borrower or the Guarantors and (b) to indemnify and hold harmless the Agents, Collateral Agents and Paying Agent and any of their Related Parties, on demand, in the amount equal to such Lender's Total Commitment Percentage, from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses, or disbursements of any kind or nature whatsoever which may be imposed on, incurred by, or asserted against it or any of them in any way relating to or arising out of this Agreement or any of the Loan Documents or any action taken or omitted by it or any of them under this Agreement or any of the Loan Documents to the extent not reimbursed by the Borrower or the Guarantors (except such as shall result from their respective gross negligence or willful misconduct).

SECTION 8.05 **Successor Agents**. Subject to the appointment and acceptance of a successor agent as provided in this paragraph, either of the Agents or the Paying Agent may resign at any time by notifying the Lenders, the Issuing Lender, the other Agent and the Borrower. Upon any such resignation by an Agent (or by an Agent and the Paying Agent), the other Agent shall become the sole Agent hereunder. Upon any resignation by the remaining Agent, the Required Lenders shall have the right, in consultation with the Borrower, to appoint a successor. If no successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days after the retiring Agent gives notice of its resignation, then the retiring Agent may, in consultation with the Borrower, on behalf of the Lenders and the

Issuing Lender, appoint a successor Agent which shall be a bank institution with an office in New York, New York, or an Affiliate of any such bank. Upon the acceptance of its appointment as Agent hereunder by a successor, such successor shall succeed to and become vested with all the rights, powers, privileges and duties of the retiring Agent, and the retiring Agent shall be discharged from its duties and obligations hereunder. The fees payable by the Borrower to a successor Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrower and such successor. After the retiring Agent's resignation hereunder, the provisions of this Article and Section 10.04 shall continue in effect for the benefit of such retiring Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while it was acting as an Agent.

SECTION 8.06 **Independent Lenders**. Each Lender acknowledges that it has, independently and without reliance upon the Agents, Paying Agent or Collateral Agents or any other Lender and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender also acknowledges that it will, independently and without reliance upon the Agents or any other Lender and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any related agreement or any document furnished hereunder or thereunder.

SECTION 8.07 **Advances and Payments**.

(a) On the date of each Loan, the Paying Agent shall be authorized (but not obligated) to advance, for the account of each of the Lenders, the amount of the Loan to be made by it in accordance with its Tranche A Commitment or Tranche B Commitment, as the case may be, hereunder. Should the Paying Agent do so, each of the Lenders agrees forthwith to reimburse the Paying Agent in immediately available funds for the amount so advanced on its behalf by the Paying Agent, together with interest at the Federal Funds Effective Rate if not so reimbursed on the date due from and including such date but not including the date of reimbursement.

(b) Any amounts received by the Paying Agent in connection with this Agreement (other than amounts to which the Paying Agent is entitled pursuant to Sections 2.17, 8.04 and 10.04), the application of which is not otherwise provided for in this Agreement, shall be applied in accordance with Section 2.16(b). All amounts to be paid to a Lender by the Paying Agent shall be credited to that Lender, after collection by the Agent, in immediately available funds either by wire transfer or deposit in that Lender's correspondent account with the Paying Agent, as such Lender and the Paying Agent shall from time to time agree.

SECTION 8.08 **Sharing of Setoffs**. Each Lender agrees that if it shall, through the exercise either by it or any of its banking Affiliates of a right of banker's lien, setoff or counterclaim against the Borrower or a Guarantor, including, but not limited to, a secured claim under Section 506 of the Bankruptcy Code or other security or interest arising from, or in lieu of, such secured claim and received by such Lender (or any of its banking Affiliates) under any applicable bankruptcy, insolvency or other similar law, or otherwise, obtain payment in respect of its Loans or LC Exposure as a result of which the unpaid portion of its Loans or LC Exposure is proportionately less than the unpaid portion of the Loans or LC Exposure of any other Lender

(a) it shall promptly purchase at par (and shall be deemed to have thereupon purchased) from such other Lender a participation in the Loans or LC Exposure of such other Lender, so that the aggregate unpaid principal amount of each Lender's Loans and LC Exposure and its participation in Loans and LC Exposure of the other Lenders shall be in the same proportion to the aggregate unpaid principal amount of all Loans then outstanding and LC Exposure as the principal

amount of its Loans and LC Exposure prior to the obtaining of such payment was to the principal amount of all Loans outstanding and LC Exposure prior to the obtaining of such payment and (b) such other adjustments shall be made from time to time as shall be equitable to ensure that the Lenders share such payment pro-rata, provided, that if any such non-pro-rata payment is thereafter recovered or otherwise set aside, such purchase of participations shall be rescinded (without interest). The Borrower expressly consents to the foregoing arrangements and agrees that any Lender holding (or deemed to be holding) a participation in a Loan or LC Exposure acquired pursuant to this Section or any of its banking Affiliates may exercise any and all rights of banker's lien, setoff or counterclaim with respect to any and all moneys owing by the Borrower to such Lender as fully as if such Lender was the original obligee thereon, in the amount of such participation.

SECTION 8.09 **Other Agents**. GE Capital, identified in this Agreement as a "syndication agent," shall not have any right, power, obligation, liability, responsibility or duty under this Agreement other than those applicable to all Lenders as such. Without limiting the foregoing, GE Capital shall not have or be deemed to have any fiduciary relationship with any Lender. Each Lender acknowledges that it has not relied, and will not rely, on GE Capital in deciding to enter into this Agreement or in taking or not taking action hereunder.

SECTION 9. **GUARANTY**

SECTION 9.01 **Guaranty**.

(a) Each of the Guarantors unconditionally and irrevocably guarantees the due and punctual payment by the Borrower of the Obligations (including interest accruing on and after the filing of any petition in bankruptcy or of reorganization of the obligor whether or not post filing interest is allowed in such proceeding). Each of the Guarantors further agrees that, to the extent permitted by applicable law, the Obligations may be extended or renewed, in whole or in part, without notice to or further assent from it, and it will remain bound upon this guaranty notwithstanding any extension or renewal of any of the Obligations. The Obligations of the Guarantors shall be joint and several.

(b) To the extent permitted by applicable law, each of the Guarantors waives presentation to, demand for payment from and protest to the Borrower or any other Guarantor, and also waives notice of protest for nonpayment. The Obligations of the Guarantors hereunder shall not be affected by (i) the failure of the Agents or a Lender to assert any claim or demand or to enforce any right or remedy against the Borrower or any other Guarantor under the provisions of this Agreement or any other Loan Document or otherwise; (ii) any extension or renewal of any provision hereof or thereof; (iii) any rescission, waiver, compromise, acceleration, amendment or modification of any of the terms or provisions of any of the Loan Documents; (iv) the release, exchange, waiver or foreclosure of any security held by the Collateral Agents for the Obligations or any of them; (v) the failure of the Collateral Agents or a Lender to exercise any

right or remedy against any other Guarantor; or (vi) the release or substitution of any Guarantor or any other Guarantor.

(c) To the extent permitted by applicable law, each of the Guarantors further agrees that this guaranty constitutes a guaranty of payment when due and not just of collection, and waives any right to require that any resort be had by the Agents, the Collateral Agents or a Lender to any security held for payment of the Obligations or to any balance of any deposit, account or credit on the books of the Agents, the Paying Agent, the Collateral Agents or a Lender in favor of the Borrower or any other Guarantor, or to any other Person.

(d) To the extent permitted by applicable law, each of the Guarantors hereby waives any defense that it might have based on a failure to remain informed of the financial condition of the Borrower and of any other Guarantor and any circumstances affecting the ability of the Borrower to perform under this Agreement.

(e) To the extent permitted by applicable law, each Guarantor's guaranty shall not be affected by the genuineness, validity, regularity or enforceability of the Obligations or any other instrument evidencing any Obligations, or by the existence, validity, enforceability, perfection, or extent of any collateral therefor or by any other circumstance relating to the Obligations which might otherwise constitute a defense to this Guaranty (other than payment in full of the Obligations). None of the Agents, the Paying Agent, the Collateral Agents, nor any of the Lenders makes any representation or warranty in respect to any such circumstances or shall have any duty or responsibility whatsoever to any Guarantor in respect of the management and maintenance of the Obligations.

(f) Upon the Obligations becoming due and payable (by acceleration or otherwise), the Lenders shall be entitled to immediate payment of such Obligations by the Guarantors upon written demand by the Agents or the Paying Agent.

SECTION 9.02 **No Impairment of Guaranty**. To the extent permitted by applicable law, the obligations of the Guarantors hereunder shall not be subject to any reduction, limitation, impairment or termination for any reason, including, without limitation, any claim of waiver, release, surrender, alteration or compromise, and shall not be subject to any defense (other than payment in full of the Obligations) or set-off, counterclaim, recoupment or termination whatsoever by reason of the invalidity, illegality or unenforceability of the Obligations. To the extent permitted by applicable law, without limiting the generality of the foregoing, the obligations of the Guarantors hereunder shall not be discharged or impaired or otherwise affected by the failure of the Agents, the Paying Agent, the Collateral Agents or a Lender to assert any claim or demand or to enforce any remedy under this Agreement or any other agreement, by any waiver or modification of any provision hereof or thereof, by any default, failure or delay, willful or otherwise, in the performance of the Obligations, or by any other act or thing or omission or delay to do any other act or thing which may or might in any manner or to any extent vary the risk of the Guarantors or would otherwise operate as a discharge (other than payment in full of the Obligations) of the Guarantors as a matter of law, unless and until the Obligations are paid in full.

SECTION 9.03 **Continuation and Reinstatement, etc.** Each Guarantor further agrees that its Guaranty hereunder shall continue to be effective or be reinstated, as the case may be, if at any time payment, or any part thereof, of any Obligation is rescinded or must otherwise be restored by the Agents, the Issuing Lender, any Lender or any other Secured Party upon the bankruptcy or reorganization of Borrower or a Guarantor, or otherwise.

SECTION 9.04 **Subrogation**. Upon payment by any Guarantor of any sums to the Agents, the Paying Agent, the Collateral Agents or a Lender hereunder, all rights of such Guarantor against the Borrower arising as a result thereof by way of right of subrogation or otherwise, shall in all respects be subordinate and junior in right of payment to the prior payment in full of all the Obligations (including interest accruing on and after the filing of any petition in bankruptcy or of reorganization of an obligor whether or not post filing interest is allowed in such proceeding). If any amount shall be paid to such Guarantor for the account of the Borrower relating to the Obligations, such amount shall be held in trust for the benefit of the Paying Agent and the Lenders and shall forthwith be paid to the Paying Agent and the Lenders to be credited and applied to the Obligations, whether matured or unmatured.

SECTION 10. **MISCELLANEOUS**

SECTION 10.01 **Notices**. (a) Except in the case of notices and other communications expressly permitted to be given by telephone (and subject to paragraph (b) below), all notices and other communications provided for herein or under any other Loan Document shall be in writing (including by facsimile or electronic mail pursuant to procedures approved by the Agents), and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by telecopy, as follows:

(i) if to the Borrower or any Guarantor, to it at United Air Lines, Inc., 1200 Algonquin Road, Elk Grove Village, Illinois 60007, Attention of: (x) Frederic F. Brace, Executive Vice President and Chief Financial Officer and (y) the General Counsel (Telecopy No.: 847-700-4412), with a copy to Kirkland & Ellis LLP, 200 East Randolph Drive, Chicago, Illinois 60601, Attention of: James H.M. Sprayregen, P.C. and Linda K. Myers, P.C. (Telecopy No.: 312-861-2200);

(ii) if to JPMCB as Agent or Paying Agent, to it at JPMorgan Chase Bank, N.A., Loan and Agency Services Group, 1111 Fannin, 10th Floor, Houston, Texas 77002, Attention of: Omar Jones (Telecopy No.: 713-750-2938), with a copy to JPMorgan Chase Bank, N.A., 270 Park Avenue, New York 10017, Attention of: Matthew Massie (Telecopy No.: 212-270-5100), with a copy to Morgan, Lewis & Bockius LLP, 101 Park Avenue, New York, New York 10178, Attention of: Robert H. Scheibe (Telecopy No.: 212-309-6001);

(iii) if to CITI as Agent, to it at Citicorp USA, Inc., 388 Greenwich Street, 19th Floor, New York, New York 10013, Attention of: James J. McCarthy (Telecopy No.: 212-816-2613);

(iv) if to the Issuing Lender, to it at the address most recently specified by it in notice delivered by it to the Agent and the Borrower, with a copy to the Agent as provided in clause (ii) above; and

(v) if to any other Lender, to it at its address (or telecopy number) set forth in Annex A hereto or, if subsequently delivered, an administrative questionnaire in a form as the Agents may require.

(b) Notices and other communications to the Lenders hereunder may be delivered or furnished by electronic communications pursuant to procedures approved by the Agents; provided, that the foregoing shall not apply to notices pursuant to Section 2 unless otherwise agreed by the Agents and the applicable Lender. Either Agent or the Borrower may, in its reasonable discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it; provided, that approval of such procedures may be limited to particular notices or communications.

(c) Any party hereto may change its address or telecopy number for notices and other communications hereunder by notice to the other parties hereto. All notices and other communications given to any party hereto in accordance with the provisions of this Agreement shall be deemed to have been given on the date of receipt.

SECTION 10.02 **Successors and Assigns**. (a) The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns permitted hereby (including any Affiliate of the Issuing Lender that issues any Letter of Credit), except that (i) the Borrower and the Guarantors may not assign or otherwise transfer any of their rights or obligations hereunder without the prior written consent of each Lender (and any attempted assignment or transfer by the Borrower or any Guarantor without such consent shall be null and void) and (ii) no Lender may assign or otherwise transfer its rights or obligations hereunder except in accordance with this Section. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby (including any Affiliate of the Issuing Lender that issues any Letter of Credit), Participants (to the extent provided in paragraph (d) of this Section) and, to the extent expressly contemplated hereby, the Related Parties of each of the Agents, the Issuing Lender and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) (i) Subject to the conditions set forth in paragraph (b)(ii) below, any Lender may assign to one or more assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Tranche A Commitment, Tranche B Commitment or Delayed Draw Tranche B Loan Commitment (as the case may be) and the Loans at the time owing to it) with the prior written consent (such consent not to be unreasonably withheld) of:

(A) the Paying Agent (with the consent of the Agents), provided that no consent of the Paying Agent shall be required for an assignment of all or any portion of a Tranche B Loan (including the Delayed Draw Tranche B Loan Commitment, if any) to an assignee that is (I) immediately prior to

giving effect to such assignment a Lender owning a portion of the Loan of the same tranche as the portion of the Loan to be assigned, (II) an Affiliate of such a Lender, or (III) an Approved Fund; provided, further, no consent of the Paying Agent shall be required for an assignment of all or any portion of a Tranche A Commitment and Tranche A Loans to an assignee that is (I) immediately prior to giving effect to such assignment a Lender owning a portion of the Loan of the same tranche as the portion of the Loan to be assigned or (II) an Affiliate of such a Lender; and

(B) the Issuing Lender, provided that no consent of the Issuing Lender shall be required for an assignment of all or any portion of a Tranche B Loan or a Delayed Draw Tranche B Loan Commitment..

(ii) Assignments shall be subject to the following additional conditions:

(A) any assignment of any portion of the Total Tranche A Commitment, Tranche A Loans, LC Exposure, the Tranche B Commitment, the Delayed Draw Tranche B Loan Commitment and the Tranche B Loans shall be made to an Eligible Assignee;

(B) except in the case of an assignment to a Lender or an Affiliate of a Lender or an assignment of the entire remaining amount of the assigning Lender's Tranche A Commitment, Tranche B Commitment, the Delayed Draw Tranche B Loan Commitment or Loans, the amount of such commitment or Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Acceptance with respect to such assignment is delivered to the Agent) shall not be less than $1,000,000, and after giving effect to such assignment, the portion of the Loan held by the assigning Lender of the same tranche as the assigned portion of the Loan shall not be less than $1,000,000, in each case unless the Borrower and the Agents otherwise consent, provided that no such consent of the Borrower shall be required if an Event of Default has occurred and is continuing;

(C) each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement, provided that this clause shall not be construed to prohibit the assignment of a proportionate part of all the assigning Lender's rights and obligations in respect of the Total Commitment or Loans;

(D) the parties to each assignment shall execute and deliver to the Paying Agent an Assignment and Acceptance, together with a processing and recordation fee of $3,500 for the account of the Paying Agent; and

(E) the assignee, if it was not a Lender immediately prior to such

assignment, shall deliver to the Paying Agent an administrative questionnaire in a form as the Agents may require.

For the purposes of this Section 10.02(b), the term "Approved Fund" means any Person (other than a natural person) that is engaged in making, purchasing, holding or investing in bank loans and similar extensions of credit in the ordinary course of its business and that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

(iii) Subject to acceptance and recording thereof pursuant to paragraph (b)(iv) of this Section, from and after the effective date specified in each Assignment and Acceptance, the assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment and Acceptance, have the rights and obligations of a Tranche A Lender or Tranche B Lender (or both), as the case may be, under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Acceptance, be released from its obligations under this Agreement (and, in the case of an Assignment and Acceptance covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Sections 2.13, 2.15 and 10.04). Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this Section 10.02 shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with paragraph (d) of this Section.

(iv) The Paying Agent shall maintain at its offices a copy of each Assignment and Acceptance delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Tranche A Commitments, Tranche B Commitments or the Delayed Draw Tranche B Loan Commitment (as the case may be) of, and principal amount of the Loans and LC Disbursements owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive, and the Borrower, the Guarantors, the Paying Agent, the Issuing Lender and the Lenders may treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the Borrower, the Issuing Lender and any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(c) Upon its receipt of a duly completed Assignment and Acceptance executed by an assigning Lender and an assignee, the assignee's completed administrative questionnaire in a form as the Agents may require (unless the assignee shall already be a Lender hereunder), the processing and recordation fee referred to in paragraph (b) of this Section and any written consent to such assignment required by paragraph (b) of this Section, the Paying Agent shall accept such Assignment and Acceptance and record the information contained therein in the Register; provided, that if either the assigning Lender or the assignee shall have failed to make any payment required to be made by it pursuant to Section 2.02(d) or (e), 2.04(b) or 10.04(c), the Paying Agent shall have no obligation to accept such Assignment and Assumption and record the information therein in the Register unless and until such payment

shall have been made in full, together with all accrued interest thereon. No assignment shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this paragraph.

(d) (i) Any Lender may, without the consent of the Borrower, the Agents, the Paying Agent or the Issuing Lender, sell participations to one or more banks or other entities (a "Participant") in all or a portion of such Lender's rights and obligations under this Agreement (including all or a portion of its Tranche A Commitment, Tranche B Commitment or the Delayed Draw Tranche B Loan Commitment (as the case may be) and the Loans owing to it); provided, that (A) such Lender's obligations under this Agreement shall remain unchanged, (B) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (C) the Borrower, the Agents, the Paying Agent, the Issuing Lender and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided, that such agreement or instrument may

provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver described in the first proviso to Section 10.08(a) that affects such Participant. Subject to paragraph (d)(ii) of this Section, the Borrower agrees that each Participant shall be entitled to the benefits of Sections 2.13 and 2.15 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to paragraph (b) of this Section. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 2.15 as though it were a Lender, provided such Participant agrees to be subject to Section 8.08 as though it were a Lender.

(ii) A Participant shall not be entitled to receive any greater payment under Section 2.15 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant, unless the sale of the participation to such Participant is made with the Borrower's prior written consent. A Participant that would be a Foreign Lender if it were a Lender shall not be entitled to the benefits of Section 2.15 unless the Borrower is notified of the participation sold to such Participant and such Participant agrees, for the benefit of the Borrower, to comply with Section 2.15(e) as though it were a Lender.

(e) Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including without limitation any pledge or assignment to secure obligations to a Federal Reserve Bank, and this Section shall not apply to any such pledge or assignment of a security interest; provided, that no such pledge or assignment of a security interest shall release a Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

(f) Any Lender may, in connection with any assignment or participation or proposed assignment or participation pursuant to this Section 10.02, disclose to the assignee or participant or proposed assignee or participant, any information relating to the Borrower or any of the Guarantors furnished to such Lender by or on behalf of the Borrower or any of the Guarantors; provided, that prior to any such disclosure, each such assignee or participant or

proposed assignee or participant shall agree in writing to be bound by the provisions of Section 10.03.

(g) The Borrower hereby agrees, to the extent set forth in the Joint Commitment Letter, to actively assist and cooperate with the Agents in the Agents' efforts to sell participations herein (as described in Section 10.02(d)) and assign to one or more Lenders or assignees a portion of its interests, rights and obligations under this Agreement (as set forth in Section 10.02(b)).

SECTION 10.03 **Confidentiality**. Each Lender agrees to keep any information delivered or made available by the Borrower or any of the Guarantors to it confidential from anyone other than persons employed or retained by such Lender who are or are expected to become engaged in evaluating, approving, structuring or administering the Loans, and who are advised by such Lender of the confidential nature of such information; provided, that nothing herein shall prevent any Lender from disclosing such information (a) to any of its Affiliates (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such information and instructed to keep such information confidential) or to any other Lender, (b) upon the order of any court or administrative agency, (c) upon the request or demand of any regulatory agency or authority, (d) which has been publicly disclosed other than as a result of a disclosure by the Agents or any Lender which is not permitted by this Agreement, (e) in connection with any litigation to which the Agents, any Lender, or their respective Affiliates may be a party to the extent possible or practicable and reasonably required, (f) to the extent reasonably required in connection with the exercise of any remedy hereunder, (g) to such Lender's legal counsel and independent auditors, and (h) to any actual or proposed participant or assignee of all or part of its rights hereunder subject to the proviso in Section 10.02(f). Each Lender shall use reasonable efforts to give the Borrower prior notice of any required disclosure under clauses (b) and (e) of this Section.

SECTION 10.04 **Expenses; Indemnity; Damage Waiver**. (a) (i) The Borrower shall pay or reimburse: (A) all reasonable fees and reasonable out-of-pocket expenses of the Agents, JPMSI and CGMI (including the reasonable fees, disbursements and other charges of Morgan, Lewis & Bockius LLP ("Morgan Lewis"), special counsel to the Agents, and any other counsel retained by Morgan Lewis, the Agents, JPMSI or CGMI) associated with the syndication of the credit facilities provided for herein, and the preparation, execution, delivery and administration of the Loan Documents and any amendments, modifications or waivers of the provisions hereof (whether or not the transactions contemplated hereby or thereby shall be consummated); and (B) all reasonable fees and reasonable out-of-pocket expenses of the Agents, JPMSI and CGMI (including the reasonable fees, disbursements and other charges of Morgan Lewis, special counsel to the Agents, and any other counsel retained by Morgan Lewis, the Agents, JPMSI or CGMI) and the Lenders in connection with the enforcement of the Loan Documents.

(ii) The Borrower shall pay or reimburse (A) all reasonable fees and reasonable expenses of the Agents, JPMSI and CGMI and their internal and third-party auditors, the Appraisers, the Real Estate Appraiser and consultants incurred in connection with the Agents' (a) periodic field examinations and appraisals and (b) other monitoring of assets as allowed hereunder and (B) all reasonable fees and reasonable expenses of the

Issuing Lenders in connection with the issuance, amendment, renewal or extension of any Letter of Credit or any demand or any payment thereunder.

(iii) All payments or reimbursements pursuant to the foregoing clauses (a)(i) and (ii) shall be paid within thirty (30) days of written demand together with back-up documentation supporting such reimbursement request.

(b) The Borrower shall indemnify the Agents, the Paying Agent, JPMSI, CGMI, the Joint Lead Arrangers, the Issuing Lenders and each Lender, and each Related Party of any of the foregoing Persons (each such Person being called an "Indemnitee") against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities and related expenses, including the reasonable fees, charges and disbursements of any counsel for any Indemnitee, incurred by or asserted against any Indemnitee arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement or any agreement or instrument contemplated hereby, the performance by the parties hereto of their respective obligations hereunder or the consummation of the Transactions or any other transactions contemplated hereby, (ii) any Loan or Letter of Credit or the use of the proceeds therefrom (including any refusal by the Issuing Lender to honor a demand for payment under a Letter of Credit if the documents presented in connection with such demand do not strictly comply with the terms of such Letter of Credit), (iii) any actual or alleged presence or release of Hazardous Materials on or from any property owned or operated by the Borrower or any of its Subsidiaries, or any Environmental Liability related in any way or asserted against the Borrower or

any of its Subsidiaries, or (iv) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory and regardless of whether any Indemnitee is a party thereto; provided, that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the bad faith, gross negligence or willful misconduct of such Indemnitee.

(c) To the extent that the Borrower fails to pay any amount required to be paid by it to the Agents or the Issuing Lender under paragraph (a) or (b) of this Section, each Lender severally agrees to pay to the Agents, the Paying Agent or the Issuing Lender, as the case may be, such portion of the unpaid amount equal to such Lender's Total Commitment Percentage (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought); provided, that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Agents, the Paying Agent or the Issuing Lender in its capacity as such.

(d) To the extent permitted by applicable law, the Borrower shall not assert, and hereby waives, any claim against any Indemnitee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement or any agreement or instrument contemplated hereby, the Transactions, any Loan or Letter of Credit or the use of the proceeds thereof.

SECTION 10.05 **Governing Law; Jurisdiction; Consent to Service of Process**. (a) This Agreement shall be construed in accordance with and governed by the law of the State of New York.

(b) The Borrower hereby irrevocably and unconditionally submits, for itself and its property, to the nonexclusive jurisdiction of the Supreme Court of the State of New York sitting in New York County and of the United States District Court of the Southern District of New York, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York State or, to the extent permitted by law, in such Federal court. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement shall affect any right that the Agents, the Issuing Lender or any Lender may otherwise have to bring any action or proceeding relating to this Agreement against the Borrower or its properties in the courts of any jurisdiction.

(c) The Borrower hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement in any court referred to in paragraph (b) of this Section. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(d) Each party to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 10.01. Nothing in this Agreement will affect the right of any party to this Agreement to serve process in any other manner permitted by law.

SECTION 10.06 **No Waiver**. No failure on the part of the Agents or the Collateral Agents or any of the Lenders to exercise, and no delay in exercising, any right, power or remedy hereunder or any of the other Loan Documents shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or remedy preclude any other or further exercise thereof or the exercise of any other right, power or remedy. All remedies hereunder are cumulative and are not exclusive of any other remedies provided by law.

SECTION 10.07 **Extension of Maturity**. Should any payment of principal of or interest or any other amount due hereunder become due and payable on a day other than a Business Day, the maturity thereof shall be extended to the next succeeding Business Day and, in the case of principal, interest shall be payable thereon at the rate herein specified during such extension.

SECTION 10.08 **Amendments, etc**.

(a) No modification, amendment or waiver of any provision of this Agreement or the Collateral Documents, and no consent to any departure by the Borrower or any Guarantor therefrom, shall in any event be effective unless the same shall be in writing and

signed by the Required Lenders, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given; provided, however, that no such modification or amendment shall without the written consent of (i) the Lender directly affected thereby (A) increase the Tranche A Commitment, Tranche B Commitment or the Delayed Draw Tranche B Loan Commitment (as the case may be) or extend the expiry of the Tranche A Commitment, Tranche B Commitment or the Delayed Draw Tranche B Loan Commitment (as the case may be) of a Lender (it being understood that a waiver of an Event of Default shall not constitute an increase in or extension of the expiry of the Tranche A Commitment, Tranche B Commitment or the Delayed Draw Tranche B Loan Commitment (as the case may be) of a Lender), or (B) reduce the principal amount of any Loan or the rate of interest payable thereon (provided that only the consent of the Required Lenders shall be necessary for a waiver of default interest referred to in Section 2.07), extend the scheduled date or reduce the amount of any required amortization payment of the Tranche B Loan or extend any date for the payment of interest hereunder or reduce any Fees payable hereunder or extend the final maturity of the Borrower's obligations hereunder or (ii) all of the Lenders (A) amend or modify any provision of this Agreement which provides for the unanimous consent or approval of the Lenders, (B) amend this Section 10.08 or modify the percentage of the Lenders required in the definition of Required Lenders or (C) release all or substantially all of the Liens granted to the Agents or the Collateral Agents hereunder or under any other Loan Document, or release all or substantially all of the Guarantors. No such amendment or modification shall adversely affect the rights and obligations of the Agents or any Issuing Lender hereunder without its prior written consent. No notice to or demand on the Borrower or any Guarantor shall entitle the Borrower or any Guarantor to any other or further notice or demand in the same, similar or other circumstances. Each assignee under Section 10.02(b) shall be bound by any amendment, modification, waiver, or consent authorized as provided herein, and any consent by a Lender shall bind any Person subsequently acquiring an interest on the Loans held by such Lender. No amendment to this Agreement shall be effective against the Borrower or any Guarantor unless signed by the Borrower or such Guarantor, as the case may be.

(b) Notwithstanding anything to the contrary contained in Section 10.08(a), (i) in the event that the Borrower requests that this Agreement be modified or amended in a manner which would require the unanimous consent of all of the Lenders and such modification or amendment is agreed to by the Required Lenders, then with the consent of the Borrower and the Required Lenders, the Borrower and the Required Lenders shall be permitted to amend the Agreement without the consent of the Lender or Lenders which did not agree to the modification or amendment requested by the Borrower (such Lender or Lenders, collectively the "Minority Lenders") to provide for (A) the termination of the Tranche A Commitment, Tranche B Commitment or the Delayed Draw Tranche B Loan Commitment (as the case may be) of each of the Minority Lenders, (B) the addition to this Agreement of one or more other financial institutions in accordance with Section 10.02, or an increase in the Tranche A Commitment, Tranche B Commitment or the Delayed Draw Tranche B Loan Commitment (as the case may be) of one or more of the Required Lenders, so that the Total Commitment after giving effect to such amendment shall be in the same amount as the Total Commitment immediately before giving effect to such amendment, (C) if any Loans are outstanding at the time of such amendment, the making of such additional Loans by such new financial institutions or Required Lender or Lenders, as the case may be, as may be necessary to repay in full the outstanding Loans of the Minority Lenders immediately before giving effect to such amendment and (D) such other

modifications to this Agreement as may be appropriate; and (ii) no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder, except that the Total Commitment of such Lender may not be increased or extended without the consent of such Lender (it being understood that any Loans held or deemed held by any Defaulting Lender shall be excluded for a vote of the Lenders hereunder requiring any consent of the Lenders).

SECTION 10.09 **Severability**. Any provision of this Agreement held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions hereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.

SECTION 10.10 **Headings**. Section headings used herein are for convenience only and are not to affect the construction of or be taken into consideration in interpreting this Agreement.

SECTION 10.11 **Survival**. All covenants, agreements, representations and warranties made by the Borrower herein and in the certificates or other instruments delivered in connection with or pursuant to this Agreement shall be considered to have been relied upon by the other parties hereto and shall survive the execution and delivery of this Agreement and the making of any Loans and issuance of any Letters of Credit, regardless of any investigation made by any such other party or on its behalf and notwithstanding that the Agents, the Issuing Lender or any Lender may have had notice or knowledge of any Event of Default or incorrect representation or warranty at the time any credit is extended hereunder, and shall continue in full force and effect as long as the principal of or any accrued interest on any Loan or any fee or any other amount payable under this Agreement is outstanding and unpaid or any Letter of Credit is outstanding and so long as the Total Commitments have not expired or terminated. The provisions of Sections 2.13, 2.14, 2.15 and 10.04 and Section 8 shall survive and remain in full force and effect regardless of the consummation of the transactions contemplated hereby, the repayment of the Loans, the expiration or termination of the Letters of Credit and the Total Commitments or the termination of this Agreement or any provision hereof.

SECTION 10.12 **Execution in Counterparts; Integration; Effectiveness**. This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement and any separate letter agreements with respect to fees payable to the Agents constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Except as provided in Section 4.01, this Agreement shall become effective when it shall have been executed by the Agents and when the Agents shall have received counterparts hereof which, when taken together, bear the signatures of each of the other parties hereto, and thereafter shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Delivery of an executed counterpart of a signature page of this Agreement by telecopy or electronic .pdf copy shall be effective as delivery of a manually executed counterpart of this Agreement.

SECTION 10.13 **Prior Agreements**. This Agreement represents the entire agreement of the parties with regard to the subject matter hereof and the terms of any letters and other documentation entered into between the Borrower or a Guarantor and any Lender or the Agents prior to the execution of this Agreement which relate to Loans to be made hereunder shall be replaced by the terms of this Agreement (except as otherwise expressly provided herein with respect to the Joint Commitment Letter and the fee letter referred to therein, including without limitation the Borrower's agreements to actively assist the Agents in the syndication of the transactions contemplated hereby referred to in Section 10.02(a) and with respect to interest rates and Commitment Fees and including also the provisions of Section 2.18, and except with respect to any separate commitment letter or other agreement relating to the additional Tranche B Loan referred to in Section 2.01(c)).

SECTION 10.14 **Further Assurances**. Whenever and so often as reasonably requested by the Agents, the Borrower and the Guarantors will promptly execute and deliver or cause to be executed and delivered all such other and further instruments, documents or assurances, and promptly do or cause to be done all such other and further things as may be necessary in order to further and more fully vest in the Agents all rights, interests, powers, benefits, privileges and advantages conferred or intended to be conferred by this Agreement and the other Loan Documents.

SECTION 10.15 **USA Patriot Act**. Each Lender that is subject to the requirements of the Patriot Act hereby notifies the Borrower that pursuant to the requirements of the Act, it is required to obtain, verify and record information that identifies the Borrower, which information includes the name and address of the Borrower and other information that will allow such Lender to identify the Borrower in accordance with the Patriot Act.

SECTION 10.16 **WAIVER OF JURY TRIAL**. EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO ANY OF THE LOAN DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and the year first written.

[Signature pages and exhibits intentionally omitted]

Exhibit 4.2

UAL CORPORATION,
as Issuer,

and

UNITED AIR LINES, INC.,
as Guarantor

to

THE BANK OF NEW YORK TRUST COMPANY, N.A.,
as Trustee

INDENTURE

Dated as of February 1, 2006

Providing for Issuance of
6% Senior Notes due 2031
8% Contingent Senior Notes

Reconciliation and tie between Indenture, dated as of February 1, 2006, and the Trust Indenture Act of 1939, as amended.

Trust Indenture Act of 1939 Section		Indenture Section
310	(a)(1)	6.10; 6.11; 6.12
	(a)(2)	6.12
	(a)(3)	TIA
	(a)(4)	Not Applicable
	(a)(5)	TIA
	(b)	4.6; 6.4; 6.10; 6.12; TIA
311	(a)	6.4; 6.16; TIA
	(b)	TIA
	(c)	Not Applicable
312	(a)	6.8
	(b)	1.16; TIA
	(c)	1.16; TIA
313	(a)	
	(b)	6.3; 6.7; TIA
	(c)	6.3; 6.7; TIA
	(d)	6.3; 6.7; TIA
		6.3; 6.7; TIA
314	(a)	9.5; 9.7; TIA
	(b)	Not Applicable
	(c)(1)	1.2; 4.1; 4.6; 5.7; 7.1; 9.5
	(c)(2)	1.2; 4.1; 4.6; 7.1; 9.5
	(c)(3)	Not Applicable
	(d)	Not Applicable
	(e)	9.8; TIA
	(f)	TIA
315	(a)	6.1; 6.3; TIA
	(b)	6.2
	(c)	TIA
	(d)(1)	TIA
	(d)(2)	6.1; TIA
	(d)(3)	6.1; TIA
	(e)	6.10; TIA
316	(a) (last sentence)	1.1

	(a)(1)(A)	5.2; 5.8
	(a)(1)(B)	5.7
	(b)	5.9; 5.10
	(c)	1.4; TIA
317	(a)(1)	5.3; 6.3
	(a)(2)	5.4; 6.3
	(b)	6.3; 9.3
318	(a)	1.11
	(b)	TIA
	(c)	1.11; TIA

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

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Exhibits

INDENTURE, dated as of February 1, 2006, among UAL CORPORATION, a Delaware corporation (the "Company"), UNITED AIR LINES, INC., a Delaware corporation (the "Guarantor") and THE BANK OF NEW YORK TRUST COMPANY, N.A., a national banking association, as Trustee (the "Trustee").

Recitals

On December 9, 2002, the Company and certain of its directly and indirectly wholly owned subsidiaries filed a voluntary petition under Chapter 11 of Title 11 of the United States Code, as amended (the "Bankruptcy Code") with the United States Bankruptcy Court for the Northern District of Illinois (the "Bankruptcy Court").

The Company and certain of its directly and indirectly wholly owned subsidiaries filed a Joint Plan of Reorganization (the "Plan") which was approved by the Bankruptcy Court on January 20, 2006.

Pursuant to the Plan, the Company is required to issue the 6% Senior Notes (as defined herein), and may be required to issue the 8% Contingent Notes (as defined herein), in each case to, or for the benefit of, the Pension Benefit Guaranty Corporation ("PBGC").

The Company has duly authorized the issuance of (i) the 6% Senior Notes and (ii) the 8% Contingent Notes (together, the "Notes"), and to provide therefor, the Company has duly authorized the execution and delivery of this Indenture.

All things necessary to make the Notes, when executed by the Company and authenticated and delivered hereunder and duly issued by the Company, the valid obligations of the Company, and to make this Indenture a valid agreement of the Company, in accordance with its terms, and all things necessary to duly authorize the issuance of the Common Stock (as hereinafter defined) of the Company issuable in connection with the 6% Senior Notes, and to reserve for issuance the number of shares of such Common Stock, have been done.

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

ARTICLE 1

Definitions and Other Provisions
of General Application

Section 1.1. 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, and not otherwise defined herein 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.

"6% Senior Notes" means $500,000,000 in aggregate original principal amount of 6% Senior Notes due 2031 of the Company issued on the date hereof, as well as (i) any Notes issued in exchange therefor or upon transfer thereof and (ii) any increase in the principal amount thereof pursuant to paragraph 1 of such Notes. All such Notes shall be considered one series.

"8% Contingent Notes" means up to $500,000,000 in aggregate original principal amount of 8% Contingent Senior Notes of the Company, if any, issued pursuant to this Indenture, as well as any Notes issued in exchange therefor or upon transfer thereof. All such Notes shall be considered one series.

"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 6.14.

"Authorized Newspaper" means a newspaper in New York, New York, Washington, D.C. and Chicago, Illinois in the English language, customarily published on each Business Day whether or not published on Saturdays, Sundays or holidays, and of general circulation in the place in connection with which the term is used or in the financial community of such place. Whenever successive publications in an Authorized Newspaper are required hereunder they may be made (unless otherwise expressly provided herein) on any Business Day and in the same or different Authorized Newspapers.

"Bankruptcy Law" means Title 11 of the U.S. Code or any similar federal, state or foreign law for the relief of debtors.

"Board" or "Board of Directors" means the Board of Directors of the Company, the Executive Committee thereof 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 such certification, and delivered to the Trustee.

"Business Day", means each Monday, Tuesday, Wednesday, Thursday and Friday which is not a day on which banking institutions in New York, New York or U.S. governmental agencies are authorized or obligated by applicable law or executive order to remain closed.

"Change in Ownership" means any "person" or "group" within the meaning of Sections 13(d) and 14(d)(2) of the Securities Exchange Act, or any successor provision to either of the foregoing, including any group acting for the purpose of acquiring, holding or disposing of securities within the meaning of Rule 13d-5(b)(1) under the Securities Exchange Act, becomes the "beneficial owner," as defined in Rule 13d-3 under the Securities Exchange Act, directly or indirectly, through a purchase, merger or other acquisition transaction, of the voting power to elect a majority of the Board, other than an acquisition by the Company, any of its Subsidiaries or any of its Subsidiaries' or the Company's employee benefit plans.

"Commission" means the Securities and Exchange Commission, as from time to time constituted, created under the Securities Exchange Act, 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.

"Common Stock" means the common stock, par value $0.01 per share, of the Company as it exists on the date of this Indenture and any shares of any class or classes of capital stock of the Company into which the Common Stock may be reclassified or changed.

"Company" means the Person named as the Company in the first paragraph of this Indenture until one or more successor Persons replaces it pursuant to the applicable provisions of this Indenture, and thereafter means such successor(s).

"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 Chief Executive Officer, the President, the Chief Financial Officer, any Executive Vice President or any Senior Vice President, signing alone, by any Vice President signing together with the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary of the Company, or, with respect to Section 3.3, Section 3.4 and Section 3.5, any Assistant Secretary of the Company.

"Corporate Trust Office" means the office of the Trustee at which at any particular time its corporate trust business shall be principally administered, which office at the date hereof is located at 2 N. LaSalle Street, Suite 1020, Chicago, Illinois 60602, Attention: Corporate Trust Department.

"corporation" includes corporations, associations, companies and business trusts.

"Custodian" means any receiver, trustee, assignee, liquidator or similar official under any Bankruptcy Law.

"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 Notes 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" 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.

"Employee Notes" means the Company's Senior Convertible Notes due 2021 to be issued pursuant to the Plan as follows: (a) $550,000,000 to a trust or other entity designated by the Air Line Pilots Association, International; (b) $24,000 to a trust or other entity designated by the Transport Workers Union of America, AFL-CIO; (c) $400,000 to a trust or other entity designated by the Professional Airline Flight Control Association; (d) $40,000,000 to a trust or other entity designated by the Aircraft Mechanics Fraternal Association; (e) $60,000,000 to a trust or other entity designated by the International

Association of Mechanics and Aerospace Workers; (f) $56,000,000 to a trust or other entity for the benefit of United States based salaried and management employees of the Company and certain of its Subsidiaries and (g) $20,000,000 to a trust or other entity designated by the Association of Flight Attendants.

"Existing Credit Facility" means the up to $3.0 billion Revolving Credit, Term Loan and Guaranty Agreement, dated as of February 1, 2006, among United Air Lines Inc., UAL Corporation, certain subsidiaries thereof, various lenders party thereto and JP Morgan Chase Bank, N.A. as co-administrative agent, co-collateral agent and paying agent, Citicorp USA, Inc. as co-administrative agent and co-collateral agent, J.P. Morgan Securities Inc., as joint lead arranger and joint bookrunner, Citigroup Global Markets, Inc., as joint lead arranger and joint bookrunner, and General Electric Capital Corporation, as syndication agent, as amended, restated, modified, renewed, refunded, replaced or refinanced in whole or in part from time to time.

"Fundamental Change" means the occurrence of any of the following: (a) any sale, conveyance, transfer or disposition of more than 50% of the property or assets of the Company and its Subsidiaries on a consolidated basis (measured either by book value in accordance with generally accepted accounting principles consistently applied or by fair market value determined in the reasonable good faith judgment of the Board) in any transaction or series of related transactions (other than sales in the ordinary course of business); (b) any merger or consolidation to which the Company is a party, except for (x) a merger which is effected solely to change the state of incorporation of the Company or (y) a merger in which the Company is the surviving Person, the terms of the Notes are not changed or altered in any respect, the Notes are not exchanged for cash, securities or other property or assets and, after giving effect to such merger, the holders of the capital stock of the Company as of the date of this Indenture shall continue to own the outstanding capital stock of the Company possessing the voting power (under ordinary

circumstances) to elect a majority of the Board; (c) the Termination of Trading; or (d) the Company's approval of a plan of liquidation or dissolution.

"Government Obligations" means securities which are (i) direct obligations of the United States 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, the payment of which is unconditionally guaranteed as a full faith and credit obligation by the United States, 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.

"Guarantor" means United Air Lines, Inc., a Delaware corporation and a wholly owned Subsidiary of the Company, and its successors and assigns.

"Holder" means a Person in whose name a Note is registered on the Register.

"Indenture" means this Indenture as originally executed or as amended or supplemented from time to time.

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

"LTM EBITDAR" means, as of any date of measurement, the earnings before interest, income taxes, depreciation, amortization and aircraft rents of the Company and its Subsidiaries on a consolidated basis for the twelve months ending on such date, determined in accordance with generally accepted accounting principles on a basis consistently applied.

"Market Value" of the Common Stock means, as of any date of determination:

(a) If the principal market for the Common Stock is a national securities exchange in the United States, the Market Value shall be the average of the last sale price of the Common Stock on such exchange for the 20 consecutive trading days immediately prior to the date of determination, all as quoted by such exchange.

(b) If the principal market for the Common Stock is the over-the-counter market, and the Common Stock is quoted on The NASDAQ Stock Market ("NASDAQ"), the Market Value shall be the average of the last sale price of the Common Stock on NASDAQ for the 20 consecutive trading days immediately prior to the date of determination, or, if the Common Stock is an issue for which the last sale price is not quoted on NASDAQ, the average of the last bid price for the 20 consecutive trading days immediately prior to the date of determination. If the relevant quotation did not exist at such close of trading, then the Market Value shall be the

relevant quotation on the next preceding Business Day on which there was such a quotation.

(c) If the principal market for the Common Stock is the over-the-counter market, and the Common Stock is not quoted on NASDAQ, the Market Value shall be determined in accordance with market practice for the Common Stock, based on the average of the price for such Common Stock for the 20 consecutive trading days immediately prior to the date of determination, obtained from a generally recognized source agreed to by the Company or the average of the closing bid quotation for the 20 consecutive trading days immediately prior to the date of determination, obtained from such a source. If the relevant quotation did not exist at such close of trading, then the Market Value shall be the relevant quotation on the next preceding Business Day on which there was such a quotation.

"Maturity", when used with respect to any Note, means the date on which the principal of such Note 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.

"Note" or "Notes" has the meaning stated in the fourth recital of this Indenture and more particularly means any Note or Notes of the Company issued, authenticated and delivered under this Indenture.

"Note Guarantee" means the guarantee by the Guarantor as set forth in Section 11.1, as evidenced by the Form of Notation of Guarantee annexed hereto as Exhibit C, to be attached to each Note.

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

"Officers' Certificate" means a certificate signed by the Chairman of the Board, the Chief Executive Officer, the President, the Chief Financial Officer, 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, and delivered to the Trustee.

"O'Hare Notes" means $149,646,114 aggregate principal amount of the Company's Senior Convertible Notes due February 1, 2021 to be issued pursuant to the Plan to certain Persons (or certain holders for whom such Persons act as trustee) that are party to that certain Settlement Agreement, dated as of December 17, 2004, with the Guarantor attached to that certain order dated February 15, 2005 entered by the Bankruptcy Court, relating to the resolution of disputes between the Guarantor and such other parties arising out of bonds issued in respect of the Guarantor's facilities at Chicago O'Hare International Airport.

"Opinion of Counsel" means a written opinion of legal counsel, who may be (a) the most senior attorney serving in the capacity of legal counsel employed by the Company,

(b) Kirkland & Ellis LLP or (c) other counsel designated by the Company and who shall be acceptable to the Trustee.

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

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

(ii) Notes, or portions thereof, for which payment or redemption money 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 Notes provided that if such Notes 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) Notes, except to the extent provided in Section 4.4 and Section 4.5, with respect to which the Company has effected defeasance and/or covenant defeasance as provided in Article 4; and

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

provided, however, that in determining whether the Holders of the requisite principal amount of the Outstanding Notes have given any request, demand, authorization, direction, notice, consent or waiver hereunder, or for the purpose of making the calculations required by Section 313 of the Trust Indenture Act, Notes owned by the Company, the Guarantor or any other obligor upon the Notes or any Affiliate of the Company, the Guarantor or 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 Notes which the Trustee knows to be so owned as a result of written notice being provided to that effect by the Company, by the Guarantor, by any such other obligor upon the Notes or any such Affiliate of any of the foregoing, as the case may be, to the Trustee shall be so disregarded.

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

"Person" means any individual, corporation, partnership, joint venture, limited liability company, 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 Notes of or within any series, means the place or places where, subject to the provisions of Section 9.2, the principal of, premium, if any, and interest on such Notes are payable as specified in such Notes.

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

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

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

"Register" has the meaning set forth in Section 3.5.

"Registrar" has the meaning set forth in Section 3.5.

"Regular Record Date" for the interest payable on any Interest Payment Date on the Notes of any series means the date specified on the face of such Note.

"Responsible Officer", when used with respect to the Trustee, shall mean any officer within the Corporate Trust Office of the Trustee with direct responsibility for the administration of this Indenture, including the chairman or any vice chairman of the board of directors, the chairman or any vice chairman of the executive committee of the board of directors, the chairman of the trust committee, the president, any senior vice president, any vice president, any assistant vice president, the secretary, the treasurer, any assistant treasurer, the cashier, any assistant cashier, any senior trust officer, any trust officer, the controller, any assistant controller, or any other officer of the Trustee customarily performing functions similar to those performed by any of the above designated officers, respectively, and also means, with respect to a particular corporate trust matter, any other officer to whom such corporate trust matter is referred because of his knowledge of and familiarity with the particular subject.

"Securities Exchange Act" means the Securities Exchange Act of 1934, as amended from time to time.

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

"Stated Maturity", when used with respect to any Note or any installment of principal thereof or interest thereon means the date specified in such Note as the original date on which the principal of such Note or such installment of principal or interest is due and payable. The Stated Maturity of the principal amount of the 6% Senior Notes shall be February 1, 2031. The Stated Maturity of the principal amount of any 8% Contingent Notes shall be the fifteenth anniversary of the Trigger Date with respect to which such Note was subsequently issued.

"Subsidiary" means (i) any corporation of which the Company at the time owns or controls, directly or indirectly, more than 50% of the shares of outstanding stock having general voting power under ordinary circumstances to elect a majority of the board of directors of such corporation (irrespective of whether or not at the time stock of any other class or classes of such corporation shall have or might have voting power by reason of the happening of any contingency), (ii) a partnership in which 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, directly or indirectly, at the date of determination has (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.

"Termination of Trading" means the occurrence of the following event: the Company's Common Stock is neither listed for trading on a United States national securities exchange nor approved for trading on an established over-the-counter trading market in the United States.

"Trigger Date" means each June 30 or December 31, beginning December 31, 2009, on which LTM EBITDAR, determined as of any such date, exceeds $3,500,000,000.

"Trust Indenture Act" or "TIA" means the Trust Indenture Act of 1939, as amended, 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 Notes of any series shall mean the Trustee with respect to the Notes of that series.

"United States" means the United States of America (including the States and the District of Columbia), its territories, its possessions and other areas subject to its jurisdiction.

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

Term	Section
"Act"	Section 1.4(a)
"Co-Branded Card Agreement"	Section 1.14
"covenant defeasance"	Section 4.5
"CUSIP"	Section 3.11
"Defaulted Interest"	Section 3.7(b)
"defeasance"	Section 4.4
"DTC"	Section 2.4
"Event of Default"	Section 5.1
"Notice of Default"	Section 5.1(4)
"Plan"	Recitals
"Securities Exchange Act"	Section 1.1(a)

(c) Whenever this Indenture refers to a provision of the TIA, the provision is incorporated by reference and is made a part of this Indenture. The following TIA terms used in this Indenture have the following meanings:

"indenture securities" means the Notes;

"indenture security holder" means a Holder of a Note;

"indenture to be qualified" means this Indenture;

"indenture trustee" or "institutional trustee" means the Trustee; and

"obligor" on the Notes and the Note Guarantee means the Company and the Guarantor, respectively, and any successor obligor upon the Notes and the Note Guarantee, respectively.

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 such certificates and opinions as may be required under Section 314(c) of the Trust Indenture Act, each such certificate stating that all conditions precedent, if any, provided for in this Indenture relating to the proposed action have been complied with and each such opinion stating that in the opinion of such counsel all such conditions precedent, if any, have been complied with. Each such certificate or opinion shall be given in the form of an Officers' Certificate, if to be given by an Officer of the Company, or an Opinion of Counsel, if to be given by counsel, and shall comply with the requirements of Section 314(c) of the Trust Indenture Act and any other requirements set forth in this Indenture.

Every certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture 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 or she has made such examination or investigation as is necessary to enable him or her 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.

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.

(a) Any request, demand, authorization, direction, notice, consent, waiver or other action provided by this Indenture to be given or taken by Holders may be embodied in and evidenced by one or more instruments of substantially similar tenor signed by such Holders in person or by an agent duly appointed in writing. Except as herein otherwise expressly provided, such action shall become effective when such instrument or instruments are received by the Trustee in accordance with the provisions of this Indenture 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 (subject to Section 6.1) conclusive in favor of the Trustee and the Company, if made in the manner provided in this Section.

(b) The fact and date of the execution by any Person of any such instrument or writing may be proved by the affidavit of a witness of such execution or 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 reasonably sufficient.

(c) The ownership of Notes shall be proved by references to the Register or in any other reasonable manner which the Trustee deems sufficient.

(d) Any request, demand, authorization, direction, notice, consent, waiver or other Act of the Holder of any Note shall bind every future Holder of the same Note and the holder of every Note 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 Note.

(e) If the Company shall solicit from the Holders any request, demand, authorization, direction, notice, consent, waiver or other Act, the Company may, at its option, by or pursuant to an Officers' Certificate delivered to the Trustee, fix in advance a record date (which shall not be more than 60 days prior to the date of such solicitation) for the determination of Holders entitled to give such request, demand, authorization, direction, notice, consent,

waiver or other Act in the circumstances permitted by the Trust Indenture Act, but the Company shall have no obligation to do so. If such a record date is fixed, such request, demand, authorization, direction, notice, consent, waiver or other Act may be given before or after such record date, but only the Holders of record at the close of business on such record date shall be deemed to be Holders for the purposes of determining whether Holders of the requisite proportion of Outstanding Notes have authorized or agreed or consented to such request, demand, authorization, direction, notice, consent, waiver or other Act, and for that purpose the Outstanding Notes 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 it shall become effective pursuant to the provisions of clause (a) of this Section 1.4 not later than six months after the record date. If not set by the Company with respect to solicitations by the Company as described in this paragraph 1.4(e) or by the Trustee pursuant to Section 1.13 prior to the first solicitation of a Holder of Notes of such series made by any Person in respect of any such Act, or, in the case of any such vote, prior to such vote, the record date for any such Act or vote shall be the 30th day (or, if later, the date of the most recent list of Holders required to be provided pursuant to Section 6.8) prior to such first solicitation or vote, as the case may be. With regard to any record date for an Act to be taken by the Holders of one or more series of Notes, only the Holders of Notes of such series on such date (or their duly designated proxies) shall be entitled to give or take, or vote on, the relevant action.

Section 1.5. Notices, etc., to Trustee, Company, and Guarantor. 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,

(a) the Trustee by any Holder, by the Company or by the Guarantor 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: Corporate Trust Administration,

(b) the Company by the Trustee, by the Guarantor 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 UAL Corporation, P.O. Box 66919, Chicago, Illinois 60666, Attention: Treasurer, or at any other address previously furnished in writing to the Trustee by the Company, or

(c) the Guarantor by the Trustee, by the Company 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 Guarantor addressed to it at United Air Lines, Inc., 1200 East Algonquin Road, Elk Grove Township, Illinois 60007, Attention: WHQLD: General Counsel , or at any other address previously furnished in writing to the Trustee by the Guarantor.

Section 1.6. Notice to Holders; Waiver. Where this Indenture provides for notice to Holders of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and mailed, registered mail, return receipt requested, to each such Holder affected by such event, at its address as it appears in the Register, not later than the latest date (if any), and not earlier than the earliest date (if any), prescribed for the giving of such notice and, in those cases where notice by publication is expressly permitted or expressly required by the terms of this Indenture or the TIA, such notice shall be sufficiently given (unless otherwise herein expressly provided) if published once in an Authorized Newspaper.

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 Notes given as provided herein. In any case where notice is given to any Holder by publication pursuant to the express provisions of this Indenture (unless otherwise herein expressly provided), neither the failure to publish such notice, nor any defect in any notice so published, shall affect the sufficiency of any notice by mail to other Holders of Notes 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 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.

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, the cross-reference sheet and the Table of Contents are for convenience only and are not intended to be considered a part hereof and shall not affect the construction hereof.

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

Section 1.9. Separability. In case any provision of this Indenture or the Notes 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 Notes, expressed or implied, shall give to any Person, other than the parties hereto and their successors hereunder and the Holders, any benefit or any legal or equitable right, remedy or claim under this Indenture.

Section 1.11. Governing Law. THIS INDENTURE, THE NOTES AND THE NOTE GUARANTEE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF

LAWS. 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 hereunder to be a part of and govern this Indenture, the Trust Indenture Act 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, then such provision of the Trust Indenture Act shall be deemed to apply to this Indenture as so modified or to be excluded, as the case may be.

Section 1.12. Legal Holidays. In any case where any Interest Payment Date, Redemption Date, or Stated Maturity of any principal of any Note shall not be a Business Day, then payment of principal, premium, if any, or interest need not be made on such date, but may be made on the next succeeding Business Day 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, or Stated Maturity, as the case may be.

Section 1.13. Trustee to Establish Record Dates. The Trustee may (or, at the request of Holders holding a majority in aggregate principal amount of Notes, shall) fix a record date for the purpose of determining the Holders entitled to make, give or take any request, demand, authorization, direction, notice, consent, waiver or other action provided in this Indenture to be made, given or taken by Holders; provided that the record date for any such action solicited by the Company shall be governed by Section 1.4(e). If such a record date is fixed, the Holders on such record date and only such Holders, shall be entitled to make, give or take such request, demand, authorization, direction, notice, consent, waiver or other action, whether or not such Holders remain Holders after such record date.

Section 1.14. Notes Relative to Other Notes. The 6% Senior Notes shall be senior and prior in right of payment to the Employee Notes and the 8% Contingent Notes and *pari passu* in right of payment with the O'Hare Notes. The 6% Senior Notes shall be junior in right of payment to the Existing Credit Facility, the Company's obligations under the Co-Branded Card Marketing Services Agreement, dated as of July 1, 2001, among the Company, the Guarantor, Chase Bank U.S.A., N.A. and various other parties, as amended (the "Co-Branded Card Agreement") and any other secured indebtedness of the Company, provided, that the 6% Notes shall be *pari passu* with the Existing Credit Facility, such obligations under the Co-Branded Card Agreement and such other secured indebtedness of the Company to the extent of any unsecured indebtedness thereunder. The 8% Contingent Notes shall be junior in right of payment to the 6% Senior Notes,

the Existing Credit Facility, the Company's obligations under the Co-Branded Card Agreement and the O'Hare Notes and *pari passu* in right of payment to the Employee Notes referred to in clause (a) of the definition of "Employee Notes" in Section 1.1. Except as otherwise provided above, the Notes and the Note Guarantee shall be *pari passu* in right of payment with all current and future senior unsecured debt of the Company and the Guarantor, as the case may be, and senior in right of payment to all current and future subordinated debt of the Company and the Guarantor, as the case may be.

Section 1.15. No Personal Liability of Directors, Officers, Employees and Stockholders. No past, present or future director, officer, employee, incorporator or stockholder of the Company or the Guarantor, as such, will have any liability for any obligations of the Company or the Guarantor under the Notes, this Indenture, the Note Guarantee or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder of Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes. The waiver may not be effective to waive liabilities under the federal securities laws.

Section 1.16. Communication by Holders with Other Holders. Holders of Notes may communicate pursuant to Section 312(b) of the TIA with other Holders with respect to their rights under this Indenture or the Notes. The Company, the Trustee, the Registrar and anyone else shall have the protection of Section 312(c) of the TIA.

Section 1.17. Company Responsible for Making Calculations. Unless otherwise specified in this Indenture, the Company will be responsible for making all calculations called for under this Indenture and the Notes. These calculations include, but are not limited to, determination of the Market Value and the amount of accrued and unpaid interest payable on the Notes. The Company will make these calculations in good faith, and, absent bad faith or manifest error, these calculations will be final and binding on the Holders. Promptly after the calculation thereof, the Company will provide to the Trustee an Officers' Certificate setting forth a schedule of its calculations, and the Trustee is entitled to conclusively rely upon the accuracy of such calculations without independent verification. The Trustee will forward the Company's calculations to any Holder upon the request of such Holder.

ARTICLE 2

Security Forms

Section 2.1. Forms Generally. The 6% Senior Notes shall be substantially in the form of Exhibit A hereto and the 8% Contingent Notes shall be substantially in the form of Exhibit B hereto. The Notes may have notations, legends or endorsements required by law, stock exchange rule or depository rule or usage. The Company and the Trustee shall approve the form of the Notes and any notation, legend or endorsement thereon. Each Note shall be dated the date of its issuance and shall show the date of its authentication.

If temporary Notes of any series are issued as permitted by Section 3.4, the temporary Notes shall be substantially in the form of the definitive Notes, but may have variations that the Company, with the consent of the Trustee, considers appropriate for temporary Notes. Without

unreasonable delay, the Company shall prepare and the Trustee shall authenticate and deliver the definitive Notes in exchange for temporary Notes.

The Notes are issuable in global form pursuant to Section 2.3. Otherwise, pursuant to Section 3.5, the Notes may be issued in the form of certificated Notes in registered form substantially in the form set forth in Exhibit A with respect to the 6% Senior Notes and substantially in the form of Exhibit B with respect to the 8% Contingent Notes.

The terms and provisions contained in the Notes shall constitute, and are hereby expressly made, a part of this Indenture and, to the extent applicable, the Company, the Guarantor and the Trustee, by their execution and delivery of this Indenture, expressly agree to such terms and provisions and to be bound thereby.

The permanent Notes shall be printed, lithographed or engraved or produced by any combination of these methods or may be produced in any other manner, all as determined by the Officers executing such Notes, as evidenced by their execution of such Notes.

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

This is one of the Notes of a series issued under the within-mentioned Indenture.

THE BANK OF NEW YORK TRUST COMPANY, N.A., not in its individual capacity but solely as Trustee

By: _____
Authorized Signatory

Section 2.3. Notes in Global Form. The Notes are issuable in temporary or permanent global form substantially in the form of Exhibit A with respect to the 6% Senior Notes or substantially in the form of Exhibit B with respect to 8% Contingent Notes. Notwithstanding the provisions of Section 3.2, any Note issued in global form shall represent such of the Outstanding Notes of such series as shall be specified therein and may provide that it shall represent the aggregate amount of Outstanding Notes from time to time endorsed thereon and that the aggregate amount of Outstanding Notes represented thereby may from time to time be reduced to reflect exchanges or redemptions of such Notes. Any endorsement of a Note in global form to reflect the amount of or any increase or decrease in the amount of Outstanding Notes represented thereby, shall be made by the Trustee in such manner and upon instructions given 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 Section 3.4. Subject to the provisions of Section 3.3 and, if applicable, Section 3.4, the Trustee shall deliver and redeliver any Note in 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 Note 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 Note in global form if such Note was never issued and sold by the Company and the Company delivers to the Trustee the Note 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 Notes represented thereby, together with the written statement contemplated by the last paragraph of Section 3.3.

Section 2.4. Global Note Legend. The following legend shall appear on the face of all global Notes issued under this Indenture:

"UNLESS AND UNTIL IT IS EXCHANGED IN WHOLE OR IN PART FOR NOTES IN CERTIFICATED FORM, TRANSFERS OF THIS GLOBAL NOTE SHALL BE LIMITED TO TRANSFERS IN WHOLE, BUT NOT IN PART, TO NOMINEES OF THE DEPOSITORY TRUST COMPANY (55 WATER STREET, NEW YORK, NEW YORK ("DTC"), CEDE & CO. OR TO A SUCCESSOR THEREOF OR SUCH SUCCESSOR'S NOMINEE AND TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN THE INDENTURE. UNLESS THIS NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF DTC TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR SUCH OTHER NAME AS MAY BE REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR SUCH OTHER ENTITY AS MAY BE 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."

Notwithstanding the provisions of Section 2.1 and Section 3.7, payment of principal of, premium, if any, and interest on any Note in permanent global form shall be made to the Person or Persons specified therein.

ARTICLE 3

The Securities

Section 3.1. Aggregate Amounts; Issuance.

(a) (i) The aggregate principal amount of 6% Senior Notes which may be authenticated and delivered under this Indenture is $500,000,000, subject to increase as provided in paragraph 1 of the 6% Senior Notes. The entire aggregate amount of $500,000,000 of the 6% Senior Notes will be issued to or for the benefit of PBGC on the date of this Indenture.

(ii) The aggregate principal amount of 8% Contingent Notes which may be authenticated and delivered under this Indenture is $500,000,000. The 8% Contingent Notes may be issued to or for the benefit of PBGC in up to eight tranches of $62,500,000 per tranche. Subject to Section 3.1(b), such a tranche of 8% Contingent Notes shall be

issued with respect to each Trigger Date no later than 45 days following the end of any fiscal year (starting with the fiscal year ending December 31, 2009 and ending with the fiscal year ending December 31, 2017) in which such Trigger Date occurs (each such date, an "Issuance Date"). Promptly, but in any event within 10 days, upon the occurrence of a Trigger Date, the Company shall notify the Trustee in writing of such occurrence and of

the corresponding Issuance Date. Notwithstanding the foregoing, no more than two tranches of 8% Contingent Notes consisting of $62,500,000 each may be issued upon any Issuance Date.

(b) Notwithstanding paragraph (a)(ii) above, if the issuance of a full tranche of additional 8% Contingent Notes would cause a default under documentation relating to any securities of the Company existing as of the relevant Issuance Date with respect to such tranche, then on such Issuance Date the Company may issue to or for the benefit of PBGC freely tradeable Common Stock having a Market Value as of the close of business on the Business Day immediately preceding such Issuance Date of $62,500,000 in lieu of the tranche of 8% Contingent Notes that otherwise would be issued. However, the Company shall not agree to provisions in the documentation of any securities existing at the time that explicitly prohibit or are intended effectively to prohibit the issuance of 8% Contingent Notes.

(c) If the Notes are issued in whole or in part in temporary or permanent global form, the Company shall notify the Trustee and each of the Holders of the initial Depositary for such Notes.

(d) All Notes of any one series shall be substantially identical except as to denomination, Stated Maturity (in the case of the 8% Contingent Notes) and the date from which interest, if any, shall accrue. All Notes 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 Notes of such series in accordance with the terms of this Indenture.

Section 3.2. Denominations. Any Notes shall be issuable in registered form without coupons in denominations of $1,000 and any integral multiple thereof.

Section 3.3. Execution, Authentication, Delivery and Dating. The Notes shall be executed on behalf of the Company by the Chairman, President, Chief Executive Officer or Chief Financial Officer under its corporate seal reproduced thereon and attested to by the Secretary or any Assistant Secretary of the Company. The signatures of such Officers on the Notes may be manual or facsimile. The Notes 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 Notes or did not hold such offices at the date of such Notes.

At any time and from time to time after the execution and delivery of this Indenture, the Company may deliver Notes of any series executed by the Company to the Trustee for authentication, together with a Company Order for the authentication, and make available for delivery such Notes, and the Trustee in accordance with the Company Order shall authenticate and deliver such Notes.

Prior to the issuance of Notes of any series after the date of this Indenture, the Trustee shall receive and (subject to Section 6.1) shall be fully protected in relying upon an Opinion of Counsel complying with Section 1.2 which shall also state:

(i) that the form of such Notes has been established in conformity with the provisions of this Indenture;

(ii) that the terms of such Notes have been established in conformity with the provisions of this Indenture;

(iii) that such Notes, 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 valid and legally binding obligations of the Company, enforceable in accordance with their terms, subject to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting the enforcement of creditors' rights and to general equity principles;

(iv) that the Note Guarantee attached to such Notes will constitute the valid and legally binding obligation of the Guarantor, enforceable in accordance with its terms, subject to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting the enforcement of creditors' rights and to general equity principles;

(v) that all laws and requirements in respect of the execution and delivery by the Company of the Notes and the execution and delivery by the Guarantor of the Note Guarantee have been complied with; and

(vi) such other matters as the Trustee may reasonably request.

If the Notes of a series are to be issued in whole or in part in global form, then 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 Notes in global form that (i) shall represent and shall be denominated in an amount equal to the aggregate principal amount of the Outstanding Notes of such series to be represented by such Note in global form, (ii) shall be registered in the name of the Depositary for such Note or Notes in global form or the nominee of such Depositary and (iii) shall be delivered by the Trustee to such Depositary or pursuant to such Depositary's instruction.

Each Depositary designated by the Company for a Note in global form must, at the time of its designation and at all times while it serves as Depositary, be a clearing agency registered under the Securities Exchange Act and any other applicable statute or regulation. The Trustee shall have no responsibility to determine if the Depositary is so registered. Each Depositary shall enter into an agreement with the Trustee governing the respective duties and rights of such Depositary and the Trustee with regard to Notes issued in global form.

No Note 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. Such signature upon any Note shall be conclusive

evidence and the only evidence, that such Note has been duly authenticated and delivered under this Indenture and is entitled to the benefits of this Indenture.

Notwithstanding the foregoing, if any Note shall have been authenticated and delivered hereunder but never issued and sold by the Company, and the Company shall deliver such Note 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 Note has never been issued and sold by the Company, for all purposes of this Indenture such Note 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 Notes. Pending the preparation of definitive Notes of any series, the Company may execute and, upon Company Order, the Trustee shall authenticate and deliver temporary Notes of such series which are printed, lithographed, typewritten, mimeographed or otherwise produced, in any authorized denomination, substantially of the tenor and form of the definitive Notes in lieu of which they are issued and with such appropriate insertions, omissions, substitutions and other variations as the Officers executing such Notes may determine, as conclusively evidenced by their execution of such Notes. In the case of Notes of any series, such temporary Notes may be in global form.

Except in the case of temporary Notes in global form, each of which shall be exchanged in accordance with the provisions thereof, if temporary Notes of any series are issued, the Company will cause permanent Notes of such series to be prepared without unreasonable delay. After preparation of such permanent Notes of such series, the temporary Notes of such series shall be exchangeable for such permanent Notes of such series of like tenor upon surrender of the temporary Notes 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 Notes of any series, the Company shall execute and the Trustee shall authenticate and deliver in exchange therefor a like principal amount of permanent Notes of the same series of authorized denominations and of like tenor. Until so exchanged, the temporary Notes of any series shall in all respects be entitled to the same benefits under this Indenture as permanent Notes of such series.

Section 3.5. Registration, Registration of Transfer and Exchange. The Company shall cause to be kept at one of its offices or agencies to be maintained in accordance with Section 9.2 in a Place of Payment a register (the "Register") in which, subject to such reasonable regulations as it may prescribe, the Company shall provide for the registration of Notes and the registration of transfers and exchanges of Notes. The Trustee is hereby appointed as the initial "Registrar" for the purpose of registering Notes and transfers and exchanges of Notes as herein provided.

Upon surrender for registration of transfer of any Note 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 Notes of the same series, of any authorized denominations and of a like aggregate principal amount and tenor.

At the option of the Holder, Notes of any series (except a Note in global form) may be exchanged for other Notes of the same series, of any authorized denominations and of a like aggregate principal amount containing identical terms and provisions, upon surrender of the Notes to be exchanged at such office or agency. Whenever any Notes are so surrendered for exchange, the Company shall execute, and the Trustee shall authenticate and deliver, the Notes which the Holder making the exchange is entitled to receive.

Notwithstanding any other provision (other than the provisions set forth in the sixth and seventh paragraphs of this Section) of this Section, unless and until it is exchanged in whole or in part for Notes in certificated form, a Note in global form representing all or a portion of the Notes of a series may not be transferred 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 Notes of a series notifies the Company that it is unwilling or unable to continue as Depositary for the Notes of such series or if at any time the Depositary for the Notes of such series shall no longer be eligible under Section 3.3, the Company shall appoint a successor Depositary with respect to the Notes of such series. If a successor Depositary for the Notes 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 shall execute, and the Trustee, upon receipt of a Company Order for the authentication and delivery of certificated Notes of such series of like tenor, shall authenticate and deliver Notes 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 Note or Notes of such series of like tenor in global form in exchange for such Note or Notes in global form.

The Company may at any time in its sole discretion determine that Notes of a series issued in global form shall no longer be represented by such Notes 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 Note or Notes of such series of like tenor, shall authenticate and deliver, Notes 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 Note or Notes of such series of like tenor in global form in exchange for such Note or Notes in global form.

The Depositary may surrender a Note in global form in exchange in whole or in part for Notes 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 Note or Notes 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 Note in global form; and

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

Upon the exchange of a Note in global form for Notes in certificated form, such Note in global form shall be cancelled by the Trustee. Notes in certificated form issued in exchange for a Note in global form pursuant to this Section shall be registered in such names and in such authorized denominations

as the Depositary for such Note in global form, pursuant to instructions from its direct or indirect participants or otherwise, shall instruct the Trustee. The Trustee shall deliver such Notes to the Persons in whose names such Notes are so registered.

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

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

Every Note 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 those of the Company, the Registrar and the Trustee requiring such written instrument of transfer duly executed by the Holder thereof or such Holder's attorney duly authorized in writing.

No service charge shall be made to a Holder for any registration of transfer or for any exchange of Notes, 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 or transfer or exchange of Notes, other than exchanges pursuant to Section 3.4 or Section 10.6 not involving any transfer.

The Company shall not be required (i) to issue, register the transfer of, or exchange any Notes for a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of Notes of that series selected for redemption under Section 10.3 and ending at the close of business on the day of such mailing; or (ii) to register the transfer of or exchange any Note so selected for redemption, in whole or in part, except the unredeemed portion of any Note being redeemed in part.

Section 3.6. Replacement Notes. If a mutilated Note is surrendered to the Trustee, together with 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 Note of the same series, principal amount and Stated 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 Note 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 notice to the Company or the Trustee that such Note 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 Note, a replacement Note of the same series, principal amount and Stated Maturity containing identical terms and provisions and bearing a number not contemporaneously outstanding.

In case any such mutilated, destroyed, lost or stolen Note has become or is about to become due and payable, the Company in its discretion may, instead of issuing a new Note, pay such Note.

Upon the issuance of any new Note 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) connected therewith.

Every new Note of any series issued pursuant to this Section in lieu of any destroyed, lost or stolen Note shall constitute an original additional contractual obligation of the Company, whether or not the destroyed, lost or stolen Note 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 Notes of that series duly issued hereunder.

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

Section 3.7. Payment of Interest; Interest Rights Preserved.

(a) Interest, if any, on any Note 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 Note (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 Section 9.2; provided, however, that, at the option of the Company, interest on any series of Notes may be paid (i) by check (or, in the case of the 6% Senior Notes, on any Interest Payment Date on or prior to December 31, 2011, by Common Stock having a Market Value as of the close of business on the Business Day immediately preceding the relevant Interest Payment Date equal to the amount of interest not paid by check or wire transfer or by additional 6% Senior Notes in aggregate principal amount equal to the amount of interest not paid by check or wire transfer, in each case in accordance with the terms of this Indenture and the 6% Senior Notes) mailed to the address of the Person entitled thereto as it shall appear on the Register of Holders of Notes of such series or (ii) in cash, by wire transfer to an account maintained by the Person entitled thereto as specified in the Register of Holders of Notes of such series (but in any case if such amounts are to be paid by the Trustee or the Paying Agent, such amounts must be received by the Trustee or the Paying Agent no later than 10:00 a.m., New York City time, on the scheduled date of such payment in immediately available funds and designated for and sufficient to pay all interest, if any, on the Notes of such series then due).

(b) Any interest on any Note of any series which is payable, but is not punctually paid or duly provided for in accordance with Section 3.7(a) 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 the Notes 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 notify the Trustee in writing of the amount of Defaulted Interest proposed to be paid on each Note of such series and the date of the proposed payment, and at the same time, the Company shall deposit with the Trustee no later

than 10:00 a.m., New York City time, on the Special Record Date 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 fewer than 10 days prior to the date of the proposed payment and not fewer 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 Notes of such series at its address as it appears in the Register, not fewer 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 the Notes 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 the Notes 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 Notes 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.

(c) Subject to the foregoing provisions of this Section 3.7 and Section 3.5, each Note delivered under this Indenture upon registration of transfer of or in exchange for or in lieu of any other Note shall carry the rights to interest accrued and unpaid, and to accrue, which were carried by such other Notes.

Section 3.8. Persons Deemed Owners. Prior to due presentment of any Note 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 Note is registered as the owner of such Note for the purpose of receiving payment of principal of, premium, if any, and (subject to Section 3.7) interest on such Note and for all other purposes whatsoever, whether or not such Note 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 Note in global form, or for maintaining supervising or reviewing any records relating to such beneficial ownership interests. Notwithstanding the foregoing, with respect to any Note 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 Note in global form or impair, as between such Depositary and owners of beneficial interests in such Note in global form, the operation of customary practices governing the exercise of the rights of such Depositary (or its nominee) as Holder of such Note in global form.

Section 3.9. Cancellation. All Notes surrendered for payment, redemption or registration of transfer or exchange shall, if surrendered to any Person other than the Trustee, be delivered to the Trustee and, upon receipt, shall be promptly cancelled by it. The Company at any time may deliver Notes previously authenticated and delivered hereunder which the Company may have acquired in any manner whatsoever, and may deliver to the Trustee (or any other Person for delivery to the Trustee, on its behalf) for cancellation any Notes previously authenticated hereunder which the Company has not issued and sold, and all Notes so delivered shall be promptly cancelled by the Trustee. No Notes shall be authenticated in lieu of or in exchange for any Notes cancelled as provided in this Section, except as expressly permitted by this Indenture. All cancelled Notes held by the Trustee shall be disposed of as directed by a Company Order at the sole expense of the Company.

Section 3.10. Computation of Interest. Interest on any Notes shall be computed on the basis of a 360-day year of twelve 30-day months.

Section 3.11. CUSIP Numbers. The Company in issuing the Notes may use “CUSIP” numbers (if then generally in use), and, if so, the Trustee shall use “CUSIP” numbers (in addition to the other identification numbers printed on the Notes)in notices of redemption as a convenience to Holders; provided that any such notice may state that no representation is made as to the correctness of such numbers either as printed on the Notes or as contained in any notice of a redemption and that reliance may be placed only on the other identification numbers printed on the Notes, and any such redemption shall not be affected by any defect in or omission of such numbers.

ARTICLE 4

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 Notes of any series (except as to any surviving rights of registration of transfer or exchange of such Notes as herein expressly provided for) and the Trustee, at the cost and expense of the Company, shall execute proper instruments acknowledging satisfaction and discharge of this Indenture with respect to such Notes (the Company, however, hereby agreeing to reimburse the Trustee for any costs and expenses thereafter incurred by the Trustee in connection with this Indenture or the Notes) when

(1) either

(A) all such Notes previously authenticated and delivered (other than (i) such Notes which have been destroyed, lost or stolen and which have been replaced or paid as provided in Section 3.6, and (ii) such Notes 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 Notes of such series 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 the giving of notice of redemption by the Trustee in the name, and at the expense, of the Company;

and the Company or the Guarantor, in the case of (i), (ii) or (iii) above, has deposited irrevocably or caused to be deposited irrevocably with the Trustee as trust funds in trust, which shall be immediately due and payable, for the purpose an amount sufficient to pay and discharge the entire indebtedness on such Notes not theretofore delivered to the Trustee for cancellation, for principal, premium, if any, and interest to the date of such deposit (in the case of Notes which have become due and payable) or to the Stated Maturity or Redemption Date, as the case may be provided, however, that there shall not exist on the date of such deposit a Default or Event of Default; provided, further, that such deposit shall not result in a breach or violation of, or constitute a Default under this Indenture or a default under any other agreement or instrument to which the Company or the Guarantor is a party or to which the Company or the Guarantor is bound;

(2) the Company or the Guarantor has paid or caused to be paid all other sums 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 6.9, the obligations of the Company to any Authenticating Agent under Section 6.14 and, if money shall have been deposited with the Trustee pursuant to subclause (B) of clause (1) of this Section, the obligations under Sections 3.3, 3.5, 3.6, 3.10, and 4.2, the last paragraph of Section 9.3 and Article 5 as it relates to the above-mentioned Sections and Articles shall survive until the Notes have been indefeasibly paid in full; provided, however, that the Company shall reimburse the Trustee for any costs and expenses incurred by the Trustee in connection with effectuating the provisions of Sections 4.2 and 9.3.

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 Notes 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. Company's Option to Effect Defeasance or Covenant Defeasance. The Company may at its option by Board Resolution, at any time, with respect to the Notes of any series and the Note Guarantee related to such Notes, elect to have Section 4.4 (if applicable) or Section 4.5 (if applicable) be applied to such Outstanding Notes of such series and the Note Guarantee related to such Notes upon compliance with the conditions set forth below in this Article 4.

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 Notes of a series, the Company and the Guarantor shall be deemed to have been discharged from their obligations with respect to such Notes of such series and the Note Guarantee related to such Notes on and after 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 Notes and the Note Guarantee related to such Notes which 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 Notes, such Note Guarantee and this Indenture insofar as such Notes and such Note Guarantee are concerned (and the Trustee, at the cost and 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 Outstanding Notes of such series 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 Notes when such payments are due; (ii) the Company's obligations with respect to such Notes under Section 3.4, Section 3.5, Section 3.6, Section 9.2 and Section 9.3 and such obligations as shall be ancillary thereto; (iii) the rights, powers, trusts, duties and immunities of the Trustee hereunder; and (iv) this Article 4. Subject to compliance with this Article 4, the Company may exercise its option under this Section notwithstanding the prior exercise of its option under Section 4.5 with respect to such Notes and the Note Guarantee related to such Notes. Following a defeasance, payment of such Notes may not be accelerated because of 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 Notes of a series, the Company shall be released from its obligations under Section 7.1 and Section 9.5 with respect to such Notes and the Note Guarantee related to such Notes on and after the date the conditions set forth in Section 4.6 are satisfied (hereinafter, "covenant defeasance"), and such Notes 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 Section 7.1 and Section 9.5 but shall continue to be deemed "Outstanding" for all other purposes hereunder. For this purpose, such covenant defeasance means that, with respect to such Notes, 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, 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(4) or otherwise, as the case may be, but, except as specified above, the remainder of this Indenture and such Notes and the Note Guarantee related to such Notes 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 Notes of a series:

(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 Section 4.3 through Section 4.8 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 below, specifically pledged as security for, and dedicated solely to, the benefit of the Holders of such Notes, with instructions to the Trustee as to the application thereof, (A) cash in United States dollars in an amount or (B) non-callable 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, cash in United States dollars in an amount or (C) a combination of cash in United States dollars and non-callable Government Obligations in an amount, sufficient, in each case, in the opinion of a nationally recognized firm of independent certified public accountants 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, the principal of, premium, if any, and interest, if any, on such Notes on the Maturity

of such principal or installment of principal or interest on the day on which such payments are due and payable in accordance with the terms of this Indenture and such Notes. Before such a deposit the Company may make arrangements satisfactory to the Trustee for the redemption of Notes at a future date or dates in accordance with Article 10 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, the Company shall have delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, in each case in form and substance reasonably satisfactory to the Trustee, stating 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 Notes 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 amount 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.

(d) 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 Notes will not recognize income, gain or loss for Federal income tax purposes as a result of such deposit and 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.

(e) The Company shall have delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, in each case in form and substance reasonably satisfactory to the Trustee, 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.

(f) The Company shall have delivered to the Trustee an Officers' Certificate, in form and substance reasonably satisfactory to the Trustee, stating that it has been informed by the relevant securities exchange(s) that the Notes, if then listed on any such securities exchange, will not be delisted as a result of such deposit.

(g) No Default or Event of Default with respect to the Notes of any series shall have occurred and be continuing (A) on the date of such deposit or (B) insofar as Section 5.1(5) and Section 5.1(6) are concerned, at any time during the period ending on the 121st day after the date of such deposit or, if longer, ending on the day following the expiration of the longest preference

period applicable to the Company in respect of such deposit (it being understood that the condition in this condition shall not be deemed satisfied until the expiration of such period).

(h) Such defeasance or covenant defeasance shall not (A) cause the Trustee for the Notes of such series to have a conflicting interest as defined in Section 6.12 or for purposes of Section 310(b) of the Trust Indenture Act with respect to any securities of the Company or (B) result in the trust arising from such deposit to constitute, unless it is qualified as, a regulated investment company under the Investment Company Act of 1940, as amended.

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 non-callable Government Obligations (including the proceeds thereof) deposited with the Trustee pursuant to Section 4.6 in respect of any Notes of any series shall be held in trust and applied by the Trustee, in accordance with the provisions of such Notes 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 Notes 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.

The Company shall indemnify the Trustee against any tax, fee or other charge, cost or expense imposed on or assessed against the money or non-callable Government Obligations deposited pursuant to Section 4.7 or the principal and interest received in respect thereof.

Anything herein to the contrary notwithstanding, the Trustee shall deliver or pay to the Company from time to time upon Company Request any money or non-callable Government Obligations held by it as provided in this Section 4.7 which, in the opinion of a nationally recognized firm of independent

public accountants satisfactory to the Trustee (including, without limitation, compliance with any applicable Financial Accounting Standards Board or Commission pronouncements, rules and regulations and computations set forth therein) expressed in a written certification thereof delivered to the Trustee, are in excess of the amount thereof which would then be required to be deposited to effect an equivalent defeasance or covenant defeasance.

Section 4.8. Reinstatement. If the Trustee or the Paying Agent is unable to apply any money in United States dollars or non-callable Government Obligations in accordance with Section 4.4 or Section 4.5 by reason of any order or judgment or any court or governmental authority enjoining, restraining or otherwise prohibiting such application, then the Company's obligations under the Notes of such series shall be revived and reinstated as though no deposit had occurred pursuant to this Article 4 until such time as the Trustee or Paying Agent is permitted to apply all such money in accordance with Section 4.4 or Section 4.5; provided, however, that if the Company makes any payment of principal of (and premium, if any) or interest on any such Notes following the reinstatement of its obligations, the Company shall be subrogated to the rights of the Holders of such Notes to receive such payment from the money held by the Trustee or the Paying Agent.

ARTICLE 5

Defaults and Remedies

Section 5.1. Events of Default. An "Event of Default" occurs with respect to the Notes 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 or the Guarantor, defaults in the payment of interest on any Note of that series when the same becomes due and payable and such Default continues for a period of 30 days;

(2) the Company or the Guarantor defaults in the payment of the principal of or any premium on any Note of that series when the same becomes due and payable at its Maturity or on redemption or otherwise, when and as due by the terms of the Notes of that series;

(3) the Company fails to provide notice of a Change in Ownership or a Fundamental Change pursuant to Section 10.8 to the Trustee and each Holder;

(4) the Company or the Guarantor defaults in the performance of, or breaches, any covenant or warranty of the Company or the Guarantor in this Indenture with respect to any Note of that series or Note Guarantee related to such Notes, as the case may be (other than a covenant or warranty a default in whose performance or whose breach is elsewhere in this Section 5.1 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 and the Guarantor by the Trustee or to the Company, the Guarantor and the Trustee by the Holders of at least 25% in aggregate principal amount of the Outstanding Notes 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; provided, however, that if the Company defaults in the performance of, or breaches, any covenant or warranty of the Company contained in Article 7, Section 9.6, Section 9.8 or Section 9.11, such Default will be an Event of Default immediately, without any action by the Holders;

(5) the Company or the Guarantor pursuant to 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;

(6) 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 for all or

substantially all of its respective property, or (C) orders the winding up or liquidation of the Company or the Guarantor; and in each case the order or decree remains unstayed and in effect for 60 days; or

(7) the Note 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 Note Guarantee, or gives notices to such effect (other than by reason of the termination of this Indenture or the release of any such Note 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 or the Company to remedy the same shall have been given to the Company by the Trustee or the Company and the Trustee by the Holders of 25% in the aggregate principal amount at maturity of the Notes Outstanding. For purposes of clarification, this 30-day grace period is in place of and not in addition to the 60-day grace period in Section 5.1(4) above.

Section 5.2. Acceleration; Rescission and Annulment. If an Event of Default with respect to the Notes of any series at the time Outstanding (other than an Event of Default specified in Sections 5.1(5) and 5.1(6)) occurs and is continuing, the Trustee or the Holders of at least 25% in aggregate principal amount of all of the Outstanding Notes of that series, by written notice to the Company (and, if given by the Holders, to the Trustee), may declare the principal of and premium, if any, accrued and unpaid interest on, and all other amounts due with respect to all the Notes of that series to be due and payable and upon any such declaration such principal, premium, interest and other amounts shall be immediately due and payable. In case an Event of Default specified in Sections 5.1(5) or 5.1(6) occurs and is continuing, the principal of, premium, if any, accrued and unpaid interest on, and all other amounts with respect to the Notes shall be automatically due and payable immediately without any declaration or other act on the part of the Trustee or the Holders.

At any time after a declaration of acceleration under the first sentence of the immediately preceding paragraph with respect to Notes 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 5 provided, the

Holders of a majority in aggregate principal amount of the Outstanding Notes of that series, by written notice to the Trustee, may rescind and annul such declaration and its consequences if:

(1) the Company has paid or deposited with the Trustee a sum sufficient to pay:

(A) all overdue installments of interest on all Outstanding Notes of such series,

(B) the principal of (and premium, if any, on, and all other amounts due with respect to) any Outstanding Notes of such series which have become due otherwise than by such declaration of acceleration and interest thereon at the rate borne by the Notes of such series,

(C) to the extent that payment of such interest is lawful, interest upon overdue installments of interest at the rate specified in the Notes of such series, and

(D) all sums paid or advanced by the Trustee hereunder and the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel; and

(2) all existing Defaults and Events of Default with respect to Notes of that series, other than the non-payment of the principal of and premium, if any, on, and other amounts due with respect to the Notes of that series which have 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 Note 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 Notes at the Maturity thereof or on redemption or otherwise, when and as due by the terms of that Note,

the Company will, upon demand of the Trustee, pay to it, for the benefit of the Holders of such Notes, the whole amount then due and payable on such Notes for principal, premium, if any, and interest with interest on any overdue principal, premium, if any, and, to the extent that payment of such interest shall be legally enforceable, on any overdue interest, at the rate or rates prescribed therefor in such Notes 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 amount 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 the sums so due and unpaid, and may prosecute such proceeding to judgment or final decree, and may enforce the same against the Company, the Guarantor or any other obligor upon the Notes and collect the moneys adjudged or decreed to be payable in the manner provided by law out of the property of the Company, the Guarantor or any other obligor upon the Notes, wherever situated.

If an Event of Default with respect to Notes of any series occurs and is continuing, the Trustee may in its discretion proceed to protect and enforce its rights and the rights of the Holders of Notes 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. In case of any judicial proceeding directly involving the Company (or the Guarantor or any other obligor upon the Notes), its property or its creditors acting as such, the Trustee shall be entitled and empowered, by intervention in such proceeding or otherwise, to take any and all actions authorized under Section 317(a)(2) of the Trust Indenture Act or otherwise in order to have claims of the Holders and the Trustee allowed in any such proceeding. In particular, the Trustee shall be authorized to collect and receive any moneys or other property payable or deliverable on any such claims and to distribute the same; and any Custodian 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 to 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 6.9.

No provision of this Indenture 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 Notes or the rights of any Holder thereof or to authorize the Trustee to vote in respect of the claim of any Holder in any such proceeding.

Section 5.5. Trustee May Enforce Claims Without Possession of Notes. All rights of action and claims under this Indenture or the Notes may be prosecuted and enforced by the Trustee without the possession of any of the Notes or the production thereof in any proceeding relating thereto. Any such proceeding instituted by the Trustee shall be brought in its own name as trustee of an express trust, and any recovery of judgment shall, after provision for the payment of the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, be for the ratable benefit of the Holders of the Notes in respect of which such judgment has been recovered.

Section 5.6. Delay or Omission Not Waiver. No delay or omission by the Trustee or any Holder of any Notes 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. Every right and remedy given by this Article 5 or by law to the Trustee or to the Holders may be exercised from time to time, and as often as may be deemed expedient, by the Trustee or by the Holders, as the case may be.

Section 5.7. Waiver of Past Defaults. The Holders of a majority in aggregate principal amount of Outstanding Notes of any series by notice to the Trustee may waive on behalf of the Holders of all Notes of such series a past Default or Event of Default with respect to that series and its consequences except (i) a Default or Event of Default in the payment of the principal of, premium, if any, or interest on any Note of such series 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 Note 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. The Company shall deliver to the Trustee an Officers' Certificate stating that the requisite percentage of Holders have consented to such waiver and attach copies of such consents. 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 Notes, respectively.

Section 5.8. Control by Majority. The Holders of a majority in aggregate principal amount of the Outstanding Notes 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 Notes of that series; provided, however, that the Trustee may refuse to follow any direction that (i) conflicts with law or this Indenture, (ii) is (in the Trustee's reasonable judgment) prejudicial to the rights of another Holder or the Trustee or (iii) in the Trustee's reasonable judgment, may involve the Trustee in personal liability (unless the Trustee is offered indemnity, reasonably satisfactory to it, against the costs, expenses and liabilities the Trustee may incur to comply with such direction). Notwithstanding the foregoing, the Trustee may take any other action deemed proper by the Trustee which is not inconsistent with any such direction.

Section 5.9. Limitation on Suits by Holders. No Holder of any Note of any series shall have any right to institute any proceeding, judicial or otherwise, with respect to this Indenture, or for the appointment of a Custodian, 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 Notes of that series;

(2) the Holders of at least 25% in aggregate principal amount of the Outstanding Notes 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 reasonable indemnity and security against any loss, liability or expense to be, or which may be, incurred by the Trustee in complying with such request;

(4) the Trustee for 60 days after its receipt of such notice, request and the 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 Notes 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, any Holder of a Note shall have the right, which is absolute and unconditional, (i) to receive payment of principal of, premium, if any, and, subject to Section 3.5 and Section 3.7, interest on the Note, on or after the respective Stated Maturities expressed in the Note (or, in case of redemption, on the Redemption Dates) and (ii) to bring suit for the

enforcement of any such payment on or after such respective dates, and such rights 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 5, 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 Notes 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 6.9;

Second: to Holders of Notes in respect of which or for the benefit of which such money has been collected for amounts due and unpaid on such Notes 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 Notes for principal, premium, if any, and interest, respectively; and

Third: to the Company.

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 Notes 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. Undertaking for Costs. In any suit for the enforcement of any right or remedy under this Indenture, or in any suit against the Trustee for any action taken, suffered or omitted by it as Trustee, a court may require any party litigant in such suit to file an undertaking to pay the costs of such suit, and may assess costs against any such party litigant, in the manner and to the extent provided in Section 315(e) of the Trust Indenture Act; provided, that neither this Section nor the Trust Indenture Act shall be deemed to authorize any court to require such an undertaking or to make such an assessment in any suit instituted by the Company, by the Trustee, by a Holder pursuant to Section 5.10 or by Holders of more than 10% in principal amount of Outstanding Notes.

Section 5.15. Waiver of Stay or Extension Laws. Each of the Company and the Guarantor covenants (to the extent that it may lawfully do so) that it will not at any time insist

upon, or plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay or extension law wherever enacted, now or at any time hereafter in force, which would prohibit or forgive the Company or the Guarantor from paying all or any portion of the principal of or premium on any Notes when the same becomes due and payable at Maturity or on redemption, repurchase at the option of Holders or otherwise as contemplated herein, or may affect the covenants contained herein or any usury or other law or the performance of this Indenture and each of the Company and the Guarantor (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law, and covenants that it will not hinder, delay or impede the execution of any power herein granted to the Trustee, but will suffer and permit the execution of every such power as though no such law had been enacted.

ARTICLE 6

The Trustee

Section 6.1. Certain Duties and Responsibilities.

(a) Except during the continuance of an Event of Default:

(1) The Trustee undertakes to perform such duties and only such duties as are specifically set forth in this Indenture, and no implied covenants or obligations shall be read into this Indenture against the Trustee; and

(2) In the absence of negligence or willful misconduct on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture; but in the case of any such certificates or opinions which by any provision hereof are specifically required to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Indenture.

(b) In case an Event of Default has occurred and is continuing with respect to the Notes of any series, the Trustee shall exercise such of the rights and powers vested in it by this Indenture with respect to the Notes of such series, and use the same degree of care and skill in its exercise, as a prudent person would exercise or use under the circumstances in the conduct of his or her own affairs.

(c) No provision of this Indenture shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that:

(1) this subsection shall not be construed to limit the effect of subsection (a) of this Section;

(2) the Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts; and

(3) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Holders of a majority in aggregate principal amount of the Outstanding Notes of any series relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Indenture with respect to the Notes of such series.

(d) No provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

(e) Whether or not therein expressly so provided, every provision of this Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Section.

Section 6.2. Notice of Defaults. If a Default occurs and is continuing with respect to the Notes of any series and if it is known to the Trustee, the Trustee shall, within the earlier of 90 days after it occurs or 30 days after it actually becomes known to the Trustee, transmit, to the Holders, in the manner and to the extent provided in Section 313(c) of the Trust Indenture Act, notice of such Default; provided, however, that, in the case of a Default other than a Default in any payment on the Notes of any series, the Trustee may withhold the notice if and so long as the board of directors, the executive committee or a committee of its Responsible Officers in good faith determines that withholding such notice is in the interests of Holders of Notes of that series; provided

further that, in the case of any Default or breach of the character specified in Section 5.1(4) with respect to the Notes of such series, no such notice to Holders shall be given until at least 30 days after the occurrence thereof.

Section 6.3. Rights of Trustee. Subject to the provisions of Section 6.1 and Sections 313, 315 and 317 of the Trust Indenture Act:

(a) The Trustee may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties.

(b) 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 Note, 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) Whenever in the administration of this Indenture the Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Trustee (unless other evidence be herein specifically prescribed) may, in the absence of negligence or willful misconduct on its part, rely upon an Officers' Certificate.

(d) The Trustee may consult with counsel of its selection and the written advice of such counsel or any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon.

(e) 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 of the Holders pursuant to this Indenture, unless such Holders shall have offered to the Trustee security or indemnity reasonably satisfactory to the Trustee against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction.

(f) The Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note or other paper or document, unless requested in writing to do so by the Holders of not less than a majority in aggregate principal amount of the Notes at the time Outstanding, but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records and premises of the Company and the Guarantor, personally or by agent or attorney.

(g) 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 reasonable care by it hereunder.

Section 6.4. Trustee May Hold Notes. 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 Notes and, subject to Sections 310(b) and 311 of the Trust Indenture Act, may otherwise deal with the Company, an Affiliate or Subsidiary with the same rights it would have if it were not Trustee, Paying Agent, Registrar or such other agent.

Section 6.5. 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 6.6. Trustee's Disclaimer. The recitals contained herein and in the Notes, 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 Notes. The Trustee shall not be accountable for the Company's use of the proceeds from the Notes or for monies paid over to the Company pursuant to the Indenture.

Section 6.7. Reports by Trustee to the Holders.

Within 60 days after each May 15 of each year commencing with the first May 15 after the first issuance of Notes pursuant to this Indenture, the Trustee shall transmit by mail to all Holders of Notes as provided in Section 313(c) of the Trust Indenture Act a brief report dated as of such May 15 if required by Section 313(a) of the Trust Indenture Act. The Trustee also shall

comply with Section 313(b) and (d) of the Trust Indenture Act; provided that with respect to the Trustee's obligation to file any report with a stock exchange, the Company will have provided prompt written notice to the Trustee that any such Notes are listed on a stock exchange within a reasonable period of time prior to the issuance of any such reports by the Trustee and at all other times the Company will reasonably promptly notify the Trustee when any Notes are listed on any stock exchange.

Section 6.8. Securityholder Lists. The Trustee shall preserve in as current a form as is reasonably practicable the most recent list available to it of the names and addresses of Holders of Notes of each series. Every Holder of Notes, by receiving and holding the same, agrees with the Company and the Trustee that neither the Company nor the Trustee nor any agent of either of them shall be held accountable by reason of any disclosure of information as to names and addresses of Holders made pursuant to Section 312(a) of the Trust Indenture Act. 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 of the Registrar, the Company or any of its Paying Agents other than the Trustee as to the names and addresses of Holders of Notes of each such series.

Section 6.9. Compensation and Indemnity.

(a) Other than as provided in the Fee Agreement, dated as of September 30, 2005, by and among the Company, the Guarantor and the Trustee, the Company covenants and agrees to pay to the Trustee from time to time, and the Trustee shall be entitled to, such compensation as shall be agreed to in

writing between the Company and the Trustee for all services rendered by it hereunder. The Trustee's compensation shall not be limited by any law on compensation of a trustee of an express trust. The Company shall pay or reimburse the Trustee upon request for all reasonable out-of-pocket costs or expenses or other charges, fees, fines or advances incurred or made by it in connection with the performance of its duties under this Indenture, except any such expense as may be attributable to its negligence or willful misconduct. Such expenses shall include the reasonable compensation and expenses of the Trustee's agents and counsel.

(b) The Company and the Guarantor shall indemnify the Trustee (including in its individual capacity, and its officers, agents, directors and employees) for, and hold it harmless against, any loss, liability or expense incurred by it without negligence or willful misconduct on its part arising out of or in connection with its acceptance or administration of the trust or trusts hereunder. The Trustee shall notify the Company reasonably promptly of any claim for which it may seek indemnity. The Company or the Guarantor shall defend the claim and the Trustee shall reasonably cooperate in the defense (it being understood that the Company will promptly upon request by the Trustee reimburse the Trustee for any out-of-pocket costs or expenses incurred by the Trustee in connection with such claim). The Trustee may have separate counsel and the Company or the Guarantor shall pay the reasonable fees and expenses of such counsel. Neither the Company nor the Guarantor need pay for any settlement made without its consent.

(c) The Company need not reimburse any expense or indemnify against any loss or liability incurred by the Trustee through negligence or willful misconduct.

(d) To secure the payment obligations of the Company and the Guarantor pursuant to this Section 6.9, the Trustee shall have a lien prior to the Notes of any series on all money or property held or collected by the Trustee, except such money or property held in trust to pay principal, premium, if any, and interest on particular Notes.

(e) When the Trustee incurs expenses or renders services in connection with an Event of Default specified in Section 5.1(5)or Section 5.1(6), 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 Bankruptcy Law.

(f) The provisions of this Section shall survive the termination of this Indenture.

Section 6.10. Replacement of Trustee.

(a) 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 6.11.

(b) The Trustee may resign at any time with respect to the Notes of any series by giving written notice thereof to the Company. If the instrument of acceptance by a successor Trustee required by Section 6.11 shall not have been delivered to the Trustee within 30 days after the giving of such notice of resignation, the resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee with respect to the Notes of such series.

(c) The Holders of a majority in aggregate principal amount of the Outstanding Notes 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 (which consent shall not be unreasonably withheld or delayed); provided that no such consent on the part of the Company shall be required if an Event of Default shall have occurred and is continuing.

(d) 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 Note for at least six months;

(2) the Trustee shall cease to be eligible under 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 Note who has been a bona fide Holder of a Note for at least six months; or

(3) the Trustee becomes incapable of acting, is adjudged a bankrupt or an insolvent or a Custodian 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 by or pursuant to a Board Resolution may remove the Trustee with respect to all Notes, or (ii) subject to Section 315(e) of the Trust Indenture Act, any Holder who has been a bona fide Holder of a Note for at least six months may, on behalf of itself and all other similarly situated, petition any court of competent jurisdiction for the removal of the Trustee with respect to all Notes and the appointment of a successor Trustee or Trustees.

(e) If the Trustee resigns or is removed or if a vacancy exists in the office of Trustee for any reason, with respect to Notes of one or more series, the Company, by or pursuant to Board Resolution (with the consent of PBGC for so long as PBGC holds a majority in aggregate principal amount of the Notes), shall promptly appoint a successor Trustee with respect to the Notes of that or those series (it being understood that any such successor Trustee may be appointed with respect to the Notes of one or more or all of such series and that at any time there shall be only one Trustee with respect to the Notes of any particular series) and shall comply with the applicable requirements of Section 6.11. If, within one year after such resignation, removal or incapability, or the occurrence of such vacancy, a successor Trustee with respect to the Notes of any series has not been appointed by the Company and accepted such appointment, then a successor Trustee shall be appointed by Act of the Holders of a majority in aggregate principal amount of the Outstanding Notes 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 6.11, become the successor Trustee with respect to the Notes of such series and to that extent supersede the successor Trustee appointed by the Company. If no successor Trustee with respect to the Notes of any series shall have been so appointed by

the Company or the Holders and accepted appointment in the manner required by Section 6.11, any Holder who has been a bona fide Holder of a Note of such series for at least six months may, on behalf of itself and all others similarly situated, petition any court of competent jurisdiction for the appointment of a successor Trustee with respect to the Notes of such series.

Section 6.11. Acceptance of Appointment by Successor.

(a) In case of the appointment hereunder of a successor Trustee with respect to all Notes, 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.

(b) In case of the appointment hereunder of a successor Trustee with respect to the Notes 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 Notes 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 Notes, 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 Notes 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 Notes 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 Notes of that or those series to which the appointment of such successor Trustee relates.

(c) 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.

(d) No successor Trustee shall accept its appointment unless at the time of such acceptance such successor Trustee shall be qualified and eligible under Section 310 of the Trust Indenture Act.

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

Section 6.12. Disqualification; Eligibility.

(a) If the Trustee has or shall acquire a conflicting interest within the meaning of Section 310(b) 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 provision of Section 310(b) of the Trust Indenture Act and this Indenture.

(b) There shall at all times be a Trustee hereunder which shall be eligible pursuant to Section 310 of the Trust Indenture Act to act as Trustee and shall have a combined capital and surplus of at least $100,000,000. 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 hereinafter specified in this Article 6.

Section 6.13. Merger, Conversion, Consolidation or Succession to Business. Any corporation into which the Trustee may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any corporation succeeding to all or substantially all the corporate trust business of the Trustee, shall be the successor of the Trustee hereunder, provided such corporation shall be otherwise qualified and eligible under this Article 6, without the execution or filing of any paper or any further act on the part of any of the parties hereto. In case any Notes 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 Notes so authenticated with the same effect as if such successor Trustee had itself authenticated such Notes.

Section 6.14. Appointment of Authenticating Agent. The Trustee may appoint an Authenticating Agent or Agents with respect to one or more series of Notes which shall be authorized to act on behalf of the Trustee to authenticate Notes of such series issued upon original issue and upon exchange, registration of transfer or partial redemption thereof, and Notes 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 Notes 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 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 that $100,000,000 and subject to supervision or examination by Federal, State, Territorial or District of Columbia 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 all or substantially all of 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 Notes 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 Notes 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 qualified and 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 Notes 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 reasonable compensation 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 Notes 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 Notes of a series issued under the within-mentioned Indenture.

The Bank of New York Trust Company,
N.A., not in its individual capacity but solely
in its capacity as Trustee

By: _____
as Authenticating Agent

By: _____
Authorized Officer

Section 6.15. Trustee's Application for Instructions from the Company. Any application by the Trustee for written instructions from the Company may, at the option of the Trustee, set forth in writing any action proposed to be taken or omitted by the Trustee under this Indenture and the date on and/or after which such action shall be taken or such omission shall be effective. The Trustee shall not be liable to the Company for any action taken by, or omission of, the Trustee in accordance with a proposal included in such application on or after the date specified in such application (which date shall not be less than fifteen Business Days after the

date any officer of the Company actually receives such application, unless any such officer shall have consented in writing to any earlier date) unless prior to taking any such action (or the effective date in the case of an omission), the Trustee shall have received written instructions in response to such application specifying the action to be taken or omitted.

Section 6.16. Preferential Collection of Claims Against Company. If and when the Trustee shall be or become a creditor of the Company (or the Guarantor or any other obligor upon the Notes), the Trustee shall be subject to the provisions of Section 311(a) of the Trust Indenture Act regarding the collection of claims against the Company (or the Guarantor or any such other obligor).

ARTICLE 7

Consolidation, Merger or Sale by the Company

Section 7.1. Consolidation, Merger or Sale of Assets Only on Certain Terms. The Company shall not merge or consolidate with or into any other Person, or sell, convey, transfer, lease or otherwise dispose of all or substantially all of its assets to any Person, whether in a single transaction or a series of transactions, unless (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 such sale, conveyance, transfer, lease or other disposition, the successor or acquiring corporation is a corporation organized and existing under the laws of the United States or a State thereof and such corporation expressly assumes by

supplemental indenture all the obligations of the Company under the Notes and under this Indenture, (ii) if, as a result of such transaction, the Notes become convertible or exchangeable into common stock or securities issued by a third party, such third party fully and unconditionally guarantees all obligations under the Notes and this Indenture, (iii) immediately thereafter, giving effect to such merger or consolidation, or such sale, conveyance, transfer, lease or other disposition, no Default or Event of Default shall have occurred and be continuing, and (iv) the Company has delivered to the Trustee an Officers' Certificate and an Opinion of Counsel each stating that such merger or consolidation, or such sale, conveyance, transfer, lease or other disposition complies with this Article 7 and, if a supplemental indenture is required in connection with such transaction, such supplemental indenture complies with this Article 7 and Article 8 and that all conditions precedent herein provided for or relating to such transaction have been complied with. Subject to the mandatory redemption provisions of Section 10.8, in the event of the assumption by a successor corporation of the obligations of the Company as provided in clause (i)(B) of the immediately preceding sentence as a result of a merger or consolidation, such successor corporation shall succeed to and be substituted for the Company hereunder and under the Notes and all such obligations of the Company shall terminate; provided, however, that no sale, conveyance, transfer, lease or disposition shall have the effect of releasing the Person named as the "Company" in the first paragraph of this Indenture or any successor Person which shall theretofore have become such in the manner prescribed in this Article from its liability as obligor and maker on any of the Notes.

ARTICLE 8

Supplemental Indentures

Section 8.1. Supplemental Indentures Without Consent of Holders. Without the consent of any Holders, the Company, when authorized by a Board Resolution, the Guarantor and the Trustee, at any time and from time to time, may enter into indentures supplemental hereto, 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 of the Company herein and in the Notes;

(2) to add to the covenants of the Company for the benefit of the Holders of all or any series of Notes (and if such covenants are to be for the benefit of less than all series of Notes, 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;

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

(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 Notes in global form;

(5) to add to, change or eliminate any of the provisions of this Indenture, provided that any such addition, change or elimination shall become effective only when there is no Note Outstanding of any series created prior to the execution of such supplemental indenture which is entitled to the benefit of such provision;

(6) to secure the Notes or Note Guarantee;

(7) to comply with the requirements of the Commission in order to effect or maintain qualification of this Indenture under the TIA;

(8) to evidence and provide for the acceptance of appointment hereunder by a successor Trustee with respect to the Notes of one or more series and 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 Section 6.10 and Section 6.11; or

(9) to cure any ambiguity, correct any mistake or correct or supplement any provision herein which may be defective or inconsistent with any other provision herein or to make any other provisions with respect to matters or questions arising under this Indenture which shall not be inconsistent with the provisions of this Indenture, provided such other provisions shall not adversely affect the interests of the Holders of Notes of any series.

Section 8.2. With Consent of Holders. With the written consent of the Holders of not less than a majority of the aggregate principal amount of the Outstanding Notes of each series affected by such supplemental indenture, by Act of said Holders delivered to the Company and the Trustee, the Company, when authorized by a Board Resolution, the Guarantor 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 Notes and the Note Guarantee of each such series; provided, however, that without the consent of the Holder of each Outstanding Note affected thereby, an amendment, change or modification under this Section 8.2 may not:

(1) change the Stated Maturity of the principal of, or any installment of principal of or interest on, any Note, or reduce the principal amount thereof or the rate of interest thereon or any premium payable upon the redemption thereof, or change the coin or currency in which, any Notes 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 Notes 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;

(4) make any change in Section 5.7 or this Section 8.2 except to increase any percentage or to provide that certain other provisions of this Indenture cannot be modified or waived without the consent of the Holders of each Outstanding Note affected thereby;

(5) modify the ranking or priority of any Note or the Note Guarantee in respect thereof of the Company or the Guarantor, as the case may be, in any manner adverse to the Holders of the Notes;

(6) release the Guarantor from any of its obligations under its Note Guarantee or this Indenture;

(7) reduce the Redemption Price of any Notes;

(8) make the Notes payable in money or securities other than as stated in the Note;

(9) make any amendment, change or modification to this Section 8.2 ;

(10) make any change that materially adversely affects the right of a Holder to require the Company to purchase the Notes in accordance with the terms of Section 10.8; or

(11) impair the right to institute suit for the enforcement of any payment with respect to the Notes or under the Note Guarantee.

Notwithstanding the foregoing, no amendment, change or modification of any of the rights or obligations of the Trustee or any of its agents under this Indenture or the Note Guarantee shall be effective unless consented to by the Trustee in writing.

A supplemental indenture that changes or eliminates any covenant or other provision of this Indenture, which has expressly been included solely for the benefit of one or more particular series of Notes or that modifies the rights of the Holders of Notes 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 Notes 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, but it is sufficient if they consent to the substance thereof.

Section 8.3. Compliance with Trust Indenture Act. Every supplemental indenture executed pursuant to this Article 8 shall comply with the requirements of 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 8 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 affects 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 8, 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 Notes theretofore or thereafter authenticated and delivered hereunder shall be bound thereby.

Section 8.6. Reference in Notes to Supplemental Indentures. Notes of any series authenticated and delivered after the execution of any supplemental indenture pursuant to this Article 8 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 Notes 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 Notes of such series.

Section 8.7. Notice. After an amendment or supplement under this Article 8 becomes effective, the Company shall notify the Trustee and the Trustee shall promptly mail to the Holders affected thereby a notice briefly describing the amendment or supplement. Any failure

of the Company to mail such notice, or any defect therein, shall not, however, in any way impair or affect the validity of any such amendment or supplement.

ARTICLE 9

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 Notes that it will duly and punctually pay on the dates and in the manner provided in the Notes the principal of, premium, if any, and interest on the Notes of that series in accordance with the terms of the Notes of such series and this Indenture. With respect to the 6% Senior Notes, an installment of principal or interest shall be considered paid on the date it is due if the Paying Agent (if other than the Company, the Guarantor or a Subsidiary thereof) holds as of 10:00 a.m., New York City time, on that date money deposited by the Company in immediately available funds and designated for and sufficient to pay all principal of, premium, if any, and interest, if any, on the 6% Senior Notes then due, or, in the case of an installment of interest which is due on or before December 31, 2011, additional 6% Senior Notes in an aggregate principal amount equal to the amount of the installment of interest which is due and payable on the relevant Interest Payment Date or Common Stock having a Market Value determined as of the close of business on the Business Day immediately preceding the relevant Interest Payment Date equal to the amount of the installment of interest which is due and payable on such Interest Payment Date, in each case designated for and sufficient to pay the installment (as permitted by the terms of the 6% Senior Notes). With respect to the 8% Contingent Notes, an installment of principal or interest shall be considered paid on the date it is due if the Paying Agent (if other than the Company, the Guarantor or a

Subsidiary thereof) holds as of 10:00 a.m., New York City time, on that date money deposited by the Company in immediately available funds and designated for and sufficient to pay all principal of, premium, if any, and interest, if any, on the 8% Contingent Notes then due for such installment. The Company shall, to the fullest extent permitted by law, pay interest on overdue principal (including premium, if any) and overdue installments of interest (without regard to any applicable grace period) at the rate borne by the applicable series of Notes plus 1% per annum. All such interest shall be payable upon demand.

Section 9.2. Maintenance of Office or Agency. The Company will maintain in each Place of Payment for any series of Notes an office or agency where Notes of that series may be presented or surrendered for payment, where Notes 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 Notes 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 such Place of Payment. 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.

The Company may also from time to time designate one or more other offices or agencies where the Notes 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 Notes 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.

The Trustee shall initially serve as Paying Agent.

Section 9.3. Money for Notes to Be Held in Trust; Unclaimed Property. If the Company shall at any time act as its own Paying Agent with respect to any series of Notes, it will, on or before 12:00 noon, Chicago, Illinois time on each due date of the principal of, premium, if any, or interest on any of the Notes 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 and Paying Agent, if applicable, in writing of its action or failure so to act.

Whenever the Company shall have one or more Paying Agents for any series of Notes, it will, prior to each due date of the principal of or any premium or interest on any Notes of that series deposit with the applicable Paying Agent a sum sufficient to pay such amount, such sum to be held as provided by Section 317(b) of the Trust Indenture Act, and (unless such Paying Agent is the Trustee) the Company will promptly notify the Trustee of its action or failure so to act.

The Company will cause each Paying Agent for any series of Notes 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 Notes 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 Notes of that series) in the making of any payment of principal, premium, if any, or interest on the Notes; 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, 6% Senior Notes or Common Stock deposited with the Trustee or any Paying Agent, or then held by the Company, in trust for the payment of any principal, premium or interest on any Note and remaining unclaimed for two years after such principal, premium, if any, or interest has become due and payable shall be paid or delivered to the Company on Company Request, or (if then held by the Company) shall be discharged from such trust; and the Holder of such Note shall thereafter, as an unsecured general creditor, look only to the Company and the Guarantor 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 an Authorized Newspaper, 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 or mailing, any unclaimed balance of such money then remaining will be repaid to the Company.

Section 9.4. Corporate Existence. Subject to Article 7, and without limiting any of, and subject to, the Company's obligations under Article 10, each of the Company and the Guarantor will at all times do or cause to be done all things necessary to preserve and keep in full force and effect its respective corporate existence; provided that nothing in this Section 9.4 shall prevent the abandonment or termination of any right or franchise of the Company or the Guarantor if the Board of Directors of the Company or of the Guarantor, as the case may be, shall determine that such abandonment or termination is in the best interests of the Company or the Guarantor, as the case may be, and does not materially adversely affect the ability of the Company or the Guarantor, as the case may be, to operate its business or to fulfill its obligations hereunder.

Section 9.5. Reports by the Company. The Company covenants:

(a) whether or not required to be filed or otherwise provided by the rules and regulations of the Commission, so long as any Notes are Outstanding, the Company will furnish to the Trustee, within the time periods specified in the Commission's rules and regulations:

(i) all quarterly and annual reports that would be required to be filed with the Commission on Forms 10-Q and 10-K, and all amendments thereto, if the Company were required to file such reports; and

(ii) all current reports that would be required to be filed with the Commission on Form 8-K, and all amendments thereto, if the Company were required to file such reports;

(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 Notes 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 9.5, as may be required by rules and regulations prescribed from time to time by the Commission.

Section 9.6. Notice of Default. The Company shall file with the Trustee written notice of occurrence of any Event of Default promptly, but in any event no later than five (5) Business Days of its becoming aware of any such Event of Default.

Section 9.7. Provision of Financial Statements. If the Company is not required to file with the Commission periodic reports and other information pursuant to Section 13(a), 13(c) or 15(d) of the Securities Exchange Act, the Company shall furnish without cost to each Holder and file with the Trustee (i) within 135 days after the end of each fiscal year, annual reports containing the information required to be contained in Items 1, 2, 3, 5, 6, 7, 8 and 9 of Form 10-K promulgated under the Securities Exchange Act or substantially the same information required to be contained in comparable items of any successor form, (ii) within 60 days after the end of each of the first three fiscal quarters of each fiscal year, quarterly reports containing the information required to be contained in Form 10-Q promulgated under the Securities Exchange Act or substantially the same information required to be contained in any successor form and (iii) promptly from the time after the occurrence of an event required to be therein reported, such other reports containing information required to be contained in Form 8-K promulgated under the Securities Exchange Act or substantially the same information required to be contained in any successor form. The Company shall also make such reports available to prospective purchasers of the Notes, securities analysts and broker–dealers upon their request.

Section 9.8. Compliance Certificates. The Company shall deliver to the Trustee, within ninety (90) days after the end of each fiscal year of the Company (beginning with the fiscal year ending December 31, 2006), an Officers' Certificate as to the signer's knowledge of the Company's compliance with all conditions and covenants on its part contained in this Indenture and stating whether or not the signer knows of any Default or Event of Default. If such signer knows of such a Default or Event of Default, the Officers' Certificate shall describe the Default or Event of Default and the efforts to remedy the same. For the purposes of this Section 9.8, compliance shall be determined without regard to any grace period or requirement of notice provided pursuant to the terms of this Indenture.

Section 9.9. Further Instruments and Acts. Upon request of the Trustee, each of the Company and the Guarantor will execute and deliver such further instruments and do such further acts as may be reasonably necessary or proper to carry out the purposes of this Indenture.

Section 9.10. Payments for Consents. The Company shall not, directly or indirectly, pay or cause to be paid any consideration, whether by way of interest, fee or otherwise, to any Holder of any Notes for or as inducement to any consent, waiver or amendment of any of the terms or provisions of this Indenture or the Notes unless such consideration is offered to be paid or is paid to all Holders of the Notes that consent, waive or agree to amend in the time frame set forth in the solicitation documents relating to such consent, waiver or agreement.

Section 9.11. Changes in Organization Documents. The Company shall not amend its certificate of incorporation, bylaws, or other similar organizational document, other than any amendment that is not adverse in any material respect to the rights of the Holders hereunder.

Section 9.12. Affiliate Transactions

(a) The Company will not, and will not permit any of its Subsidiaries to, directly or indirectly, enter into any material transaction including, without limitation, the purchase, sale or exchange of property or the rendering of any service, with any of their Affiliates unless (i) such transaction is on terms that are no less favorable to the Company or the relevant Subsidiary than those that would have been obtained in a comparable transaction by the Company or such Subsidiary on an arms-length basis with an unrelated Person and (ii) the Company delivers to the Trustee (A) with respect to any transaction or series of related transactions involving aggregate consideration (or the fair market value of the property the subject of such transaction is) in excess of $20.0 million, a resolution of the Board of Directors, approved prior to the consummation thereof, set forth in an Officers' Certificate certifying that such transaction complies with clause (i) of this Section 9.12(a) and that such transaction has been approved, prior to the consummation thereof, by a majority of the disinterested members of the Board of Directors, and (B) with respect to any transaction or series of related transactions involving aggregate consideration (or the fair market value of the property the subject of such transaction is) in excess of $50.0 million, an opinion as to the fairness to the Company or such Subsidiary of such transaction from a financial point of view issued by an accounting, appraisal or investment banking firm of national standing (and which opinions delivered to the Trustee).

(b) The following items will not be deemed to be subject to the provisions of this Section 9.12:

(i) transactions between or among the Company and/or its wholly owned Subsidiaries;

(ii) transactions with a Person that is an Affiliate of the Company solely because the Company owns, directly or through a Subsidiary, capital stock in, or controls, such Person;

(iii) payment of reasonable directors' fees to directors of the Company and other reasonable fees, compensation, benefits and indemnities paid or entered into by the Company or its Subsidiaries to or with the officers, directors, employees or consultants of the Company and any Subsidiary of the Company; and

(iv) any issuance of capital stock of the Company to Affiliates of the Company.

ARTICLE 10

Redemption

Section 10.1. Election to Redeem; Notice to Trustee. The election of the Company to redeem any Notes pursuant to the optional redemption provisions of Section 10.7 hereof, or the

requirement that the Company offer to redeem the Notes pursuant to the mandatory redemption provisions in Section 10.8, shall be evidenced by or pursuant to a Board Resolution or an Officers' Certificate. In the case of any optional redemption of all or less than all the Notes of any series, 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 Notes of such series to be redeemed, of the clause of this Indenture pursuant to which the redemption shall occur, and the Redemption Price. In the case of any mandatory redemption, the Company shall, promptly upon Company's knowledge of its obligation to make such mandatory redemption, notify the Trustee that the Company is obligated to offer to redeem the Notes pursuant to Section 10.8 and within the time periods prescribed by Section 10.8.

Section 10.2. Selection of Notes to Be Redeemed. If less than all the Notes of a series are to be redeemed pursuant to Section 10.7, the Trustee, at least 30 days but not more than 60 days prior to the Redemption Date, shall select the Notes of the series to be redeemed in such manner as the Trustee shall deem fair and appropriate. The Trustee shall make the selection from Notes 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 Notes of that series or any integral multiple thereof) of the principal amount of Notes of such series of a denomination larger than the minimum authorized denomination for Notes of that series. The Trustee shall promptly notify the Company in writing of the Notes selected by the Trustee for redemption and, in the case of any Notes selected for partial redemption, the principal amount thereof to be redeemed.

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

Section 10.3. Notice of Redemption. If the Company elects to redeem any Notes pursuant to the optional redemption provisions of Section 10.7 hereof, notice of redemption shall be given in the manner provided in this Article 10 and Section 1.6 not less than 30 days nor more than 60 days prior to the Redemption Date to the Holders of the Notes to be redeemed. If the Company is required to offer to redeem the Notes pursuant to the mandatory redemption provisions of Section 10.8, notice of redemption shall be given in the manner provided in this Article 10 and Section 1.6 not less than 30 days nor more than 60 days prior to the Redemption Date to the Holders of the Notes to be redeemed.

All notices of redemption shall be prepared by the Company and shall identify the Notes to be redeemed and shall state:

(1) the Redemption Date;

(2) the Redemption Price and accrued interest to, but excluding, the Redemption Date;

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

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

(5) the Place or Places of Payment where such Notes maturing after the Redemption Date may be surrendered for payment for the Redemption Price and accrued interest to, but excluding, the Redemption Date;

(6) that Notes of the series called for redemption must be surrendered to the Paying Agent to collect the Redemption Price;

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

(8) the clause of this Indenture pursuant to which the redemption shall occur; and

(9) the CUSIP Number of such Notes; provided that no representation is made as to the correctness or accuracy of the CUSIP number, if any, listed in such notice or printed on the Notes.

Notice of redemption of Notes 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. In the event that the Company elects to deliver such notice to the Holders (rather than through the Trustee), the Company shall concurrently therewith deliver a copy of such notice to the Trustee.

Section 10.4. Deposit of Redemption Price. On or prior to any Redemption Date (and in any case no later than 10:00 a.m., New York City time, on such Redemption Date), the Company shall deposit with the Paying Agent (if other than the Company, the Guarantor or a Subsidiary thereof) (or, if the Company is acting as its own Paying Agent, segregate and hold in trust as provided in Section 9.3) an amount of cash in immediately available funds sufficient to pay on the Redemption Date the Redemption Price of, and interest accrued to but not including the Redemption Date on, all Notes or portions thereof which are to be redeemed on that date (including any cash to be paid in lieu of fractional shares, as described below). Alternatively, the Company may, at its election, pay any Redemption Price owed pursuant to this Article 10 by delivering on the Redemption Date (i) that number of shares of Common Stock equal to the aggregate Redemption Price owed to any Holder divided by the Market Value of the Common Stock as of the Business Day immediately preceding such Redemption Date and rounding down to the nearest whole number, plus (ii) cash in lieu of fractional shares. The Trustee or Paying Agent shall distribute such shares of Common Stock, if any, to the Holders reasonably promptly after the Redemption Date or, if applicable, after its receipt of such shares from the Company.

Prior to the occurrence of an Event of Default (and upon the occurrence and continuance of an Event of Default, at the direction of the Holders of at least a majority of the principal amount of the Outstanding Notes), the Paying Agent shall promptly return to the Company any money deposited with the Paying Agent by the Company in excess of the amounts necessary to pay the Redemption Price of, and accrued interest on, all Notes to be redeemed.

Section 10.5. Notes Payable on Redemption Date. Notice of redemption having been given as aforesaid, the Notes 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 Notes shall cease to bear interest. Upon surrender of any such Note for redemption in accordance with said notice, such Note shall be paid by the Company at the Redemption Price, together with accrued interest to but not including the Redemption Date; provided, however, that installments of interest whose Stated Maturity is on or prior to the Redemption Date shall be payable to the Holders of such Notes, or one or more Predecessor Securities, registered as such at the close of business on the relevant Regular Record Dates according to their terms and the provisions of Section 3.7.

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

Section 10.6. Notes Redeemed in Part. Upon surrender of a Note that is redeemed in part at any Place of Payment therefor (with, if the Company so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the Company duly executed by, the Holder thereof or its attorney duly authorized in writing), the Company shall execute and the Trustee shall authenticate and deliver to the Holder of that Note, without service charge, a new Note or Notes of the same series, the same form and the same Stated Maturity in any authorized denomination equal in aggregate principal amount to the unredeemed portion of the principal of the Note surrendered.

Section 10.7. Optional Redemption. The Company may redeem all or a part of the Notes upon not less than 30 nor more than 60 days' notice, at a Redemption Price of 100% of the principal amount of such Notes plus accrued and unpaid interest thereon to but not including the applicable Redemption Date. Any redemption pursuant to this Section 10.7 shall be made pursuant to the provisions of Section 10.1 through 10.6 hereof.

Section 10.8. Mandatory Redemption. Upon any Change in Ownership or Fundamental Change, the Company shall offer to redeem all of the Notes that are Outstanding at a Redemption Price of 100% of the principal amount thereof plus accrued but unpaid interest thereon to but not including the applicable Redemption Date. Any offer of redemption pursuant to this Section 10.8 shall be made in accordance with Section 10.3. Within 20 days of receiving such notice of redemption, each Holder must deliver to the Company the form attached to the Notes labeled OPTION OF HOLDER TO ELECT REDEMPTION. The Company shall notify the Trustee at least five days prior to the Redemption Date (unless a shorter notice shall be satisfactory to the Trustee) of the principal amount of Notes that the Holder has elected to redeem. Such notice shall also indicate whether the Company elects to pay any portion of such

Redemption Price in cash, in shares of Common Stock or a combination thereof, specifying the percentage or amount of each. If the Company elects to pay any portion of such Redemption Price in shares of Common Stock, on the Redemption Date, the Company shall notify the Trustee of the Market Value of the Common Stock as of the Business Day immediately preceding such Redemption Date. Any redemption pursuant to this Section 10.8 shall be made in compliance with the provisions of Sections 10.1, 10.3, 10.4, 10.5 and 10.6 hereof.

ARTICLE 11

Note Guarantee

Section 11.1. Guarantee.

(a) Subject to this Article 11, the Guarantor hereby unconditionally guarantees to each Holder of a Note authenticated and delivered by the Trustee and to the Trustee and its successors and assigns, irrespective of the validity, regularity or enforceability of this Indenture, the Notes or the obligations of the Company hereunder or thereunder, that:

(1) the principal of, premium, if any, and interest on the Notes will be promptly paid in full when due, whether at Stated Maturity, by acceleration, redemption or otherwise, and interest on the overdue principal of and interest on the Notes, if any, if lawful, and all other obligations of the Company to the Holders or the Trustee hereunder or thereunder will be promptly paid in full or performed, all in accordance with the terms hereof and thereof; and

(2) in case of any extension of time of payment or renewal of any Notes or any of such other obligations, that 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, redemption or otherwise.

Failing payment when due of any amount so guaranteed or any performance so guaranteed for whatever reason, the Guarantor will be obligated to pay the same immediately. The Guarantor agrees that this is a guarantee of payment and not a guarantee of collection.

(b) The Guarantor hereby agrees that its obligations hereunder are unconditional, irrespective of the validity, regularity or enforceability of the Notes or this Indenture, the absence of any action to enforce the same, any waiver or consent by any Holder of the Notes with respect to any provisions hereof or thereof, the recovery of any judgment against the Company, any action to enforce the same or any other circumstance which might otherwise constitute a legal or equitable discharge or defense of a guarantor or surety, including but not limited to: (A) any right to require any of the Trustee, the Holders or the Company (each a "Benefited Party"), as a condition of payment or performance by the Guarantor, to (1) proceed against the Guarantor, the Company or any other Person, (2) proceed against or exhaust any security held from the Guarantor, the Company or any other Person or (3) proceed against or have to resort to any balance of any deposit account or credit on the books of any Benefited Party in favor of the Guarantor, the Company or any other Person, and (B) any defense based on or arising out of the lack of validity or the unenforceability of the obligations under this Note Guarantee or any

agreement or instrument relating hereto. The Guarantor hereby waives the benefits of diligence, presentment, demand for payment and filing of claims with a court in the event of insolvency or bankruptcy of the Company and any right to require a proceeding first against the Company or any other Person, protest, notice and all demands whatsoever, and covenants that this Note Guarantee will not be discharged except by complete performance of the obligations contained in the Notes and this Indenture.

(c) If any Holder or the Trustee is required by any court or otherwise to return to the Company, the Guarantor or any Custodian acting in relation to either the Company or the Guarantor, any amount paid by either to the Trustee or such Holder, or any such amount paid is rescinded or reduced in amount, this Note Guarantee, to the extent theretofore discharged, will continue to be effective or be reinstated, as the case may be, and be in full force and effect all as though such amount had not been paid.

(d) The Guarantor agrees that it will not be entitled to any right of subrogation in relation to the Holders in respect of any obligations guaranteed hereby until payment and performance in full of all obligations guaranteed hereby. The Guarantor further agrees that, as between the Guarantor, on the one hand, and the Holders and the Trustee, on the other hand, (1) the maturity of the obligations guaranteed hereby may be accelerated as provided in Article 5 hereof for the purposes of this Note Guarantee, notwithstanding any stay, injunction or other prohibition preventing such acceleration in respect of the obligations guaranteed hereby, and (2) in the event of any declaration of acceleration of such obligations as provided in Article 5 hereof, such obligations (whether or not due and payable) will forthwith become due and payable by the Guarantor for the purpose of this Note Guarantee.

(e) 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 Note Guarantee.

(f) The Note 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 or reorganization, should the Company become insolvent or make an assignment for the benefit of creditors or should a Custodian be appointed for all or any significant part of the Company's assets.

Section 11.2. Limitation on Guarantor Liability. The Guarantor and, by its acceptance of Notes, each Holder hereby confirms that it is the intention of all such parties that the Note Guarantee of the Guarantor not constitute a fraudulent transfer or conveyance for purposes of Bankruptcy Law, the Uniform Fraudulent Conveyance Act, the Uniform Fraudulent Transfer Act or any similar federal or state law to the extent applicable to the Note Guarantee. To effectuate the foregoing intention, the Trustee, the Holders and the Guarantor hereby irrevocably agree that the obligations of the Guarantor under its Note Guarantee and this Article 11 shall be limited to the greater of (i) the amount of any value received by the Guarantor and (ii) the maximum amount as will, after giving effect to such maximum amount and all other contingent and fixed liabilities of the Guarantor that are relevant under such laws, result in the obligations of the Guarantor under its Note Guarantee not constituting a fraudulent transfer or conveyance.

Section 11.3. Execution and Delivery of a Note Guarantee. To evidence the Note Guarantee, the Guarantor hereby agrees that a notation of such Note Guarantee substantially in the form attached as Exhibit C hereto will be endorsed by an Officer of the Guarantor on each Note authenticated and delivered by the Trustee and that this Indenture will be executed on behalf of the Guarantor by one of its Officers.

The Guarantor hereby agrees that the Note Guarantee will remain in full force and effect notwithstanding any failure to endorse on each Note a notation of such Note Guarantee.

If an Officer whose signature is on this Indenture or on the Note Guarantee no longer holds that office at the time the Trustee authenticates the Note on which a Note Guarantee is endorsed, the Note Guarantee will be valid nevertheless.

The delivery of any Note by the Trustee, after the authentication thereof hereunder, will constitute due delivery of the Note Guarantee set forth in this Indenture on behalf of the Guarantor.

Section 11.4. Guarantor May Consolidate, etc., on Certain Terms. Except as otherwise provided in this Section 11.4, the Guarantor may not sell, convey, transfer or otherwise dispose of all or substantially all of its property or assets to, or consolidate with or merge with or into another Person, other than the Company, unless:

(1) immediately after giving effect to such transaction, no Default or Event of Default exists; and

(2) either:

(a) the Guarantor is the surviving Person; or

(b) the Person acquiring the property or assets in any such sale, conveyance, transfer or disposition or the Person formed by or surviving any such consolidation or merger unconditionally assumes all the obligations of the Guarantor pursuant to a supplemental indenture executed and delivered to the Trustee, in form satisfactory to the Trustee, under the Notes, this Indenture and the Note Guarantee on the terms set forth herein or therein.

In case of any such consolidation, merger, sale, conveyance, transfer or disposition and upon the assumption by the successor Person, by supplemental indenture, executed and delivered to the Trustee and satisfactory in form to the Trustee, of the Note Guarantee endorsed upon the Notes and the due and punctual performance of all of the covenants and conditions of this Indenture to be performed by the Guarantor, such successor Person will succeed to and be substituted for the Guarantor with the same effect as if it had been named herein as the Guarantor; provided, however, that no such sale, conveyance, transfer or disposition shall have the effect of releasing the Person named as the "Guarantor" in the first paragraph of this Indenture or any successor Person which shall theretofore have become such in the manner prescribed in this Article 11 from its liability as obligor on the Note Guarantee. Such successor Person thereupon may cause to be signed any or all of the Note Guarantees to be endorsed upon all of the Notes issuable hereunder which theretofore shall not have been signed by the Company

and delivered to the Trustee. All the Note Guarantees so issued will in all respects have the same legal rank and benefit under this Indenture as the Note Guarantees theretofore and thereafter issued in accordance with the terms of this Indenture as though all of such Note Guarantees had been issued at the date of the execution hereof.

Nothing contained in this Indenture or in any of the Notes will prevent any consolidation or merger of a Guarantor with or into the Company, or will prevent any sale, conveyance, transfer or disposition of the property of the Guarantor as an entirety or substantially as an entirety to the Company.

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.

UAL CORPORATION
By: /s/ Frederic F. Brace
Name: Frederic F. Brace
Title: Executive Vice President
and Chief Financial Officer

UNITED AIR LINES, INC., as GUARANTOR
By: /s/ Frederic F. Brace
Name: Frederic F. Brace
Title: Executive Vice President
and Chief Financial Officer

THE BANK OF NEW YORK TRUST
COMPANY, N.A., Not in its individual capacity
but solely in its capacity as TRUSTEE

By: /s/ Roxane Ellwanger
Name: Roxane Ellwanger
Title: Assistant Vice President

EXHIBIT A

[FORM OF NOTE]

**[INSERT GLOBAL NOTE LEGEND AS SPECIFIED IN SECTION 2.4,
IF APPLICABLE]**

CUSIP No.: 902549 AF 1

UAL CORPORATION

6% SENIOR NOTE DUE 2031

No. A-1 $500,000,000

UAL CORPORATION, a Delaware corporation (the "Company," which term includes any successor entity), for value received promises to pay to Cede & Co. or registered assigns, the principal sum of FIVE HUNDRED MILLION DOLLARS, on February 1, 2031.

Interest Payment Dates: June 30 and December 31, beginning on June 30, 2006.

Record Dates: June 15 and December 15.

Reference is made to the further provisions of this Note contained herein, which will for all purposes have the same effect as if set forth at this place.

IN WITNESS WHEREOF, the Company has caused this Note to be signed manually or by facsimile by its duly authorized officers and a facsimile of its corporate seal to be affixed hereto or imprinted hereon.

UAL CORPORATION

By: _____
Name:
Title:

By: _____
Name:
Title:

Certificate of Authentication

This is one of the 6% Senior Notes due 2031 referred to in the within-mentioned Indenture.

THE BANK OF NEW YORK TRUST COMPANY, N.A., not in its individual capacity but solely in its capacity as TRUSTEE

Dated: February 1, 2006

By: _____
Authorized Signatory

(REVERSE OF SECURITY)

6% SENIOR NOTE DUE 2031

(1) Interest. UAL Corporation, a Delaware corporation (the "Company"), promises to pay interest on the principal amount of this Note as follows: Interest will accrue on this Note at a rate of 6% per annum from the most recent date on which interest has been paid or, if no interest has been paid, from February 1, 2006 and shall be payable in cash on the terms set forth herein and in the Indenture (as hereinafter defined) (except as provided below) semiannually in arrears on each Interest Payment Date, commencing June 30, 2006; provided, that the Company may elect on any Interest Payment Date on or prior to December 31, 2011, either to (i) pay such interest in additional Notes having an aggregate principal amount equal to the amount of the installment of interest which is due on such Interest Payment Date or (ii) pay such interest in Common Stock having a Market Value as of the close of business on the Business Day immediately preceding such Interest Payment Date equal to the amount of the installment of interest not paid by check, wire transfer or additional Notes which is due on such Interest Payment Date; such shares of Common Stock shall be freely transferable by the Holders thereof, subject to any transfer restrictions contained in the Company's Restated Certificate of Incorporation. The Company shall notify each of the Trustee or the Paying Agent, as the case may be, and the Holders within five days prior to an Interest Payment Date if the Company shall elect either to pay such interest by additional Notes or Common Stock on such Interest Payment Date and, in the case of payment in Common Stock, the Company shall certify to the Trustee on such Interest Payment Date the Market Value of the Common Stock as of the close of business on the Business Day immediately preceding such Interest Payment Date. All interest will be computed on the basis of a 360-day year of twelve 30-day months.

The Company shall pay interest in cash on overdue principal and on overdue installments of interest (without regard to any applicable grace periods and to the extent lawful) from time to time on demand at the rate borne by the Notes plus 1.0% per annum.

(2) Method of Payment. The Company shall pay interest on the Notes (except Defaulted Interest) to the Persons who are the registered Holders at the close of business on the Regular Record Date immediately preceding the Interest Payment Date even if the Notes are cancelled on registration of transfer or registration of exchange after such Regular Record Date. Holders must surrender Notes to a Paying Agent to collect principal payments. The Company shall pay principal, premium, if any, and interest at the office or agency maintained by the Company for such purpose under the Indenture, in money (except as provided in paragraph 1 above) of the United States that at the time of payment is legal tender for payment of public and private debts ("U.S. Legal Tender"). However, the Company may pay interest by its check payable in such U.S. Legal Tender. The Company may deliver

any such interest payment to the Paying Agent (and in case the Trustee shall then be acting as Paying Agent, the Company shall deposit the aggregate amount of such interest payment with the Trustee no later than 10:00 a.m., New York City time, on such scheduled payment date, in immediately available funds and designated for and sufficient to pay all interest on the Notes then due) or to a Holder at the Holder's registered address set forth in the Register.

(3) Paying Agent and Registrar. Initially, The Bank of New York Trust Company, N.A., a national banking association, not in its individual capacity but solely as trustee (the "Trustee"), will act as Paying Agent and Registrar. The Company may change any Paying Agent, Registrar or co-Registrar without notice to the Holders.

(4) Indenture. The Company issued the Notes under an Indenture, dated as of February 1, 2006 (the "Indenture"), by and among the Company, the Guarantor, and the Trustee. This Note is one of a duly authorized issue of Notes of the Company designated as its 6% Senior Notes due 2031. Except as provided in paragraph 1 above, the Notes are limited in aggregate principal amount to $500,000,000. Capitalized terms herein are used as defined in the Indenture unless otherwise defined herein. The terms of the Notes include those stated in the Indenture and those made part of the Indenture by reference to the Trust Indenture Act of 1939 (15 U.S. Code §§ 77aaa–77bbbb) (the "TIA"), as in effect on the date of the Indenture. Notwithstanding anything to the contrary herein, the Notes are subject to all such terms, and Holders of Notes are referred to the Indenture and the TIA for a statement of them. To the extent any provision of these Notes conflicts with the express provisions of the Indenture, the provisions of the Indenture shall govern and be controlling. The Notes are general unsecured obligations of the Company.

(5) Optional Redemption. The Notes will be redeemable, at the Company's option, in whole at any time or in part from time to time, as set forth below.

On or after the date hereof, the Notes will be subject to redemption at 100% of the principal amount thereof plus accrued and unpaid interest thereon to but not including the applicable Redemption Date.

Notwithstanding the foregoing, if the notice of redemption is mailed prior to an Interest Payment Date but the Redemption Date falls after such Interest Payment Date, then the applicable interest shall be paid on such Interest Payment Date and the accrued and unpaid interest to the Redemption Date shall be that interest accruing from such Interest Payment Date to the Redemption Date.

(6) Notice of Redemption. Notice of redemption shall be mailed at least 30 days but not more than 60 days before the Redemption Date to each Holder of Notes to be redeemed at such Holder's registered address set forth in the Register. Notes in denominations larger than $1,000 may be redeemed in part.

Except as set forth in the Indenture, if monies for the redemption of the Notes called for redemption shall have been deposited with the Paying Agent for redemption on such Redemption Date, then, unless the Company defaults in the payment of such Redemption Price plus accrued interest, if any, the Notes called for redemption will cease to bear interest from and after such Redemption Date and the only right of the Holders of such Notes will be to receive payment of the Redemption Price plus accrued interest, if any.

(7) Mandatory Redemption. Section 10.8 of the Indenture provides that, upon the occurrence of a Change in Ownership or a Fundamental Change, and subject to further limitations contained therein, the Company will make an offer to purchase the Notes in accordance with the procedures set forth in the Indenture.

(8) Denominations; Transfer; Exchange. The Notes are in registered form, without coupons, in denominations of $1,000 or any integral multiple thereof. A Holder shall register the transfer of or exchange Notes in accordance with the Indenture. The Registrar may require a Holder, among other things, to furnish appropriate endorsements and transfer documents and to pay certain transfer taxes or similar governmental charges payable in connection therewith as permitted by the Indenture. The Registrar need not register the transfer of or exchange of any Notes or portions thereof selected for redemption.

(9) Persons Deemed Owners. The registered Holder of a Note shall be treated as the owner of it for all purposes.

(10) Unclaimed Property. If money or additional Notes or Common Stock for the payment of principal or interest remains unclaimed for two years, the Trustee and/or the Paying Agent will pay the money or deliver the additional Notes and Common Stock back to the Company. After that, all liability of the Trustee and such Paying Agent with respect to such money or additional Notes or Common Stock shall cease.

(11) Discharge Prior to Redemption or Maturity. If the Company at any time deposits with the Trustee U.S. Legal Tender or Government Obligations sufficient to pay the principal of and interest on the Notes to redemption or Maturity and complies with the other provisions of the Indenture relating thereto, the Company will be discharged from certain provisions of the Indenture and the Notes (including certain covenants, but excluding its obligation to pay the principal of and interest on the Notes).

(12) Amendment; Supplement; Waiver. Subject to certain exceptions, the Indenture or the Notes may be amended or supplemented with the written consent of the Holders of at least a majority in aggregate principal amount of the Notes then Outstanding, and any existing Default or Event of Default or noncompliance with any provision of the Indenture or the Notes may be waived with the written consent of the Holders of a majority in aggregate principal amount of the Notes then Outstanding. Without notice to or consent of any Holder, the parties thereto may amend or supplement the Indenture or the Notes to, among other things, cure any ambiguity or correct or supplement any provision in the Indenture which may be defective or inconsistent with any other provision therein.

(13) Restrictive Covenants. The Indenture imposes certain limitations on the ability of the Company to, among other things, merge or consolidate with any other Person, sell, convey, transfer or otherwise dispose of all or substantially all of its property or assets. Such limitations are subject to a number of important qualifications and exceptions.

(14) Defaults and Remedies. If an Event of Default occurs and is continuing, the Trustee or the Holders of at least 25% in aggregate principal amount of Notes then Outstanding may declare all the Notes to be due and payable in the manner, at the time and with the effect provided in the Indenture. Holders of Notes may not enforce the Indenture or the Notes except as provided in the Indenture. Subject to the terms of the Indenture, the Trustee is not obligated to enforce the Indenture or the Notes unless it has received indemnity reasonably satisfactory to it. The Indenture permits, subject to certain limitations therein provided, Holders of a majority in aggregate principal amount of the Notes then Outstanding to direct the Trustee in

its exercise of any trust or power. The Trustee may withhold from Holders of Notes notice of any continuing Default or Event of Default (except a Default in payment of principal or interest) in accordance with the provisions of the Indenture if it determines that withholding notice is in their interest.

(15) Trustee Dealings with Company. The Trustee under the Indenture, in its individual or any other capacity, may become the owner or pledgee of Notes and may otherwise deal with the Company, its Subsidiaries or their respective Affiliates as if it were not the Trustee.

(16) No Recourse Against Others. No stockholder, director, officer, employee or incorporator, as such, of the Company or the Guarantor shall have any liability for any obligation of the Company or the Guarantor under the Notes, the Note Guarantee or the Indenture or for any claim based on, in respect of or by reason of, such obligations or their creation. Each Holder of a Note by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for the issuance of the Notes.

(17) Authentication. This Note shall not be valid until the Trustee or Authenticating Agent manually signs the certificate of authentication on this Note.

(18) Governing Law. The laws of the State of New York shall govern this Note and the Indenture, without regard to principles of conflicts of law.

(19) Abbreviations and Defined Terms. Customary abbreviations may be used in the name of a Holder of a Note or an assignee, such as: TEN CON (= 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 Gifts to Minors Act).

(20) CUSIP Numbers. Pursuant to a recommendation promulgated by the Committee on Uniform Security Identification Procedures, the Company has caused CUSIP numbers to be printed on the Notes as a convenience to the Holders of the Notes. No representation is made as to the accuracy of such numbers as printed on the Notes and reliance may be placed only on the other identification numbers printed hereon.

(21) Indenture. Each Holder, by accepting a Note, agrees to be bound by all of the terms and provisions of the Indenture, as the same may be amended from time to time.

(22) Guarantee. The Guarantor has unconditionally guaranteed, to the extent set forth in the Indenture, the due and punctual payment of the principal of, premium, if any, and interest on the Notes when due, whether at Stated Maturity, by acceleration, redemption or otherwise, and interest on the overdue principal of and interest on the Notes, if any, if lawful, and all other obligations of the Company to the Holders or the Trustee under the Indenture and the Notes.

The Company will furnish to any Holder of a Note upon written request and without charge a copy of the Indenture, which has the text of this Note in larger type. Requests may be made to: UAL Corporation, P.O. Box 66919, Chicago, Illinois 60666, Attn: Treasurer.

ASSIGNMENT FORM

If you the Holder want to assign this Note, fill in the form below and have your signature guaranteed:

I or we assign and transfer this Note to:

_____

_____

_____

(Print or type name, address and zip code and social security or tax ID number of assignee) and irrevocably appoint , agent to transfer this Note on the books of the Company. The agent may substitute another to act for him.

Dated: _____ Signed: _____

(Sign exactly as name appears on the other side of this Note)

Signature Guarantee: _____

(OPTION OF HOLDER TO ELECT REDEMPTION)

If you want to elect to have this Note purchased by the Company pursuant to Section 10.8 of the Indenture, check the box below:

o

If you want to elect to have only part of this Note purchased by the Company pursuant to Section 10.8 of the Indenture, state the amount you elect to have purchased:

$ _____

Dated: _____

_____

NOTICE: The signature on this assignment must correspond with the name as it appears upon the face of the within Note in every particular without alteration or enlargement or any change whatsoever and be guaranteed by the endorser's bank or broker.

Signature Guarantee: _____

EXHIBIT B

[FORM OF NOTE]

[INSERT GLOBAL NOTE LEGEND AS SPECIFIED IN SECTION 2.4,
IF APPLICABLE]

CUSIP No.: [ ]

UAL CORPORATION

8% SENIOR NOTE DUE **[FIFTEENTH ANNIVERSARY OF TRIGGER DATE]**

No. [ ] $[ ]

UAL CORPORATION, a Delaware corporation (the "Company," which term includes any successor entity), for value received promises to pay to [ ] or registered assigns, the principal sum of [ ] Dollars, on [ ], [fifteenth anniversary of Trigger Date].

Interest Payment Dates: June 30 and December 31, beginning on .

Record Dates: June 15 and December 15.

Reference is made to the further provisions of this Note contained herein, which will for all purposes have the same effect as if set forth at this place.

IN WITNESS WHEREOF, the Company has caused this Note to be signed manually or by facsimile by its duly authorized officers and a facsimile of its corporate seal to be affixed hereto or imprinted hereon.

UAL CORPORATION

By: _____
Name:
Title:

By: _____
Name:
Title:

Certificate of Authentication

This is one of the 8% Contingent Senior Notes referred to in the within-mentioned Indenture.

THE BANK OF NEW YORK TRUST COMPANY, N.A.,
as Trustee

Dated: [ ]

By: _____
Authorized Signatory

(REVERSE OF SECURITY)

8% CONTINGENT SENIOR NOTE

(1) Interest. UAL Corporation, a Delaware corporation (the "Company"), promises to pay interest on the principal amount of this Note as follows: Interest will accrue on this Note at a rate of 8% per annum from the most recent date on which interest has been paid or, if no interest has been paid, from [**Trigger Date**] and shall be payable in cash semiannually in arrears on each Interest Payment Date, commencing on the first Interest Payment Date following the Issuance Date of such Note. All Interest will be computed on the basis of a 360-day year of twelve 30-day months.

The Company shall pay interest in cash on overdue principal and on overdue installments of interest (without regard to any applicable grace periods and to the extent lawful) from time to time on demand at the rate borne by the Notes plus 1.0% per annum.

(2) Method of Payment. The Company shall pay interest on the Notes (except Defaulted Interest) to the Persons who are the registered Holders at the close of business on the Regular Record Date immediately preceding the Interest Payment Date even if the Notes are cancelled on registration of transfer or registration of exchange after such Regular Record Date. Holders must surrender Notes to a Paying Agent to collect principal payments. The Company shall pay principal, premium, if any, and interest at the office or agency maintained by the Company for such purpose under the Indenture, in money of the United States that at the time of payment is legal tender for payment of public and private debts ("U.S. Legal Tender"). However, the Company may pay interest by its check payable in such U.S. Legal Tender. The Company may deliver any such interest payment to the Paying Agent (and in case the Trustee shall then be acting as Paying Agent, the Company shall deposit the aggregate amount of such interest payment with the Trustee no later than 10:00 a.m., New York City time, on such scheduled payment date, in immediately available funds and designated for and sufficient to pay all interest on the Notes then due) or to a Holder at the Holder's registered address set forth in the Register.

(3) Paying Agent and Registrar. Initially, The Bank of New York Trust Company, N.A., a national banking association, not in its individual capacity but solely as trustee (the "Trustee"), will act as Paying Agent and Registrar. The Company may change any Paying Agent, Registrar or co-Registrar without notice to the Holders.

(4) Indenture. The Company issued the Notes under an Indenture, dated as of February 1, 2006 (the "Indenture"), by and among the Company, the Guarantor and the Trustee. This Note is one of a duly authorized issue of Notes of the Company designated as its 8% Contingent Senior Notes. The Notes are limited in aggregate principal amount to $500,000,000. Capitalized terms herein are used as defined in the Indenture unless otherwise defined herein. The terms of the Notes include those stated in the Indenture and those made part of the Indenture by reference to the Trust Indenture Act of 1939 (15 U.S. Code §§ 77aaa–77bbbb) (the "TIA"), as in effect on the date of the Indenture. Notwithstanding anything to the contrary herein, the Notes are subject to all such terms, and Holders of Notes are referred to the Indenture and the TIA for a statement of them. To the extent any provision of these Notes conflicts with the express

provisions of the Indenture, the provisions of the Indenture shall govern and be controlling. The Notes are general unsecured obligations of the Company.

(5) Optional Redemption.

The Notes will be redeemable, at the Company's option, in whole at any time or in part from time to time, as set forth below:

On or after the Issuance Date, the Notes will be subject to redemption at 100% of the principal amount thereof plus accrued and unpaid interest thereon to but not including the applicable Redemption Date.

Notwithstanding the foregoing, if the notice of redemption is mailed prior to an Interest Payment Date but the Redemption Date falls after such Interest Payment Date, then the applicable interest shall be paid on such Interest Payment Date and the accrued and unpaid interest to the Redemption Date shall be that interest accruing from such Interest Payment Date to but excluding the Redemption Date.

(6) Notice of Redemption. Notice of redemption shall be mailed at least 30 days but not more than 60 days before the Redemption Date to each Holder of Notes to be redeemed at such Holder's registered address set forth in the Register. Notes in denominations larger than $1,000 may be redeemed in part.

Except as set forth in the Indenture, if monies for the redemption of the Notes called for redemption shall have been deposited with the Paying Agent for redemption on such Redemption Date, then, unless the Company defaults in the payment of such Redemption Price plus accrued interest, if any, the Notes called for redemption will cease to bear interest from and after such Redemption Date and the only right of the Holders of such Notes will be to receive payment of the Redemption Price plus accrued interest, if any.

(7) Mandatory Redemption. Section 10.8 of the Indenture provides that, upon the occurrence of a Change in Ownership or a Fundamental Change, and subject to further limitations contained therein, the Company will make an offer to purchase the Notes in accordance with the procedures set forth in the Indenture.

(8) Denominations; Transfer; Exchange. The Notes are in registered form, without coupons, in denominations of $1,000 or any integral multiple thereof. A Holder shall register the transfer of or exchange Notes in accordance with the Indenture. The Registrar may require a Holder, among other things, to furnish appropriate endorsements and transfer documents and to pay certain transfer taxes or similar governmental charges payable in connection therewith as permitted by the Indenture. The Registrar need not register the transfer of or exchange of any Notes or portions thereof selected for redemption.

(9) Persons Deemed Owners. The registered Holder of a Note shall be treated as the owner of it for all purposes.

(10) Unclaimed Money. If money for the payment of principal or interest remains unclaimed for two years, the Trustee and the Paying Agent will pay the money back to

the Company. After that, all liability of the Trustee and such Paying Agent with respect to such money shall cease.

(11) Discharge Prior to Redemption or Maturity. If the Company at any time deposits with the Trustee U.S. Legal Tender or U.S. Government Obligations sufficient to pay the principal of and interest on the Notes to redemption or Maturity and complies with the other provisions of the Indenture relating thereto, the Company will be discharged from certain provisions of the Indenture and the Notes (including certain covenants, but excluding its obligation to pay the principal of and interest on the Notes).

(12) Amendment; Supplement; Waiver. Subject to certain exceptions, the Indenture or the Notes may be amended or supplemented with the written consent of the Holders of at least a majority in aggregate principal amount of the Notes then Outstanding, and any existing Default or Event of Default or noncompliance with any provision of the Indenture or the Notes may be waived with the written consent of the Holders of a majority in aggregate principal amount of the Notes then Outstanding. Without notice to or consent of any Holder, the parties thereto may amend or supplement the Indenture or the Notes to, among other things, cure any ambiguity or correct or supplement any provision in the Indenture which may be defective or inconsistent with any other provision therein.

(13) Restrictive Covenants. The Indenture imposes certain limitations on the ability of the Company to, among other things, merge or consolidate with any other Person or sell, convey, transfer or otherwise dispose of all or substantially all of its property or assets. Such limitations are subject to a number of important qualifications and exceptions.

(14) Defaults and Remedies. If an Event of Default occurs and is continuing, the Trustee or the Holders of at least 25% in aggregate principal amount of Notes then Outstanding may declare all the Notes to be due and payable in the manner, at the time and with the effect provided in the Indenture. Holders of Notes may not enforce the Indenture or the Notes except as provided in the Indenture. Subject to the terms of the Indenture, the Trustee is not obligated to enforce the Indenture or the Notes unless it has received indemnity reasonably satisfactory to it. The Indenture permits, subject to certain limitations therein provided, Holders of a majority in aggregate principal amount of the Notes then Outstanding to direct the Trustee in its exercise of any trust or power. The Trustee may withhold from Holders of Notes notice of any continuing Default or Event of Default (except a Default in payment of principal or interest) in accordance with the provisions of the Indenture if it determines that withholding notice is in their interest.

(15) Trustee Dealings with Company. The Trustee under the Indenture, in its individual or any other capacity, may become the owner or pledgee of Notes and may otherwise deal with the Company, its Subsidiaries or their respective Affiliates as if it were not the Trustee.

(16) No Recourse Against Others. No stockholder, director, officer, employee or incorporator, as such, of the Company or the Guarantor shall have any liability for any obligation of the Company under the Notes, the Note Guarantee or the Indenture or for any claim based on, in respect of or by reason of, such obligations or their creation. Each Holder of a Note

by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for the issuance of the Notes.

(17) Authentication. This Note shall not be valid until the Trustee or Authenticating Agent manually signs the certificate of authentication on this Note.

(18) Governing Law. The laws of the State of New York shall govern this Note and the Indenture, without regard to principles of conflicts of law.

(19) Abbreviations and Defined Terms. Customary abbreviations may be used in the name of a Holder of a Note or an assignee, such as: TEN CON (= 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 Gifts to Minors Act).

(20) CUSIP Numbers. Pursuant to a recommendation promulgated by the Committee on Uniform Security Identification Procedures, the Company has caused CUSIP numbers to be printed on the Notes as a convenience to the Holders of the Notes. No representation is made as to the accuracy of such numbers as printed on the Notes and reliance may be placed only on the other identification numbers printed hereon.

(21) Indenture. Each Holder, by accepting a Note, agrees to be bound by all of the terms and provisions of the Indenture, as the same may be amended from time to time.

(22) Guarantee. The Guarantor has unconditionally guaranteed, to the extent set forth in the Indenture, the due and punctual payment of the principal of, premium, if any, and interest on the Notes when due, whether at Stated Maturity, by acceleration, redemption or otherwise, and interest on the overdue principal of and interest on the Notes, if any, if lawful, and all other obligations of the Company to the Holders or the Trustee under the Indenture and the Notes.

The Company will furnish to any Holder of a Note upon written request and without charge a copy of the Indenture, which has the text of this Note in larger type. Requests may be made to: UAL Corporation, P.O. Box 66919, Chicago, Illinois 60666, Attn: Treasurer.

ASSIGNMENT FORM

If you the Holder want to assign this Note, fill in the form below and have your signature guaranteed:

I or we assign and transfer this Note to:

_____

_____

_____

(Print or type name, address and zip code and social security or tax ID number of assignee)

and irrevocably appoint , agent to transfer this Note on the books of the Company. The agent may substitute another to act for him.

Dated: _____ Signed: _____

(Sign exactly as name appears on the other side of this Note)

Signature Guarantee: _____

(OPTION OF HOLDER TO ELECT REDEMPTION)

o

If you want to elect to have this Note purchased by the Company pursuant to Section 10.8 of the Indenture, check the box below:

If you want to elect to have only part of this Note purchased by the Company pursuant to Section 10.8 of the Indenture, state the amount you elect to have purchased:

$ _____

Dated: _____ _____

NOTICE: The signature on this assignment must correspond with the name as it appears upon the face of the within Note in every particular without alteration or enlargement or any change whatsoever and be guaranteed by the endorser's bank or broker.

Signature Guarantee: _____

EXHIBIT C

FORM OF NOTATION OF GUARANTEE

For value received, the Guarantor (which term includes any successor Person under the Indenture) has unconditionally guaranteed, to the extent set forth in the Indenture (the "Indenture") among UAL Corporation (the "Company"), the Guarantor and The Bank of New York Trust Company, N.A., as trustee (the "Trustee"), (a) the due and punctual payment of the principal of, premium, if any, and interest on the Notes (as defined in the Indenture), whether at maturity, by acceleration, redemption or otherwise, the due and punctual payment of interest on overdue principal of and interest on the Notes, if any, if lawful, and the due and punctual performance of all other obligations of the Company to the Holders or the Trustee all in accordance with the terms of the Indenture and (b) in case of any extension of time of payment or renewal of any Notes 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 obligations of the Guarantor to the Holders of Notes and to the Trustee pursuant to the Note Guarantee and the Indenture are expressly set forth in Article 11 of the Indenture and reference is hereby made to the Indenture for the precise terms of the Note Guarantee.

UNITED AIR LINES, INC.

By: _____
Name:
Title:

UAL CORPORATION,
as Issuer,

and

UNITED AIR LINES, INC.,
as Guarantor

to

THE BANK OF NEW YORK TRUST COMPANY, N.A.,
as Trustee

INDENTURE

Dated as of February 1, 2006

Providing for Issuance of
5% Senior Convertible Notes due 2021

Reconciliation and tie between Indenture, dated as of February 1, 2006, and the Trust Indenture Act of 1939, as amended.

Trust Indenture Act of 1939 Section		Indenture Section
310	(a)(1)	6.10; 6.11; 6.12
	(a)(2)	6.12
	(a)(3)	TIA
	(a)(4)	Not Applicable
	(a)(5)	TIA
	(b)	4.6; 6.4; 6.10; 6.12; TIA
311	(a)	6.4; 6.16; TIA
	(b)	TIA
	(c)	Not Applicable
312	(a)	6.8
	(b)	1.16; TIA
	(c)	1.16; TIA
313	(a)	6.3; 6.7; TIA
	(b)	6.3; 6.7; TIA
	(c)	6.3; 6.7; TIA
	(d)	6.3; 6.7; TIA
314	(a)	9.5; 9.7; TIA
	(b)	Not Applicable
	(c)(1)	1.2; 4.1; 4.6; 5.7; 7.1; 9.5
	(c)(2)	1.2; 4.1; 4.6; 7.1; 9.5
	(c)(3)	Not Applicable
	(d)	Not Applicable
	(e)	9.8; TIA
	(f)	TIA
315	(a)	6.1; 6.3; TIA
	(b)	6.2
	(c)	TIA
	(d)(1)	TIA
	(d)(2)	6.1; TIA
	(d)(3)	6.1; TIA
	(e)	6.10; TIA
316	(a) (last sentence)	1.1
	(a)(1)(A)	5.2; 5.8
	(a)(1)(B)	5.7x

	(b)	5.75.9; 5.10
	(c)	1.4; TIA
317	(a)(1)	5.3; 6.3
	(a)(2)	5.4; 6.3

Trust Indenture Act of 1939 Section		Indenture Section
	(b)	6.3; 9.3
318	(a)	1.11
	(b)	TIA
	(c)	1.11; TIA

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

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INDENTURE, dated as of February 1, 2006, among UAL CORPORATION, a Delaware corporation (the "Company"), UNITED AIR LINES, INC., a Delaware corporation (the "Guarantor") and THE BANK OF NEW YORK TRUST COMPANY, N.A., a national banking association, as Trustee (the "Trustee").

Recitals

On December 9, 2002, the Company and certain of its directly and indirectly wholly owned subsidiaries filed a voluntary petition under Chapter 11 of Title 11 of the United States Code, as amended (the "Bankruptcy Code"), with the United States Bankruptcy Court for the Northern District of Illinois (the "Bankruptcy Court").

The Company and certain of its directly and indirectly wholly owned subsidiaries filed a Joint Plan of Reorganization (the "Plan") which was approved by the Bankruptcy Court on January 20, 2006.

Pursuant to the Plan, the Company is required to issue the 5% Senior Convertible Notes (as defined herein) to holders of bonds relating to O'Hare International Airport.

The Company has duly authorized the issuance of the 5% Senior Convertible Notes (the "Notes"), and to provide therefor, the Company has duly authorized the execution and delivery of this Indenture.

All things necessary to make the Notes, when executed by the Company and authenticated and delivered hereunder and duly issued by the Company, the valid obligations of the Company, and to make this Indenture a valid agreement of the Company, in accordance with its terms, have been done and all things necessary to duly authorize the issuance of the Common Stock (as hereinafter defined) of the Company initially issuable upon the conversion of the Notes, and to reserve for issuance the number of shares of Common Stock initially issuable upon such conversion, have been done.

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

ARTICLE 1

Definitions and Other Provisions of General Application

Section 1.1. Definitions. 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, and not otherwise defined herein 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.

"5% Senior Convertible Notes" means the $149,646,114 principal amount of 5% senior convertible notes issued pursuant to this Indenture or any supplemental indenture hereto.

"Adjustment Event" has the meaning specified in Section 12.5(l).

"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 6.14.

"Authorized Newspaper" means a newspaper in New York, New York, Washington, D.C. or Chicago, Illinois in the English language, customarily published on each Business Day whether or not published on Saturdays, Sundays or holidays, and of general circulation in the place in connection with which the term is used or in the financial community of such place. Whenever successive publications in an Authorized Newspaper are required hereunder they may be made (unless otherwise expressly provided herein) on any Business Day and in the same or different Authorized Newspapers.

"Bankruptcy Law" means Title 11 of the U.S. Code or any similar federal, state or foreign law for the relief of debtors.

"Board" or "Board of Directors" means the Board of Directors of the Company, the Executive Committee thereof 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 such certification, and delivered to the Trustee.

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

"Cash Amount" has the meaning specified in Section 12.2(h)(iii).

"Cash Settlement Averaging Period" has the meaning specified in Section 12.2(h)(ii)(B).

"Cash Settlement Notice Period" has the meaning specified in Section 12.2(g)(i).

"Change in Ownership" means any "person" or "group" within the meaning of Sections 13(d) and 14(d)(2) of the Securities Exchange Act or any successor provision to either of the foregoing, including any group acting for the purpose of acquiring, holding or disposing of securities within the meaning of Rule 13d-5(b)(1) under the Securities Exchange Act, becomes the "beneficial owner," as defined in Rule 13d-3 under the Securities Exchange Act, directly or indirectly, through a purchase, merger or other acquisition transaction, of the voting power to elect a majority of the Board, other than an acquisition by the Company, any of its Subsidiaries or any of its Subsidiaries' or the Company's employee benefit plans.

"Commission" means the Securities and Exchange Commission, as from time to time constituted, created under the Securities Exchange Act, 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.

"Common Stock" means the common stock, par value $0.01 per share, of the Company as it exists on the date of this Indenture and any shares of any class or classes of capital stock of the Company into which the Common Stock may be reclassified or changed.

"Company" means the Person named as the Company in the first paragraph of this Indenture until one or more successor Persons replaces it pursuant to the applicable provisions of this Indenture, and thereafter means such successor(s).

"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 Chief Executive Officer, the President, the Chief Financial Officer, any Executive Vice President or any Senior Vice President, signing alone, by any Vice President signing together with the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary of the Company, or, with respect to Section 3.3, Section 3.4 and Section 3.5, any Assistant Secretary of the Company.

"Conversion Agent" means the Trustee or such other office or agency designated by the Company where Notes may be presented for conversion.

"Conversion Date" has the meaning specified in Section 12.2(c).

"Conversion Obligation" has the meaning specified in Section 12.2(g)(i).

"Conversion Price" as of any day means 125% of the average of the Last Reported Sales Prices for the 60 consecutive Trading Days following February 1, 2006, rounded to the nearest cent.

"Conversion Rate" has the meaning specified in Section 12.4.

"Conversion Retraction Period" has the meaning specified in Section 12.2(g)(i).

"Corporate Trust Office" means the office of the Trustee at which at any particular time its corporate trust business shall be principally administered, which office at the date hereof is located at 2 N. LaSalle Street, Suite 1020, Chicago, Illinois 60602, Attention: Corporate Trust Department.

"corporation" includes corporations, associations, companies and business trusts.

"Custodian" means any receiver, trustee, assignee, liquidator or similar official under any Bankruptcy Law.

"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 Notes 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.

"Determination Date" has the meaning specified in Section 12.5(l).

"Dollar" 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.

"Employee Notes" means the Company's Senior Convertible Notes due 2021 to be issued pursuant to the Plan to various employees of the Company, including through their respective collective bargaining units.

"Ex-Dividend Date" means, with respect to any dividend or distribution on shares of Common Stock, the first date on which a sale of shares of Common Stock does not automatically transfer the right to receive the relevant dividend or distribution from such seller of the shares to the buyer.

"Existing Credit Facility" means the up to $3.0 billion Revolving Credit, Term Loan and Guaranty Agreement, dated as of February 1, 2006, among United Air Lines, Inc., UAL Corporation, certain subsidiaries thereof, various lenders party thereto and JPMorgan Chase Bank, N.A. as Co-Administrative Agent, Co-Collateral Agent and Paying Agent, Citicorp USA, Inc. as Co-Administrative Agent and Co-Collateral Agent, J.P. Morgan Securities Inc., as Joint Lead Arranger and

Joint Bookrunner, Citigroup Global Markets, Inc. as Joint Lead Arranger and Joint Bookrunner, and General Electric Capital Corporation, as Syndication Agent, as amended, restated, modified, renewed, refunded, replaced or refinanced in whole or in part from time to time.

"Form of Conversion Notice" has the meaning specified in Section 12.2(a).

"Fundamental Change" means the occurrence of any of the following: (a) any sale, conveyance, transfer or disposition of more than 50% of the property or assets of the Company and its Subsidiaries on a consolidated basis (measured either by book value in accordance with generally accepted accounting principles consistently applied or by fair market value determined in the reasonable good faith judgment of the Board) in any transaction or series of related transactions (other than sales in the ordinary course of business); (b) any merger or consolidation to which the Company is a party, except for (x) a merger which is effected solely to change the state of incorporation of the Company or (y) a merger in which the Company is the surviving Person, the terms of the Notes are not changed or altered in any respect, the Notes are not exchanged for cash, securities or other property or assets and, after giving effect to such merger, the holders of the capital stock of the Company as of the date of this Indenture shall continue to own the outstanding capital stock of the Company possessing the voting power (under ordinary circumstances) to elect a majority of the Board; (c) the Termination of Trading or (d) the Company's approval of a plan of liquidation or dissolution.

"Government Obligations" means securities which are (i) direct obligations of the United States 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, the payment of which is unconditionally guaranteed as a full faith and credit obligation by the United States, 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.

"Guarantor" means United Air Lines, Inc., a Delaware corporation and a wholly owned Subsidiary of the Company, and its successor and assigns.

"Holder" means a Person in whose name a Note is registered on the Register.

"Indenture" means this Indenture as originally executed or as amended or supplemented from time to time.

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

"Last Reported Sale Price" of the Common Stock on any date means the closing sale price per share (or, if no closing sale price is reported, the average of the bid and asked

prices or, if there is more than one in either case, the average of the average bid and the average asked prices) on that date as reported in composite transactions for the principal U.S. national or regional securities exchange on which the Common Stock is traded or, if the Common Stock is not listed on a U.S. national or regional securities exchange, as reported by the Nasdaq National Market. If the Common Stock is not listed for trading on a U.S. national or regional securities exchange and not reported by the Nasdaq National Market on the relevant date, the "Last Reported Sale Price" will be the last quoted bid price for the Common Stock in the over-the-counter market on the relevant date as reported by the National Quotation Bureau Incorporated or any similar U.S. system of automated dissemination of quotation of securities prices. If the Common Stock is not so quoted, the "Last Reported Sale Price" will be the average of the mid-point of the last bid and asked prices for the Common Stock on the relevant date from each of at least three independent nationally recognized investment banking firms selected by the Company for this purpose. "Last Reported Sale Price" of any other security shall have a correlative meaning.

"Market Price" means, with respect to any Repurchase Date or other date of determination, the average of the Last Reported Sale Price of the Common Stock for the 20 consecutive Trading Days ending on the third Business Day prior to the applicable Repurchase Date or date of determination, as the case may be (or, if such third Business Day is not a Trading Day, then ending on the last Trading Day prior to such third Business Day), appropriately adjusted in the good faith judgment of the Board to take into account the occurrence, during the period commencing on the first Trading Day during the period of 20 consecutive Trading Days and ending on the applicable Repurchase Date or date of determination, as the case may be, of any event described in Section 12.5 or Section 12.6.

"Market Value" of the Common Stock means, as of any date of determination:

(a) If the principal market for the Common Stock is a national securities exchange in the United States, the Market Value shall be the average of the last sale price of the Common Stock on such exchange for the 20 consecutive trading days immediately prior to the date of determination, all as quoted by such exchange.

(b) If the principal market for the Common Stock is the over-the-counter market, and the Common Stock is quoted on The NASDAQ Stock Market ("NASDAQ"), the Market Value shall be the average of the last sale price of the Common Stock on NASDAQ for the 20 consecutive trading days immediately prior to the date of determination, or if the Common Stock is an issue for which the last sale price is not quoted on NASDAQ, the average of the last bid price for the 20 consecutive trading days immediately prior to the date of the determination. If the relevant quotation did not exist at such close of trading, then the Market Value shall be the relevant quotation on the next preceding Business Day on which there was such a quotation.

(c) If the principal market for the Common Stock is the over-the-counter market, and the Common Stock is not quoted on NASDAQ, the Market Value shall be determined in accordance with market practice for the Common Stock, based on the average of the price for such Common Stock for the 20 consecutive trading days immediately prior to the date of determination, obtained from a generally recognized source agreed to by the Company or the average of the closing bid quotation for the 20

consecutive trading days immediately prior to the date of determination, obtained from such a source. If the relevant quotation did not exist at such close of trading, then the Market Value shall be the relevant quotation on the next preceding Business Day on which there was such a quotation.

"Maturity", when used with respect to any Note, means the date on which the principal of such Note 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.

"Note" or "Notes" has the meaning stated in the fourth recital of this Indenture and more particularly means any Note or Notes of the Company issued, authenticated and delivered under this Indenture.

"Note Guarantee" means the guarantee by the Guarantor as set forth in Section 11.1, as evidenced by the Form of Notation of Guarantee annexed hereto as Exhibit B, to be attached to each Note.

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

"Officers' Certificate" means a certificate signed by the Chairman of the Board, the Chief Executive Officer, the President, the Chief Financial Officer, 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, and delivered to the Trustee.

"Opinion of Counsel" means a written opinion of legal counsel, who may be (a) the most senior attorney serving in the capacity of legal counsel employed by the Company, (b) Kirkland & Ellis LLP or (c) other counsel designated by the Company and who shall be acceptable to the Trustee.

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

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

(ii) Notes, or portions thereof, for which payment or redemption money 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 Notes provided that if such Notes 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) Notes, except to the extent provided in Section 4.4 and Section 4.5, with respect to which the Company has effected defeasance and/or covenant defeasance as provided in Article 4;

(iv) Notes converted into Common Stock pursuant to Article 12 and Notes deemed not outstanding pursuant to Article 10; and

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

provided, however, that in determining whether the Holders of the requisite principal amount of the Outstanding Notes 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, Notes owned by the Company, the Guarantor or any other obligor upon the Notes or any Affiliate of the Company, the Guarantor or 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 Notes which the Trustee knows to be so owned as a result of written notice being provided to that effect by the Company, by the Guarantor, by any such other obligor upon the Notes or any such Affiliate of any of the foregoing, as the case may be, to the Trustee shall be so disregarded.

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

"PBGC 6% Senior Notes" means $500,000,000 in aggregate original principal amount of 6% Senior Notes due 2031 issued pursuant to an Indenture dated February 1, 2006 between the Company, Guarantor and The Bank of New York Trust Company, N.A., as Trustee, as well as (i) any notes issued in exchange therefor or upon transfer thereof and (ii) any increase in the principal amount thereof pursuant to paragraph 1 of such notes.

"PBGC 8% Contingent Notes" means up to $500,000,000 in aggregate original principal amount of 8% Contingent Senior Notes, if any, issued pursuant to an Indenture dated February 1, 2006 between the Company, Guarantor and The Bank of New York Trust Company, N.A., as Trustee, as well as any notes issued in exchange therefor or upon transfer thereof.

"Person" means any individual, corporation, partnership, joint venture, limited liability company, 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 Notes, means the place or places where, subject to the provisions of Section 9.2, the principal of, premium, if any, and interest on such Notes are payable as specified in such Notes.

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

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

"Redemption Notice" has the meaning set forth in Section 10.3.

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

"Register" has the meaning set forth in Section 3.5.

"Registrar" has the meaning set forth in Section 3.5.

"Regular Record Date" for the interest payable on any Interest Payment Date on the Notes means the date specified on the face of such Note.

"Responsible Officer", when used with respect to the Trustee, shall mean any officer within the Corporate Trust Office of the Trustee with direct responsibility for the administration of this Indenture, including the chairman or any vice chairman of the board of directors, the chairman or any vice chairman of the executive committee of the board of directors, the chairman of the trust committee, the president, any senior vice president, any vice president, any assistant vice president, the secretary, the treasurer, any assistant treasurer, the cashier, any assistant cashier, any senior trust officer, any trust officer, the controller, any assistant controller, or any other officer of the Trustee customarily performing functions similar to those performed by any of the above designated officers, respectively, and also means, with respect to a particular corporate trust matter, any other officer to whom such corporate trust matter is referred because of his knowledge of and familiarity with the particular subject.

"Securities Exchange Act" means the Securities Exchange Act of 1934, as amended, from time to time.

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

"Stated Maturity", when used with respect to any Note or any installment of principal thereof or interest thereon means the date specified in such Note as the original date on which the principal of such Note or such installment of principal or interest is due and payable. The Stated Maturity of the principal amount of the Notes shall be February 1, 2021.

"Stock Record Date" means, with respect to any dividend, distribution or other transaction or event in which the holders of Common Stock have the right to receive any cash, securities or other property or in which the Common Stock (or other applicable security) is

exchanged for or converted into any combination of cash, securities or other property, the date fixed for determination of stockholders entitled to receive such cash, securities or other property (whether such date is fixed by the Board of Directors or by statute, contract or otherwise).

"Subsidiary" means (i) any corporation of which the Company at the time owns or controls, directly or indirectly, more than 50% of the shares of outstanding stock having general voting power under ordinary circumstances to elect a majority of the board of directors of such corporation (irrespective of whether or not at the time stock of any other class or classes of such corporation shall have or might have voting power by reason of the happening of any contingency), (ii) a partnership in which 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, directly or indirectly, at the date of determination has (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.

"Termination of Trading" means the occurrence of the following event: the Company's Common Stock (or other common stock into which the Notes are convertible) is neither listed for trading on a United States national securities exchange nor approved for trading on an established over-the-counter trading market in the United States.

"Trading Day" means a day during which trading in securities generally occurs on the New York Stock Exchange or, if the applicable security is not listed on the New York Stock Exchange, on the principal other national or regional securities exchange on which the applicable security is then listed or, if the applicable security is not listed on a national or regional securities exchange, on the National Association of Securities Dealers Automated Quotation System or, if the applicable security is not quoted on the National Association of Securities Dealers Automated Quotation System, on the principal other market on which the applicable security is then traded (provided that no day on which trading of the applicable security is suspended on such exchange or other trading market will count as a Trading Day).

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

"United States" means the United States of America (including the States and the District of Columbia), its territories, its possessions and other areas subject to its jurisdiction.

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

Term	Section
"Act"	Section 1.4(a)
"Co-Branded Card Agreement"	Section 1.14
"Company Repurchase Date"	Section 10.9(a)

Term	Section
"Company Repurchase Election"	Section 10.9(c)
"Company Repurchase Notice"	Section 10.9(b)
"Company Repurchase Price"	Section 10.9(a)
"covenant defeasance"	Section 4.5
"CUSIP"	Section 3.11
"Defaulted Interest"	Section 3.7(b)
"defeasance"	Section 4.4
"Delivery Date"	Section 10.4
"DTC"	Section 2.4
"Event of Default"	Section 5.1
"Expiration Time"	Section 12.5(e)
"non-electing share"	Section 12.6
"Notice of Default"	Section 5.1(4)
"Plan"	Recitals
"poison pill"	Section 12.5(b)
"Purchased Shares"	Section 12.5(e)
"spin-off"	Section 12.5(c)
"Trigger Event"	Section 12.5(c)

(c) Whenever this Indenture refers to a provision of the TIA, the provision is incorporated by reference and is made a part of this Indenture. The following TIA terms used in this Indenture have the following meanings:

"indenture securities" means the Notes;

"indenture security holder" means a Holder of a Note;

"indenture to be qualified" means this Indenture;

"indenture trustee" or "institutional trustee" means the Trustee; and

"obligor" on the Notes and the Note Guarantee means the Company and the Guarantor, respectively, and any successor obligor upon the Notes and the Note Guarantee, respectively.

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 such certificates and opinions as may be required under Section 314(c) of the Trust Indenture Act, each such certificate stating that all conditions precedent, if any, provided for in this Indenture relating to the proposed action have been complied with and each such opinion stating that in the opinion of such counsel all such conditions precedent, if any, have been complied with. Each such certificate or opinion shall be given in the form of an Officers' Certificate, if to be given by an Officer of the Company, or an Opinion of Counsel, if to be given by counsel, and shall comply with the requirements of Section 314(c) of the Trust Indenture Act and any other requirements set forth in this Indenture.

Every certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture 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 or she has made such examination or investigation as is necessary to enable him or her 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.

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.

(a) Any request, demand, authorization, direction, notice, consent, waiver or other action provided by this Indenture to be given or taken by Holders may be embodied in and evidenced by one or more instruments of substantially similar tenor signed by such Holders in person or by an agent duly appointed in writing. Except as herein otherwise expressly provided, such action shall become effective when such instrument or instruments are received by the Trustee in accordance with the provisions of this

Indenture 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 (subject to Section 6.1) conclusive in favor of the Trustee and the Company, if made in the manner provided in this Section.

(b) The fact and date of the execution by any Person of any such instrument or writing may be proved by the affidavit of a witness of such execution or 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 reasonably sufficient.

(c) The ownership of Notes shall be proved by references to the Register or in any other reasonable manner which the Trustee deems sufficient.

(d) Any request, demand, authorization, direction, notice, consent, waiver or other Act of the Holder of any Note shall bind every future Holder of the same Note and the holder of every Note 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 Note.

(e) If the Company shall solicit from the Holders any request, demand, authorization, direction, notice, consent, waiver or other Act, the Company may, at its option, by or pursuant to an Officers' Certificate delivered to the Trustee, fix in advance a record date (which shall not be more than 60 days prior to the date of such solicitation) for the determination of Holders entitled to give such request, demand, authorization, direction, notice, consent, waiver or other Act in the circumstances permitted by the Trust Indenture Act, but the Company shall have no obligation to do so. If such a record date is fixed, such request, demand, authorization, direction, notice, consent, waiver or other Act may be given before or after such record date, but only the Holders of record at the close of business on such record date shall be deemed to be Holders for the purposes of determining whether Holders of the requisite proportion of Outstanding Notes have authorized or agreed or consented to such request, demand, authorization, direction, notice, consent, waiver or other Act, and for that purpose the Outstanding Notes 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 it shall become effective pursuant to the provisions of clause (a) of this Section 1.4 not later than six months after the record date. If not set by the Company with respect to solicitations by the Company as described in this paragraph 1.4(e) or by the Trustee pursuant to Section 1.13 prior to the first solicitation of a Holder of Notes made by any Person in respect of any such Act, or, in the case of any such vote, prior to such vote, the record

date for any such Act or vote shall be the 30th day (or, if later, the date of the most recent list of Holders required to be provided pursuant to Section 6.8) prior to such first solicitation or vote, as the case may be. With regard to any record date for an Act to be taken by the Holders, only the Holders on such date (or their duly designated proxies) shall be entitled to give or take, or vote on, the relevant action.

Section 1.5. Notices, etc., to Trustee, Company, and Guarantor. 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, by the Company or by the Guarantor 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: Corporate Trust Administration,

(2) the Company by the Trustee, by the Guarantor 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 UAL Corporation, P.O. Box 66919, Chicago, Illinois 60666, Attention: Treasurer, or at any other address previously furnished in writing to the Trustee by the Company, or

(3) the Guarantor by the Trustee, by the Company 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 Guarantor addressed to it at United Air Lines, Inc., 1200 East Algonquin Road, Elk Grove Township, Illinois 60007, Attention: WHQLD: General Counsel, or at any other address previously furnished in writing to the Trustee by the Guarantor.

Section 1.6. Notice to Holders; Waiver. Where this Indenture provides for notice to Holders of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and mailed, registered mail, return receipt requested, to each such Holder affected by such event, at its address as it appears in the Register, not later than the latest date (if any), and not earlier than the earliest date (if any), prescribed for the giving of such notice and, in those cases where notice by publication is expressly permitted or expressly required by the terms of this Indenture or the TIA, such notice shall be sufficiently given (unless otherwise herein expressly provided) if published once in an Authorized Newspaper.

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 Notes given as provided herein. In any case where notice is given to any Holder by publication pursuant to the express provisions of this Indenture (unless otherwise herein expressly provided), neither the failure to publish such notice, nor any defect in any notice so published, shall affect the sufficiency of any notice by mail to other Holders of Notes 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 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.

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, the cross-reference sheet and the Table of Contents are for convenience only and are not intended to be considered a part hereof and shall not affect the construction hereof.

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

Section 1.9. Separability. In case any provision of this Indenture or the Notes 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 Notes, expressed or implied, shall give to any Person, other than the parties hereto and their successors hereunder and the Holders, any benefit or any legal or equitable right, remedy or claim under this Indenture.

Section 1.11. Governing Law. THIS INDENTURE, THE NOTES AND THE NOTE GUARANTEE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAWS. 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 hereunder to be a part of and govern this Indenture, the Trust Indenture Act 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, then such provision of the Trust Indenture Act shall be deemed to apply to this Indenture as so modified or to be excluded, as the case may be.

Section 1.12. Legal Holidays. In any case where any Interest Payment Date, Redemption Date, or Stated Maturity of any principal of any Note shall not be a Business Day, then payment of principal, premium, if any, or interest need not be made on such date, but may

be made on the next succeeding Business Day 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, or Stated Maturity, as the case may be.

Section 1.13. Trustee to Establish Record Dates. The Trustee may (or, at the request of Holders holding a majority in aggregate principal amount of Notes, shall) fix a record date for the purpose of determining the Holders entitled to make, give or take any request, demand, authorization, direction, notice, consent, waiver or other action provided in this Indenture to be made, given or taken by Holders; provided that the record date for any such action solicited by the Company shall be governed by Section 1.4(e). If such a record date is fixed, the Holders on such record date and only such Holders, shall be entitled to make, give or take such request, demand, authorization, direction, notice, consent, waiver or other action, whether or not such Holders remain Holders after such record date.

Section 1.14. Notes Relative to Other Notes. To the extent of the security provided thereof, the Notes shall be junior in right of payment to the Existing Credit Facility, the Company's and the Guarantor's obligations under the Co-Branded Card Marketing Services Agreement between the Company, Guarantor, Chase Bank U.S.A., N.A. and various other parties, dated as of July 1, 2001, as amended, and any other secured indebtedness of the Company. The Notes shall be *pari passu* in right of payment to the PBGC 6% Senior Notes, and senior in right of payment to the Employee Notes and the PBGC 8% Contingent Notes. Except as otherwise provided above, the Notes shall be *pari passu* in right of payment with all current and future senior unsecured debt of the Company or the Guarantor and senior in right of payment to all current and future subordinated debt of the Company.

Section 1.15. No Personal Liability of Directors, Officers, Employees and Stockholders. No past, present or future director, officer, employee, incorporator or stockholder of the Company or the Guarantor, as such, will have any liability for any obligations of the Company or the Guarantor under the Notes, this Indenture, the Note Guarantee or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder of Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes. The waiver may not be effective to waive liabilities under the federal securities laws.

Section 1.16. Communication by Holders with Other Holders. Holders of Notes may communicate pursuant to Section 312(b) of the TIA with other Holders with respect to their rights under this Indenture or the Notes. The Company, the Trustee, the Registrar and anyone else shall have the protection of Section 312(c) of the TIA.

Section 1.17. Company Responsible for Making Calculations. Unless otherwise specified in this Indenture, the Company will be responsible for making all calculations called for under this Indenture and the Notes. These calculations include, but are not limited to, determination of the Last Reported Sale Price of the Common Stock and the Market Price, the amount of accrued and unpaid interest payable on the Notes, the Conversion Rate of the Notes and the Conversion Price of the Notes. The Company will make these calculations in good faith, and, absent bad faith or manifest error, these calculations will be final and binding on the Holders. Promptly after the calculation thereof, the Company will provide to each of the Trustee

and the Conversion Agent an Officers' Certificate setting forth a schedule of its calculations, and each of the Trustee and the Conversion Agent is entitled to conclusively rely upon the accuracy of such calculations without independent verification. The Trustee will forward the Company's calculations to any Holder upon the request of such Holder.

ARTICLE 2

Security Forms

Section 2.1. Forms Generally. The Notes shall be substantially in the form of Exhibit A hereto. The Notes may have notations, legends or endorsements required by law, stock exchange rule or depository rule or usage. The Company and the Trustee shall approve the form of the Notes and any notation, legend or endorsement thereon. Each Note shall be dated the date of its issuance and shall show the date of its authentication.

If temporary Notes are issued as permitted by Section 3.4, the temporary Notes shall be substantially in the form of the definitive Notes, but may have variations that the Company, with the consent of the Trustee, considers appropriate for temporary Notes. Without unreasonable delay, the Company shall prepare and the Trustee shall authenticate and deliver the definitive Notes in exchange for temporary Notes.

The Notes are issuable in global form pursuant to Section 2.3. Otherwise, pursuant to Section 3.5, the Notes may be issued in the form of certificated Notes in registered form substantially in the form set forth in Exhibit A.

The terms and provisions contained in the Notes shall constitute, and are hereby expressly made, a part of this Indenture and, to the extent applicable, the Company, the Guarantor and the Trustee, by their execution and delivery of this Indenture, expressly agree to such terms and provisions and to be bound thereby.

The permanent Notes shall be printed, lithographed or engraved or produced by any combination of these methods or may be produced in any other manner, all as determined by the Officers executing such Notes, as evidenced by their execution of such Notes.

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

This is one of the Notes issued under the within-mentioned Indenture.

THE BANK OF NEW YORK TRUST
COMPANY, N.A., not in its individual capacity but
solely as Trustee,

By: _____
Authorized Signatory

Section 2.3. Notes in Global Form. The Notes are issuable in temporary or permanent global form substantially in the form of Exhibit A. Notwithstanding the provisions of Section 3.2, any Note issued in global form shall represent such of the Outstanding Notes as shall be specified therein and may provide that it shall represent the aggregate amount of Outstanding Notes from time to time endorsed thereon and that the aggregate amount of Outstanding Notes represented thereby may from time to time be reduced to reflect exchanges, redemptions, purchases or conversions of such Notes. Any endorsement of a Note in global form to reflect the amount of or any increase or decrease in the amount of Outstanding Notes represented thereby, shall be made by the Trustee in such manner and upon instructions given 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 Section 3.4. Subject to the provisions of Section 3.3 and, if applicable, Section 3.4, the Trustee shall deliver and redeliver any Note in 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 Note 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 Note in global form if such Note was never issued and sold by the Company and the Company delivers to the Trustee the Note 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 Notes represented thereby, together with the written statement contemplated by the last paragraph of Section 3.3.

Section 2.4. Global Note Legend. The following legend shall appear on the face of all global Notes issued under this Indenture:

"UNLESS AND UNTIL IT IS EXCHANGED IN WHOLE OR IN PART FOR NOTES IN CERTIFICATED FORM, TRANSFERS OF THIS GLOBAL NOTE SHALL BE LIMITED TO TRANSFERS IN WHOLE, BUT NOT IN PART, TO NOMINEES OF THE DEPOSITORY TRUST COMPANY (55 WATER STREET, NEW YORK, NEW YORK ("DTC"), CEDE & CO. OR TO A SUCCESSOR THEREOF OR SUCH SUCCESSOR'S NOMINEE AND TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN THE INDENTURE. UNLESS THIS NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF DTC TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR SUCH OTHER NAME AS MAY BE REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR SUCH OTHER ENTITY AS MAY BE 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."

Notwithstanding the provisions of Section 2.1 and Section 3.7, payment of principal of, premium, if any, and interest on any Note in permanent global form shall be made to the Person or Persons specified therein.

Section 2.5. Transfer Restrictions. The Notes shall be subject to the limitations on transfer contained in Article Fourth, Part VI, Sections 5 through 7 of the Corporation's Restated Certificate of Incorporation. The following legend shall appear on each Note issued under this Indenture:

"THE TRANSFER OF THIS NOTE OF UAL CORPORATION IS SUBJECT TO RESTRICTION PURSUANT TO ARTICLE FOURTH, PART VI, SECTIONS 5, 6, AND 7 OF THE RESTATED CERTIFICATE OF INCORPORATION OF UAL CORPORATION. UAL CORPORATION WILL FURNISH A COPY OF ITS RESTATED CERTIFICATE OF INCORPORATION TO THE HOLDER OF RECORD OF THIS NOTE WITHOUT CHARGE UPON WRITTEN REQUEST ADDRESSED TO UAL CORPORATION AT ITS PRINCIPAL PLACE OF BUSINESS."

ARTICLE 3

The Securities

Section 3.1. Aggregate Amounts; Issuance.

(a) The aggregate principal amount of 5% Senior Convertible Notes which may be authenticated and delivered under this Indenture is $149,646,114. The entire aggregate amount of $149,646,114 of the 5% Senior Convertible Notes will be issued on the date of this Indenture.

(b) If the Notes are issued in whole or in part in temporary or permanent global form, the Company shall notify the Trustee and each of the Holders of the initial Depositary for such Notes.

(c) All Notes shall be substantially identical except as to denomination and the date from which interest, if any, shall accrue.

Section 3.2. Denominations. Any Notes shall be issuable in registered form without coupons in denominations of $1,000 and any integral multiple thereof.

Section 3.3. Execution, Authentication, Delivery and Dating. The Notes shall be executed on behalf of the Company by the Chairman, President, Chief Executive Officer or Chief Financial Officer under its corporate seal reproduced thereon and attested to by the Secretary or any Assistant Secretary of the Company. The signatures of such Officers on the Notes may be manual or facsimile. The Notes 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 Notes or did not hold such offices at the date of such Notes.

At any time and from time to time after the execution and delivery of this Indenture, the Company may deliver Notes executed by the Company to the Trustee for authentication, together with a Company Order for the authentication, and make available for delivery such Notes, and the Trustee in accordance with the Company Order shall authenticate and deliver such Notes.

Prior to the issuance of Notes after the date of this Indenture, the Trustee shall receive and (subject to Section 6.1) shall be fully protected in relying upon an Opinion of Counsel complying with Section 1.2 which shall also state:

(i) that the form of such Notes has been established in conformity with the provisions of this Indenture;

(ii) that the terms of such Notes have been established in conformity with the provisions of this Indenture;

(iii) that such Notes, 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 valid and legally binding obligations of the Company, enforceable in accordance with their terms, subject to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting the enforcement of creditors' rights and to general equity principles;

(iv) that the Note Guarantee attached to such Notes will constitute the valid and legally binding obligation of the Guarantor, enforceable in accordance with its terms, subject to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting the enforcement of creditors' rights and to general equity principles;

(v) that all laws and requirements in respect of the execution and delivery by the Company of the Notes and the execution and delivery by the Guarantor of the Note Guarantee have been complied with; and

(vi) such other matters as the Trustee may reasonably request.

If the Notes are to be issued in whole or in part in global form, then the Company shall execute and the Trustee shall, in accordance with this Section and the Company Order with respect to such Notes, authenticate and deliver one or more Notes in global form that (i) shall represent and shall be denominated in an amount equal to the aggregate principal amount of the Outstanding Notes to be represented by such Note in global form, (ii) shall be registered in the name of the Depositary for such Note or Notes in global form or the nominee of such Depositary and (iii) shall be delivered by the Trustee to such Depositary or pursuant to such Depositary's instruction.

Each Depositary designated by the Company for a Note in global form must, at the time of its designation and at all times while it serves as Depositary, be a clearing agency registered under the Securities Exchange Act and any other applicable statute or regulation. The Trustee shall have no responsibility to determine if the Depositary is so registered. Each Depositary shall

enter into an agreement with the Trustee governing the respective duties and rights of such Depositary and the Trustee with regard to Notes issued in global form.

No Note 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. Such signature upon any Note shall be conclusive evidence and the only evidence, that such Note has been duly authenticated and delivered under this Indenture and is entitled to the benefits of this Indenture.

Notwithstanding the foregoing, if any Note shall have been authenticated and delivered hereunder but never issued and sold by the Company, and the Company shall deliver such Note 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 Note has never been issued and sold by the Company, for all purposes of this Indenture such Note 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 Notes. Pending the preparation of definitive Notes, the Company may execute and, upon Company Order, the Trustee shall authenticate and deliver temporary Notes which are printed, lithographed, typewritten, mimeographed or otherwise produced, in any authorized

denomination, substantially of the tenor and form of the definitive Notes in lieu of which they are issued and with such appropriate insertions, omissions, substitutions and other variations as the Officers executing such Notes may determine, as conclusively evidenced by their execution of such Notes. Temporary Notes may be in global form.

Except in the case of temporary Notes in global form, each of which shall be exchanged in accordance with the provisions thereof, if temporary Notes are issued, the Company will cause permanent Notes to be prepared without unreasonable delay. After preparation of such permanent Notes, the temporary Notes shall be exchangeable for such permanent Notes of like tenor upon surrender of the temporary Notes at the office or agency of the Company pursuant to Section 9.2 in a Place of Payment, without charge to the Holder. Upon surrender for cancellation of any one or more temporary Notes, the Company shall execute and the Trustee shall authenticate and deliver in exchange therefor a like principal amount of permanent Notes of authorized denominations and of like tenor. Until so exchanged, the temporary Notes shall in all respects be entitled to the same benefits under this Indenture as permanent Notes.

Section 3.5. Registration, Registration of Transfer and Exchange. The Company shall cause to be kept at one of its offices or agencies to be maintained in accordance with Section 9.2 in a Place of Payment a register (the "Register") in which, subject to such reasonable regulations as it may prescribe, the Company shall provide for the registration of Notes and the registration of transfers and exchanges of Notes. The Trustee is hereby appointed as the initial "Registrar" for the purpose of registering Notes and transfers and exchanges of Notes as herein provided.

Upon surrender for registration of transfer of any Note at the office or agency maintained pursuant to Section 9.2 in a Place of Payment, the Company shall execute, and the Trustee shall

authenticate and deliver, in the name of the designated transferee or transferees one or more new Notes, of any authorized denominations and of a like aggregate principal amount and tenor.

At the option of the Holder, Notes (except a Note in global form) may be exchanged for other Notes, of any authorized denominations and of a like aggregate principal amount containing identical terms and provisions, upon surrender of the Notes to be exchanged at such office or agency. Whenever any Notes are so surrendered for exchange, the Company shall execute, and the Trustee shall authenticate and deliver, the Notes which the Holder making the exchange is entitled to receive.

Notwithstanding any other provision (other than the provisions set forth in the sixth and seventh paragraphs of this Section) of this Section, unless and until it is exchanged in whole or in part for Notes in certificated form, a Note in global form representing all or a portion of the Notes may not be transferred except as a whole by the Depositary 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 or a nominee of such successor Depositary.

If at any time the Depositary for the Notes notifies the Company that it is unwilling or unable to continue as Depositary for the Notes or if at any time the Depositary for the Notes shall no longer be eligible under Section 3.3, the Company shall appoint a successor Depositary with respect to the Notes. If a successor Depositary for the Notes is not appointed by the Company within 90 days after the Company receives such notice or becomes aware of such ineligibility, the Company shall execute, and the Trustee, upon receipt of a Company Order for the authentication and delivery of certificated Notes of like tenor, shall authenticate and deliver Notes of like tenor in certificated form, in authorized denominations and in an aggregate principal amount equal to the principal amount of the Note or Notes of like tenor in global form in exchange for such Note or Notes in global form.

The Company may at any time in its sole discretion determine that Notes issued in global form shall no longer be represented by such Notes 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 Note or Notes of like tenor, shall authenticate and deliver, Notes of like tenor in certificated form, in authorized denominations and in an aggregate principal amount equal to the principal amount of the Note or Notes of like tenor in global form in exchange for such Note or Notes in global form.

The Depositary may surrender a Note in global form in exchange in whole or in part for Notes 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 Note or Notes 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 Note in global form; and

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

Upon the exchange of a Note in global form for Notes in certificated form, such Note in global form shall be cancelled by the Trustee. Notes in certificated form issued in exchange for a Note in global form pursuant to this Section shall be registered in such names and in such authorized denominations as the Depositary for such Note in global form, pursuant to instructions from its direct or indirect participants or otherwise, shall instruct the Trustee. The Trustee shall deliver such Notes to the Persons in whose names such Notes are so registered.

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

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

Every Note 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 those of the Company, the Registrar and the Trustee requiring

such written instrument of transfer duly executed by the Holder thereof or such Holder's attorney duly authorized in writing.

No service charge shall be made to a Holder for any registration of transfer or for any exchange of Notes, 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 or transfer or exchange of Notes, other than exchanges pursuant to Section 3.4, or Section 10.6 not involving any transfer.

The Company shall not be required (i) to issue, register the transfer of, or exchange any Notes (A) for a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of Notes selected for redemption under Section 10.3 and ending at the close of business on the day of such mailing or (B) from and after the date on which the Trustee has received a Company Repurchase Election under Section 10.9 with respect to such Notes; or (ii) to register the transfer of or exchange any Note so selected for redemption or repurchase, in whole or in part, except the unredeemed or unpurchased portion of any Note being redeemed or repurchased in part.

Section 3.6. Replacement Notes. If a mutilated Note is surrendered to the Trustee, together with 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 Note of the same principal amount and Stated 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 Note 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 notice to the Company or the Trustee that such Note 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 Note, a replacement Note of the same principal amount and Stated Maturity containing identical terms and provisions and bearing a number not contemporaneously outstanding.

In case any such mutilated, destroyed, lost or stolen Note has become or is about to become due and payable, the Company in its discretion may, instead of issuing a new Note, pay such Note.

Upon the issuance of any new Note 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) connected therewith.

Every new Note issued pursuant to this Section in lieu of any destroyed, lost or stolen Note shall constitute an original additional contractual obligation of the Company, whether or not the destroyed, lost or stolen Note 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 Notes duly issued hereunder.

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

Section 3.7. Payment of Interest; Interest Rights Preserved.

(a) Interest, if any, on any Note 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 Note (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 Section 9.2; provided, however, that, at the option of the Company, interest on any Notes 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 Notes; (ii) in cash, by wire transfer to an account maintained by the Person entitled thereto as specified in the Register of Holders of Notes; or (iii) with respect to any Interest Payment Date on or prior to the first anniversary of the original issuance date of the Notes, in Common Stock having a Market Value as of the close of business on the Business Day immediately preceding the relevant Interest Payment Date equal to the amount of interest not paid by check or wire transfer to the Person entitled to receive such interest payment (but in any case if such amounts are to be paid by the Trustee or the Paying Agent, such amounts must be received by the Trustee or the Paying Agent no later than 10:00 a.m., New York City time, on the scheduled date of such payment in immediately available funds and designated for and sufficient to pay all interest, if any, on the Notes then due).

(b) Any interest on any Note which is payable, but is not punctually paid or duly provided for in accordance with Section 3.7(a) 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 the Notes (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 notify the Trustee in writing of the amount of Defaulted Interest proposed to be paid on each Note and the date of the proposed payment, and at the same time, the Company shall deposit with the Trustee no later than 10:00 a.m., New York City time, on the Special Record Date 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 fewer than 10 days prior to the date of the proposed payment and not fewer 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 Notes at its address as it appears in the Register, not fewer 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 the Notes (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 the Notes (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 Notes 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.

(c) Subject to the foregoing provisions of this Section 3.7 and Section 3.5, each Note delivered under this Indenture upon registration of transfer of or in exchange for or in lieu of any other Note shall carry the rights to interest accrued and unpaid, and to accrue, which were carried by such other Notes.

Section 3.8. Persons Deemed Owners. Prior to due presentment of any Note 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 Note is registered as the owner of such Note for the purpose of receiving payment of principal of, premium, if any, and (subject to Section 3.7) interest on such Note and for all other purposes whatsoever, whether or not such Note 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 Note in global form, or for maintaining supervising or reviewing any records relating to such beneficial ownership interests. Notwithstanding the foregoing, with respect to any Note 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 Note in global form or impair, as between such Depositary and owners of beneficial interests in such Note in global form, the operation of customary practices governing the exercise of the rights of such Depositary (or its nominee) as Holder of such Note in global form.

Section 3.9. Cancellation. All Notes surrendered for payment, redemption or registration of transfer or exchange shall, if surrendered to any Person other than the Trustee, be delivered to the Trustee and, upon receipt, shall be promptly cancelled by it. The Company at any time may deliver Notes previously authenticated and delivered hereunder which the Company may have acquired in any manner whatsoever, and may deliver to the Trustee (or any other Person for delivery to the Trustee, on its behalf) for cancellation any Notes previously authenticated hereunder which the Company has not issued and sold, and all Notes so delivered shall be promptly cancelled by the Trustee. No Notes shall be authenticated in lieu of or in exchange for any Notes cancelled as provided in this Section, except as expressly permitted by this Indenture. All cancelled Notes held by the Trustee shall be disposed of as directed by a Company Order at the sole expense of the Company.

Section 3.10. Computation of Interest. Interest on any Notes shall be computed on the basis of a 360-day year of twelve 30-day months.

Section 3.11. CUSIP Numbers. The Company in issuing the Notes may use "CUSIP" numbers (if then generally in use), and, if so, the Trustee shall use "CUSIP" numbers (in addition to the other identification numbers printed on the Notes) in notices of redemption as a convenience to Holders; provided that any such notice may state that no representation is made as to the correctness of such numbers either as printed on the Notes or as contained in any notice of a redemption and that reliance may be placed only on the other identification numbers printed on the Notes, and any such redemption shall not be affected by any defect in or omission of such numbers.

ARTICLE 4

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 Notes (except as to any surviving rights of registration of transfer or exchange of such Notes as herein expressly provided for) and the Trustee, at the cost and expense of the Company, shall execute proper instruments acknowledging satisfaction and discharge of this Indenture with respect to such Notes (the Company, however, hereby agreeing to reimburse the Trustee for any costs and expenses thereafter incurred by the Trustee in connection with this Indenture or the Notes) when

(1) either

(A) all such Notes previously authenticated and delivered (other than (i) such Notes which have been destroyed, lost or stolen and which have been replaced or paid as provided in Section 3.6, and (ii) such Notes 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 Notes 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 the giving of notice of redemption by the Trustee in the name, and at the expense, of the

Company;

and the Company or the Guarantor, in the case of (i), (ii) or (iii) above, has deposited irrevocably or caused to be deposited irrevocably with the Trustee as trust funds in trust, which shall be immediately due and payable, for the purpose an amount sufficient to pay and discharge the entire indebtedness on such Notes not theretofore delivered to the Trustee for cancellation, for principal, premium, if any, and interest to the date of such deposit (in the case of Notes which have become due and payable) or to the Stated Maturity or Redemption Date, as the case may be provided, however; that there shall not exist on the date of such deposit a Default or Event of Default; provided, further, that such deposit shall not result in a breach or violation of, or constitute a Default under this Indenture or a default under any other agreement or instrument to which the Company or the Guarantor is a party or to which the Company or the Guarantor is bound;

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

(2) 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 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 6.9, the obligations of the Company to any Authenticating Agent under Section 6.14 and, if money shall have been deposited with the Trustee pursuant to subclause (1)(B) of this Section, the obligations under Section 3.3, Section 3.5, Section 3.6, Section 3.10 and Section 4.2, the last paragraph of Section 9.3 and Article 5 as it relates to the above-mentioned Sections and Articles shall survive until the Notes have been indefeasibly paid in full; provided, however, that the Company shall reimburse the Trustee for any costs and expenses incurred by the Trustee in connection with effectuating the provisions of Section 4.2 and Section 9.3.

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 Notes 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. Company's Option to Effect Defeasance or Covenant Defeasance. The Company may at its option by Board Resolution, at any time, with respect to the Notes and the Note Guarantee, elect to have Section 4.4 (if applicable) or Section 4.5 (if applicable) be applied to such Outstanding Notes and the Note Guarantee upon compliance with the conditions set forth below in this Article 4.

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 Notes, the Company and the Guarantor shall be deemed to have been discharged from their obligations with respect to such Notes and the Note Guarantee on and after 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 Notes and the Note Guarantee which 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 Notes, such Note Guarantee and this Indenture insofar as such Notes and such Note Guarantee are concerned (and the Trustee, at the cost and 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 Outstanding Notes 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 Notes when such

payments are due; (ii) the Company's obligations with respect to such Notes under Section 3.4, Section 3.5, Section 3.6, Section 9.2 and Section 9.3 and such obligations as shall be ancillary thereto; (iii) the rights, powers, trusts, duties and immunities of the Trustee hereunder; (iv) the right of the Holders to convert any Notes as provided in Article 12 and (v) this Article 4. Subject to compliance with this Article 4, the Company may exercise its option under this Section notwithstanding the prior exercise of its option under Section 4.5 with respect to such Notes and the Note Guarantee. Following a defeasance, payment of such Notes may not be accelerated because of 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 Notes, the Company shall be released from its obligations under Section 7.1 and Section 9.5 with respect to the Notes and the Note Guarantee on and after the date the conditions set forth in Section 4.6 are satisfied (hereinafter, "covenant defeasance"), and such Notes 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 Section 7.1 and Section 9.5 but shall continue to be deemed "Outstanding" for all other purposes hereunder. For this purpose, such covenant defeasance means that, with respect to such Notes, 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, 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(4) or otherwise, as the case may be, but, except as specified above, the remainder of this Indenture and the Notes and the Note Guarantee 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 Notes:

(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 Section 4.3 through Section 4.8 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 below, specifically pledged as security for, and dedicated solely to, the benefit of the Holders of such Notes, with instructions to the Trustee as to the application thereof, (A) cash in United States dollars in an amount or (B) non-callable 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, cash in United States dollars in an amount or (C) a combination of cash in United States dollars and non-callable Government Obligations in an amount, sufficient, in each case, in the opinion of a nationally recognized firm of independent certified public accountants 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, the principal of, premium, if any, and interest, if any, on such Notes on the Maturity of such principal or installment of principal or interest on the day on which such payments are due and payable in

accordance with the terms of this Indenture and such Notes. Before such a deposit the Company may make arrangements satisfactory to the Trustee for the redemption of Notes at a future date or dates in accordance with Article 10 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, the Company shall have delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, in each case in form and substance reasonably satisfactory to the Trustee, stating 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 Notes 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 amount 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.

(d) 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 Notes will not recognize income, gain or loss for Federal income tax purposes as a result of such deposit and 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.

(e) The Company shall have delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, in each case in form or substance reasonably satisfactory to the Trustee, 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.

(f) The Company shall have delivered to the Trustee an Officers' Certificate in form and substance reasonably satisfactory to the Trustee, stating that it has been informed by the relevant securities exchange(s) that the Notes, if then listed on any such securities exchange, will not be delisted as a result of such deposit.

(g) No Default or Event of Default with respect to the Notes shall have occurred and be continuing (A) on the date of such deposit or (B) insofar as Section 5.1(6)

and Section 5.1(7) are concerned, at any time during the period ending on the 121st day after the date of such deposit or, if longer, ending on the day following the expiration of the longest preference period applicable to the Company in respect of such deposit (it being understood that the condition in this condition shall not be deemed satisfied until the expiration of such period).

(h) Such defeasance or covenant defeasance shall not (A) cause the Trustee for the Notes to have a conflicting interest as defined in Section 6.12 or for purposes of Section 310(b) of the Trust Indenture Act with respect to any securities of the Company or (B) result in the trust arising from such deposit to constitute, unless it is qualified as, a regulated investment company under the Investment Company Act of 1940, as amended.

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 non-callable Government Obligations (including the proceeds thereof) deposited with the Trustee pursuant to Section 4.6 in respect of any Notes shall be held in trust and applied by the Trustee, in accordance with the provisions of such Notes 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 Notes 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.

The Company shall indemnify the Trustee against any tax, fee or other charge, cost or expenses imposed on or assessed against the money or non-callable Government Obligations deposited pursuant to Section 4.7 or the principal and interest received in respect thereof.

Anything herein to the contrary notwithstanding, the Trustee shall deliver or pay to the Company from time to time upon Company Request any money or non-callable Government Obligations held by it as provided in this Section 4.7 which, in the opinion of a nationally recognized firm of independent public accountants satisfactory to the Trustee (including, without limitation, compliance with any applicable Financial Accounting Standards Board or Commission pronouncements, rules and regulations and computations set forth therein) expressed in a written certification thereof delivered to the Trustee, are in excess of the amount thereof which would then be required to be deposited to effect an equivalent defeasance or covenant defeasance.

Section 4.8. Reinstatement. If the Trustee or the Paying Agent is unable to apply any money in United States dollars or non-callable Government Obligations in accordance with Section 4.4 or Section 4.5 by reason of any order or judgment or any court or governmental authority enjoining, restraining or otherwise prohibiting such application, then the Company's obligations under the Notes shall be revived and reinstated as though no deposit had

occurred pursuant to this Article 4 until such time as the Trustee or Paying Agent is permitted to apply all such money in accordance with Section 4.4 or Section 4.5; provided, however, that if the Company makes any payment of principal of (and premium, if any) or interest on any such Notes following the reinstatement of its obligations, the Company shall be subrogated to the rights of the Holders of such Notes to receive such payment from the money held by the Trustee or the Paying Agent.

ARTICLE 5

Defaults and Remedies

Section 5.1. Events of Default. An "Event of Default" occurs with respect to the Notes 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 or the Guarantor defaults in the payment of interest on any Note when the same becomes due and payable and such Default continues for a period of 30 days;

(2) the Company or the Guarantor defaults in the payment of the principal of or any premium on any Note when the same becomes due and payable at its Maturity or on redemption, repurchase at the option of Holders or otherwise, when and as due by the terms of the Notes;

(3) the Company fails to provide notice of a Change in Ownership or a Fundamental Change pursuant to Section 10.8, or a Company Repurchase pursuant to Section 10.9 to the Trustee and each Holder;

(4) the Company or the Guarantor defaults in the performance of, or breaches, any covenant or warranty of the Company or the Guarantor in this Indenture with respect to any Note or Note Guarantee, as the case may be (other than a covenant or warranty a default in whose performance or whose breach is elsewhere in this Section 5.1 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 and the Guarantor by the Trustee or to the Company, the Guarantor and the Trustee by the Holders of at least 25% in aggregate principal amount of the Outstanding Notes, 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; provided, however, that if the Company defaults in the performance of, or breaches, any covenant or warranty of the Company contained in Article 7, Section 9.6, Section 9.8 or Section 9.11, such Default will be an Event of Default immediately, without any action by the Holders;

(5) the Company defaults in its obligation to deliver shares of Common Stock, cash or other property upon conversion of any of the Notes upon the exercise of a Holder's rights pursuant to Article 12 and such Default continues for 15 days or more;

(6) the Company or the Guarantor pursuant to 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 for all or substantially all of its respective property, or (C) orders the winding up or liquidation of the Company or the Guarantor; and in each case the order or decree remains unstayed and in effect for 60 days; or

(8) the Note 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 any Guarantee, or gives notices to such effect (other than by reason of the termination of this Indenture or the release of any such Note 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 or the Company to remedy the same shall have been given to the Company by the Trustee or to the Company and the Trustee by the Holders of 25% in the aggregate principal amount at maturity of the Notes Outstanding. For purposes of clarification, this 30-day grace period is in place of and not in addition to the 60-day grace period in Section 5.1(4) above.

Section 5.2. Acceleration; Rescission and Annulment. If an Event of Default with respect to the Notes at the time Outstanding (other than an Event of Default specified in Section 5.1(6) and Section 5.1(7)) occurs and is continuing, the Trustee or the Holders of at least 25% in aggregate principal amount of all of the Outstanding Notes, by written notice to the Company (and, if given by the Holders, to the Trustee), may declare the principal of and premium, if any, accrued and unpaid interest on, and all other amounts due with respect to all the Notes to be due and payable and upon any such declaration such principal, premium, interest and other amounts shall be immediately due and payable. In case an Event of Default specified in Section 5.1(6) or Section 5.1(7) occurs and is continuing, the principal of, premium, if any, accrued and unpaid interest on, and all other amounts with respect to the Notes shall be automatically due and payable immediately without any declaration or other act on the part of the Trustee or the Holders.

At any time after a declaration of acceleration with respect to Notes 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 5 provided, the Holders of a majority in aggregate principal amount of the Outstanding Notes, by written notice to the Trustee, may rescind and annul such declaration and its consequences if:

(1) the Company has paid or deposited with the Trustee a sum sufficient to pay:

(A) all overdue installments of interest on all Outstanding Notes,

(B) the principal of (and premium, if any, on, and all other amounts due with respect to) any Outstanding Notes which have become due otherwise than by such declaration of acceleration and interest thereon at the rate borne by the Notes,

(C) to the extent that payment of such interest is lawful, interest upon overdue installments of interest at the rate specified in the Notes, and

(D) all sums paid or advanced by the Trustee hereunder and the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel; and

(2) all existing Defaults and Events of Default with respect to Notes, other than the non-payment of the principal of and premium, if any, on, and other amounts due with respect to the Notes which have 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 Note 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 Notes at the Maturity thereof or on redemption or otherwise, when and as due by the terms of that Note,

the Company will, upon demand of the Trustee, pay to it, for the benefit of the Holders of such Notes, the whole amount then due and payable on such Notes for principal, premium, if any, and interest with interest on any overdue principal, premium, if any, and, to the extent that payment of such interest shall be legally enforceable, on any overdue interest, at the rate or rates prescribed therefore in such Notes 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 amount 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 the sums so due and unpaid, and may prosecute such proceeding to judgment or final decree, and may enforce the same against the Company, the Guarantor or any other obligor upon the Notes and collect the moneys adjudged or decreed to be payable in the manner provided by law out of the property of the Company, the Guarantor or any other obligor upon the Notes, wherever situated.

If an Event of Default with respect to Notes occurs and is continuing, the Trustee may in its discretion proceed to protect and enforce its rights and the rights of the Holders of Notes 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. In case of any judicial proceeding directly involving the Company (or the Guarantor or any other obligor upon the Notes), its property or its creditors acting as such, the Trustee shall be entitled and empowered, by intervention in such proceeding or otherwise, to take any and all actions authorized under Section 317(a)(2) of the Trust Indenture Act or otherwise in order to have claims of the Holders and the Trustee allowed in any such proceeding. In particular, the Trustee shall be authorized to collect and receive any moneys or other property payable or deliverable on any such claims and to distribute the same; and any Custodian 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 to 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 6.9.

No provision of this Indenture 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 Notes or the rights of any Holder thereof or to authorize the Trustee to vote in respect of the claim of any Holder in any such proceeding.

Section 5.5. Trustee May Enforce Claims Without Possession of Notes. All rights of action and claims under this Indenture or the Notes may be prosecuted and enforced by the Trustee without the possession of any of the Notes or the production thereof in any proceeding relating thereto. Any such proceeding instituted by the Trustee shall be brought in its own name as trustee of an express trust, and any recovery of judgment shall, after provision for the payment of the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, be for the ratable benefit of the Holders of the Notes in respect of which such judgment has been recovered.

Section 5.6. Delay or Omission Not Waiver. No delay or omission by the Trustee or any Holder of any Notes 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. Every right and remedy given by this Article 5 or by law to the Trustee or to the Holders may be exercised from time to time, and as often as may be deemed expedient, by the Trustee or by the Holders, as the case may be.

Section 5.7. Waiver of Past Defaults. The Holders of a majority in aggregate principal amount of Outstanding Notes by notice to the Trustee may waive on behalf of the Holders of all Notes a past Default or Event of Default with respect the Notes and its consequences except (i) a Default or Event of Default in the payment of the principal of, premium, if any, or interest on any Note 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 Note 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. The Company shall deliver to the Trustee

an Officers' Certificate stating that the requisite percentage of Holders have consented to such waiver and attach copies of such consents. 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 Notes, respectively.

Section 5.8. Control by Majority. The Holders of a majority in aggregate principal amount of the Outstanding Notes affected 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 Notes; provided, however, that the Trustee may refuse to follow any direction that (i) conflicts with law or this Indenture, (ii) is (in the Trustee's reasonable judgment) prejudicial to the rights of another Holder or the Trustee or (iii) in the Trustee's reasonable judgment, may involve the Trustee in personal liability (unless the Trustee is offered indemnity, reasonably satisfactory to it, against the costs, expenses and liabilities the Trustee may incur to comply with such direction). Notwithstanding the foregoing, the Trustee may take any other action deemed proper by the Trustee which is not inconsistent with any such direction.

Section 5.9. Limitation on Suits by Holders. No Holder of any Note shall have any right to institute any proceeding, judicial or otherwise, with respect to this Indenture, or for the appointment of a Custodian, 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 Notes;

(2) the Holders of at least 25% in aggregate principal amount of the Outstanding Notes 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 reasonable indemnity and security against any loss, liability or expense to be, or which may be, incurred by the Trustee in complying with such request;

(4) the Trustee for 60 days after its receipt of such notice, request and the 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 Notes 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 and to Convert. Notwithstanding any other provision of this Indenture, any Holder of a Note shall have the right, which is absolute and unconditional, (i) to receive payment of principal of, premium, if any, and, subject to Section 3.5 and Section 3.7, interest on the Note, on or after the Stated Maturity expressed in the Note (or, in case of redemption, on the Redemption Dates), (ii) to convert the Note in accordance with Article 12 and (iii) to bring suit for the enforcement of any such payment or the right to convert on or after such respective dates, and such rights 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 5, 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 Notes 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 6.9;

Second: to Holders of Notes in respect of which or for the benefit of which such money has been collected for amounts due and unpaid on such Notes 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 Notes for principal, premium, if any, and interest, respectively; and

Third: to the Company.

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 Notes 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. Undertaking for Costs. In any suit for the enforcement of any right or remedy under this Indenture, or in any suit against the Trustee for any action taken, suffered or omitted by it as Trustee, a court may require any party litigant in such suit to file an undertaking to pay the costs of such suit, and may assess costs against any such party litigant, in the manner and to the extent provided in Section 315(e) of the Trust Indenture Act; provided, that neither this Section nor the Trust Indenture Act shall be deemed to authorize any court to require such an undertaking or to make such an assessment in any suit instituted by the Company, by the Trustee, by a Holder pursuant to Section 5.10 or by Holders of more than 10% in principal amount of Outstanding Notes.

Section 5.15. Waiver of Stay or Extension Laws. Each of the Company and the Guarantor covenants (to the extent that it may lawfully do so) that it will not at any time insist upon, or plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay or extension law wherever enacted, now or at any time hereafter in force, which would prohibit

or forgive the Company or the Guarantor from paying all or any portion of the principal of or premium on any Notes when the same becomes due and payable at Maturity or on redemption, repurchase at the option of Holders or otherwise as contemplated herein, or may affect the covenants contained herein or any usury or other law or the performance of this Indenture and each of the Company and the Guarantor (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law, and covenants that it will not hinder, delay or impede the execution of any power herein granted to the Trustee, but will suffer and permit the execution of every such power as though no such law had been enacted.

ARTICLE 6

The Trustee

Section 6.1. Certain Duties and Responsibilities.

(a) Except during the continuation of an Event of Default:

(1) The Trustee undertakes to perform such duties and only such duties as are specifically set forth in this Indenture, and no implied covenants or obligations shall be read into this Indenture against the Trustee; and

(2) In the absence of negligence or willful misconduct on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture; but in the case of any such certificates or opinions which by any provision hereof are specifically required to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Indenture.

(b) In case an Event of Default has occurred and is continuing with respect to the Notes, the Trustee shall exercise such of the rights and powers vested in it by this Indenture with respect to the Notes, and use the same degree of care and skill in its exercise, as a prudent person would exercise or use under the circumstances in the conduct of his or her own affairs.

(c) No provision of this Indenture shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that:

(1) this subsection shall not be construed to limit the effect of subsection (a) of this Section;

(2) the Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts; and

(3) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Holders of a

majority in aggregate principal amount of the Outstanding Notes relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Indenture with respect to the Notes.

(d) No provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

(e) Whether or not therein expressly so provided, every provision of this Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Section.

Section 6.2. Notice of Defaults. If a Default occurs and is continuing with respect to the Notes and if it is known to the Trustee, the Trustee shall, within the earlier of 90 days after it occurs or 30 days after it actually becomes known to the Trustee, transmit, to the Holders, in the manner and to the extent provided in Section 313(c) of the Trust Indenture Act, notice of such Default; provided, however, that, in the case of a Default other than a Default in any payment on the Notes, the Trustee may withhold the notice if and so long as the board of directors, the executive committee or a committee of its Responsible Officers in good faith determines that withholding such notice is in the interests of Holders of Notes; provided further that, in the case of any Default or breach of the character specified in Section 5.1(4) with respect to the Notes, no such notice to Holders shall be given until at least 30 days after the occurrence thereof.

Section 6.3. Rights of Trustee. Subject to the provisions of Section 6.1 and Sections 313, 315 and 317 of the Trust Indenture Act:

(a) The Trustee may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties.

(b) 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 Note, 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) Whenever in the administration of this Indenture the Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Trustee (unless other evidence be herein specifically prescribed) may, in the absence of negligence or willful misconduct on its part, rely upon an Officers' Certificate.

(d) The Trustee may consult with counsel of its selection and the written advice of such counsel or any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon.

(e) 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 of the Holders pursuant to this Indenture, unless such Holders shall have offered to the Trustee security or indemnity reasonably satisfactory to the Trustee against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction.

(f) The Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note or other paper or document, unless requested in writing to do so by the Holders of not less than a majority in aggregate principal amount of the Notes at the time Outstanding, but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records and premises of the Company and the Guarantor, personally or by agent or attorney.

(g) 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 reasonable care by it hereunder.

Section 6.4. Trustee May Hold Notes. 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 Notes and, subject to Sections 310(b) and 311 of the Trust Indenture Act, may otherwise deal with the Company, an Affiliate or Subsidiary with the same rights it would have if it were not Trustee, Paying Agent, Registrar or such other agent.

Section 6.5. 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 6.6. Trustee's Disclaimer. The recitals contained herein and in the Notes, 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 Notes. The Trustee shall not be accountable for the Company's use of the proceeds from the Notes or for monies paid over to the Company pursuant to the Indenture.

Section 6.7. Reports by Trustee to the Holders. Within 60 days after each May 15 of each year commencing with the first May 15 after the first issuance of Notes pursuant to this Indenture, the Trustee shall transmit by mail to all Holders of Notes as provided in Section 313(c) of the Trust Indenture Act a brief report dated as of such May 15 if required by Section 313(a)

of the Trust Indenture Act. The Trustee also shall comply with Section 313(b) and (d) of the Trust Indenture Act; provided that with respect to the Trustee's obligation to file any report with a stock exchange, the Company will have provided prompt written notice to the Trustee that any such Notes are listed on a stock exchange within a reasonable period of time prior to the issuance of any such reports by the Trustee and at all other times the Company will reasonably promptly notify the Trustee when any Notes are listed on any stock exchange.

Section 6.8. Securityholder Lists. The Trustee shall preserve in as current a form as is reasonably practicable the most recent list available to it of the names and addresses of Holders of Notes. Every Holder of Notes, by receiving and holding the same, agrees with the Company and the Trustee that neither the Company nor the Trustee nor any agent of either of them shall be held accountable by reason of any disclosure of information as to names and addresses of Holders made pursuant to Section 312(a) of the Trust Indenture Act. 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 of the Registrar, the Company or any of its Paying Agents other than the Trustee as to the names and addresses of Holders of Notes.

Section 6.9. Compensation and Indemnity.

(a) Other than as provided in the Fee Agreement, dated as of September 30, 2005, by and among the Company, the Guarantor and the Trustee, the Company covenants and agrees to pay to the Trustee from time to time, and the Trustee shall be entitled to, such compensation as shall be agreed to in writing between the Company and the Trustee for all services rendered by it hereunder. The Trustee's compensation shall not be limited by any law on compensation of a trustee of an express trust. The Company shall pay or reimburse the Trustee upon request for all reasonable out-of-pocket costs or expenses or other charges, fees, fines or advances incurred or made by it in connection with the performance of its duties under this Indenture, except any such expense as may be attributable to its negligence or willful misconduct. Such expenses shall include the reasonable compensation and expenses of the Trustee's agents and counsel.

(b) The Company and the Guarantor shall indemnify the Trustee (including in its individual capacity, and its officers, agents, directors and employees) for, and hold it harmless against, any loss, liability or expense incurred by it without negligence or willful misconduct on its part arising out of or in connection with its acceptance or administration of the trust or trusts hereunder. The Trustee shall notify the Company reasonably promptly of any claim for which it may seek indemnity. The Company or the Guarantor shall defend the claim and the Trustee shall reasonably cooperate in the defense (it being understood that the Company will promptly upon request by the Trustee reimburse the Trustee for any out-of-

pocket costs or expenses incurred by the Trustee in connection with such claim). The Trustee may have separate counsel and the Company or the Guarantor shall pay the reasonable fees and expenses of such counsel. Neither the Company nor the Guarantor need pay for any settlement made without its consent.

(c) The Company need not reimburse any expense or indemnify against any loss or liability incurred by the Trustee through negligence or willful misconduct.

(d) To secure the payment obligations of the Company and the Guarantor pursuant to this Section 6.9, the Trustee shall have a lien prior to the Notes on all money or property held or collected by the Trustee, except such money or property held in trust to pay principal, premium, if any, and interest on particular Notes.

(e) When the Trustee incurs expenses or renders services in connection with an Event of Default specified in Section 5.1(6) or Section 5.1(7), 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 Bankruptcy Law.

(f) The provisions of this Section shall survive the termination of this Indenture.

Section 6.10. Replacement of Trustee.

(a) 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 6.11.

(b) The Trustee may resign at any time with respect to the Notes by giving written notice thereof to the Company. If the instrument of acceptance by a successor Trustee required by Section 6.11 shall not have been delivered to the Trustee within 30 days after the giving of such notice of resignation, the resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee with respect to the Notes.

(c) The Holders of a majority in aggregate principal amount of the Outstanding Notes may remove the Trustee by so notifying the Trustee and the Company and may appoint a successor Trustee with the Company's consent (which consent shall not be unreasonably withheld or delayed); provided that no such consent on the part of the Company shall be required if an Event of Default shall have occurred and be continuing.

(d) 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 Note for at least six months;

(2) the Trustee shall cease to be eligible under 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 Note who has been a bona fide Holder of a Note for at least six months; or

(3) the Trustee becomes incapable of acting, is adjudged a bankrupt or an insolvent or a Custodian 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 by or pursuant to a Board Resolution may remove the Trustee with respect to all Notes, or (ii) subject to Section 315(e) of the Trust Indenture Act, any Holder who has been a bona fide Holder of a Note for at least six months may, on behalf of itself and all other similarly situated, petition any court of competent jurisdiction for the removal of the Trustee with respect to all Notes and the appointment of a successor Trustee or Trustees.

(e) If the Trustee resigns or is removed or if a vacancy exists in the office of Trustee for any reason, with respect to Notes, the Company, by or pursuant to Board Resolution, shall promptly appoint a successor Trustee with respect to the Notes (it being understood that any such successor Trustee may be appointed with respect to the Notes and that at any time there shall be only one Trustee with respect to the Notes) and shall comply with the applicable requirements of Section 6.11. If, within one year after such resignation, removal or incapability, or the occurrence of such vacancy, a successor Trustee with respect to the Notes has not been appointed by the Company and accepted such appointment, then a successor Trustee shall be appointed by Act of the Holders of a majority in aggregate principal amount of the Outstanding Notes 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 6.11, become the successor Trustee with respect to the Notes and to that extent supersede the successor Trustee appointed by the Company. If no successor Trustee with respect to the Notes shall have been so appointed by the Company or the Holders and accepted appointment in the manner required by Section 6.11, any Holder who has been a bona fide Holder of a Note for at least six months may, on behalf of itself and all others similarly situated, petition any court of competent jurisdiction for the appointment of a successor Trustee with respect to the Notes.

Section 6.11. Acceptance of Appointment by Successor.

(a) In case of the appointment hereunder of a successor Trustee with respect to all Notes, 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.

(b) In case of the appointment hereunder of a successor Trustee with respect to the Notes, 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 Notes and (ii) 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 Notes; 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 Notes.

(c) 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.

(d) No successor Trustee shall accept its appointment unless at the time of such acceptance such successor Trustee shall be qualified and eligible under Section 310 of the Trust Indenture Act.

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

Section 6.12. Disqualification; Eligibility.

(a) If the Trustee has or shall acquire a conflicting interest within the meaning of Section 310(b) 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 provision of Section 310(b) of the Trust Indenture Act and this Indenture.

(b) There shall at all times be a Trustee hereunder which shall be eligible pursuant to Section 310 of the Trust Indenture Act to act as Trustee and shall have a combined capital and surplus of at least $100,000,000. 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 hereinafter specified in this Article 6.

Section 6.13. Merger, Conversion, Consolidation or Succession to Business. Any corporation into which the Trustee may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any corporation succeeding to all or substantially all the corporate trust business of the Trustee, shall be the successor of the Trustee hereunder, provided such corporation shall be otherwise qualified and eligible under this Article 6, without the execution or filing of any paper or any further act on the part of any of the parties hereto. In case any Notes 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 Notes so authenticated with the same effect as if such successor Trustee had itself authenticated such Notes.

Section 6.14. Appointment of Authenticating Agent. The Trustee may appoint an Authenticating Agent or Agents with respect to the Notes which shall be authorized to act on behalf of the Trustee to authenticate Notes issued upon original issue and upon exchange, registration of transfer or partial redemption thereof, and Notes 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 Notes 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 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 that $100,000,000 and subject to supervision or examination by Federal, State, Territorial or District of Columbia 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 all or substantially all of 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 the Notes may at any time resign by giving written notice of resignation to the Trustee and to the Company. The Trustee 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 qualified and eligible in accordance with the provisions of this Section, the Trustee may appoint a successor Authenticating Agent which shall be acceptable to the Company and shall give notice of such appointment to all Holders of Notes 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 reasonable compensation including reimbursement of its reasonable expenses for its services under this Section.

If an appointment is made pursuant to this Section, the Notes 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 Notes issued under the within-mentioned Indenture.

The Bank of New York Trust Company, N.A., not in its individual capacity but solely in its capacity as Trustee,

By: _____
as Authenticating Agent

By: _____
Authorized Officer

Section 6.15. Trustee's Application for Instructions from the Company. Any application by the Trustee for written instructions from the Company may, at the option of the Trustee, set forth in writing any action proposed to be taken or omitted by the Trustee under this Indenture and the date on and/or after which such action shall be taken or such omission shall be effective. The Trustee shall not be liable to the Company for any action taken by, or omission of, the Trustee in accordance with a proposal included in such application on or after the date specified in such application (which date shall not be less than fifteen Business Days after the date any officer of the Company actually receives such application, unless any such officer shall have consented in writing to any earlier date) unless prior to taking any such action (or the effective date in the case of an omission), the Trustee shall have received written instructions in response to such application specifying the action to be taken or omitted.

Section 6.16. Preferential Collection of Claims Against Company. If and when the Trustee shall be or become a creditor of the Company (or the Guarantor or any other obligor

upon the Notes), the Trustee shall be subject to the provisions of Section 311(a) of the Trust Indenture Act regarding the collection of claims against the Company (or the Guarantor or any such other obligor).

ARTICLE 7

Consolidation, Merger or Sale by the Company

Section 7.1. Consolidation, Merger or Sale of Assets Only on Certain Terms. The Company shall not merge or consolidate with or into any other Person, or sell, convey, transfer, lease or otherwise dispose of all or substantially all of its assets to any Person, whether in a single transaction or a series of transactions, unless (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 such sale, conveyance, transfer, lease or other disposition, the successor or acquiring corporation is a corporation organized and existing under the laws of the United States or a State thereof and such corporation expressly assumes by supplemental indenture all the obligations of the Company under the Notes and under this Indenture (including the conversion rights set forth in Article 12), (ii) if, as a result of such transaction, the Notes became convertible or exchangeable into common stock or securities issued by a third party, such third party fully and unconditionally guarantees all obligations under the Notes and this Indenture, (iii) immediately thereafter, giving effect to such merger or consolidation, or such sale, conveyance, transfer, lease or other disposition, no Default or Event of Default shall have occurred and be continuing, and (iv) the Company has delivered to the Trustee an Officers' Certificate and an Opinion of Counsel each stating that such merger or consolidation, or such sale, conveyance, transfer, lease or other disposition complies with this Article 7 and, if a supplemental indenture is required in connection with such transaction, such supplemental indenture complies with this Article 7 and Article 8 and that all conditions precedent herein provided for or relating to such transaction have been complied with. Subject to the mandatory redemption provisions of Section 10.8, in the event of the assumption by a successor corporation of the obligations of the Company as provided in clause (i)(B) of the immediately preceding sentence as a result of a merger or consolidation, such successor corporation shall succeed to and be substituted for the Company hereunder and under the Notes and all such obligations of the Company shall terminate; provided, however, that no sale, conveyance, transfer, lease or disposition shall have the effect of releasing the Person named as the "Company" in the first paragraph of this Indenture or any successor Person which shall theretofore have become such in the manner prescribed in this Article from its liability as obligor and maker on any of the Notes.

ARTICLE 8

Supplemental Indentures

Section 8.1. Supplemental Indentures Without Consent of Holders. Without the consent of any Holders, the Company, when authorized by a Board Resolution, the Guarantor and the Trustee, at any time and from time to time, may enter into indentures supplemental hereto, 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 of the Company herein and in the Notes;

(2) to add to the covenants of the Company for the benefit of the Holders or to surrender any right or power herein conferred upon the Company;

(3) to add any additional Events of Default;

(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 Notes in global form;

(5) [RESERVED]

(6) to secure the Notes or Note Guarantee;

(7) to comply with the requirements of the Commission in order to effect or maintain qualification of this Indenture under the TIA;

(8) to evidence and provide for the acceptance of appointment hereunder by a successor Trustee with respect to the Notes and 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 Section 6.10 and Section 6.11;

(9) to make provision with respect to the conversion rights of the Holders pursuant to the requirements of Section 12.6 or the obligations of a successor to the Company pursuant to the requirements of Section 7.1;

(10) to increase the Conversion Rate or increase the consideration payable to any Holder, provided that no such increase individually or in the aggregate with all other such increases has or will have an adverse effect on the interests of the Holders; or

(11) to cure any ambiguity, correct any mistake or correct or supplement any provision herein which may be defective or inconsistent with any other provision herein or to make any other provisions with respect to matters or questions arising under this Indenture which shall not be inconsistent with the provisions of this Indenture, provided such other provisions shall not adversely affect the interests of the Holders of Notes.

Section 8.2. With Consent of Holders. With the written consent of the Holders of not less than a majority of the aggregate principal amount of the Outstanding Notes affected by such supplemental indenture, by Act of said Holders delivered to the Company and the Trustee, the Company when authorized by a Board Resolution, the Guarantor 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 Notes and the Note Guarantee; provided, however, that without the consent of the Holder of each Outstanding Note affected thereby, an amendment, change or modification under this Section 8.2 may not:

(1) change the Stated Maturity of the principal of, or any installment of principal of or interest on, any Note, or reduce the principal amount thereof or the rate of interest thereon or any premium payable upon the redemption or repurchase thereof, or change the coin or currency in which, any Notes 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 or repurchase, on or after the applicable Redemption Date or Company Repurchase Date);

(2) reduce the percentage in principal amount of the Outstanding Notes, 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;

(4) make any change in Section 5.7 or this Section 8.2 except to increase any percentage or to provide that certain other provisions of this Indenture cannot be modified or waived without the consent of the Holders of each Outstanding Note affected thereby;

(5) impair the right to convert the Notes into shares of Common Stock on and subject to the terms set forth herein, including Section 12.6, or reduce the number of shares of Common Stock or other property into which the Notes may be converted other than as expressly contemplated by Section 12.4 or Section 12.5;

(6) modify the ranking or priority of any Note or the Note Guarantee in respect thereof of the Company or the Guarantor, as the case may be, in any manner adverse to the Holders of the Notes;

(7) release the Guarantor from any of its obligations under its Note Guarantee or this Indenture;

(8) reduce the Redemption Price of any Notes;

(9) make the Notes payable in money or securities other than as stated in the Note;

(10) make any amendment, change or modification to this Section 8.2;

(11) make any change that materially adversely affects the right of a Holder to require the Company to purchase the Notes in accordance with the terms of Section 10.8 and Section 10.9; or

(12) impair the right to institute suit for the enforcement of any payment with respect to the Notes or under the Note Guarantee.

Notwithstanding the foregoing, no amendment, change or modification of any of the rights or obligations of the Trustee or any of its agents under this Indenture or the Note Guarantee shall be effective unless consented to by the Trustee in writing.

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

Section 8.3. Compliance with Trust Indenture Act. Every supplemental indenture executed pursuant to this Article 8 shall comply with the requirements of 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 8 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 affects 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 8, 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 Notes theretofore or thereafter authenticated and delivered hereunder shall be bound thereby.

Section 8.6. Reference in Notes to Supplemental Indentures. Notes authenticated and delivered after the execution of any supplemental indenture pursuant to this Article 8 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 Notes 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 Notes.

Section 8.7. Notice. After an amendment or supplement under this Article 8 becomes effective, the Company shall notify the Trustee and the Trustee shall promptly mail to the Holders affected thereby a notice briefly describing the amendment or supplement. Any failure of the Company to mail such notice, or any defect therein, shall not, however, in any way impair or affect the validity of any such amendment or supplement.

ARTICLE 9

Covenants

Section 9.1. Payment of Principal, Premium, if any, and Interest. The Company covenants and agrees for the benefit of the Holders that it will duly and punctually pay on the dates and in the manner provided in the Notes the principal of, premium, if any, and interest on the Notes in accordance with the terms of the Notes and this Indenture. An installment of

principal or interest shall be considered paid on the date it is due if the Paying Agent (if other than the Company, the Guarantor or a Subsidiary thereof) holds as of 10:00 a.m., New York City time, on that date money or Common Stock (if such installment is payable in Common Stock) deposited by the Company and designated for and sufficient to pay all principal of, premium, if any, and interest, if any, on the Notes then due for such installment (as permitted by the terms of the Notes). The Company shall, to the fullest extent permitted by law, pay interest on overdue principal (including premium, if any) and overdue installments of interest (without regard to any applicable grace period) at the rate borne by the Notes plus 1% per annum. All such interest shall be payable upon demand.

Section 9.2. Maintenance of Office or Agency. The Company will maintain in each Place of Payment for Notes an office or agency where Notes may be presented or surrendered for payment, where Notes may be surrendered for registration of transfer or exchange and where notices and demands to or upon the Company in respect of the Notes 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 such Place of Payment. 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.

The Company may also from time to time designate one or more other offices or agencies where the Notes 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 Notes 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.

The Trustee shall initially serve as Paying Agent and Conversion Agent.

Section 9.3. Money for Notes to Be Held in Trust; Unclaimed Property. If the Company shall at any time act as its own Paying Agent with respect to the Notes, it will, on or before 12:00 noon, Chicago, Illinois time on each due date of the principal of, premium, if any, or interest on any of the Notes, 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 and Paying Agent, if applicable, in writing of its action or failure so to act.

Whenever the Company shall have one or more Paying Agents for the Notes, it will, prior to each due date of the principal of or any premium or interest on any Notes deposit with the applicable Paying Agent a sum sufficient to pay such amount, such sum to be held as provided by Section 317(b) of the Trust Indenture Act, and (unless such Paying Agent is the Trustee) the Company will promptly notify the Trustee of its action or failure so to act.

The Company will cause each Paying Agent for any Notes 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 Notes 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 Notes) in the making of any payment of principal, premium, if any, or interest on the Notes; 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 Common Stock deposited with the Trustee or any Paying Agent, or then held by the Company, in trust for the payment of any principal, premium or interest on any Note and remaining unclaimed for two years after such principal, premium, if any, or interest has become due and payable shall be paid or delivered to the Company on Company Request, or (if then held by the Company) shall be discharged from such trust; and the Holder of such Note shall thereafter, as an unsecured general creditor, look only to the Company and the Guarantor 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 an Authorized Newspaper, 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 or mailing, any unclaimed balance of such money then remaining will be repaid to the Company.

Section 9.4. Corporate Existence. Subject to Article 7, and without limiting any of, and subject to, the Company's obligations under Article 10, each of the Company and the Guarantor will at all times do or cause to be done all things necessary to preserve and keep in full force and effect its respective corporate existence; provided that nothing in this Section 9.4 shall prevent the abandonment or termination of any right or franchise of the Company or the Guarantor if the Board of Directors of the Company or of the Guarantor, as the case may be, shall determine that such abandonment or termination is in the best interests of the Company or the Guarantor, as the case may be, and does not materially adversely affect the ability of the

Company or the Guarantor, as the case may be, to operate its business or to fulfill its obligations hereunder.

Section 9.5. Reports by the Company. The Company covenants:

(a) whether or not required to be filed or otherwise provided by the rules and regulations of the Commission, so long as any Notes are Outstanding, the Company will furnish to the Trustee, within the time periods specified in the Commission's rules and regulations:

(i) all quarterly and annual reports that would be required to be filed with the Commission on Forms 10-Q and 10-K, and all amendments thereto, if the Company were required to file such reports; and

(ii) all current reports that would be required to be filed with the Commission on Form 8-K, and all amendments thereto, if the Company were required to file such reports;

(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 Notes 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 9.5, as may be required by rules and regulations prescribed from time to time by the Commission.

Section 9.6. Notice of Default. The Company shall file with the Trustee written notice of the occurrence of any Event of Default promptly, but in any event no later than five (5) Business Days of its becoming aware of any such Event of Default.

Section 9.7. Provision of Financial Statements. If the Company is not required to file with the Commission periodic reports and other information pursuant to Section 13(a), 13(c) or 15(d) of the Securities Exchange Act, the Company shall furnish without cost to each Holder and file with the Trustee (i) within 135 days after the end of each fiscal year, annual reports containing the information required to be contained in Items 1, 2, 3, 5, 6, 7, 8 and 9 of Form 10-K promulgated under the Securities Exchange Act or substantially the same information required to be contained in comparable items of any successor form, (ii) within 60 days after the end of each of the first three fiscal quarters of each fiscal year, quarterly reports containing the information

required to be contained in Form 10-Q promulgated under the Securities Exchange Act or substantially the same information required to be contained in any successor form and (iii) promptly from the time after the occurrence of an event required to be therein reported, such other reports containing information required to be contained in Form 8-K promulgated under the Securities Exchange Act or substantially the same information required to be contained in

any successor form. The Company shall also make such reports available to prospective purchasers of the Notes, securities analysts and broker-dealers upon their request.

Section 9.8. Compliance Certificates. The Company shall deliver to the Trustee, within ninety (90) days after the end of each fiscal year of the Company (beginning with the fiscal year ending December 31, 2006), an Officers' Certificate as to the signer's knowledge of the Company's compliance with all conditions and covenants on its part contained in this Indenture and stating whether or not the signer knows of any Default or Event of Default. If such signer knows of such a Default or Event of Default, the Officers' Certificate shall describe the Default or Event of Default and the efforts to remedy the same. For the purposes of this Section 9.7, compliance shall be determined without regard to any grace period or requirement of notice provided pursuant to the terms of this Indenture.

Section 9.9. Further Instruments and Acts. Upon request of the Trustee, each of the Company and the Guarantor will execute and deliver such further instruments and do such further acts as may be reasonably necessary or proper to carry out the purposes of this Indenture.

Section 9.10. Payments for Consents. The Company shall not, directly or indirectly, pay or cause to be paid any consideration, whether by way of interest, fee or otherwise, to any Holder of any Notes for or as inducement to any consent, waiver or amendment of any of the terms or provisions of this Indenture or the Notes unless such consideration is offered to be paid or is paid to all Holders of the Notes that consent, waive or agree to amend in the time frame set forth in the solicitation documents relating to such consent, waiver or agreement.

Section 9.11. Changes in Organization Documents. The Company shall not amend its certificate of incorporation, bylaws, or other similar organizational document, other than any amendment that is not adverse in any material respect to the rights of the Holders hereunder.

Section 9.12. Affiliate Transactions.

(a) The Company will not, and will not permit any of its Subsidiaries to, directly or indirectly, enter into any material transaction including, without limitation, the purchase, sale or exchange of property or the rendering of any service, with any of their Affiliates unless (i) such transaction is on terms that are no less favorable to the Company or the relevant Subsidiary than those that would have been obtained in a comparable transaction by the Company or such Subsidiary on an arms-length basis with an unrelated Person and (ii) the Company delivers to the Trustee (A) with respect to any transaction or series of related transactions involving aggregate consideration (or the fair market value of the property the subject of such transaction is) in excess of $20.0 million, a resolution of the Board of Directors, approved prior to the consummation thereof, set forth in an Officers' Certificate certifying that such transaction complies with clause (i) of this Section 9.12(a) and that such transaction has been approved, prior to the consummation thereof, by a majority of the disinterested members of the Board of Directors, and (B) with respect to any transaction or series of related transactions involving aggregate consideration (or the fair market value of the property the subject of such transaction is) in excess of $50.0 million, an opinion as to the fairness to the Company or such Subsidiary of such transaction from a financial point of view issued by an accounting,

appraisal or investment banking firm of national standing (and which opinions delivered to the Trustee).

(b) The following items will not be deemed to be subject to the provisions of this Section 9.12:

(i) transactions between or among the Company and/or its wholly owned Subsidiaries;

(ii) transactions with a Person that is an Affiliate of the Company solely because the Company owns, directly or through a Subsidiary, capital stock in, or controls, such Person;

(iii) payment of reasonable directors' fees to directors of the Company and other reasonable fees, compensation, benefits and indemnities paid or entered into by the Company or its Subsidiaries to or with the officers, directors, employees or consultants of the Company and any Subsidiary of the Company; and

(iv) any issuance of capital stock of the Company to Affiliates of the Company.

ARTICLE 10

Redemption and Repurchase

Section 10.1. Election to Redeem; Notice to Trustee. The election of the Company to redeem any Notes pursuant to the optional redemption provisions of Section 10.7 hereof, or the requirement that the Company offer to redeem the Notes pursuant to the mandatory redemption provisions in Section 10.8, shall be evidenced by or pursuant to a Board Resolution or an Officers' Certificate. In the case of any optional redemption of all or less than all the Notes, 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 Notes to be redeemed, of the clause of this Indenture pursuant to which the redemption shall occur, and the Redemption Price. In the case of any mandatory redemption, the Company shall, promptly upon Company's knowledge of its obligation to make such mandatory redemption, notify the Trustee that the Company is obligated to offer to redeem the Notes pursuant to Section 10.8 and within the time periods prescribed by Section 10.8.

Section 10.2. Selection of Notes to Be Redeemed. If less than all the Notes are to be redeemed pursuant to Section 10.7, the Trustee, at least 30 days but not more than 60 days prior to the Redemption Date, shall select the Notes to be redeemed in such manner as the Trustee shall deem fair and appropriate. The Trustee shall make the selection from Notes 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 Notes or any integral multiple thereof) of the principal amount of Notes of a denomination larger than the minimum authorized denomination for Notes. The Trustee shall promptly notify the Company in writing of the Notes selected by the Trustee for redemption and, in the case of any Notes selected for partial redemption, the principal amount thereof to be redeemed.

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

Section 10.3. Notice of Redemption. If the Company elects to redeem any Notes pursuant to the optional redemption provisions of Section 10.7 hereof, notice of redemption shall be given in the manner provided in this Article 10 and Section 1.6 not less than 30 days nor more than 60 days prior to the Redemption Date to the Holders of the Notes to be redeemed. If the Company is required to offer to redeem the Notes pursuant to the mandatory redemption provisions of Section 10.8, notice of redemption shall be given in the manner provided in this Article 10 and Section 1.6 not less than 45 days nor more than 60 days prior to the Redemption Date to the Holders of the Notes to be redeemed.

All notices of redemption shall be prepared by the Company and shall identify the Notes to be redeemed and shall state:

(1) the Redemption Date;

(2) the Redemption Price and accrued interest to, but excluding, the Redemption Date;

(3) if fewer than all the Outstanding Notes are to be redeemed, the identification (and, in the case of partial redemption, the principal amounts) of the particular Note or Notes to be redeemed;

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

(5) the Place or Places of Payment where such Notes maturing after the Redemption Date may be surrendered for payment for the Redemption Price and accrued interest to, but excluding, the Redemption Date;

(6) that Notes called for redemption must be surrendered to the Paying Agent to collect the Redemption Price;

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

(8) the clause of this Indenture pursuant to which the redemption shall occur;

(9) the CUSIP Number of such Notes; provided that no representation is made as to the correctness or accuracy of the CUSIP number, if any, listed in such notice or printed on the Notes;

(10) the current Conversion Rate;

(11) the date on which the right to convert such Notes or portions thereof into Common Stock will expire (which date shall be the close of business on the third Business Day prior to the Redemption Date);

(12) whether the Company has elected to satisfy all or a portion of its Conversion Obligation with cash in lieu of delivery of shares of Common Stock with respect to any Notes (or portions thereof) to be redeemed;

(13) if the Company has determined to satisfy all or any portion of the Conversion Obligation in cash, the dollar amount of the Conversion Obligation to be satisfied in cash (which must be expressed either as 100% of the Conversion Obligation or as a fixed dollar amount); and

(14) the name and address of each Paying Agent and Conversion Agent.

Notice of redemption of Notes 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. In the event that the Company elects to deliver such notice to the Holders (rather than through the Trustee), the Company shall concurrently therewith deliver a copy of such notice to the Trustee.

Section 10.4. Deposit of Redemption Price. On or prior to any Redemption Date (and in any case no later than 10:00 a.m., New York City time, on such Redemption Date), the Company shall deposit with the Paying Agent (if other than the Company, the Guarantor or a Subsidiary thereof) (or, if the Company is acting as its own Paying Agent, segregate and hold in trust as provided in Section 9.3) an amount of cash in immediately available funds sufficient to pay on the Redemption Date the Redemption Price of, and interest accrued to but not including the Redemption Date on, all Notes or portions thereof which are to be redeemed on that date (other than those theretofore surrendered for conversion into Common Stock). Alternatively, the Company may, at its election, pay any Redemption Price owed pursuant to Article 10 by delivering not less than three (3) Business Days prior to such Redemption Date (the "Delivery Date") (i) that number of shares of Common Stock equal to the aggregate Redemption Price owed to any Holder divided by the Market Value

of the Common Stock as of the Business Day prior to the Delivery Date and rounding down to the nearest whole number plus (ii) cash in lieu of fractional shares; provided, however, that for any redemption pursuant to Section 10.7, all or a portion of the Redemption Price may be paid in Common Stock only if the Common Stock has traded at no less than 125% of the Conversion Price for the 60 consecutive trading days prior to the Redemption Date. Prior to the occurrence of an Event of Default (and upon the occurrence and continuance of an Event of Default, at the direction of the Holders of at least a majority of the principal amount of the Outstanding Notes), the Paying Agent shall promptly return to the Company any money deposited with the Paying Agent by the Company in excess of the amounts necessary to pay the Redemption Price of, and accrued interest on, all Notes to be redeemed. If any Note (or portion thereof) called for redemption is converted into Common Stock prior to such Redemption Date, any money deposited with the Paying Agent or so set aside, segregated and held in trust for the redemption of such Note shall be paid to the Company upon its written request, or, if then held by the Company, shall be discharged from such trust.

Section 10.5. Notes Payable on Redemption Date. Notice of redemption having been given as aforesaid, the Notes so to be redeemed shall, on the Redemption Date, unless converted into Common Stock pursuant to the terms hereof, 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 Notes shall cease to bear interest, such Notes (or portions thereof) shall cease to be convertible into Common Stock and shall cease to be entitled to any benefit or security under this Indenture, and the Holders thereof shall have no right in respect of such Notes (or portions thereof) except the right to receive the Redemption Price thereof pursuant to this Indenture. Upon surrender of any such Note for redemption in accordance with said notice, such Note shall be paid by the Company at the Redemption Price, together with accrued interest to but not including the Redemption Date; provided, however, that installments of interest whose Stated Maturity is on or prior to the Redemption Date shall be payable to the Holders of such Notes, or one or more Predecessor Securities, registered as such at the close of business on the relevant Regular Record Dates according to their terms and the provisions of Section 3.7.

If any Note called for redemption shall not be so paid upon surrender thereof for redemption, the principal and any premium shall, until paid, bear interest from the Redemption Date at the rate prescribed therefor in the Note, and such Note shall remain convertible into Common Stock until the principal and interest shall have been paid or duly provided for.

Section 10.6. Notes Redeemed in Part. Upon surrender of a Note that is redeemed in part at any Place of Payment therefor (with, if the Company so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the Company duly executed by, the Holder thereof or its attorney duly authorized in writing), the Company shall execute and the Trustee shall authenticate and deliver to the Holder of that Note, without service charge, a new Note or Notes, the same form and the same Stated Maturity in any authorized denomination equal in aggregate principal amount to the unredeemed portion of the principal of the Note surrendered. If any Note selected for partial redemption is submitted for conversion in part after such selection, the portion of such Note submitted for conversion shall be deemed (so far as may be possible) to be from the portion selected for redemption. The Notes (or portions thereof) so selected shall be deemed duly selected for redemption for all purposes hereof, notwithstanding that any such Note is submitted for conversion in part before the mailing of the Redemption Notice.

Upon any redemption of less than all of the outstanding Notes, the Company and the Trustee may (but need not), solely for purposes of determining the pro rata allocation among such Notes as are unconverted and outstanding at the time of redemption, treat as outstanding any Notes surrendered for conversion during the period of 15 days preceding the mailing of a Redemption Notice and may (but need not) treat as outstanding any Note authenticated and delivered during such period in exchange for the unconverted portion of any Note converted in part during such period.

Section 10.7. Optional Redemption. At any time on or after February 1, 2011 the Company may redeem all or a part of the Notes upon not less than 30 nor more than 60 days' notice, at a Redemption Price of 100% of the principal amount of such Notes plus accrued and unpaid interest thereon to but not including the applicable Redemption Date. Any redemption

pursuant to this Section 10.7 shall be made pursuant to the provisions of Section 10.1 through Section 10.6 hereof.

Section 10.8. Mandatory Redemption. Upon any Change in Ownership or Fundamental Change, the Company shall offer to redeem all of the Notes that are Outstanding at a Redemption Price of 100% of the principal amount thereof plus accrued but unpaid interest thereon to but not including the applicable Redemption Date. Any offer of redemption pursuant to this Section 10.8 shall be made in accordance with Section 10.3. Within 20 days of receiving such notice of redemption, each Holder must deliver to the Company and the Trustee the form attached to the Notes labeled OPTION OF HOLDER TO ELECT REDEMPTION. Such notice shall indicate whether the Company elects to pay such Redemption Price in cash, in shares of Common Stock or a combination thereof, specifying the percentage or amount of each and, if the Company elects to pay any portion of such Redemption Price in shares of Common Stock, the Market Price of the Common Stock. Such notice shall also indicate that Notes as to which an OPTION OF HOLDER TO ELECT REDEMPTION form has been given by the Holder may be converted only if the election has been withdrawn by the Holder in accordance with the terms of this Indenture and such Notes are otherwise convertible in accordance with Section 12.1. Any redemption pursuant to this Section 10.8 shall be made in compliance with the provisions of Section 10.1, Section 10.3, Section 10.4, Section 10.5 and Section 10.6 hereof.

Notwithstanding anything herein to the contrary, any Holder delivering to the Trustee (or other Paying Agent appointed by the Company) an OPTION OF HOLDER TO ELECT REDEMPTION shall have the right to withdraw such election at any time prior to the close of business on the third Business Day immediately preceding the Redemption Date (or any such later time as may be required by applicable law) by delivery of a written notice of withdrawal to the Trustee (or other Paying Agent appointed by the Company) and the Company specifying:

(i) the certificate number, if any, of the Notes in respect of which such notice of withdrawal is being submitted, or the appropriate Depositary information if the Notes in respect of which such notice of withdrawal is being submitted is represented by a Note in global form,

(ii) the principal amount of the Notes with respect to which such notice of withdrawal is being submitted, and

(iii) the principal amount, if any, of such Notes which remain subject to the original OPTION OF HOLDER TO ELECT REDEMPTION and which has been or will be delivered for redemption by the Company.

Section 10.9. Repurchase of Notes by the Company at Option of Holders on Specified Dates.

(a) On each of the fifth anniversary of date of issuance and the tenth anniversary of date of issuance (each, a "Company Repurchase Date"), each Holder shall have the right, at such Holder's option, to require the Company to repurchase all of such Holder's Notes. The Company shall repurchase such Notes at a price (the "Company Repurchase Price") equal to 100% of the principal amount of the Notes to be repurchased

plus accrued and unpaid interest, if any, to (but excluding) the Company Repurchase Date; provided that if such Company Repurchase Date falls after a Regular Record Date, but on or prior to the relevant Interest Payment Date, then the interest payable on such Interest Payment Date shall be paid to the Holders of record of the Notes or one or more Predecessor Securities on the applicable Regular Record Date instead of to the Holders surrendering the Notes for repurchase.

(b) No sooner than the 60th Trading Day and no later than the 25th Trading Day prior to each Company Repurchase Date, the Company, or at its written request the Trustee in the name of and at the expense of the Company (which request must be received by the Trustee at least 10 Business Days prior to the date the Trustee is requested to give notice as described below, unless the Trustee shall agree to a shorter period), shall mail or cause to be mailed, by first class mail, to the Paying Agent and all holders of record on such date a notice (the "Company Repurchase Notice") to each Holder of Notes at its last address as the same appears on the Register and to any beneficial owner of Notes as required by applicable law; provided that if the Company shall give such notice, it shall also give written notice to the Trustee (and the Paying Agent if the Trustee is not the Paying Agent) at such time as it is mailed to Holders. Such notice, if mailed in the manner herein provided, shall be conclusively presumed to have been duly given, whether or not the Holder receives such notice. Each Company Repurchase Notice shall state:

(i) the Company Repurchase Price, excluding accrued and unpaid interest, the Conversion Price at the time of such notice (and any applicable adjustments to the Conversion Price) and, to the extent known at the time of such notice, the amount of interest that will be payable with respect to the Notes on the Company Repurchase Date;

(ii) whether the Company elects to pay the Company Repurchase Price in cash, in shares of Common Stock or a combination thereof, specifying the percentage or amounts of each;

(iii) the Company Repurchase Date;

(iv) the last date on which a Holder may exercise the repurchase right;

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

(vi) that Notes as to which a Company Repurchase Election has been given by the Holder may be converted only if the election has been withdrawn by the Holder in accordance with the terms of this Indenture and the Notes are otherwise convertible in accordance with the terms of this Indenture;

(vii) that the Holder shall have the right to withdraw any Notes surrendered prior to the close of business on the Business Day immediately preceding the Company Repurchase Date (or any such later time as may be required by applicable law);

(viii) a description of the procedure which a Holder must follow to exercise such repurchase right or to withdraw any surrendered Notes;

(ix) that no representation is made as to the correctness or accuracy of the CUSIP number, if any, listed in such notice or printed on the Notes; and

(x) briefly, the conversion rights of the Notes.

No failure of the Company to give the foregoing notices and no defect therein shall affect the validity of the proceedings for the repurchase of the Notes pursuant to this Section 10.9.

(c) Notes shall be repurchased pursuant to this Section 10.9 at the option of the Holder upon:

(i) delivery to the Trustee (or other Paying Agent appointed by the Company) by a Holder of a duly completed notice (a "Company Repurchase Election") in the form set forth on the reverse of the Note at any time from the opening of business on the 20th Trading Day preceding the Company Repurchase Date until the close of business on the Trading Day immediately preceding the Company Repurchase Date, subject to extension to comply with applicable law, stating:

(ii) if certificated, the certificate numbers of the Notes which the Holder shall deliver to be repurchased;

(iii) that such Notes shall be repurchased as of the Company Repurchase Date pursuant to the terms and conditions specified in the Notes and in this Indenture; and

(iv) if the Company Repurchase Notice stated an intention to pay the Company Repurchase Price, in whole or in part, in shares of Common Stock but such portion of the Company Repurchase Price is ultimately paid to such Holder entirely in cash because one or more of the conditions to payment of the Company Repurchase Price in shares of Common Stock was not satisfied prior to the close of business on the

Trading Day prior to the relevant Company Repurchase Date, whether such Holder elects (i) to withdraw the Company Repurchase Election as to the Notes to which such election relates (stating the principal amount and certificate numbers, if any, of the Notes as to which such withdrawal relates) or (ii) to receive cash in respect of the entire Company Repurchase Price for all Notes (or portions thereof) to which such election relates; and

(v) delivery or book-entry transfer of the Notes to the Trustee (or other Paying Agent appointed by the Company), simultaneously with or at any time after delivery of the Company Repurchase Election (together with all necessary endorsements) at the Corporate Trust Office of the Trustee (or other Paying Agent appointed by the Company), such delivery or transfer being a condition to receipt by the Holder of the Company Repurchase Price therefor; provided that such Company Repurchase Price shall be so paid pursuant to this Section 10.9 only if the Notes so delivered or transferred to the Trustee (or other Paying Agent appointed by the Company) shall conform in all respects to the description thereof in the related Company Repurchase Election. All questions as

to the validity, eligibility (including time of receipt) and acceptance of any Note for repurchase shall be determined by the Company, whose determination shall be final and binding absent manifest error.

If a Holder fails to indicate such Holder's choice with respect to the election set forth in Section 10.9, such Holder shall be deemed to have withdrawn the Company Repurchase Election in the circumstances set forth in Section 10.9(c)(i).

Section 10.10. Conversion Arrangement on Call for Redemption. In connection with any redemption or repurchase of Notes pursuant to Section 10.7, Section 10.8 or Section 10.9, the Company may arrange for the purchase and conversion of any Notes by an agreement with one or more investment banks or other purchasers to purchase such Notes by paying to the Trustee in trust for the Holders, on or before the Redemption Date or Company Repurchase Date, an amount not less than the Redemption Price or the Company Repurchase Price of such Notes. Notwithstanding anything to the contrary contained in this Article 10, the obligation of the Company to pay the Redemption Price or the Company Repurchase Price of such Notes 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, a copy of which will be filed with the Trustee prior to the Redemption Date or Company Repurchase Date, any Note 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 12) surrendered by such purchasers for conversion, all as of immediately prior to the close of business on the Redemption Date or Company Repurchase Date (and the right to convert any such Notes shall be extended through such time), subject to payment of the above amount as aforesaid. At the direction of the Company, the Trustee shall hold and dispose of any such amount paid to it in the same manner as it would monies deposited with it by the Company for the redemption of Notes. Without the Trustee's prior written consent, no arrangement between the Company and such purchasers for the purchase and conversion of any Notes shall increase or otherwise affect any of the powers, duties, responsibilities or obligations of the Trustee as set forth in this Indenture.

Section 10.11. Company's Right to Elect Manner of Payment of Repurchase Price.

(a) The Notes to be repurchased by the Company on any Company Repurchase Date pursuant to Section 10.9, may be paid for, in whole or in part, at the election of the Company, in cash or shares of Common Stock, or in any combination of cash and shares of Common Stock, subject to the conditions set forth in Section 10.12(e). The Company shall designate in its Company Repurchase Notice whether the Company will purchase the Notes for cash or shares of Common Stock, or, if a combination thereof, the percentage of the Company Repurchase Price that it will pay in cash and the percentage that it will pay in shares of Common Stock; provided that, to the extent the Company pays cash for accrued and unpaid interest or for fractional interests in shares of Common Stock, such cash amounts will be based upon the Market Price with respect to the applicable Company Repurchase Date. For purposes of determining the amount of any fractional interests, all Notes subject to repurchase held by a Holder shall be considered together (no matter how many separate certificates are to be presented).

(b) Each Holder whose Notes are repurchased pursuant to Section 10.9 shall receive the same percentage of cash or shares of Common Stock in payment of the Company Repurchase Price for such Notes as any other Holder whose Notes are so repurchased, except (i) as provided in Section 10.11(a) 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 Notes of a Holder or Holders for shares of Common Stock because any necessary qualifications or registrations of the shares of Common Stock under applicable state securities laws cannot be obtained, or because the conditions to purchasing such Notes for shares of Common Stock set forth in Section 10.11(e) have not been satisfied, the Company may purchase the Notes 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 Repurchase Notice to Holders except as provided in the preceding sentence or pursuant to Section 10.11(e) in the event of a failure to satisfy, prior to the close of business on the Trading Day immediately preceding the Company Repurchase Date, any condition to the payment of the Company Repurchase Price in whole or in part in shares of Common Stock.

(c) At least three Business Days before the date of any Company Repurchase Notice, the Company shall deliver an Officers' Certificate to the Trustee specifying:

(i) the manner of payment selected by the Company;

(ii) the information required to be included in the Company Repurchase Notice;

(iii) if the Company elects to pay the Company Repurchase Price, or a specified percentage thereof, in shares of Common Stock, that the conditions to such manner of payment set forth in Section 10.11(e) have been or will be complied with; and

(iv) whether the Company desires the Trustee to give the Company Repurchase Notice required.

(d) If the Company elects to pay the Company Repurchase Price, or any percentage thereof, with respect to a Company Repurchase Date in shares of Common Stock, the number of shares of Common Stock to be delivered with respect to each $1,000 principal amount of Notes

shall be equal to the quotient obtained by dividing (i) the dollar amount of the Company Repurchase Price to be paid in shares of Common Stock by (ii) the Market Price with respect to such Company Repurchase Date; provided that no fractional shares will be delivered.

(e) The Company's right to elect to pay some or all of the Company Repurchase Price with respect to a Company Repurchase Date by delivering shares of Common Stock shall be conditioned upon:

(i) the Company giving timely notice of its election;

(ii) the approval for listing of such shares of Common Stock on each national or regional securities exchange on which the Common Stock is then listed, subject to official notice of issuance, or approval of trading of such shares of Common Stock on the Nasdaq National Market or other similar automated quotation system on which the Common Stock is then traded;

(iii) information necessary to calculate the Market Price being published in a daily newspaper of national circulation or being otherwise readily publicly available;

(iv) the registration of such shares of Common Stock under the Securities Act and the Securities Exchange Act, in each case if required;

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

(vi) obtaining any required stockholder approvals; and

(vii) the receipt by the Trustee of an Officers' Certificate stating that (A) the terms of the issuance of the shares of Common Stock are in conformity with this Indenture and (B) the shares of Common Stock to be issued by the Company in payment of the Company Repurchase Price in respect of the Notes have been duly authorized and, when issued and delivered pursuant to the terms of this Indenture in payment of the Company Repurchase Price, will be validly issued, fully paid and nonassessable under the Company's Certificate of Incorporation and By-laws, in each case as then in effect, and the Delaware General Corporation Law (or other applicable corporate law), and stating that each of the conditions in clauses (i) through (vi) above 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 Notes and the Last Reported Sale Price of the Common Stock on each Trading Day during the period during which the Market Price with respect to such Company Repurchase Date is to be calculated.

If the foregoing conditions are not satisfied with respect to a Holder or Holders prior to the close of business on the Trading Day immediately preceding the Company Repurchase Date, the Company shall pay the entire Company Repurchase Price of the Notes of such Holder or Holders in cash.

(f) All shares of Common Stock delivered upon repurchase of the Notes shall be newly issued shares or treasury shares, shall be duly authorized, validly issued, fully paid and nonassessable, and shall be free of any lien or adverse claim.

(g) If a Holder is paid some or all of the Company Repurchase Price with respect to such Holder's Notes in shares of Common Stock, the Company shall pay any documentary, stamp or similar issue or transfer tax due on such issue of Common Stock; provided that the Holder shall pay any such tax which is due because the Holder requests the Common Stock to be issued in a name other than that of the Holder. The Paying Agent may refuse to deliver the certificates representing the shares of 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.

(h) The Company may irrevocably elect, in its sole discretion and without the consent of Holders of the Notes, by notice to the Trustee and the Holders of the Notes, to satisfy in cash 100% of the principal amount of the Notes that are the subject of a Company Repurchase Notice received by the Paying Agent and the Company after the date of such election.

Section 10.12. Conditions and Procedures for Repurchase at Option of Holders.

(a) The Company may repurchase from the Holder thereof, pursuant to Section 10.9, a portion of a Note, if the principal amount of such portion is $1,000 or a whole multiple of $1,000. Provisions of this Indenture that apply to the repurchase of all of a Note also apply to the repurchase of such portion of such Note. Upon presentation of any Note repurchased in part only, the Company shall execute and the Trustee shall authenticate and make available for delivery to the Holder thereof, at the expense of the Company, a new Note or Notes, of any authorized denomination, in aggregate principal amount equal to the portion of the Notes presented that is not repurchased.

(b) On or prior to a Company Repurchase Date, the Company will deposit with the Trustee or with one or more Paying Agents an amount of cash and/or shares of Common Stock, as applicable, sufficient to repurchase on the Company Repurchase Date all of the Notes (or portions thereof) to be repurchased on such date at the Company Repurchase Price; provided that if such deposit is made on the Company Repurchase Date, it must be received by the Trustee or Paying Agent, as the case may be, by 10:00 a.m., New York City time, on such date.

If the Trustee or other Paying Agent appointed by the Company holds cash and/or shares of Common Stock sufficient to pay the aggregate Company Repurchase Price of all of the Notes (or portions thereof) that are to be repurchased as of the Company Repurchase Date, then on or after the Company Repurchase Date, (i) such Notes to be repurchased will cease to be outstanding, (ii) interest on such Notes to be repurchased will cease to accrue, whether or

not book-entry transfer of the Notes has been made or the Notes have been delivered to the Trustee or Paying Agent, and (iii) all other rights of the Holders of such Notes to be repurchased will terminate other than the right to receive the Company Repurchase Price upon transfer or delivery of the Notes.

(c) Upon receipt by the Trustee (or other Paying Agent appointed by the Company) of a Company Repurchase Election, the Holder of the Note (or a portion thereof) in respect of which such Company Repurchase Election was given shall (unless such notice is validly withdrawn) thereafter be entitled to receive solely the Company Repurchase Price with respect to such Note (or a portion thereof). Such Company Repurchase Price shall be paid to such Holder, subject to receipt of funds and/or Notes by the Trustee (or other Paying Agent appointed by the Company), promptly (but in no

event more than five Business Days) following the later of (x) the Company Repurchase Date with respect to such Note (provided that the Holder has satisfied its obligations in Section 10.9(c)) and (y) the time of book-entry transfer or delivery of such Note to the Trustee (or other Paying Agent appointed by the Company) by the Holder thereof in the manner required by Section 10.9(c). Notes in respect of which a Company Repurchase Election has been given by the Holder thereof may not be converted pursuant to Article 12 hereof on or after the date of the delivery of such Company Repurchase Election unless such election has first been validly withdrawn pursuant to Section 10.12(d) below.

(d) Notwithstanding anything herein to the contrary, any Holder delivering to the Trustee (or other Paying Agent appointed by the Company) a Company Repurchase Election shall have the right to withdraw such election at any time prior to the close of business on the third Trading Day immediately preceding the Company Repurchase Date (or any such later time as may be required by applicable law) by delivery of a written notice of withdrawal to the Trustee (or other Paying Agent appointed by the Company) specifying:

(i) the certificate number, if any, of the Notes in respect of which such notice of withdrawal is being submitted, or the appropriate Depositary information if the Notes in respect of which such notice of withdrawal is being submitted is represented by a Note in global form,

(ii) the principal amount of the Notes with respect to which such notice of withdrawal is being submitted, and

(iii) the principal amount, if any, of such Notes which remain subject to the original Company Repurchase Election and which has been or will be delivered for redemption or repurchase by the Company.

The Trustee (or other Paying Agent appointed by the Company) shall promptly notify the Company of the receipt by it of any Company Repurchase Election or written notice of withdrawal thereof.

(e) The Company will comply with the provisions of Rules 13e-4 and 14e-1 and any other tender offer rules under the Securities Exchange Act to the extent then applicable in connection with the repurchase rights of the Holders of Notes in the event of a Change in Ownership, a Fundamental Change or on any Company Repurchase Date. If then required by applicable law, the Company will file a Schedule TO or any other schedule required to be filed with the Commission in connection with such repurchase.

(f) There shall be no repurchase of any Notes pursuant to Section 10.9 if there has occurred at any time prior to, and is continuing on, the Company Repurchase Date an Event of Default (other than an Event of Default that is cured by the payment of the Company Repurchase Price with respect to such Notes). The Paying Agent will promptly return to the respective Holders thereof any Notes (x) with respect to which a Company Repurchase Election 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 Company Repurchase Price with respect to such Notes) in which case, upon such return, the Company Repurchase Election with respect thereto shall be deemed to have been withdrawn.

(g) Prior to the occurrence of an Event of Default (and then at the direction of the Holders of at least a majority of the principal amount of the Outstanding Notes), the Trustee (or other Paying Agent appointed by the Company) shall return to the Company any cash that remains unclaimed for the payment of the Company Repurchase Price and to the extent that the aggregate amount of cash deposited by the Company pursuant to Section 10.12(b) exceeds the aggregate Company Repurchase Price of the Notes or portions thereof which the Company is obligated to purchase as of the Company Repurchase Date, then, unless otherwise agreed in writing with the Company, within five Business Days following the Company Repurchase Date, the Trustee shall return any such excess to the Company.

ARTICLE 11

Note Guarantee

Section 11.1. Guarantee.

(a) Subject to this Article 11, the Guarantor hereby unconditionally guarantees to each Holder of a Note authenticated and delivered by the Trustee and to the Trustee and its successors and assigns, irrespective of the validity, regularity or enforceability of this Indenture, the Notes or the obligations of the Company hereunder or thereunder, that:

(1) the principal of, premium, if any, and interest on the Notes will be promptly paid in full when due, whether at Stated Maturity, by acceleration, redemption, repurchase at the option of the Holders, or otherwise, and interest on the overdue principal of and interest on the Notes, if any, if lawful, and all other obligations of the Company to the Holders or the Trustee hereunder or thereunder will be promptly paid in full or performed, all in accordance with the terms hereof and thereof; and

(2) in case of any extension of time of payment or renewal of any Notes or any of such other obligations, that 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, redemption, repurchase at the option of the Holders, or otherwise.

Failing payment when due of any amount so guaranteed or any performance so guaranteed for whatever reason, the Guarantor will be obligated to pay the same immediately. The Guarantor agrees that this is a guarantee of payment and not a guarantee of collection.

(b) The Guarantor hereby agrees that its obligations hereunder are unconditional, irrespective of the validity, regularity or enforceability of the Notes or this Indenture, the absence of any action to enforce the same, any waiver or consent by any Holder of the Notes with respect to any provisions hereof or thereof, the recovery of any

judgment against the Company, any action to enforce the same or any other circumstance which might otherwise constitute a legal or equitable discharge or defense of a guarantor or surety. The Guarantor hereby waives the benefits of diligence, presentment, demand for payment and filing of claims with a court in the event of insolvency or bankruptcy of the Company and any right to require a proceeding first against the Company or any other Person, protest, notice and all demands whatsoever, and covenants that this Note Guarantee will not be discharged except by complete performance of the obligations contained in the Notes and this Indenture.

(c) If any Holder or the Trustee is required by any court or otherwise to return to the Company, the Guarantor or any Custodian acting in relation to either the Company or the Guarantor, any amount paid by either to the Trustee or such Holder, or any such amount paid is rescinded or reduced in amount, this Note Guarantee, to the extent theretofore discharged, will continue to be effective or be reinstated, as the case may be, and be in full force and effect all as though such amount had not been paid.

(d) The Guarantor agrees that it will not be entitled to any right of subrogation in relation to the Holders in respect of any obligations guaranteed hereby until payment and performance in full of all obligations guaranteed hereby. The Guarantor further agrees that, as between the Guarantor, on the one hand, and the Holders and the Trustee, on the other hand, (1) the maturity of the obligations guaranteed hereby may be accelerated as provided in Article 5 hereof for the purposes of this Note Guarantee, notwithstanding any stay, injunction or other prohibition preventing such acceleration in respect of the obligations guaranteed hereby, and (2) in the event of any declaration of acceleration of such obligations as provided in Article 5 hereof, such obligations (whether or not due and payable) will forthwith become due and payable by the Guarantor for the purpose of this Note Guarantee.

(e) 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 Note Guarantee.

(f) The Note 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 or reorganization, should the Company become insolvent or make an assignment for the benefit of creditors or should a Custodian be appointed for all or any significant part of the Company's assets.

Section 11.2. Limitation on Guarantor Liability. The Guarantor and, by its acceptance of Notes, each Holder hereby confirms that it is the intention of all such parties that the Note Guarantee of the Guarantor not constitute a fraudulent transfer or conveyance for purposes of Bankruptcy Law, the Uniform Fraudulent Conveyance Act, the Uniform Fraudulent Transfer Act or any similar federal or state law to the extent applicable to the Note Guarantee. To effectuate the foregoing intention, the Trustee, the Holders and the Guarantor hereby irrevocably agree that the obligations of the Guarantor under its Note Guarantee and this Article 11 shall be limited to the greater of (i) the amount of any value received by the Guarantor and (ii) the maximum amount as will, after giving effect to such maximum amount and all other contingent and fixed

liabilities of the Guarantor that are relevant under such laws, result in the obligations of the Guarantor under its Note Guarantee not constituting a fraudulent transfer or conveyance.

Section 11.3. Execution and Delivery of a Note Guarantee. To evidence the Note Guarantee, the Guarantor hereby agrees that a notation of such Note Guarantee substantially in the form attached as Exhibit B hereto will be endorsed by an Officer of the Guarantor on each Note authenticated and delivered by the Trustee and that this Indenture will be executed on behalf of the Guarantor by one of its Officers.

The Guarantor hereby agrees that the Note Guarantee will remain in full force and effect notwithstanding any failure to endorse on each Note a notation of such Note Guarantee.

If an Officer whose signature is on this Indenture or on the Note Guarantee no longer holds that office at the time the Trustee authenticates the Note on which a Note Guarantee is endorsed, the Note Guarantee will be valid nevertheless.

The delivery of any Note by the Trustee, after the authentication thereof hereunder, will constitute due delivery of the Note Guarantee set forth in this Indenture on behalf of the Guarantor.

Section 11.4. Guarantor May Consolidate, etc., on Certain Terms. Except as otherwise provided in this Section 11.4, the Guarantor may not sell, convey, transfer or otherwise dispose of all or substantially all of its property or assets to, or consolidate with or merge with or into another Person, other than the Company, unless:

(1) immediately after giving effect to such transaction, no Default or Event of Default exists; and

(2) either:

(a) the Guarantor is the surviving Person; or

(b) the Person acquiring the property or assets in any such sale, conveyance, transfer or disposition or the Person formed by or surviving any such consolidation or merger unconditionally assumes all the obligations of the Guarantor pursuant to a supplemental indenture executed and delivered to the Trustee, in form reasonably satisfactory to the Trustee, under the Notes, this Indenture and the Note Guarantee on the terms set forth herein or therein.

In case of any such consolidation, merger, sale, conveyance, transfer or disposition and upon the assumption by the successor Person, by supplemental indenture, executed and delivered to the Trustee and satisfactory in form to the Trustee, of the Note Guarantee endorsed upon the Notes and the due and punctual performance of all of the covenants and conditions of this Indenture to be performed by the Guarantor, such successor Person will succeed to and be substituted for the Guarantor with the same effect as if it had been named herein as the Guarantor; provided, however, that no such sale, conveyance, transfer or disposition shall have the effect of releasing the Person named as the "Guarantor" in the first paragraph of this Indenture or any successor Person which shall theretofore have become such in the manner

prescribed in this Article 11 from its liability as obligor on the Note Guarantee. Such successor Person thereupon may cause to be signed any or all of the Note Guarantees to be endorsed upon all of the Notes issuable hereunder which theretofore shall not have been signed by the Company and delivered to the Trustee. All the Note Guarantees so issued will in all respects have the same legal rank and benefit under this Indenture as the Note Guarantees theretofore and thereafter issued in accordance with the terms of this Indenture as though all of such Note Guarantees had been issued at the date of the execution hereof.

Nothing contained in this Indenture or in any of the Notes will prevent any consolidation or merger of a Guarantor with or into the Company, or will prevent any sale, conveyance, transfer or disposition of the property of the Guarantor as an entirety or substantially as an entirety to the Company.

ARTICLE 12

Conversion of Notes

Section 12.1. Right to Convert.

(a) Subject to and upon compliance with the provisions of this Indenture, the Holder of any Note shall have the right, at such Holder's option, to convert the principal amount of such Note, or any portion of such principal amount which is an integral multiple of $1,000, into fully paid and non-assessable shares of Common Stock (as such shares shall then be constituted) at the Conversion Rate in effect at such time at any time prior to the earlier of (1) the close of business on the second Business Day prior to the Redemption Date and (2) the close of business on the second Business Day immediately preceding Maturity, by surrender of the Note to be so converted in whole or in part, together with any required funds, under the circumstances described in this Section 12.1 and in the manner provided in Section 12.2.

(b) A Note in respect of which a Holder is electing to exercise its option to require redemption upon a Change in Ownership or Fundamental Change pursuant to Section 10.8 or repurchase pursuant to Section 10.9 may be converted only if such Holder withdraws its election in accordance with Section 10.8 or Section 10.12(d), respectively. A Holder of Notes is not entitled to any rights of a holder of Common Stock until such Holder has converted its Notes to Common Stock, and only then to the extent such Notes are deemed to have been converted to Common Stock under this Article 12.

Section 12.2. Exercise of Conversion Privilege; Issuance of Common Stock on Conversion; No Adjustment for Interest or Dividends; Settlement of Cash or Common Stock upon Conversion.

(a) In order to exercise the conversion privilege with respect to any Note in certificated form, the Company must receive at the office or agency of the Company maintained for that purpose or, at the option of such Holder, the Corporate Trust Office, such Note with the original or facsimile of the form entitled "Form of Conversion Notice" on the reverse thereof, duly completed and manually signed, together with such Notes

duly endorsed for transfer, accompanied by the funds, if any, required by paragraph (d) of this Section 12.2. Such notice shall also state the name or names (with address or addresses) in which the certificate or certificates (or other evidence permissible pursuant to applicable state law) for shares of Common Stock which shall be issuable on such conversion shall be issued, and shall be accompanied by transfer or similar taxes, if required pursuant to Section 12.7.

In order to exercise the conversion privilege with respect to any interest in a Note in global form, the beneficial holder must complete, or cause to be completed, the appropriate instruction form for conversion pursuant to the Depositary's book-entry conversion program, deliver, or cause to be delivered, by book-entry delivery an interest in such Note in global form, furnish appropriate endorsements and transfer documents if required by the Company or the Trustee or the Conversion Agent, and pay the funds, if any, required by Section 12.2(d) and any transfer or similar taxes if required pursuant to Section 12.7.

(b) As promptly as practicable after satisfaction of the requirements for conversion set forth above, subject to compliance with any restrictions on transfer if shares issuable on conversion are to be issued in a name other than that of the Holder (as if such transfer were a transfer of the Note (or portion thereof) so converted), the Company shall issue and shall deliver to such Holder at the office or agency maintained by the Company for that purpose or, at the option of such Holder, the Corporate Trust Office, a certificate or certificates (or other evidence permissible pursuant to applicable state law) for the number of full shares of Common Stock issuable upon the conversion of such Note or portion thereof as determined by the Company in accordance with the provisions of this Article 12 and a check or cash in respect of any fractional interest in respect of a share of Common Stock arising upon such conversion, calculated by the Company as provided in Section 12.3. In case any Note of a denomination greater than $1,000 shall be surrendered for partial conversion, subject to Section 3.2 and Section 3.3, the Company shall execute and

the Trustee shall authenticate and deliver to the holder of the Note so surrendered, without charge to such Holder, a new Note or Notes in authorized denominations in an aggregate principal amount equal to the unconverted portion of the surrendered Note.

(c) Each conversion shall be deemed to have been effected as to any such Note (or portion thereof) on the date on which the requirements set forth above in this Section 12.2 have been satisfied as to such Note (or portion thereof) (such date, the "Conversion Date"), and the Person in whose name any certificate or certificates (or other evidence permissible pursuant to applicable state law) for shares of Common Stock shall be issuable upon such conversion shall be deemed to have become on said date the holder of record of the shares represented thereby; provided that any such surrender on any date when the stock transfer books of the Company shall be closed shall constitute the Person in whose name the certificates (or other evidence permissible pursuant to applicable state law) are to be issued as the record holder thereof for all purposes on the next succeeding day on which such stock transfer books are open, but such conversion shall be at the Conversion Rate in effect on the date upon which such requirements shall have been satisfied.

(d) Notwithstanding paragraph (f) below, any Note or portion thereof surrendered for conversion during the period from the close of business on any Regular Record Date to the opening of business on the next succeeding Interest Payment Date that has not been called for redemption during such period shall be accompanied by payment, in immediately available funds or other funds acceptable to the Company, of an amount equal to the interest otherwise payable on such Interest Payment Date on the principal amount being converted; provided that no such payment need be made (1) if the Company has specified a Redemption Date that is after a Regular Record Date and on or prior to a date that is two Business Days after the corresponding Interest Payment Date, (2) if the Company has specified a Change in Ownership or Fundamental Change repurchase date that is after a Regular Record Date and on or prior to the date that is one Business Day after the corresponding Interest Payment Date or (3) to the extent of any overdue interest, if any overdue interest exists at the time of conversion with respect to such Note. Except as provided above in this Section 12.2, no payment or other adjustment shall be made for interest accrued on any Note (or portion thereof) converted or for dividends on any shares issued upon the conversion of such Note (or portion thereof) as provided in this Article 12.

(e) Upon the conversion of an interest in a Note in global form, the Trustee (or other Conversion Agent appointed by the Company), or the Custodian at the direction of the Trustee (or other Conversion Agent appointed by the Company), shall make a notation on such Note in global form as to the reduction in the principal amount represented thereby and as directed by the Company. The Company shall notify the Trustee in writing of any conversions of Notes effected through any Conversion Agent other than the Trustee.

(f) Upon the conversion of a Note (or portion thereof), that portion of the accrued and unpaid interest with respect to the converted Note (or portion thereof) to (but excluding) the Conversion Date 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 (together with the cash payment, if any, in lieu of fractional shares) (or cash or a combination of cash and Common Stock) in exchange for the Note (or portion thereof) being converted pursuant to the provisions hereof; and the fair market value of such shares of Common Stock (together with any such cash payment in lieu of fractional shares) (or cash or a combination of cash and Common Stock) shall be treated as issued, to the extent thereof, first in exchange for and in satisfaction of the Company's obligation to pay the principal amount of the converted Note (or portion thereof) and the accrued and unpaid interest to (but excluding) the Conversion Date, and the balance, if any, of such fair market value of such Common Stock (and any such cash payment) (or cash or a combination of cash and Common Stock) shall be treated as issued in exchange for and in satisfaction of the right to convert the Note (or portion thereof) being converted pursuant to the provisions hereof.

(g) In the event that the Company receives a Form of Conversion Notice on or prior to the date on which the Company gives a Redemption Notice, the following procedures shall apply:

(i) If the Company elects to satisfy all or any portion of its obligation to convert the Notes (the "Conversion Obligation") in cash, the Company shall notify Holders through the Trustee of the dollar amount to be satisfied in cash (which must be expressed either as 100% of the Conversion Obligation or as a fixed dollar amount) at any time on or before the date that is two Business Days following the Conversion Date (the "Cash Settlement Notice Period"), unless the Company already has informed Holders of its election in connection with its Redemption of the Notes under Section 10.1. If the Company timely elects to pay cash for any portion of the Common Stock otherwise issuable to Holders upon conversion, Holders may retract the Conversion Notice at any time during the two Business Days following the final day of the Cash Settlement Notice Period (the "Conversion Retraction Period"). No such retraction can be made (and a Form of Conversion Notice shall be irrevocable) if the Company does not elect to deliver cash (other than cash in lieu of fractional shares) in lieu of all or a portion of the Common Stock otherwise to be issued. Upon the expiration of a Conversion Retraction Period, a Form of Conversion Notice shall be irrevocable. If the Company elects to satisfy all or any portion of the Conversion Obligation in cash, and the applicable Form of Conversion Notice has not been retracted, then settlement (in cash or in cash and shares of Common Stock) will be made through the Conversion Agent no later than the 20th Business Day following the Conversion Date to Holders timely surrendering Notes; provided, that the Conversion Agent (if other than the Company, the Guarantor or any Subsidiary thereof) holds as of 10:00 a.m., New York time, on such settlement date money (or a combination of money and shares of Common Stock, as applicable, subject to the proviso below) deposited by the Company in immediately available funds and designated for and sufficient to cover such settlement amount (be it in cash or a combination of cash and shares of Common Stock) on such date; provided, further, that the Conversion Agent (if other than the Company, the Guarantor and or Subsidiary thereof) shall have received any such shares of Common Stock of the Company (but only to the extent such shares of Common Stock are certificated and not in global form) not less than three (3) Business Days prior to such settlement date.

(ii) If the Company does not elect to satisfy any part of the Conversion Obligation in cash (other than cash in lieu of any fractional shares), delivery of the Common Stock into which the Notes are converted (and cash in lieu of any fractional shares) shall occur through the Conversion Agent no later than the tenth Business Day following the Conversion Date to Holders timely surrendering Notes; provided that the Conversion Agent (if other than the Company, the Guarantor or any Subsidiary thereof) shall have received any such shares of Common Stock from the Company (but only to the extent such shares of Common Stock are certificated and not in global form) not less than three (3) Business Days prior to such settlement date; provided, further, that the Conversion Agent (if other than the Company, the Guarantor or any Subsidiary thereof), with respect to any cash being paid by the Company as part of the settlement amount in lieu of fractional shares, holds as of 10:00 a.m., New York time,

on such settlement date, money deposited by the Company in immediately available funds and designated for and sufficient to cover such settlement amount being paid in cash in lieu of fractional shares.

(h) Settlement amounts will be computed as follows:

(i) If the Company elects to satisfy the entire Conversion Obligation in Common Stock, it shall deliver to Holders that have delivered the Conversion Notice giving rise to the Conversion Obligation a number of shares of Common Stock equal to (i) the aggregate principal amount of Notes to be converted divided by 1,000, multiplied by (ii) the Conversion Rate. In addition, the Company shall pay cash for any fractional shares of Common Stock based on the Last Reported Sale Price of the Common Stock on the last Trading Day immediately preceding the Conversion Date.

(ii) If the Company elects to satisfy the entire Conversion Obligation in cash, it shall deliver to Holders that have delivered the Conversion Notice giving rise to the Conversion Obligation cash in an amount equal to the product of:

(A) a number equal to (i) the aggregate principal amount of Notes to be converted divided by 1,000, multiplied by (ii) the Conversion Rate; and

(B) the average of the Last Reported Sale Prices of the Common Stock for the five consecutive Trading Days (x) immediately following the date of the Company's notice of its election to deliver cash, if the Company has not given a Redemption Notice, or (y) ending on the third Trading Day prior to the Conversion Date, in the case of a conversion following a Redemption Notice specifying that the Company intends to deliver cash upon conversion (each a "Cash Settlement Averaging Period").

(iii) If the Company elects to satisfy a fixed portion (other than 100%) of the Conversion Obligation in cash, it will deliver to Holders the specified cash amount (the "Cash Amount") and a number of shares of Common Stock equal to the greater of (i) zero and (ii) the excess, if any, of the number of shares of Common Stock calculated as if the Company elected to satisfy the entire Conversion Obligation in shares over the number of shares equal to the sum, for each day of the applicable Cash Settlement Averaging Period, of (x) 20% of the Cash Amount, divided by (y) the Last Reported Sale Price of the Common Stock on such day. In addition, the Company shall pay cash for all fractional shares of Common Stock based on the Last Reported Sale Price of the Common Stock on the last Trading Day immediately preceding the Conversion Date.

In no event shall the amount of cash delivered upon conversion of Notes exceed $1,000 per $1,000 principal amount of Notes to be converted. Any such excess amount shall be paid by the Company in shares of Common Stock.

The Company must determine whether or not it will satisfy all or a portion of the Conversion Obligation in cash at the time it issues a Redemption Notice, and such notices will state the amount of the Conversion Obligation to be settled in cash. If a Form of Conversion Notice is received from Holders of Notes after the date that a Redemption Notice has been issued, such Holders may not retract their Conversion Notice. In such case, settlement (in cash and/or Common Stock) will occur no later than the 10th Business Day following the Conversion Date.

(iv) The Company may irrevocably elect, in its sole discretion and without the consent of Holders of the Notes, by notice to the Trustee and the Holders of the Notes, to satisfy in cash 100% of the principal amount of the Notes converted after the date of such election. Notwithstanding such election, the Company may satisfy a Conversion Obligation to the extent it exceeds the principal amount in cash or Common Stock or combination of cash or Common Stock pursuant to this Section 12.2. If a Form of Conversion Notice is received from Holders of Notes after the date that a Redemption Notice has been issued, such Holders may not retract their Conversion Notice. In such case, settlement (in cash and/or Common Stock) will occur no later than the 10th Business Day following the Conversion Date.

Section 12.3. Cash Payments in Lieu of Fractional Shares. No fractional shares of Common Stock or scrip certificates representing fractional shares shall be issued upon conversion of Notes. If more than one Note shall be surrendered for conversion at one time by the same Holder, the number of full shares that shall be issuable upon conversion shall be computed on the basis of the aggregate principal amount of the Notes (or specified portions thereof to the extent permitted hereby) so surrendered. If any fractional share of stock would be issuable upon the conversion of any Note or Notes, the Company shall make an adjustment and payment therefor in cash to the Holder thereof at the Last Reported Sale Price of the Common Stock on the last Trading Day immediately preceding the day on which the Notes (or the specified portions thereof) are deemed to have been converted.

Section 12.4. Conversion Rate. Each $1,000 principal amount of the Notes shall be convertible into the number of shares of Common Stock specified in the form of Note (herein called the "Conversion Rate") set forth in Exhibit A hereto, subject to adjustment as provided in this Article 12. References to Conversion Rate, applicable Conversion Rate, current Conversion Rate and Conversion Rate then in effect mean the Conversion Rate in effect on the relevant date.

Section 12.5. Adjustment of Conversion Rate. The Conversion Rate shall be adjusted from time to time by the Company as follows:

(a) If shares of Common Stock are issued as a dividend or distribution on shares of Common Stock, or if a share split or share combination is effected, the Conversion Rate will be adjusted based on the following formula:

$$CR' = CR_0 \times \frac{OS'}{OS_0}$$

where,

CR_0 = the Conversion Rate in effect immediately prior to such event

CR’ = the Conversion Rate in effect immediately after such event

OS_0 = the number of shares of Common Stock outstanding immediately prior to such event

OS’ = the number of shares of Common Stock outstanding immediately after such event

An adjustment made pursuant to this subsection (a) shall become effective on the date immediately after (x) the date fixed for the determination of stockholders entitled to receive such dividend or other distribution or (y) the date on which such split or combination becomes effective, as applicable. If any dividend or distribution described in this subsection (a) is declared but not so paid or made, the Conversion Rate shall again be adjusted to the Conversion Rate that would then be in effect if such dividend or distribution had not been declared.

(b) If any rights, warrants, options or other securities (other than any rights or warrants issued pursuant to the a stockholder rights plan (commonly referred to as a “poison pill” plan) referred to in Section 12.5(c)) are issued to all or substantially all of the Holders of shares of Common Stock entitling them for a period of not more than 60 days after the date of issuance thereof to subscribe for or purchase shares of Common Stock, or securities convertible into shares of Common Stock within 60 days after the date of issuance thereof, in either case at an exercise price per share or a conversion price per share less than the Last Reported Sale Price of the Common Stock on the Business Day immediately preceding the time of announcement of such issuance, the Conversion Rate will be adjusted based on the following formula:

$$CR' = CR_0 \times \frac{OS_0 + X}{OS_0 + Y}$$

where,

CR_0 = the Conversion Rate in effect immediately prior to such event

CR’ = the Conversion Rate in effect immediately after such event

OS_0 = the number of shares of Common Stock outstanding immediately prior to such event, including Common Stock that would be outstanding upon exercise or conversion of all options and convertible securities whether or not such options or convertible securities are actually exercisable or convertible at such time

X = the total number of shares of Common Stock issuable pursuant to such rights, warrants, options, other securities or convertible securities

Y = the number of shares of Common Stock equal to the aggregate exercise price or conversion price payable to exercise or convert such rights, warrants, options, other securities or convertible securities divided by the average of the Last Reported Sale Prices of the Common Stock for the 10 consecutive Trading Days prior to the Business Day immediately preceding the date of announcement of the issuance of such rights, warrants, options, other securities or convertible securities

An adjustment made pursuant to this subsection (b) shall be made successively whenever such rights, warrants, options, other securities or convertible securities are issued, and shall become effective on the day following the date of announcement of such issuance. If, at the end of the period during which such rights, warrants, options, other securities or convertible securities are exercisable or convertible, not all rights, warrants, options, other securities or convertible securities have been exercised or converted, as the case may be, the adjusted Conversion Rate shall be immediately readjusted to what it would have been based upon the number of additional shares of Common Stock actually issued (or the number of shares of Common Stock actually issued upon conversion of convertible securities actually issued).

For purposes of Section 12.1 and this Section 12.5, in determining whether such rights, warrants, options, other securities or convertible securities entitle the Holder to subscribe for or purchase or exercise a conversion right for shares of Common Stock at less than the average Last Reported Sale Price of the Common Stock, and in determining the aggregate exercise or conversion price payable for such shares of Common Stock, there shall be taken into account any consideration received by the Company for such rights, warrants, options, other securities or convertible securities and any amount payable on exercise or conversion thereof, with the value of such consideration, if other than cash, to be determined by the Board of Directors and such determination shall be provided to the Trustee in a Board Resolution.

(c) If shares of the Company’s capital stock, evidences of the Company’s indebtedness, shares of the capital stock of the Company’s subsidiaries or other assets or property of the Company or its subsidiaries are distributed to all or substantially all of the Holders of shares of Common Stock, excluding:

(i) dividends, distributions and rights, warrants, options, other securities or convertible securities referred to in clause (a) or (b) above;

(ii) dividends or distributions in cash referred to in clause (d) below; and

(iii) spin-offs described below in this clause (c);

then the Conversion Rate will be adjusted based on the following formula:

$$CR' = CR_0 \times \frac{SP_0}{SP_0 - FMV}$$

where,

CR_0	=	the Conversion Rate in effect immediately prior to such distribution
CR’	=	the Conversion Rate in effect immediately after such distribution
SP_0	=	the average of the Last Reported Sale Prices of the Common Stock for the ten (10) consecutive Trading Days prior to the Business Day immediately preceding the record date for such distribution
FMV	=	the fair market value (as determined in good faith by the Board of Directors of the Company) of the shares of capital stock, evidences of indebtedness, assets or property distributed with respect to each outstanding share of Common Stock on the record date for such distribution

An adjustment made pursuant to the above paragraph shall be made successively whenever any such distribution is made and shall become effective on the day immediately after the dated fixed for the determination of shareholders entitled to receive such distribution.

With respect to an adjustment pursuant to this clause (c) where there has been a payment of a dividend or other distribution on the Common Stock of shares of capital stock of any class or series, or similar equity interest, of or relating to a subsidiary or other business unit of the Company (referred to as a “spin-off”), the Conversion Rate in effect immediately before the close of business on the record date fixed for determination of stockholders entitled to receive the distribution will be increased based on the following formula:

$$CR' = CR_0 \times \frac{FMV_0 + MP_0}{MP_0}$$

where,

CR_0	=	the Conversion Rate in effect immediately prior to such distribution
CR’	=	the Conversion Rate in effect immediately after such distribution
FMV_0	=	the average of the Last Reported Sale Prices of the capital stock or similar equity interest distributed to Holders of shares of Common Stock applicable to one share of our Common Stock over the first 10 consecutive Trading Days after the effective date of the spin-off
MP_0	=	the average of the Last Reported Sale Prices of the Common Stock over the first 10 consecutive Trading Days after the effective date of the spin-off

The adjustment to the Conversion Rate under the preceding paragraph will occur on the 10th Trading Day after the effective date of the spin-off.

If any such dividend or distribution described in this subsection (c) is declared but not paid or made, the Conversion Rate shall again be adjusted to be the Conversion Rate that would then be in effect if such dividend or distribution had not been declared.

Rights or warrants distributed by the Company to all holders of Common Stock entitling the holders thereof to subscribe for or purchase shares of the Company’s capital stock (either initially or under certain circumstances), which rights or warrants, until the occurrence of a specified event or events specified in such rights or warrants or related instruments or agreements governing the same (a “Trigger Event”):

(i) are deemed to be transferred with such shares of Common Stock;

(ii) are not exercisable; and

(iii) are also issued in respect of future issuances of Common Stock;

shall be deemed not to have been distributed for purposes of this Section 12.5(c) (and no adjustment to the Conversion Rate under this Section 12.5(c) will be required) until the occurrence of the earliest Trigger Event. If such right or warrant is subject to subsequent events, upon the occurrence of which such right or warrant shall become exercisable to purchase different distributed assets, evidences of indebtedness or other assets or entitle the Holder to purchase a different number or amount of the foregoing or to purchase any of the foregoing at a different purchase price, then the occurrence of each such event shall be deemed to be the date of issuance and the Conversion Record Date with respect to a new right or warrant (and a termination or expiration of the existing right or warrant without exercise by the Holder thereof); in addition, in the event of any distribution (or deemed distribution) of rights or warrants, or any Trigger Event or other event (of the type described in the preceding sentence) with respect thereto, that resulted in an adjustment to the Conversion Rate under this Section 12.5(c):

(i) in the case of any such rights or warrants which shall all have been redeemed or purchased without exercise by any Holders thereof, the Conversion Rate shall be readjusted upon such final redemption or purchase to give effect to such distribution or Trigger Event,

as applicable, as though it were a cash distribution, equal to the per share redemption or purchase price received by a holder of Common Stock with respect to such rights or warrants (assuming such holder had retained such rights or warrants), made to all holders of Common Stock as of the date of such redemption or purchase; and

(ii) in the case of such rights or warrants which shall have expired or been terminated without exercise, the Conversion Rate shall be readjusted as if such rights and warrants had never been issued.

For purposes of this Section 12.5(c) and Section 12.5(a) and Section 12.5(b), any dividend or distribution to which this Section 12.5(c) is applicable that also includes shares of Common Stock, a subdivision or combination of Common Stock to which Section 12.5(a) applies, or rights or warrants to subscribe for or purchase shares of Common Stock to which Section 12.5(b) applies (or any combination thereof), shall be deemed instead to be:

(A) a dividend or distribution of the evidence of indebtedness, shares of capital stock or other assets or property, other than such shares of Common Stock, such subdivision or combination or such rights, warrants, options or other securities to which Section 12.5(a) and Section 12.5(b) apply, respectively (and any Conversion Rate reduction required by this Section 12.5(c) with respect to such dividend or distribution shall then be made), immediately followed by

(B) a dividend or distribution of such shares of Common Stock, such subdivision or combination or such rights, warrants, options or other securities (and any further Conversion Rate reduction required by Section 12.5(a)

and Section 12.5(b) with respect to such dividend or distribution shall then be made), except:

(1) the effective date of such dividend or distribution shall be "the date fixed for the determination of stockholders entitled to receive such dividend or other distribution" or "the date on which such split or combination becomes effective," as applicable for purposes of Section 12.5(a) and the "time of announcement of such issuance" for purposes of Section 12.5(b); and

(2) any shares of Common Stock included in such dividend or distribution shall not be deemed "outstanding immediately prior to such event" for purposes of Section 12.5(a) and any reduction or increase in the number of shares of Common Stock resulting from such subdivision or combination shall be disregarded in connection with such dividend or distribution.

(d) If any cash dividend or distribution is paid or made to all or substantially all of the holders of Common Stock, the Conversion Rate will be adjusted based on the following formula:

$$CR' = CR_0 \times \frac{SP_0}{SP_0 - C}$$

where,

CR_0 = the Conversion Rate in effect immediately prior to the record date for such distribution

CR' = the Conversion Rate in effect immediately after the record date for such distribution

SP_0 = the average of the Last Reported Sale Prices of the Common Stock for the 10 consecutive Trading Days prior to the Business Day immediately preceding the record date of such distribution

C = the amount in cash per share the Company distributes to Holders of shares of Common Stock

An adjustment made pursuant to this subsection (d) shall become effective on the date immediately after the record date for the determination of shareholders entitled to receive such dividend or distribution. If any dividend or distribution described in this subsection (d) is declared but not so paid or made, the Conversion Rate shall again be adjusted to the Conversion Rate that would then be in effect if such dividend or distribution had not been declared.

(e) In case a tender or exchange offer made by the Company or any Subsidiary for all or any portion of the Common Stock shall expire and such tender or exchange offer (as amended upon the expiration thereof) shall require the payment to stockholders of consideration per share of Common Stock having a fair market value (as determined in good faith by the Board of Directors) that as of the last time (the "Expiration Time") tenders or exchanges may be made pursuant to such tender or

exchange offer (as it may be amended) exceeds the average of the Last Reported Sale Price of the Common Stock for the ten (10) consecutive Trading Days next succeeding the Expiration Time, the Conversion Rate will be adjusted based on the following formula:

$$CR' = CR_0 \times \frac{FMV + MPV}{OS_0 \times SP_0}$$

Where,

CR_0 = the Conversion Rate in effect immediately prior to the Expiration Time

CR' = the Conversion Rate in effect immediately after the Expiration Time

FMV = the fair market value (as determined in good faith by the Board of Directors of the Company) 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").

MPV = the product of the number of shares of Common Stock outstanding (less any Purchased Shares) at the Expiration Time and the average of the Last Reported Sale Price of the Common Stock for the (ten) 10 consecutive Trading Days next succeeding the Expiration Time.

OS_0 = the number of shares of Common Stock outstanding (including any tendered or exchanged shares) at the Expiration Time.

SP_0 = the average of the Last Reported Sale Prices of the Common Stock for the ten (10) consecutive Trading Days next succeeding the Expiration Time.

Such adjustment shall become effective immediately prior to the opening of business on the day following the Expiration Time. 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. In no event will the Conversion Rate be decreased pursuant to this Section 12.5(e).

(f) The reclassification of Common Stock into securities other than Common Stock (other than any reclassification upon an event to which Section 12.6 applies) shall be deemed to involve (a) a distribution of such securities other than Common Stock to all Holders of Common Stock (and the effective date of such reclassification shall be deemed to be "the date fixed for the determination of shareholders entitled to receive such distribution" within the meaning of Section 12.5(c)), and (b) a subdivision, split or combination, as the case may be, of the number of shares of Common Stock outstanding immediately prior to such reclassification into the number of shares of Common Stock outstanding immediately thereafter (and the effective date of such reclassification shall be deemed to be "the day upon which such split or combination becomes effective" within the meaning of Section 12.5(a)).

(g) Notwithstanding the foregoing provisions of Section 12.5, no adjustment shall be made thereunder, nor shall an adjustment be made to the ability of a Holder of a Note to convert, for any distribution described therein if the Holder will otherwise participate in the distribution without conversion of such Holder's Notes.

(h) The Company may make such increases in the Conversion Rate, in addition to those required by clauses (a) through (e) of this Section 12.5, as the Board of Directors deems advisable to avoid or diminish any income tax to Holders of shares of capital stock of the Company (or rights to acquire such capital stock) resulting from any dividend or distribution of such capital stock (or rights to acquire common stock) or from any event treated as such for income tax purposes.

To the extent permitted by applicable law, the Company from time to time may increase the Conversion Rate by any amount for any period of time if the increase is irrevocable during the period and the Board of Directors shall have made a determination that such increase would be in the best interests of the Company, which determination shall be conclusive. Whenever the Conversion Rate is increased pursuant to the preceding sentence, the Company shall mail to Holders of record of the Notes a notice of the increase at least 20 days prior to the date the increased Conversion Rate takes effect and in accordance with applicable law, and such notice shall state the increased Conversion Rate and the period during which it will be in effect.

(i) No adjustment to the Conversion Rate need be made:

(i) upon the issuance of any shares of Common Stock pursuant to any present or future plan providing for the reinvestment of dividends or interest payable on securities of the Company and the investment of additional optional amounts in shares of Common Stock under any plan;

(ii) upon the issuance of any shares of Common Stock or options or rights to purchase shares of Common Stock pursuant to any present or future employee, director or consultant incentive benefit plan or program of or assumed by the Company or any of its Subsidiaries;

(iii) upon the issuance of any shares of Common Stock pursuant to any option, warrant, right, or exercisable, exchangeable or convertible security not described in (ii) above;

(iv) upon the issuance of any shares of Common Stock pursuant to this Indenture or the indentures governing the PBGC 6% Senior Notes, the PBGC 8% Contingent Notes and the Employee Notes;

(v) upon the repurchase by the Company of shares of Common Stock from any employee deferred compensation trusts or members of its management upon their resignation or termination of employment;

(vi) for a change in the par value of the Common Stock;

(vii) for accrued and unpaid interest;

(viii) upon any issuance or sale (or deemed issuance or sale) of any securities issued or sold pursuant to or in connection with the Plan or upon conversion, exercise or exchange of any such securities; or

(ix) upon any distribution of assets pursuant to or in connection with the Plan.

No adjustment to the Conversion Rate will be required pursuant to this Indenture in connection with any event, transaction or other occurrence unless the terms of this Indenture specifically require that such an adjustment be made in connection with such event, transaction or other occurrence.

(j) All adjustments to the Conversion Rate under this Article 12 shall be made by the Company and shall be calculated to the nearest one ten thousandth (1/10,000) of a share.

(k) Whenever the Conversion Rate is adjusted as herein provided, the Company shall promptly file with the Trustee and any Conversion Agent other than the Trustee an Officers' Certificate setting forth the Conversion Rate after such adjustment and setting forth a brief statement of the facts requiring such adjustment. Unless and until a Trust Officer of the Trustee shall have received such Officers' Certificate, the Trustee shall not be deemed to have knowledge of any adjustment of the Conversion Rate and may assume that the last Conversion Rate of which it has knowledge is still in effect. Promptly after delivery of such certificate, the Company shall prepare a notice of such adjustment of the Conversion Rate setting forth the adjusted Conversion Rate and the date on which each adjustment becomes effective and shall mail such notice of such adjustment of the Conversion Rate to the Holder of each Note at its last address appearing on the Register, within 20 days after execution thereof. Failure to deliver such notice shall not affect the legality or validity of any such adjustment.

(l) In any case in which this Section 12.5 provides that an adjustment shall become effective immediately after (1) a record date or Stock Record Date for an event,

(2) the date fixed for the determination of stockholders entitled to receive a dividend or distribution pursuant to Section 12.5(a) or (3) a date fixed for the determination of stockholders entitled to receive rights, warrants, options or other securities pursuant to Section 12.5(b), (each a "Determination Date"), the Company may elect to defer until the occurrence of the applicable Adjustment Event (as hereinafter defined) (x) issuing to the Holder of any Note (or portion thereof) converted after such Determination Date and before the occurrence of such Adjustment Event, the additional shares of Common Stock or other securities issuable upon such conversion by reason of the adjustment required by such Adjustment Event over and above the Common Stock issuable upon such conversion before giving effect to such adjustment and (y) paying to such Holder any amount in cash in lieu of any fraction pursuant to Section 12.3; provided that in the case of an adjustment made pursuant to Section 12.5(c) with respect to a distribution of shares of capital stock of, or similar equity interest in, a subsidiary or other business unit of the Company, the Company may defer the issuance of such additional shares and cash payment, if any, until the 3rd Business Day immediately following the last day of the 20 consecutive Trading Day period commencing on the 5th Trading Day after the Ex-Dividend Date. For purposes of this Section 12.5(l), the term "Adjustment Event" shall mean:

(i) in any case referred to in clause (1) hereof, the occurrence of such event;

(ii) in any case referred to in clause (2) hereof, the date any such dividend or distribution is paid or made; and

(iii) in any case referred to in clause (3) hereof, the date of expiration of such rights, warrants, options or other securities (or the conversion period of any convertible securities issued upon exercise thereof).

(m) For purposes of this Section 12.5, the number of shares of Common Stock at any time outstanding shall not include shares held in the treasury of the Company but shall include shares issuable in respect of scrip certificates issued in lieu of fractions of shares of Common Stock. The Company will not pay any dividend or make any distribution on shares of Common Stock held in the treasury of the Company.

(n) Notwithstanding anything in this Indenture to the contrary, in no event shall the Conversion Rate be adjusted so that the Conversion Price would be less than $0.01.

Section 12.6. Effect of Reclassification, Consolidation, Merger or Sale. If there shall occur (i) any reclassification or change of the outstanding shares of Common Stock (other than a subdivision or combination to which Section 12.5(a) applies), (ii) any consolidation, merger or combination of the Company with another Person as a result of which Holders of Common Stock shall be entitled to receive stock, other securities or other property or assets (including cash) with respect to or in exchange for such Common Stock, or (iii) any sale or conveyance of all or substantially all of the properties and assets of the Company to any other Person as a result of which Holders of Common Stock shall be entitled to receive stock, other securities or other

property or assets (including cash) with respect to or in exchange for such Common Stock, then the Company or the successor or purchasing Person, as the case may be, shall execute with the Trustee a supplemental indenture (which shall comply with the Trust Indenture Act as in force at the date of execution of such supplemental indenture) providing that each Note shall be convertible into the kind and amount of shares of stock, other securities or other property or assets (including cash) receivable upon such reclassification, change, consolidation, merger, combination, sale or conveyance by a Holder of a number of shares of Common Stock issuable upon conversion of such Notes (assuming, for such purposes, a sufficient number of treasury shares and authorized and unissued shares of Common Stock are available to convert all such Notes) immediately prior to such reclassification, change, consolidation, merger, combination, sale or conveyance assuming such Holder of Common Stock did not exercise his rights of election, if any, as to the kind or amount of stock, other securities or other property or assets (including cash) receivable upon such reclassification, change, consolidation, merger, combination, sale or conveyance (provided that, if the kind or amount of stock, other securities or other property or assets (including cash) receivable upon such reclassification, change, consolidation, merger, combination, sale or conveyance is not the same for each share of Common Stock in respect of which such rights of election shall not have been exercised (a "non-electing share"), then for the purposes of this Section 12.6 the kind and amount of stock, other securities or other property or assets (including cash) receivable upon such reclassification, change, consolidation, merger, combination, sale or conveyance for each non-

electing share shall be deemed to be the kind and amount so receivable per share by a plurality of the non-electing shares). Such supplemental indenture shall provide for adjustments which shall be as nearly equivalent as may be practicable to the adjustments provided for in this Article 12.

The Company shall cause notice of the execution of such supplemental indenture to be mailed to each Holder of Notes, at its address appearing on the Register, within 20 days after execution thereof. Failure to deliver such notice shall not affect the legality or validity of such supplemental indenture.

The above provisions of this Section shall similarly apply to successive reclassifications, changes, consolidations, mergers, combinations, sales and conveyances.

If this Section 12.6 applies to any event or occurrence, Section 12.5 shall not apply.

Section 12.7. Taxes on Shares Issued. The issue of stock certificates on conversions of Notes shall be made without charge to the converting Holder for any documentary, stamp or similar issue or transfer tax in respect of the issue thereof. The Company shall not, however, be required to pay any such tax which may be payable in respect of any transfer involved in the issue and delivery of such certificates in any name other than that of the Holder of any Note converted, and the Company shall not be required to issue or deliver any such stock certificate unless and until the Person or Persons requesting the issue thereof shall have paid to the Company the amount of such tax or shall have established to the satisfaction of the Company that such tax has been paid.

Section 12.8. Reservation of Shares, Shares to Be Fully Paid; Compliance with Governmental Requirements; Listing of Common Stock. The Company shall provide out of its authorized but unissued shares or shares held in treasury, sufficient shares of Common Stock to

provide for the conversion of the Notes from time to time as such Notes are presented for conversion.

Before taking any action which would cause an adjustment increasing the Conversion Rate to an amount that would cause the Conversion Price to be reduced below the then par value, if any, of the shares of Common Stock issuable upon conversion of the Notes, the Company will take all corporate action which may, in the opinion of its counsel, be necessary in order that the Company may validly and legally issue such shares of Common Stock at such adjusted Conversion Rate.

The Company covenants that all shares of Common Stock which may be issued upon conversion of Notes will upon issue be fully paid and nonassessable by the Company and free from all taxes, liens and charges with respect to the issue thereof.

The Company further covenants that, prior to the issuance of any Common Stock hereunder, it shall use its commercially reasonable efforts to cause the Common Stock to be listed on the Nasdaq National Market or any national securities exchange or other automated quotation system. The Company covenants to use its commercially reasonable efforts to list such Common Stock issuable upon conversion of the Notes in accordance with the requirements of such market, exchange or automated quotation system at such time.

Section 12.9. Responsibility of Trustee. The Trustee and any other Conversion Agent shall not at any time be under any duty or responsibility to any Holder of Notes to determine the Conversion Rate or whether any facts exist which may require any adjustment of the Conversion Rate, or with respect to the nature or extent or calculation of any such adjustment when made, or with respect to the method employed, or herein or in any supplemental indenture provided to be employed, in making the same. The Trustee and any other Conversion Agent shall not be accountable with respect to the validity or value (or the kind or amount) of any shares of Common Stock, or of any securities or property, which may at any time be issued or delivered upon the conversion of any Note; and the Trustee and any other Conversion Agent make no representations with respect thereto. Neither the Trustee nor any Conversion Agent shall be responsible for any failure of the Company to issue, transfer or deliver any shares of Common Stock or stock certificates or other securities or property or cash upon the surrender of any Note for the purpose of conversion or to comply with any of the duties, responsibilities or covenants of the Company contained in this Article 12. Without limiting the generality of the foregoing, neither the Trustee nor any Conversion Agent shall be under any responsibility to determine the correctness of any provisions contained in any supplemental indenture entered into pursuant to Section 12.6 relating either to the kind or amount of shares of stock or securities or property (including cash) receivable by Holders upon the conversion of their Notes after any event referred to in such Section 12.6 or to any adjustment to be made with respect thereto, but, subject to the provisions of Section 6.3, may accept as conclusive evidence of the correctness of any such provisions, and shall be protected in relying upon, the Officers' Certificate (which the Company shall be obligated to file with the Trustee prior to the execution of any such supplemental indenture) with respect thereto.

Section 12.10. Notice to Holders Prior to Certain Actions. In case:

(a) the Company shall declare a dividend (or any other distribution) on its Common Stock that would require an adjustment in the Conversion Rate pursuant to Section 12.5;

(b) of any reclassification or reorganization of the Common Stock (other than a subdivision or combination of the outstanding Common Stock, or a change in par value, or from par value to no par value, or from no par value to par value), or of any consolidation or merger to which the Company is a party and for which approval of any stockholders of the Company is required, or of the sale or transfer of all or substantially all of the assets of the Company;

(c) of the voluntary or involuntary dissolution, liquidation or winding up of the Company; or

(d) the Company shall authorize the granting to all or substantially all of the holders of its Common Stock of rights, warrants or options to subscribe for or purchase any shares of capital stock of any class of any other rights,

the Company shall cause to be mailed to each Holder of Notes at its address appearing on the Register, as promptly as possible but at least 10 days prior to the applicable record or effective date hereinafter specified (but in no event prior to the date of the notice provided to the holders of Common Stock), a notice stating (x) the date on which a record is to be taken for the purpose of such dividend, distribution, rights, options or warrants, or, if a record is not to be taken,

the date as of which the Holders of Common Stock of record to be entitled to such dividend, distribution, rights, options or warrants are to be determined, or (y) the date on which such reclassification, consolidation, merger, sale, transfer, dissolution, liquidation or winding up is expected to become effective or occur, and the date as of which it is expected that Holders of Common Stock of record shall be entitled to exchange their Common Stock for securities or other property deliverable upon such reclassification, consolidation, merger, sale, transfer, dissolution, liquidation or winding up. Failure to give such notice, or any defect therein, shall not affect the legality or validity of such dividend, distribution, reclassification, consolidation, merger, sale, transfer, dissolution, liquidation or winding up.

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.

UAL CORPORATION
By: /s/ Frederic F. Brace
Name: Frederic F. Brace
Title: Executive Vice President
and Chief Financial Officer

UNITED AIR LINES, INC., as GUARANTOR
By: /s/ Frederic F. Brace
Name: Frederic F. Brace
Title: Executive Vice President
and Chief Financial Officer

THE BANK OF NEW YORK TRUST
COMPANY, N.A., Not in its individual capacity
but solely in its capacity as TRUSTEE
By: /s/ Roxane Ellwanger

Name: Roxane Ellwanger
Title: Assistant Vice President

EXHIBIT A

[FORM OF NOTE]

**[INSERT GLOBAL NOTE LEGEND AS SPECIFIED IN SECTION 2.4
AND THE TRANSFER RESTRICTION LEGEND
AS SPECIFIED IN SECTION 2.5,
IN EACH CASE, IF APPLICABLE]**

CUSIP No.: 902549 AE 4

UAL CORPORATION

5% SENIOR NOTE DUE 2021

No. A-1 $ 149,646,114

UAL CORPORATION, a Delaware corporation (the “Company,” which term includes any successor entity), for value received promises to pay to Cede & Co. or registered assigns, the principal sum of One Hundred Forty-Nine Million, Six Hundred Forty-Six Thousand, One Hundred and Fourteen Dollars, on February 1, 2021.

Interest Payment Dates: June 30 and December 31.

Record Dates: June 15 and December 15.

Reference is made to the further provisions of this Note contained herein, which will for all purposes have the same effect as if set forth at this place, including, without limitation, provisions giving the holder of this Note the right to convert this Note into Common Stock of the Company on the terms and subject to the limitations referred to on the reverse hereof and as more fully specified in the Indenture. Under the circumstances described in the Indenture, the Company may fulfill all or part of its conversion obligation by delivering cash in lieu of shares of Common Stock or a combination of cash and shares of Common Stock.

IN WITNESS WHEREOF, the Company has caused this Note to be signed manually or by facsimile by its duly authorized officers and a facsimile of its corporate seal to be affixed hereto or imprinted hereon.

UAL CORPORATION

By: _____
Name:
Title:

By: _____
Name:
Title:

Certificate of Authentication

This is one of the 5% Senior Convertible Notes due 2021 referred to in the within-mentioned Indenture.

THE BANK OF NEW YORK TRUST COMPANY, N.A., Not in its individual capacity but solely in its capacity as TRUSTEE

Dated: By: _____
Authorized Signatory

(REVERSE OF SECURITY)

5% SENIOR CONVERTIBLE NOTE DUE 2021

1. Interest. UAL Corporation, a Delaware corporation (the "Company"), promises to pay interest on the principal amount of this Note as follows: Interest will accrue on this Note at a rate of 5% per annum from the most recent date on which interest has been paid or, if no interest has been paid, from February 1, 2006, and shall be payable in cash on the terms set forth herein and in the Indenture (hereinafter defined) (except as provided below) semiannually in arrears on each Interest Payment Date, commencing June 30, 2006; provided, that the Company may elect on any Interest Payment Date on or prior to the first anniversary of the issuance date of such Note to pay such interest in Common Stock having a Market Value as of the close of business on the Business Day immediately preceding such Interest Payment Date equal to the amount of interest not paid by check or wire transfer which is due on such Interest Payment Date; such shares of Common Stock shall be freely transferable by the Holders thereof, subject to any transfer restrictions contained in the Company's Restated Certificate of Incorporation. The Company shall notify each of the Trustee or the Paying Agent, as the case may be, and the Holders within five days prior to an Interest Payment Date if the Company shall elect to pay such interest in Common Stock on such Interest Payment Date and, in the case of payment in Common Stock, the Company shall certify to the Trustee on such Interest Payment Date the Market Value of the Common Stock as of the Close of business on the Business Day immediately preceding such Interest Payment Date. All interest will be computed on the basis of a 360-day year of twelve 30-day months.

The Company shall pay interest in cash on overdue principal and on overdue installments of interest (without regard to any applicable grace periods and to the extent lawful) from time to time on demand at the rate borne by the Notes plus 1% per annum.

2. Method of Payment. The Company shall pay interest on the Notes (except Defaulted Interest) to the Persons who are the registered Holders at the close of business on the Regular Record Date immediately preceding the Interest Payment Date even if the Notes are cancelled on registration of transfer or registration of exchange after such Regular Record Date. Holders must surrender Notes to a Paying Agent to collect principal payments. The Company shall pay principal, premium, if any, and interest at the office or agency maintained by the Company for such purpose under the Indenture, in money (except as provided in paragraph 1 above) of the United States that at the time of payment is legal tender for payment of public and private debts ("U.S. Legal Tender"). However, the Company may pay interest by its check payable in such U.S. Legal Tender. The Company may deliver any such interest payment to the Paying Agent (and in case the Trustee shall then be acting as Paying Agent, the Company shall deposit the aggregate amount of such interest payment with the Trustee no later than 10:00 a.m., New York City time, on such scheduled payment date, in immediately available funds and designated for and sufficient to pay all interest on the Notes then due) or to a Holder at the Holder's registered address set forth in the Register.

3. Paying Agent and Registrar. Initially, The Bank of New York Trust Company, N.A., a national banking association, not in its individual capacity but solely as trustee (the

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"Trustee"), will act as Paying Agent and Registrar. The Company may change any Paying Agent, Registrar or co-Registrar without notice to the Holders.

4. Indenture. The Company issued the Notes under an Indenture, dated as of February 1, 2006 (the "Indenture"), by and among the Company, the Guarantor, and the Trustee. This Note is one of a duly authorized issue of Notes of the Company designated as its 5% Senior Convertible Notes due 2021. Except as provided in paragraph 1 above, the Notes are limited in aggregate principal amount to $149,646,114. Capitalized terms herein are used as defined in the Indenture unless otherwise defined herein. The terms of the Notes include those stated in the Indenture and those made part of the Indenture by reference to the Trust Indenture Act of 1939 (15 U.S. Code §§ 77aaa—77bbbb) (the "TIA"), as in effect on the date of the Indenture. Notwithstanding anything to the contrary herein, the Notes are subject to all such terms, and Holders of Notes are referred to the Indenture and the TIA for a statement of them. To the extent any provision of these Notes conflicts with the express provisions of the Indenture, the provisions of the Indenture shall govern and be controlling. The Notes are general unsecured obligations of the Company.

5. Optional Redemption. At any time on or after February 1, 2011, the Notes will be redeemable, at the Company's option, in whole at any time or in part from time to time, as set forth below.

On or after February 1, 2011, the Notes will be subject to redemption at 100% of the principal amount thereof plus accrued and unpaid interest thereon to but not including the applicable Redemption Date. The Company may elect to pay the Redemption Price in Common Stock if the Common Stock has traded at no less than 125% of the Conversion Price for the 60 consecutive Trading Days prior to the Redemption Date.

Notwithstanding the foregoing, if the notice of redemption is mailed prior to an Interest Payment Date but the Redemption Date falls after such Interest Payment Date, then the applicable interest shall be paid on such Interest Payment Date and the accrued and unpaid interest to the Redemption Date shall be that interest accruing from such Interest Payment Date to but excluding the Redemption Date.

6. Notice of Redemption. Notice of redemption shall be mailed not less than 30 days nor more than 60 days before the Redemption Date to each Holder of Notes to be redeemed at such Holder's registered address set forth in the Register. Notes in denominations larger than $1,000 may be redeemed in part.

Except as set forth in the Indenture, if monies for the redemption of the Notes called for redemption shall have been deposited with the Paying Agent for redemption on such Redemption Date, then, unless the Company defaults in the payment of such Redemption Price plus accrued interest, if any, the Notes called for redemption will cease to bear interest from and after such Redemption Date and the only right of the Holders of such Notes will be to receive payment of the Redemption Price plus accrued interest, if any.

7. Mandatory Redemption. Section 10.8 of the Indenture provides that, upon the occurrence of a Change in Ownership or a Fundamental Change, and subject to further

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limitations contained therein, the Company will make an offer to purchase the Notes in accordance with the procedures set forth in the Indenture.

8. Repurchase of Notes by the Company at Option of Holders on Specified Dates. Subject to the terms and conditions of the Indenture, the Company shall become obligated to repurchase, at the option of the Holder, all of the Notes held by such Holder on February 1, 2011 and February 1, 2016 at a Company Repurchase Price of 100% of the principal amount thereof, plus any accrued and unpaid interest, if any, on such Notes to, but excluding, the Company Repurchase Date. To exercise such right, a Holder shall deliver to the Trustee (or other Paying Agent appointed by the Company) such Note with the form entitled "Form of Company Repurchase Election" on the reverse thereof duly completed, together with the Note, duly endorsed for transfer, at any time from the opening of business on the date that is 20 Business Days prior to such Company Repurchase Date until the close of business on the Business Day immediately preceding the Company Repurchase Date, as set forth in the Indenture.

9. Denominations; Transfer; Exchange. The Notes are in registered form, without coupons, in denominations of $1,000 or any integral multiple thereof. A Holder shall register the transfer of or exchange Notes in accordance with the Indenture. The Registrar may require a Holder, among other things, to furnish appropriate endorsements and transfer documents and to pay certain transfer taxes or similar governmental charges payable in connection therewith as permitted by the Indenture. The Registrar need not register the transfer of or exchange of any Notes or portions thereof selected for redemption.

10. Persons Deemed Owners. The registered Holder of a Note shall be treated as the owner of it for all purposes.

11. Unclaimed Property. If money or Common Stock for the payment of principal or interest remains unclaimed for two years, the Trustee and/or the Paying Agent will pay the money or deliver the Common Stock back to the Company. After that, all liability of the Trustee and such Paying Agent with respect to such money or Common Stock shall cease.

12. Discharge Prior to Redemption or Maturity. If the Company at any time deposits with the Trustee U.S. Legal Tender or Government Obligations sufficient to pay the principal of and interest on the Notes to redemption or Maturity and complies with the other provisions of the Indenture relating thereto, the Company will be discharged from certain provisions of the Indenture and the Notes (including certain covenants, but excluding its obligation to pay the principal of and interest on the Notes).

13. Amendment; Supplement; Waiver. Subject to certain exceptions, the Indenture or the Notes may be amended or supplemented with the written consent of the Holders of at least a majority in aggregate principal amount of the Notes then Outstanding, and any existing Default or Event of Default or noncompliance with any provision of the Indenture or the Notes may be waived with the written consent of the Holders of a majority in aggregate principal amount of the Notes then Outstanding. Without notice to or consent of any Holder, the parties thereto may amend or supplement the Indenture or the Notes to, among other things, cure any ambiguity or correct or supplement any provision in the Indenture which may be defective or inconsistent with any other provision therein.

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14. Restrictive Covenants. The Indenture imposes certain limitations on the ability of the Company to, among other things, merge or consolidate with any other Person, sell, transfer, convey or otherwise dispose of all or substantially all of its property or assets. Such limitations are subject to a number of important qualifications and exceptions.

15. Defaults and Remedies. Subject to certain exceptions, if an Event of Default occurs and is continuing, the Trustee or the Holders of at least 25% in aggregate principal amount of Notes then Outstanding may declare all the Notes to be due and payable in the manner, at the time and with the effect provided in the Indenture. Holders of Notes may not enforce the Indenture or the Notes except as provided in the Indenture. Subject to the terms of this Indenture, the Trustee is not obligated to enforce the Indenture or the Notes unless it has received indemnity reasonably satisfactory to it. The Indenture permits, subject to certain limitations therein provided, Holders of a majority in aggregate principal amount of the Notes then Outstanding to direct the Trustee in its exercise of any trust or power. The Trustee may withhold from Holders of Notes notice of any continuing Default or Event of Default (except a Default in payment of principal or interest) in accordance with the provisions of the Indenture if it determines that withholding notice is in their interest.

16. Conversion. Subject to and upon compliance with the provisions of the Indenture, prior to Stated Maturity, the Holder hereof has the right, at its option, to convert the principal amount of its Note, or any portion of such principal amount which is an integral multiple of $1,000, into such number of shares of the Company's Common Stock as is determined by the Conversion Rate, as such shares shall be constituted at the date of conversion and subject to adjustment from time to time as provided in the Indenture, upon surrender of this Note with the form entitled "Form of Conversion Notice" on the reverse hereof duly completed, to the Company at the office or agency of the Company maintained for that purpose in accordance with the terms of the Indenture or, at the option of such holder, the Corporate Trust Office, and, unless the shares issuable on conversion are to be issued in the same name as this Note, duly endorsed by, or accompanied by instruments of transfer in form satisfactory to the Company duly executed by, the holder or by its duly authorized attorney. The Conversion Price means 125% of the Last Reported Sales Prices for the 60 consecutive Trading Days following February 1, 2006, rounded to the nearest cent.

If the Company (i) is a party to a consolidation, merger, binding share exchange or combination, (ii) reclassifies the Common Stock or (iii) sells or conveys its properties and assets substantially as an entirety to any Person, the right to convert a Note into shares of Common Stock may be changed into a right to convert it into securities, cash or other assets of the Company or such other Person, in each case in accordance with the Indenture.

No adjustment in respect of interest on any Note converted or dividends on any shares issued upon conversion of such Note will be made upon any conversion except as set forth in the next sentence. If this Note (or portion hereof) is surrendered for conversion during the period from the close of business on any record date for the payment of interest to the close of business on the Business Day preceding the following Interest Payment Date and has not been called for redemption by the Company on a Redemption Date that occurs during such period, this Note (or portion hereof being converted) must be accompanied by payment, in immediately available funds or other funds acceptable to the Company, of an amount equal to the interest otherwise

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payable on such Interest Payment Date on the principal amount being converted; provided that no such payment shall be required (1) if the Company has specified a Redemption Date that is after a record date and prior to the next Interest Payment Date, (2) if the Company has specified a Repurchase Date following a Change in Ownership or Fundamental Change that is during such period or (3) to the extent of any overdue interest, if any overdue interest exists at the time of conversion with respect to such Note.

No fractional shares will be issued upon any conversion, but an adjustment and payment in cash will be made, as provided in the Indenture, in respect of any fraction of a share which would otherwise be issuable upon the surrender of any Note or Notes for conversion.

A Note in respect of which a holder is exercising its right to require repurchase upon a Change in Ownership or Fundamental Change or repurchase on a Repurchase Date may be converted only if such holder withdraws its election to exercise such right in accordance with the terms of the Indenture.

Any Notes called for redemption, unless surrendered for conversion by the Holders thereof on or before the close of business on the second Business Day preceding the Redemption Date, may be deemed to be redeemed from the holders of such Notes for an amount equal to the applicable Redemption Price by one or more investment banks or other purchasers who may agree with the Company (i) to purchase such Notes from the holders thereof and convert them into shares of the Company's Common Stock and (ii) to make payment for such Notes as aforesaid to the Trustee in trust for the Holders.

17. Trustee Dealings with Company. The Trustee under the Indenture, in its individual or any other capacity, may become the owner or pledgee of Notes and may otherwise deal with the Company, its Subsidiaries or their respective Affiliates as if it were not the Trustee.

18. No Recourse Against Others. No stockholder, director, officer, employee or incorporator, as such, of the Company or the Guarantor shall have any liability for any obligation of the Company or the Guarantor under the Notes, the Note Guarantee or the Indenture or for any claim based on, in respect of or by reason of, such obligations or their creation. Each Holder of a Note by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for the issuance of the Notes.

19. Authentication. This Note shall not be valid until the Trustee or Authenticating Agent manually signs the certificate of authentication on this Note.

20. Governing Law. The laws of the State of New York shall govern this Note and the Indenture, without regard to principles of conflicts of law.

21. Abbreviations and Defined Terms. Customary abbreviations may be used in the name of a Holder of a Note or an assignee, such as: TEN CON (= 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 Gifts to Minors Act).

22. CUSIP Numbers. Pursuant to a recommendation promulgated by the Committee on Uniform Security Identification Procedures, the Company has caused CUSIP numbers to be

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printed on the Notes as a convenience to the Holders of the Notes. No representation is made as to the accuracy of such numbers as printed on the Notes and reliance may be placed only on the other identification numbers printed hereon.

23. Indenture. Each Holder, by accepting a Note, agrees to be bound by all of the terms and provisions of the Indenture, as the same may be amended from time to time.

24. Guarantee. The Guarantor has unconditionally guaranteed, to the extent set forth in the Indenture, the due and punctual payment of the principal of, premium, if any, and interest on the Notes when due, whether at Stated Maturity, by acceleration, redemption, repurchase at the option of the Holders or otherwise, and interest on the overdue principal of and interest on the Notes, if any, if lawful, and all other obligations of the Company to the Holders or the Trustee under the Indenture and the Notes.

The Company will furnish to any Holder of a Note upon written request and without charge a copy of the Indenture, which has the text of this Note in larger type. Requests may be made to: UAL Corporation, P.O. Box 66919, Chicago, Illinois 60666, Attn: Treasurer.

ASSIGNMENT FORM

If you the Holder want to assign this Note, fill in the form below and have your signature guaranteed:

I or we assign and transfer this Note to:

_____

_____

_____

(Print or type name, address and zip code and social security or tax ID number of assignee)

and irrevocably appoint , agent to transfer this Note on the books of the Company.
The agent may substitute another to act for him.

Dated: _____ Signed: _____
(Sign exactly as name appears on the other side of this Note)

Signature Guarantee: _____

(OPTION OF HOLDER TO ELECT REDEMPTION)

If you want to elect to have this Note purchased by the Company pursuant to Section 10.8 of the Indenture, check the box below:

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If you want to elect to have only part of this Note purchased by the Company pursuant to Section 10.8 of the Indenture, state the amount you elect to have purchased:

$ _____

Dated: _____ _____

NOTICE: The signature on this assignment must correspond with the name as it appears upon the face of the within Note in every particular without alteration or enlargement or any change whatsoever and be guaranteed by the endorser's bank or broker.

Signature Guarantee: _____

FORM OF
COMPANY REPURCHASE ELECTION

TO: UAL CORPORATION
[TRUSTEE]

The undersigned registered owner of this Note hereby irrevocably acknowledges receipt of a notice from UAL Corporation (the "Company") regarding the right of holders to elect to require the Company to repurchase the Notes and requests and instructs the Company to repay the entire principal amount of this Note, or the portion thereof (which is $1,000 or a multiple thereof) below designated, in accordance with the terms of the Indenture at the price of 100% of such entire principal amount or portion thereof, together with accrued and unpaid interest to, but excluding, the Company Repurchase Date, to the registered holder hereof unless a different name has been indicated below. Capitalized terms used herein but not defined herein shall have the meanings ascribed to such terms in the Indenture. The Notes shall be repurchased by the Company as of the Company Repurchase Date pursuant to the terms and conditions specified in the Indenture. If shares of Common Stock or any portion of the principal amount of this Note is to be issued or paid, as applicable, to a person other than the undersigned, the undersigned will provide the appropriate information below and pay all transfer taxes payable with respect thereto. If the Company elects to pay the Company Repurchase Price, in whole or in part, in shares of Common Stock but such portion of the Company Repurchase Price shall ultimately be paid to such Holder entirely in cash because any of the conditions to payment of the Company Repurchase Price in shares of Common Stock is not satisfied prior to the close of business on the Business Day immediately preceding the Company Repurchase Date, the undersigned registered owner elects:

o to withdraw this Company Repurchase Election as to $ principal amount of the Notes to which this Company Repurchase Election relates (Certificate Numbers:), or

o to receive cash in respect of $ principal amount of the Notes to which this Company Repurchase Election relates.

Dated: _____

_____

Signature(s)

NOTICE: The above signatures of the holder(s) hereof must correspond with the name as written upon the face of the Note in every particular without alteration or enlargement or any change whatever.

Note Certificate Number (if applicable):

Principal amount to be repurchased (if less than all):

Social Security or Other Taxpayer Identification Number:

FORM OF
CONVERSION NOTICE

TO: UAL CORPORATION
[Conversion Agent]

The undersigned registered owner of this Note hereby irrevocably exercises the option to convert this Note, or the portion thereof (which is $1,000 or a multiple thereof) below designated, into shares of Common Stock of UAL CORPORATION, in accordance with the terms of the Indenture referred to in this Note, and requests and instructs the Company to issue and deliver to the undersigned registered owner (unless a different name has been indicated below) the shares of Common Stock issuable and deliverable upon such conversion (and/or, should the Company elect to deliver cash, or a combination of cash and Common Stock in lieu thereof, a check for the cash amount payable), together with (i) any Notes representing any unconverted principal amount hereof and (ii) any check in payment for interest, if any, and fractional shares. Capitalized terms used herein but not defined herein shall have the meanings ascribed to such terms in the Indenture. If shares of Common Stock or any portion of the principal amount of this Note not converted are to be issued in the name of a Person other than the undersigned, the undersigned will provide the appropriate information below and pay all transfer taxes payable with respect thereto.

Dated:

Signature(s)

Signature(s) must be guaranteed by an "**eligible guarantor institution**" meeting the requirements of the Note Registrar, which requirements include membership or participation in the Security Transfer Agent Medallion Program ("**STAMP**") or such other "**signature guarantee program**" as may be determined by the Note Registrar in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

Signature Guarantee

NOTICE: The above signatures of the holder(s) hereof must correspond with the name as written upon the face of the Note in every particular without alteration or enlargement or any change whatsoever.

Fill in the registration of shares of Common Stock if to be issued, and Notes if to be delivered, other than to and in the name of the registered holder:

(Name)

(Street Address)

(City, State and Zip Code)

Please print name and address

Principal amount to be converted
(if less than all):

$ _____

Social Security or Other Taxpayer
Identification Number:

_____

EXHIBIT B

[FORM OF NOTATION OF GUARANTEE]

For value received, the Guarantor (which term includes any successor Person under the Indenture) has unconditionally guaranteed, to the extent set forth in the Indenture (the "Indenture") among UAL Corporation (the "Company"), the Guarantor and , as trustee (the "Trustee"), (a) the due and punctual payment of the principal of, premium, if any, and interest on the Notes (as defined in the Indenture), whether at maturity, by acceleration, redemption or otherwise, the due and punctual payment of interest on overdue principal of and interest on the Notes, if any, if lawful, and the due and punctual performance of all other obligations of the Company to the Holders or the Trustee all in accordance with the terms of the Indenture and (b) in case of any extension of time of payment or renewal of any Notes 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 obligations of the Guarantor to the Holders of Notes and to the Trustee pursuant to the Note Guarantee and the Indenture are expressly set forth in Article 11 of the Indenture and reference is hereby made to the Indenture for the precise terms of the Note Guarantee. Each Holder of a Note, by accepting the same (a) agreed to and shall be bound by such provisions and (b) appoints the Trustee attorney-in-fact of such Holder for such purpose.

UNITED AIR LINES, INC.

By: _____
Name:
Title:

UAL CORPORATION

2006 MANAGEMENT EQUITY INCENTIVE PLAN

1. Purpose

The purposes of the UAL Corporation 2006 Management Equity Incentive Plan (the "MEIP") are to attract and retain outstanding individuals as officers and key employees of UAL Corporation (the "Company") and its subsidiaries in connection with the Company's emergence from bankruptcy, to further align their interests with those of the Company's shareholders through compensation that is based on shares of the Company's common stock**,** par value $.01 per share ("Common Stock"), and to furnish incentives to such persons by providing them opportunities to acquire shares of Common Stock on advantageous terms as herein provided.

2. Definitions

The following capitalized terms have the meanings set forth in this Section:

(a) Affiliate: All persons with whom the Company would be considered a single employer under Section 414(b) or 414(c) of the Code.

(b) Award: An Incentive Stock Option, Nonqualified Stock Option, Stock Appreciation Right, Restricted Share, or Other Share-Based Award granted pursuant to the MEIP.

(c) Board: The Board of Directors of the Company.

(d) Broker Exercise Notice: A written notice pursuant to which a Participant, upon exercise of an Option, irrevocably instructs a broker or dealer to sell a sufficient number of shares or loan a sufficient amount of money to pay all or a portion of the exercise price of the Option and/or any related withholding tax obligations and remit such sums to the Company and directs the Company to deliver stock certificates (by electronic means or otherwise) to be issued upon such exercise directly to such broker or dealer or their nominee.

(e) Cause: One or more of: (i) dishonesty, fraud, misrepresentation, embezzlement or deliberate injury or attempted injury, in each case related to the Company or any Subsidiary, (ii) any unlawful or criminal activity of a serious nature, (iii) any intentional and deliberate breach of a duty or duties that, individually or in the aggregate, are material in relation to the Participant's overall duties, or (iv) any material breach of any confidentiality or noncompete agreement entered into with the Company or any Subsidiary.

(f) Change in Control: An event described in Section 13(a), provided such event is a "change of control", as such term is defined in Section 409A of the Code.

(g) Code: The U.S. Internal Revenue Code of 1986, as amended, or any successor law (including, when the context requires, all regulations, interpretations and rulings issued thereunder).

(h) Committee: A committee of the Board, provided that, so long as the Company has a class of its equity securities registered under Section 12 of the Exchange Act, such committee will consist solely of two or more members of the Board who are "non-employee directors" within the meaning of Rule 16b-3 under the Exchange Act. As of the Effective Date, the Committee shall be the Human Resources Subcommittee of the Board.

(i) Common Stock: The Company's common stock, par value $.01 per share, issued on or after the Effective Date.

(j) Company: UAL Corporation, a Delaware corporation.

(k) Continuity Director: An individual described in Section 13(a).

(l) Disability: Disability of the Participant such as would entitle the Participant to receive disability income benefits pursuant to the long-term disability plan of the Company or Subsidiary then covering the Participant or, if no such plan exists or is applicable to the Participant, the permanent and total disability of the Participant within the meaning of Section 22(e)(3) of the Code; provided, however, if distribution of an Award subject to Section 409A of the Code is triggered by a Participant's Disability, such term will mean that the Participant is "disabled" as defined by Section 409A of the Code.

(m) Effective Date: The date specified in Section 5.

(n) Exchange Act: The U.S. Securities Exchange Act of 1934, as amended, or any successor law.

(o) Exercise Price: The purchase price per share of Common Stock under the terms of an Incentive Stock Option, a Nonqualified Stock Option, or a Stock Appreciation Right as determined pursuant to Section 6, 7 or 9, respectively.

(p) Fair Market Value: Unless otherwise determined by the Committee, the fair market value of the Company's shares of Common Stock as of any date shall be: (i) the mean between the lowest and highest reported sale prices of the Common Stock on that date with respect to the Common Stock, if the Common Stock is listed, admitted to unlisted trading privileges, or reported on any national securities exchange or on the Nasdaq Stock Market on such date (or, if no shares were traded on such day, as of the next preceding day on which there was such a trade); or (ii) if the Common Stock is not so listed, admitted to unlisted trading privileges, or reported on any national exchange or on the Nasdaq National Market, the mean between the lowest and highest reported sale prices as of such date, as reported by the Nasdaq SmallCap Market, OTC Bulletin Board, the Bulletin Board Exchange (BBX) or the National Quotation Bureaus, Inc., or other comparable service; or

(iii) if the Common Stock is not so listed or reported, such price as the Committee determines in good faith in the exercise of its reasonable discretion.

(q) Incentive Stock Option: A stock option granted pursuant to Section 6. To the extent that any Incentive Stock Option granted under the MEIP ceases for any reason to qualify as an "incentive stock option" for purposes of Section 422 of the Code, such Incentive Stock Option will continue to be outstanding for purposes of the MEIP but will thereafter be deemed to be a Nonqualified Stock Option.

(r) MEIP: The UAL Corporation 2006 Management Equity Incentive Plan, as may be amended from time to time.

(s) Nonqualified Stock Option: A stock option granted pursuant to Section 7.

(t) Option: An Incentive Stock Option or a Nonqualified Stock Option.

(u) Other Share-Based Awards: Awards granted pursuant to Section 11.

(v) Participant: Officers and other employees of the Company and its Subsidiaries as the Committee in its sole discretion may designate from time to time to participate hereunder.

(w) Previously Acquired Shares: Shares of Common Stock that are already owned by the Participant or, with respect to any Award, that are to be issued upon the grant, exercise or vesting of such Award.

(x) Restricted Share: A restricted share of Common Stock granted pursuant to Section 10.

(y) Retirement: Termination of Employment at or after attaining age 55 and completing ten (10) years of service with the Company or an Affiliate, or Termination of Employment after attaining age 65. With respect to a Participant who was in the employ of a corporation or other organization whose business was acquired by the Company or any Affiliate, if (and only to the extent) specifically provided by the Committee, service will include the period of service such Participant was in the employ of such corporation or other organization prior to such acquisition).

(z) Stock Appreciation Right. A stock appreciation right granted pursuant to Section 9.

(aa) Shareholder Approval Date: The date, if any, on which the MEIP is approved by the Company's stockholders, or is otherwise treated as approved by the Company's stockholders for purposes of Section 422 of the Code.

(bb) Subsidiary: United Air Lines, Inc., any other corporation all of the outstanding voting stock of which is owned, directly or indirectly, by the Company, and any other such entity, corporate or otherwise, as the Company in its sole discretion from time to time determines to be a Subsidiary.

(cc) Termination of Employment. A complete severance of an employee's relationship with the Company and all Affiliates, for any reason. For any Award subject to Section 409A of the Code, a Participant will be treated as having a Termination of Employment only if such termination constitutes a "separation from service" within the meaning of Section 409A of the Code.

3. Shares Subject to the MEIP

(a) Subject to adjustment as provided in Section 19, the maximum number of shares of Common Stock that will be available for issuance under the MEIP will be 9,825,000 shares of Common Stock. The shares available for issuance under the MEIP may, at the election of the Committee, be either treasury shares or shares authorized but unissued, and, if treasury shares are used, all references in the MEIP to the issuance of shares will, for corporate law purposes, be deemed to mean the transfer of shares from treasury.

(b) Shares of Common Stock that are issued under the MEIP or that are subject to outstanding Awards will be applied to reduce the maximum number of shares of Common Stock remaining available for issuance under the MEIP; provided, however, that shares subject to an Award that lapses, expires, is forfeited (including issued shares forfeited under a Restricted Stock Award) or for any reason is terminated unexercised or unvested or is settled or paid in cash or any form other than shares of Common Stock will automatically again become available for issuance under the MEIP. To the extent that the exercise price of any Option and/or associated tax withholding obligations are paid by tender or attestation as to ownership of Previously Acquired Shares, or to the extent that such tax withholding obligations are satisfied by withholding of shares otherwise issuable upon exercise of the Option, only the number of shares of Common Stock issued net of the number of shares tendered, attested to or withheld will be applied to reduce the maximum number of shares of Common Stock remaining available for issuance under the MEIP.

4. Administration

(a) All Awards granted under the MEIP shall be granted by the Committee. The MEIP shall be administered by the Committee, including for all grants with respect to any "officer" as that term is defined in Rule 16a-1(f) under the Exchange Act. The Committee is authorized to interpret the provisions of the MEIP and any Award agreement, to determine the terms and conditions of Awards to be granted under the MEIP and to make all other determinations necessary or advisable for the administration of the MEIP, but only to the extent not contrary to or inconsistent with the

express provisions of the MEIP. Determinations, decisions and actions of the Committee in connection with the construction, interpretation, administration or application of the MEIP will be final, conclusive and binding upon any Participant and any person claiming under or through the Participant. No member of the Committee will be liable for any determination, decision or action made in good faith with respect to the MEIP or any Awards granted under the MEIP. To the extent consistent with Delaware corporate law, the Committee may delegate to any officers of the Company the duties, power and authority of the Committee under the MEIP pursuant to such conditions or limitations as the Committee may establish; provided, however, that only the Committee may exercise such duties, power and authority with respect to Participants who are subject to Section 16 of the Exchange Act. The MEIP is not intended to modify or limit the powers, duties or responsibilities of either the Board or the Committee as set forth under the UAL Corporation Restated Certificate of Incorporation.

(b) Notwithstanding any other provision of the MEIP other than Section 19, the Committee may not, without prior approval of the Company's stockholders, seek to effect any re-pricing of any previously granted, "underwater" Option by: (i) amending or modifying the terms of the Option to lower the exercise price; (ii) canceling the underwater Option and granting either (A) replacement Options having a lower exercise price or (B) Restricted Shares; or (iii) repurchasing the underwater Options and granting new Awards under the MEIP. For purposes of this Section 4(b), an Option will be deemed to be "underwater" at any time when the Fair Market Value of the Common Stock is less than the exercise price of the Option.

(c) In addition to the authority of the Committee under Section 4(a) and notwithstanding any other provision of the MEIP, the Committee may, in its sole discretion, amend the terms of the MEIP or Awards with respect to Participants resident outside of the United States or employed by a non-U.S. Subsidiary in order to comply with local legal requirements, to otherwise protect the Company's or Subsidiary's interests, or to meet objectives of the MEIP, and may, where appropriate, establish one or more sub-plans (including the adoption of any required rules and regulations) for the purposes of qualifying for preferred tax treatment under foreign tax laws. The Committee shall have no authority, however, to take action pursuant to this Section 4(c): (i) to reserve shares or grant Awards in excess of the limitations provided in Section 3; (ii) to effect any re-pricing in violation of Section 4(b); (iii) to grant Options having an exercise price less than 100% of the Fair Market Value of one share of Common Stock on the date of grant in violation of Sections 6(a) and 7(a); or (iv) for which stockholder approval would then be required pursuant to Section 422 of the Code or the rules of any applicable national exchange or market on which the Common Stock is listed or quoted.

(d) Notwithstanding anything in this Plan to the contrary, the Committee will determine whether an Award is subject to the requirements of Section 409A of the Code and, if determined to be subject to Section 409A of the Code, the Committee will make such Award subject to such written terms and conditions determined necessary or desirable to cause such Award to comply in form and operations with the requirements of Section 409A of the Code. It is intended that the Plan and all Awards determined to be subject to the requirements of Section 409A of the Code comply in form and operation with the requirements of Section 409A of the Code. In the event that any provision in this MEIP shall be subject to more than one interpretation, such provision shall be interpreted so as to comply with the requirements of Section 409A of the Code. In the event that it is not possible to grant a particular Award that would comply with Section 409A, it is intended that the Committee shall make an alternative Award that would comply with Section 409A of the Code.

(e) The Company makes no warranties regarding the tax treatment to any person of any Awards made pursuant to the Plan and each Participant will hold the Committee, the Company, and its officers, directors, employees, agents, and advisors free from any liability resulting from any tax position taken in good faith in connection with the Plan.

5. Term of the MEIP

The MEIP shall be effective as of the effective date of the Company's confirmed plan of reorganization under Chapter 11 of the U.S. Bankruptcy Code (the "Effective Date") and shall remain in effect as long as any Awards under it remain outstanding. No Award may be granted under the MEIP after the tenth anniversary of the Effective Date, but the term of any Award theretofore granted may extend beyond that date.

6. Incentive Stock Options

Incentive Stock Options are intended to satisfy the requirements applicable to "incentive stock options" described in Section 422(b) of the Code or any successor provision. Incentive Stock Options may be granted under the MEIP only if the Shareholder Approval Date is before the first anniversary of the Effective Date. Incentive Stock Options shall be subject to the foregoing and the following terms and conditions and to such other terms and conditions, not inconsistent therewith, as the Committee shall determine:

(a) The Exercise Price shall not be less than the Fair Market Value of a share of Common Stock on the date of grant of such Incentive Stock Option. Options shall be exercisable at such time and upon such terms and conditions, as may be determined by the Committee.

(b) The term of each Option shall be fixed by the Committee; in no event, however, shall the period for exercising an Incentive Stock Option extend more than 10 years from the date of grant.

(c) The aggregate Fair Market Value (determined on the date of grant) of the shares of Common Stock for which Incentive Stock Options are exercisable for the first time in any calendar year (under all options plans of the Company and its parent and Subsidiary corporations) for any Participant shall not exceed $100,000.

(d) Incentive Stock Options shall not be transferable by a Participant other than by will or the laws of descent and distribution and shall be exercisable, during the Participant's lifetime, only by the Participant.

(e) Notwithstanding clauses (a) and (b) above, the Exercise Price of Incentive Stock Options granted to any individual who at the time of such grant owns stock possessing more than 10% of the total combined voting power of all classes of stock of the Company or its parent or Subsidiary corporations (within the meaning of Section 422(b) of the Code) shall not be less than 110% of the Fair Market Value of the Common Stock on the date of grant and the term of any Incentive Stock Option granted to such individual shall not exceed five years from the date of grant.

7. Nonqualified Stock Options

Nonqualified Stock Options are not intended to satisfy the requirements applicable to "incentive stock options" described in Section 422(b) of the Code or any successor provision, and shall be subject to the foregoing and the following terms and conditions and to such other terms and conditions, not inconsistent therewith, as the Committee shall determine:

(a) The Exercise Price shall not be less than the Fair Market Value of a share of Common Stock on the date of grant of such Nonqualified Stock Option. Nonqualified Stock Options shall be exercisable at such time and upon such terms and conditions, as may be determined by the Committee.

(b) The term of each Nonqualified Stock Option shall be fixed by the Committee; in no event, however, shall the period for exercising a Nonqualified Stock Option extend more than 10 years from the date of grant.

8. Option Exercise and Payment Terms

(a) The total purchase price of the shares to be purchased upon exercise of an Option will be paid entirely in cash (including check, bank draft, wire transfer or money order); provided, however, that the Committee, in its sole discretion and upon terms and conditions established by the Committee, may allow such payments to be made, in whole or in part, by tender of a Broker Exercise Notice, by tender, or attestation as to ownership, of Previously Acquired Shares that have been held for the period of time necessary to avoid a charge to the Company's earnings for financial reporting purposes and that are otherwise acceptable to the Committee, or by a combination of such methods. For purposes of such payment, Previously Acquired Shares tendered or covered by an attestation will be valued at their Fair Market Value on the exercise date.

(b) An Option may be exercised by a Participant in whole or in part from time to time, subject to the conditions contained in the MEIP and in the agreement, notice or schedule evidencing such Option, by delivery in person, by facsimile or electronic transmission or through the mail of written notice of exercise to the Company at its principal executive office and by paying in full the total exercise price for the shares of Common Stock to be purchased in accordance with clause (a) above.

9. Stock Appreciation Rights

The Committee may, in its discretion grant a Stock Appreciation Right to the holder of any Nonqualified Stock Option granted hereunder. In addition, a Stock Appreciation Right may be granted independently of and without relation to any Nonqualified Stock Option. Stock Appreciation Rights shall be subject to such terms and conditions consistent with the MEIP as the Committee shall impose from time to time including the following:

(a) A Stock Appreciation Right may be granted with respect to a Nonqualified Stock Option at the time of its grant or at any time thereafter.

(b) Each Stock Appreciation Right will entitle the Participant to elect to receive in cash up to 100% of the appreciation in Fair Market Value of the shares of Common Stock subject thereto up to the date the Stock Appreciation Right is exercised. In the case of a Stock Appreciation Right issued in relation to a Nonqualified Stock Option, such appreciation will be measured from the Nonqualified Stock Option's Exercise Price. In the case of a Stock Appreciation Right issued independently of any Nonqualified Stock Option, the appreciation shall be measured from not less than the Fair Market Value of a share of Common Stock on the date the Stock Appreciation Right is granted.

(c) The Committee shall have the discretion to satisfy a Participant's right to receive the amount of cash as determined in Section 9(b), in whole or in part, by the delivery of shares of Common Stock valued as of the date of the Participant's exercise.

(d) In the event of the exercise of a Stock Appreciation Right, the number of shares of Common Stock reserved for issuance hereunder (and the shares of Common Stock subject to the related Nonqualified Stock Option, if any) shall be reduced by the number of shares of Common Stock with respect to which the Stock Appreciation Right is exercised.

10. Restricted Shares

The Committee is hereby authorized to grant Awards of Restricted Shares to Participants with the following terms and conditions:

(a) During the Restricted Period (as defined in Section 10(b)), Participant shall not sell, assign,

exchange, transfer, pledge, hypothecate or otherwise dispose of or encumber any of the Restricted Shares. Upon grant of the Award of Restricted Shares, however, Participant shall thereupon be a stockholder with respect to all shares of Common Stock subject to the Restricted Share Award and shall have all the rights of a stockholder with respect to such shares of Common Stock, including the right to vote such shares and to receive all dividends and other distributions.

(b) The term "Restricted Period" shall mean any period as set by the Committee, not to exceed ten years, ending upon such conditions as the Committee may deem appropriate, including, without limitation, achievement of certain goals and/or that the Participant has remained continuously employed by the Company or its Subsidiaries for a certain period.

(c) To enforce the restrictions referred to in this Section 10, the Committee may place a legend on the stock certificates referring to such restrictions and may require the Participant, until the restrictions have lapsed, to keep the stock certificates, together with duly endorsed stock powers, in the custody of the Company or its transfer agent, or to maintain evidence of stock ownership, together with duly endorsed stock powers, in a certificateless book-entry stock account with the Company's transfer agent.

11. Other Share-Based Awards

The Committee, in its sole discretion, may grant to Participants such other Awards including, without limitation, dividends and dividend equivalents and other Awards that are valued in whole or in part by reference to, or are otherwise based on the Fair Market Value of, shares of Common Stock. Such Other Share-Based Awards shall be in such form, and dependent on such conditions, as the Committee shall determine, including, without limitation, the right to receive one or more shares of Common Stock (or the equivalent cash value of such shares of Common Stock) upon the completion of a specified period of service, the occurrence of an event and/or the attainment of performance objectives. Other Share-Based Awards may be granted alone or in addition to any other Awards granted under the MEIP. Subject to the provisions of the MEIP, the Committee shall determine: (i) to whom and when Other Share-Based Awards will be made; (ii) the number of shares of Common Stock to be awarded under (or otherwise related to) such Other Share-Based Awards; (iii) whether such Other Share-Based Awards shall be settled in cash, shares of Common Stock or a combination of cash and shares of Common Stock; and (iv) all other terms and conditions of such Other Share-Based Awards (including, without limitation, the vesting provisions thereof and provisions ensuring that all shares of Common Stock so awarded and issued shall be fully paid and nonassessable).

12. Effect of Termination of Employment

(a) Termination of Employment Due to Death or Disability. In the event of a Participant's Termination of Employment by reason of death or Disability:

(i) All outstanding Options and Stock Appreciation Rights then held by the Participant will become immediately exercisable in full and will remain exercisable for a period of twelve (12) months after such termination (but in no event after the expiration date of any such Option or Stock Appreciation Right);

(ii) All Restricted Shares then held by the Participant will become fully vested; and

(iii) Any conditions with respect to the issuance of shares of Common Stock pursuant to Other Share-Based Awards which are based on a performance period will lapse with respect to that portion of such shares equal to the ratio of the full months of the Participant's service within the performance period to the total months of the performance period. Unless otherwise provided by the Committee, all other Other Share-Based Stock Awards held by the Participant will terminate and be forfeited.

(b) Termination of Employment Due to Retirement. In the event of a Participant's Termination of Employment by reason of Retirement:

(i) All outstanding Options and Stock Appreciation Rights then held by the Participant will become immediately exercisable in full and will remain exercisable in full until the expiration date of any such Option or Stock Appreciation Right;

(ii) All Restricted Shares then held by the Participant that have not vested as of such Termination of Employment will become fully vested; and

(iii) Any conditions with respect to the issuance of shares of Common Stock pursuant to Other Share-Based Awards which are based on a performance period will lapse with respect to that portion of such shares equal to the ratio of the full months of the Participant's service within the performance period to the total months of the performance period. Unless otherwise provided by the Committee, all other Other Share-Based Stock Awards held by the Participant will terminate and be forfeited.

(c) Termination of Employment for Reasons Other than Death, Disability or Retirement. In the event of a Participant's Termination of Employment for any reason other than death, Disability or Retirement, or if a Participant is in the employ of an Affiliate and the entity ceases to be an Affiliate of the Company (unless the Participant continues in the employ of the Company or another Subsidiary Affiliate):

(i) All outstanding Options and Stock Appreciation Rights then held by the Participant will, to the extent exercisable as of such termination, remain exercisable in full for a period of three (3) months after such termination (but in no event after the expiration date of any such Option or Stock Appreciation Right). Options and Stock Appreciation Rights not exercisable as of such termination will be forfeited and terminate;

(ii) All Restricted Shares then held by the Participant that have not vested as of such Termination of Employment will be terminated and forfeited; and

(iii) All Other Share-Based Awards then held by the Participant will be terminated and forfeited.

(d) Modification of Rights Upon Termination. Notwithstanding the other provisions of this Section 12, upon a Participant's Termination of Employment, the Committee may, in its sole discretion (which may be exercised at any time on or after the date of grant, including following such termination), cause Options and Stock Appreciation Rights (or any part thereof) then held by such Participant to become or continue to become exercisable and/or remain exercisable following such Termination of Employment, and Restricted Shares and Other Share-Based Awards then held by such Participant to vest and/or continue to vest or become free of restrictions and conditions to issuance, as the case may be, following such Termination of Employment, in each case in the manner determined by the Committee; provided, however, that no Incentive Award may remain exercisable or continue to vest for more than two years beyond the date such Incentive Award would have terminated if not for the provisions of this Section 12(d) but in no event beyond its expiration date. Modification of an Incentive Stock Option that is intended to qualify under Section 422 of the Code will be limited to those modifications permitted under Section 422 of the Code.

(e) Effects of Actions Constituting Cause. Notwithstanding anything in the MEIP to the contrary, in the event that a Participant is determined by the Committee, acting in its sole discretion, to have committed any action which would constitute Cause, irrespective of whether such action or the Committee's determination occurs before or after such Participant's Termination of Employment, all rights of the Participant under the MEIP and any agreements evidencing an Incentive Award

then held by the Participant shall terminate and be forfeited without notice of any kind. The Company may defer the exercise of any Option or Stock Appreciation Right, the vesting of any Restricted Shares or the issuance of any shares of Common Stock pursuant to any Other Share-Based Award for a period of up to forty-five (45) days in order for the Committee to make any determination as to the existence of Cause.

(f) Determination of Termination of Employment. Unless the Committee otherwise determines in its sole discretion, a Participant's Termination of Employment will, for purposes of the MEIP, be deemed to have occurred on the date recorded on the personnel or other records of the Company or the Affiliate for which the Participant provides employment, as determined by the Committee in its sole discretion based upon such records.

13. Change in Control

(a) Change in Control Defined. A "Change in Control" shall be deemed to have occurred if the event set forth in any one of the following paragraphs shall have occurred:

(i) any "person" as such term is used in Sections 13(d) and 14(d) of the Exchange Act (other than the Company, any trustee or other fiduciary holding securities under any employee benefit plan of the Company, or any corporation owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company), is or becomes during the 12-month period ending on the date of the most recent acquisition, including pursuant to a tender or exchange offer for shares of Common Stock pursuant to which purchases are made, the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing 35% or more of the combined voting power of the Company's then outstanding securities, other than in a transaction arranged or approved by the Continuity Directors prior to its occurrence; provided, however, that if any such person is or becomes the beneficial owner, directly or indirectly, of securities of the Company representing 50% or more of the combined voting power of the Company's then outstanding securities, a Change in Control will be deemed to have occurred whether or not any or all of such beneficial ownership is obtained in a transaction arranged or approved by the Continuity Directors prior to its occurrence, and provided further that the provisions of this subparagraph (i) shall not be applicable to a transaction in which a corporation becomes the owner of all the Company's outstanding securities in a transaction which complies with the provisions of subparagraph (iii) of this Section 13(a) (e.g., a reverse triangular merger); or

(ii) there is consummated a merger or consolidation of the Company or any direct or indirect Subsidiary of the Company with any other corporation that constitutes a "change of control" event under Section 409A of the Code (other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior to such merger or consolidation continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or any parent thereof) more than 50% of the combined voting power of the securities of the Company or such surviving entity or any parent thereof outstanding immediately after such merger or consolidation, and in which no "person" (as defined under subparagraph (a) above) acquires 50% or more of the combined voting power of the securities of the Company or such surviving entity or parent thereof outstanding immediately after such merger or consolidation); or

(iii) the stockholders of the Company approve a plan of complete liquidation or dissolution of the Company or there is consummated an agreement for the sale or disposition by the Company of all or substantially all of the Company's assets, other than a sale or disposition by the Company of all or substantially all of the Company's assets to an

entity, more than 50% of the combined voting power of the voting securities of which are owned by stockholders of the Company in substantially the same proportions as their ownership of the Company immediately prior to such sale; or

(iv) during any 12-month period the Continuity Directors cease for any reason to constitute at least a majority of the Board.

For Purposes of this Section 13, "Continuity Director" means any individual who was a member of the Board on the Effective Date, while he or she is a member of the Board, and any individual who subsequently becomes a member of the Board whose election or nomination for election by the Company's stockholders was approved by a vote of at least a majority of the directors who are Continuity Directors (either by a specific vote or by approval of the proxy statement of the Company in which such individual is named as a nominee for director without objection to such nomination). For example, assuming that twelve individuals comprise the entire Board as of the Effective Date, if a majority of such individuals approved a proxy statement in which two different individuals were nominated to replace two of the individuals who were members of the Board as of the Effective Date, these two newly elected directors would join the remaining ten directors who were members of the Board as of the Effective Date as Continuity Directors. Similarly, if subsequently a majority of these directors approved a proxy statement in which three different individuals were nominated to replace three other directors who were members of the Board as of the Effective Date, these three newly elected directors would also become, along with the other nine directors, Continuity Directors. Individuals subsequently joining the Board could become Continuity Directors under the principles reflected in this example.

(b) Acceleration of Vesting. Without limiting the authority of the Committee under Sections 4 and 19, if a Change in Control of the Company occurs, then: (i) all Options and Stock Appreciation Rights will become immediately exercisable in full and will remain exercisable in accordance with their terms; (ii) all Restricted Shares will become immediately fully vested and non-forfeitable; and (iii) any conditions to the issuance of shares of Common Stock pursuant to Other Share-Based Awards will lapse.

(c) Cash Payment. If a Change in Control of the Company occurs, then the Committee, if approved by the Committee in its sole discretion either in an agreement evidencing an Award at the time of grant or at any time after the grant of an Award, and without the consent of any

Participant affected thereby, may determine that: (i) some or all Participants holding outstanding Options and/or Stock Appreciation Rights will receive, with respect to some or all of the shares of Common Stock subject to such Options or Stock Appreciation Rights, as of the effective date of any such Change in Control of the Company, cash in an amount equal to the excess of the Fair Market Value of such shares immediately prior to the effective date of such Change in Control of the Company over the exercise price per share of such Options or Stock Appreciation Rights (or, in the event that there is no excess, that such Options or Stock Appreciation Rights will be terminated); and (ii) some or all Participants holding Other Share-Based Awards will receive, with respect to some or all of the shares of Common Stock subject to such Other Share-Based Awards, as of the effective date of any such Change in Control of the Company, cash in an amount equal the Fair Market Value of such shares immediately prior to the effective date of such Change in Control.

14. Nontransferability of Awards

(a) Except as otherwise provided by the Committee, each Award granted under this MEIP shall not be transferable other than by will or the laws of descent and distribution, and shall be exercisable, during the Participant's lifetime, only by the Participant.

(b) Upon a Participant's request, the Committee may, in its sole discretion, permit a transfer of all or a portion of a Nonqualified Stock Option, other than for value, to such Participant's child, stepchild,

grandchild, parent, stepparent, grandparent, spouse, former spouse, sibling, niece, nephew, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, any person sharing such Participant's household (other than a tenant or employee), a trust in which any of the foregoing have more than fifty percent of the beneficial interests, a foundation in which any of the foregoing (or the Participant) control the management of assets, and any other entity in which these persons (or the Participant) own more than fifty percent of the voting interests. Any permitted transferee will remain subject to all the terms and conditions applicable to the Participant prior to the transfer. A permitted transfer may be conditioned upon such requirements as the Committee may, in its sole discretion, determine, including, but not limited to execution and/or delivery of appropriate acknowledgements, opinion of counsel, or other documents by the transferee.

15. Other Provisions

The grant of any Award under the MEIP may also be subject to other provisions (whether or not applicable to the grant of an Award to any other Participant) as the Committee determines appropriate, including, without limitation,

(a) provisions requiring that grants of Awards under the MEIP be evidenced by a written agreement, notice or schedule (in form and substance as deemed appropriate by the Committee);

(b) provisions concerning vesting;

(c) restrictions on resale or other disposition of shares of Common Stock delivered in connection with such Awards;

(d) such provisions or, as determined by the Committee, modifications to outstanding Awards as may be appropriate to comply with federal or state securities laws and stock exchange requirements;

(e) understandings or conditions as to the Participant's employment in addition to those specifically provided for under the MEIP; and

(f) other provisions and terms not inconsistent with the MEIP.

16. Tax Withholding

The Company is entitled to withhold the amount of taxes which the Company in its discretion deems necessary to satisfy any applicable federal, state and local tax withholding obligations arising from Awards granted under the MEIP, or to make other appropriate arrangements with Participants to satisfy such obligations. The Committee may, in its sole discretion and upon terms and conditions established by the Committee, permit or require a Participant to satisfy, in whole or in part, any withholding or employment-related tax obligation described in this Section by electing to tender, or by attestation as to ownership of, Previously Acquired Shares that have been held for the period of time necessary to avoid a charge to the Company's earnings for financial reporting purposes and that are otherwise acceptable to the Committee, by delivery of a Broker Exercise Notice or a combination of such methods. For purposes of satisfying a Participant's withholding or employment-related tax obligation, Previously Acquired Shares tendered or covered by an attestation will be valued at their Fair Market Value.

17. Limitation of Implied Rights

(a) Neither a Participant nor any other person shall, by reason of participation in the MEIP or the grant of any Award hereunder, acquire any right in or title to any assets, funds or property of the Company or any Subsidiary whatsoever, including, without limitation, any specific funds, assets or other property which the Company or any Subsidiary, in its sole discretion, may set aside in anticipation of a liability under the MEIP. A Participant shall have only a contractual right to the

shares of Common Stock or amounts, if any, payable under the MEIP, unsecured by any assets of the Company or any Subsidiary, and nothing contained in the MEIP shall constitute a guarantee that the assets of the Company or any Subsidiary shall be sufficient to pay any amounts to any person.

(b) The MEIP does not constitute a contract of employment, and selection as a Participant will not give such Participant the right to be so retained in the employ of the Company or any Subsidiary, nor any right or claim to any benefit under the MEIP, unless such right or claim has specifically accrued under the terms of the MEIP. Except as otherwise provided in the MEIP, no Award granted under the MEIP shall confer upon any Participant any rights as shareholder of the Company prior to the date on which the Participant fulfills all conditions for receipt of such rights.

18. Successors and Assigns

The MEIP and any Award granted thereafter shall be binding on all successors and assigns of the Company and a Participant, including, without limitation, the estate of such Participant and the executor, administrator or trustee of such estate, or any receiver or trustee in bankruptcy or representative of the Participant's creditors.

19. Adjustment Provisions

In the event of a corporate transaction involving the Company (including, without limitation, any Common Stock dividend, Common Stock split, extraordinary cash dividend, recapitalization, reorganization, merger, consolidation, split-up, spin-off, combination or exchange of shares), the Committee may adjust Awards without enlargement or diminution to preserve the benefits or potential benefits of the Awards intended to be made available under the MEIP. Action by the Committee may include: (i) adjustment of the number and kind of shares which may be delivered under the MEIP; (ii) adjustment of the number and kind of shares subject to outstanding Awards; (iii) adjustment of the Exercise Price of outstanding Incentive Stock Options, Nonqualified Stock Options and Stock Appreciation Rights; (iv) cancellation or termination of outstanding Awards in exchange for a payment (in cash or property) to the Participant of an amount determined by the Committee prior to such provision to be equitable; (v) substitution of other awards or rights in place of outstanding Awards on terms and conditions determined by the Committee prior to such provision to be equitable; and (vi) any other adjustments that the Committee determines prior to such provision to be equitable or appropriate.

20. Amendment or Termination

The Board may amend the MEIP from time to time or terminate the MEIP at any time, but no such action, without the Participant's consent, shall adversely affect the rights of a Participant under any Award granted, and no such amendments to the MEIP will be effective without approval of the Company's stockholders if: (i) stockholder approval of the amendment is then required pursuant to Section 422 of the Code or the rules of any national securities exchange or the Nasdaq Stock Market if the Common Stock is listed or quoted thereon; or (ii) such amendment seeks to modify Section 4(b) or 13(b) hereof.

21. Choice of Law

The validity, construction, interpretation, administration and effect of the MEIP and any rules, regulations and actions relating to the MEIP will be governed by and construed exclusively in accordance with the internal, substantive laws of the State of Delaware, notwithstanding the conflicts of laws principles of any jurisdictions. In the event of any conflict or inconsistency between the MEIP and any agreement or notice evidencing an Award, the MEIP shall prevail.

UAL CORPORATION

2006 DIRECTOR EQUITY INCENTIVE PLAN

1. Description.

(a) Purpose. The purpose of the UAL Corporation 2006 Director Equity Incentive Plan (the "DEIP") is to attract and retain the services of experienced and knowledgeable non-employee directors by providing such directors with greater flexibility in the form and timing of receipt of compensation for their service on the Board of Directors and an opportunity to obtain a greater proprietary interest in the Company's long-term success and progress through the receipt of equity-based awards, thereby aligning such directors' interests more closely with the interests of the Company's stockholders. The DEIP is intended to be unfunded for tax purposes. For amounts payable under the DEIP that constitute "deferred compensation" within the meaning of Section 409A of the Code, the DEIP is intended to comply in form and operation with the requirements of Section 409A of the Code. The DEIP will be construed and administered in a manner that is consistent with and gives effect to the foregoing.

(b) Effective Date. This DEIP shall be effective as of the effective date of a confirmed Plan of reorganization under Chapter 11 of the U.S. Bankruptcy Code (the "Effective Date") and shall remain in effect as long as any Periodic Awards or Accounts under it remain outstanding.

2. Definitions.

The definitions set forth in this Section 2 apply unless the context otherwise indicates.

(a) Account. "Account" means the bookkeeping account or accounts maintained with respect to a Participant pursuant to Section 6.

(b) Affiliate. "Affiliate" means all persons with whom the Company would be considered a single employer under Section 414(b) or 414(c) of the Code.

(c) Annual Meeting Date. "Annual Meeting Date" means the date on which the annual meeting of the Company's stockholders is held.

(d) Beneficiary. "Beneficiary" with respect to a Participant is the person designated or otherwise determined under the provisions of Section 7(g) as the distributee of benefits payable after the Participant's death. A person designated or otherwise determined to be a Beneficiary under the terms of the DEIP has no interest in or right under the DEIP until the Participant in question has died. A person will cease to be a Beneficiary on the day on which all benefits to which such person is entitled under the DEIP have been distributed.

(e) Board. "Board" means the board of directors of the Company.

(f) Broker Exercise Notice. "Broker Exercise Notice" means a written notice pursuant to which a Participant, upon exercise of an Option, irrevocably instructs a broker or dealer to sell a sufficient number of shares or loan a sufficient amount of money to pay all or a portion of the exercise price of the Option and/or any related withholding tax obligations and remit such sums to the Company and directs the Company to deliver stock certificates to be issued upon such exercise directly to such broker or dealer or their nominee.

(g) Cash Account. "Cash Account" means an Account to which deferred amounts are credited pursuant to Section 6(b) and earnings thereon are credited pursuant to Section 6(d)(i) in U.S. dollars.

(h) Cause. "Cause" means dishonesty, fraud, misrepresentation, embezzlement or deliberate injury or attempted injury, in each case related to the Company or any subsidiary or any material breach of any confidentiality agreement entered into with the Company or any subsidiary.

(i) Change in Control. A "Change in Control" means an event described in Section 12, provided, such event is a "change of control" as such term is defined in Section 409A of the Code.

(j) Code. "Code" means the Internal Revenue Code of 1986, as amended (including, when the context requires, all regulations, interpretations and rulings issued thereunder). Any reference to a specific provision of the Code includes a reference to that provision as it may be amended from time to time and to any successor provision.

(k) Committee. A committee of the Board, provided that, so long as the Company has a class of its equity securities registered under Section 12 of the Exchange Act, such committee will consist solely of two or more members of the Board who are "non-employee directors" within the meaning of Rule 16b-3 under the Exchange Act. As of the Effective Date, the "Committee" is the Nominating / Governance Committee of the Board or such other committee or person to whom administrative duties are delegated pursuant to the provisions of Section 16(a), as the context requires.

(l) Company. "Company" means UAL Corporation.

(m) Continuity Director. "Continuity Director" means any individual who was a member of the Board on the Effective Date, while he or she is a member of the Board, and any individual who subsequently becomes a member of the Board whose election or nomination for election by the Company's stockholders was approved by a vote of at least a majority of the directors who are Continuity Directors (either by a specific vote or by approval of the proxy statement of the Company in which such individual is named as a nominee for director without objection to such nomination). For example, assuming that twelve individuals comprise the entire Board as of the Effective Date, if a majority of such individuals approved a proxy statement in which two different individuals were nominated to replace two of the individuals who were members of the Board as of the Effective Date, these two newly elected directors would join the remaining ten directors who were members of the Board as of the Effective Date. Similarly, if subsequently a majority of these directors approved a proxy statement in which three different individuals were nominated to replace three other directors who were members of the Board as of the Effective Date, these three newly elected directors would also become, along with the other nine directors, Continuity Directors. Individuals subsequently joining the Board could become Continuity Directors under the principles reflected in this example.

(n) DEIP. "DEIP" means this UAL Corporation 2006 Director Equity Incentive Plan, as from time to time amended or restated.

(o) Director Cash Compensation. "Director Cash Compensation" means all cash amounts payable by the Company to a Qualified Director for his or her services to the Company as a Qualified Director, (i) including, without limitation, the retainers for service on the Board and fees specifically paid for attending regular or special meetings of the Board and Board committees or for acting as the chair of a committee, but (ii) excluding expense allowances or reimbursements and insurance premiums.

(p) Disability. "Disability" means the Qualified Director, by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve (12) months, is unable to engage in any substantial gainful activity; provided the Qualified Director is considered "disabled" within the meaning of Section 409A of the Code. Such Disability will be determined by the Committee on the basis of medical evidence satisfactory to it.

(q) Election Period. "Election Period" means a period of one calendar year, commencing on each January 1 and ending on each December 31. In the case of a newly eligible Qualified Director who commences participation in the DEIP following the Effective Date and following the first day of the calendar year, the Election Period is such partial calendar year described in Section 6(b)(ii).

(r) Market Price. "Market Price" means (i) the average of the high and low sale prices of a Share during the regular trading session on a specified date or, if Shares were not then traded, during the regular trading session on the most recent prior date when Shares were traded, all as quoted in The Wall Street Journal reports of

New York Stock Exchange - Composite Transactions; or (ii) if the Shares are not so listed, admitted to unlisted trading privileges, or reported on any national exchange or on the Nasdaq National Market, the mean between the lowest and highest reported sales prices as of such date, as reported by the Nasdaq Small Cap Market, OTC Bulletin Board, the Bulletin Board Exchange (BBX) or the National Quotation Bureaus, Inc., or other comparable service; or (iii) if the Shares are not so listed or reported, such price as the committee determines in good faith in the exercise of its reasonable discretion.

(s) Option. "Option" means an option to purchase Shares granted to Qualified Directors from time to time pursuant to Section 8.

(t) Participant. "Participant" is a current or former Qualified Director who has been granted an Option under the DEIP or to whose Account amounts have been credited pursuant to Section 6 and who has not ceased to be a Participant pursuant to Section 4(d).

(u) Periodic Award. "Periodic Award" means an award described in Section 5(c).

(v) Plan Rules. "Plan Rules" are rules, policies, practices or procedures adopted by the Committee pursuant to Section 16(b), which need not be reflected in a written instrument and may be changed at any time without notice.

(w) Previously Acquired Shares. "Previously Acquired Shares" means Shares that are already owned by the Participant that have been held for the period of time necessary to avoid a charge to the Company's earnings for financial reporting purposes and that are otherwise acceptable to the Committee.

(x) Prime Rate. "Prime Rate" means the Bloomberg Prime Rate Composite ("Prime Rate by Country US—BB Comp").

(y) Qualified Director. "Qualified Director" means an individual who is a member of the Board and who is not an employee of the Company or any Affiliate.

(z) Qualified Retirement. A Qualified Director has a "Qualified Retirement" if he or she attained age 60 and has completed five (5) or more continuous years of service as a member of the Board.

(aa) Restricted Stock. "Restricted Stock" has the meaning provided in Section 10.

(bb) Securities Act. "Securities Act" means the Securities Act of 1933, as amended. Any reference to a specific provision of the Securities Act includes a reference to that provision as it may be amended from time to time and to any successor provision.

(cc) Separation from Service. "Separation from Service" means a termination of a Participant's service with the Company and all Affiliates as a director and non-employee consultant/advisor, provided such termination constitutes a "separation from service" within the meaning of Section 409A of the Code, or such other change in the Participant's relationship with the Company and all Affiliates that constitutes a "separation from service" within the meaning of Section 409A of the Code.

(dd) Share Account. "Share Account" means an Account to which credits are made pursuant to Section 6(a), or deferred amounts are credited pursuant to Section 6(b) and/or 6(c) and earnings are credited pursuant to Section 6(d)(ii) in Share Units.

(ee) Share Unit Compensation. "Share Unit Compensation" means the compensation paid to a Qualified Director in the form of credits to his or her Share Account pursuant to Section 6(a).

(ff) Share Units. "Share Units" means a unit credited to a Participant's Share Account at the discretion of the Board pursuant to Section 6 that represents the economic equivalent of one Share. A Participant will not have

any rights as a stockholder with respect to Share Units until the Participant is distributed Shares pursuant to Section 7.

(gg) Shares. "Shares" means shares of common stock of the Company $.01 par value per share issued on or after the Effective Date, or such other class or kind of shares or other securities as may be applicable pursuant to Section 3.

(hh) Stock Appreciation Rights. "Stock Appreciation Rights" has the meaning provided in Section 9.

(ii) Unforeseeable Emergency. "Unforeseeable Emergency" means a severe financial hardship to the Participant resulting from an illness or accident of the Participant, or his or her spouse or dependent (within the meaning of Section 152(a) of the Code), loss of the Participant's property due to casualty, or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant but only if and to the extent it constitutes an "unforeseeable emergency" within the meaning of Section 409A of the Code. The existence of an unforeseeable emergency will be determined by the Committee.

3. Shares Subject to Plan.

(a) Maximum Number of Shares Available. Subject to adjustment as provided in paragraph (c), the maximum number of Shares that will be available for issuance or distribution under the DEIP will be 175,000 Shares. The Shares available for issuance or distribution under the DEIP may, at the election of the Committee, be either treasury shares or shares authorized but unissued. If treasury shares are used, all references in the DEIP to the issuance or distribution of Shares will, for corporate law purposes, be deemed to mean the transfer of shares from treasury.

(b) Accounting. Shares that are issued or distributed under the DEIP or that are subject to outstanding Periodic Awards granted or Share Units credited under the DEIP will be applied to reduce the maximum number of Shares remaining available for issuance or distribution under the DEIP. Any Shares that are subject to a Periodic Award granted under the DEIP that lapses, expires, is forfeited or for any reason is terminated unexercised and any Shares that are subject to Share Units in a Share Account that are forfeited will automatically again become available for issuance or distribution under the DEIP. To the extent that the exercise price of any Option or Stock Appreciation Right granted under the DEIP is paid by attestation as to ownership of Previously Acquired Shares, only the number of Shares issued net of the number of Shares attested to will be applied to reduce the maximum number of Shares remaining available for issuance under the DEIP.

(c) Adjustment to Shares and Share Units. In the event of any reorganization, merger, consolidation, recapitalization, liquidation, reclassification, stock dividend, stock split, combination of shares, rights offering, divestiture or extraordinary dividend (including a spin-off) or any other similar change in the Company's corporate structure or the Shares, the Board (or, if the Company is not the surviving corporation in any such transaction, the board of directors of the surviving corporation) will make appropriate adjustment (which determination will be conclusive) as to the number and kind of securities or other property (including cash) available for issuance or distribution under the DEIP and as to the number and kind of Share Units credited to Share Accounts and the number and kind of securities as to which Periodic Awards are to be granted and, in order to prevent dilution or enlargement of the rights of Participants holding Options or Stock Appreciation Rights, the number, kind and exercise price of securities subject to outstanding Options and Stock Appreciation Rights.

4. Participation.

(a) Eligibility.

(i) Each individual who is a Qualified Director who is entitled to Share Unit Compensation at any time during a calendar year is eligible to have such credit made to his or her Share Account pursuant to Section 6(a).

(ii) Each individual who is a Qualified Director on the first day of a calendar year is eligible to make deferral elections pursuant to Section 6(b) and/or 6(c) with respect to such calendar year. An individual who becomes a Qualified Director after the first day of a calendar year is eligible to make a deferral election pursuant to Section 6(b) with respect to the remainder of such calendar year. Each individual who has made a valid election pursuant to Section 6(b) or 6(c) and is a Qualified Director at any time during a calendar quarter with respect to which a credit is made pursuant to Section 6(b) or 6(c) shall have such credit made to his or her Account pursuant to such Section 6(b) or 6(c), as the case may be.

(iii) Each Qualified Director is eligible to receive Periodic Awards pursuant to Section 5(c).

(b) Ceasing to be Eligible. An individual who ceases to be a Qualified Director is not eligible to receive any subsequent Periodic Awards pursuant to Section 5(c) or to make any subsequent elections or receive further credits pursuant to Section 6, other than such credits relating to the period prior to such cessation and, if applicable, earnings credits under Section 6.

(c) Condition of Participation. Each Participant, as a condition of participation in the DEIP, is bound by all the terms and conditions of the DEIP and the Plan Rules, including but not limited to the reserved right of the Company to amend or terminate the DEIP, and must furnish to the Committee such pertinent information, and execute such election forms and other instruments, as the Committee or Plan Rules may require by such dates as the Committee or Plan Rules may establish.

(d) Termination of Participation. An individual will cease to be a Participant as of the date on which he or she is no longer a Qualified Director and his or her outstanding Periodic Awards have been exercised, cancelled, vested or expired and his or her entire Account balances have been distributed.

5. Benefits.

(a) Components of Director Compensation. Qualified Directors who are eligible under Section 4(a) may receive Periodic Awards, Share Unit Compensation and Director Cash Compensation as part of their compensation for services rendered as directors of the Company, all as determined by the Board from time to time. A Qualified Director may defer the receipt of some or all of his or her Director Cash Compensation through credits to his or her Cash Account and/or Share Account, and may defer the receipt of Shares that he or she would otherwise be issued under a Periodic Award through credits to his or her Share Account.

(b) Share Unit Compensation. At the discretion of the Board, each Qualified Director may receive Share Unit Compensation, which is additional annual compensation in the form of credits to the Qualified Director's Share Account.

(c) Periodic Awards. At the discretion of the Board, a Qualified Director may be granted from time to time one or more equity-based awards, which may include (i) Options, (ii) Restricted Stock, (iii) Stock Appreciation Rights and/or (iv) Shares. The terms of Options, Restricted Stock and Stock Appreciation Rights are set forth in Sections 8, 9 and 10, respectively.

(d) Deferral Accounts. For each Participant, the Committee will establish and maintain a Cash Account and a Share Account to evidence deferred amounts credited with respect to the Participant pursuant to Section 6. Each Participant will always have a fully-vested, nonforfeitable right to that portion of his or her Account credited under Sections 6(a), 6(b) and 6(c) and the earnings credits thereon. A Participant's interest in Share Units reflecting the deferral of receipt of Shares subject to vesting will be nonforfeitable at the times and in the amounts provided under the vesting requirements established in the Periodic Award.

(e) Receipt of Shares in Lieu of Director Cash Compensation. A Qualified Director may elect to forego receipt of all or any portion of the Director Cash Compensation payable to him or her for any period and instead receive whole Shares of equivalent value to the Director Cash Compensation so foregone. An election under this Section 5(e) will be valid only if it is in writing, signed by the Qualified Director, filed with the Committee before receipt of the Director Cash Compensation and otherwise in accordance with Plan Rules. Once in effect, an

election under this Section 5(e) shall remain in effect until it is revised or revoked in accordance with Plan Rules. The number of whole Shares to be distributed to the Qualified Director by reason of an election under this Section 5(e) shall be equal to the quotient of (i) the dollar amount of the Director Cash Compensation the Qualified Director has elected to have paid to him or her in Shares, divided by (ii) the Market Price as of the date on which the Director Cash Compensation would otherwise have been payable to the Qualified Director. The Market Price of any fractional Share shall be paid to the Qualified Director in cash.

6. Participant Deferral Accounts.

(a) Share Unit Compensation. The amount of the Qualified Director's Share Unit Compensation to be credited to his or her Share Account will be expressed in U.S. dollars and determined from time to time by the Board. A Qualified Director's Share Account will be credited pursuant to this section on the last day of each calendar quarter with the number of whole and fractional Share Units equal to the quotient of: (i) the dollar amount of the Share Unit Compensation allocated to such full calendar quarter, divided by (ii) the Market Price on the last day of the calendar quarter. If a Qualified Director has not served for the entire calendar quarter for which the Share Unit Compensation relates, the amount credited to the Qualified Director's Share Account will be based on the dollar amount of the Share Unit Compensation earned by the Qualified Director during the portion of the calendar quarter for which he or she served.

(b) Deferral of Director Cash Compensation. Elective deferrals of Director Cash Compensation will be made in accordance with the following rules:

(i) Election to Defer Director Cash Compensation. Each Qualified Director may elect, in accordance with this Section 6(b) and Plan Rules, to defer the receipt of all or a portion of his or her Director Cash Compensation relating to services performed and Director Cash Compensation earned during an Election Period. The Committee will credit his or her Cash Account and/or Share Account with the amount of compensation the Qualified Director elected to defer. Any such deferral election will automatically apply to the Participant's Director Cash Compensation, as the amount of such Director Cash Compensation is adjusted from time to time.

(ii) Time of Filing Election. A deferral election pursuant to this Section 6(b) will not be effective unless it is made on a properly completed election form received by the Committee before the first day of the Election Period to which the deferral election relates or, in the case of an individual who first becomes a Qualified Director on or after the first day of the calendar year, within 30 days after the date such individual becomes a Qualified Director. Any election made under this clause (ii) will apply only to Director Cash Compensation payable for services performed after the effective date of the election, with a proportionate reduction (determined on the basis of calendar days) in any payment due for a service period that includes services performed before the effective date of the election.

(iii) Allocation of Deferral. In conjunction with each deferral election made pursuant to this Section 6(b), a Qualified Director shall elect, in accordance with and subject to Plan Rules, how the deferral is to be allocated (in increments of ten percent only) among his or her Cash Account and Share Account. The sum of such percentages must not exceed 100 percent. Any portion of the deferral for which no election is made will be allocated to the Qualified Director's Cash Account.

(iv) Credits. Director Cash Compensation deferred pursuant to this Section 6(b) will be credited to a Qualified Director's Cash Account and/or Share Account, as elected, as of the last day of each calendar quarter. Such credits to the Qualified Director's Cash Account will be in United States dollars equal to the amount of the deferral allocated to such Account. Credits to a Qualified Director's Share Account will be the number of whole and fractional Share Units determined by dividing the United States dollar amount of the deferral allocated to the Share Account by the Market Price of a Share on the last day of the calendar quarter.

(v) Succeeding Election Periods. Unless the election is revoked pursuant to clause (vii), a deferral election made pursuant to this section will remain in effect until the last day of the calendar year in which it is revoked or modified in accordance with Plan Rules. The Qualified Director may change his or

her deferral by delivering a new deferral election not later than the day before the first Election Period to which the new deferral election relates.

(vi) Irrevocability. Except as provided in clause (vii), a deferral election made pursuant to this Section 6(b) for an Election Period is irrevocable after the latest date by which the deferral election is required to be given to the Committee for such Election Period.

(vii) Revocation. Any deferral election made under Section 6(b) by a Participant who receives a distribution pursuant to Section 7(b) will be revoked to the extent the Participant satisfies the requirements of Section 7(b) and Plan Rules, and no further amounts will be deferred until the Qualified Director makes a new, effective deferral election under Section 6(b).

(viii) Code Section 409A. An election, or revocation of an election, under this Section 6(b) shall be permitted only if it complies with the requirements of Section 409A of the Code.

(c) Deferral of Restricted Stock or Shares Issuable Under Periodic Awards. Each Qualified Director may elect, in accordance with this Section 6(c) and Plan Rules, to defer receipt of all or a portion of the Shares or Restricted Stock issuable pursuant to a Periodic Award granted under the DEIP, other than on account of an Option or Stock Appreciation Right.

(i) Time of Filing Election. A deferral election made pursuant to this Section 6(c) will not be effective unless it is made on a properly completed election form received by the Committee before the first day of the Election Period to which the deferral election relates or, in the case of an individual who first becomes a Qualified Director on or after the first day of the Election Period, within 30 days after the date such individual becomes a Qualified Director. Any election made under this clause applies to the Qualified Director's receipt of Restricted Stock or Shares relating to services performed after the effective date of the election.

(ii) Credits. Deferral of the receipt of Shares pursuant to this Section 6(c) will be credited to the Qualified Director's Share Account as of the day of the issuance of the Award of Restricted Stock or Shares, as the case may be. The number of Share Units credited to the Qualified Director's Share Account will equal the number of Shares otherwise issuable following the grant of the Periodic Award of Restricted Stock or Shares, as the case may be.

(iii) Succeeding Election Periods. Unless the election is revoked pursuant to clause (v), a deferral election made pursuant to this section will remain in effect until the last day of the calendar year in which it is revoked or modified in accordance with Plan Rules. The Qualified Director may change his or her deferral by delivering a new deferral election not later than the day before the first Election Period to which the new deferral election relates.

(iv) Irrevocability. Except as provided in clause (v), a deferral election made pursuant to this Section 6(c) that is in effect for an Election Period is irrevocable after the latest date by which the deferral election is required to be given to the Committee for such Election Period.

(v) Revocation. Any deferral election made under Section 6(c) by a Participant who receives a distribution pursuant to Section 7(b) will be revoked to the extent the Participant satisfies the requirements of Section 7(b) and Plan Rules, and no further amounts will be deferred until the Qualified Director makes a new, effective deferral election under Section 6(c).

(vi) Code Section 409A. An election, or revocation of an election, under this Section 6(c), shall be permitted only if it complies with the requirements of Section 409A of the Code.

(d) Earnings Credits.

(i) Cash Accounts. As of the last day of each calendar quarter, and before any credits have been made pursuant to Section 6 on such date, a Participant's Cash Account will be credited with interest, calculated on the balance in the Cash Account as of the last day of the immediately preceding calendar quarter at the Prime Rate in effect on such date.

(ii) Share Accounts. A Participant's Share Account will be credited as of the date on which dividends are paid on Shares with that number of whole and fractional Share Units determined by dividing the dollar amount of the dividends that would have been payable to the Participant if the number of Share Units credited to the Participant's Share Account on the record date for such dividend payment had then been Shares registered in the name of such Participant by the Market Price of a Share on the date as of which the credit is made.

7. Distributions.

(a) Distribution of Accounts Following Separation from Service.

(i) Distribution Elections.

(A) Initial Election. Subject to Sections 7(b), 7(c) and 7(h), a Participant may elect, in accordance with Plan Rules and subject to Section 409A of the Code, the manner of distribution (as described in clause (ii)) or the time of distribution (as defined in clause (iv)), provided such election, as it relates to deferrals under Section 6(b) or (c), is made no later than the date of the related deferral election and, as it relates to Share Unit Compensation credited under Section 6(a), is made no later than the close of the calendar year preceding the calendar year during which the services giving rise to such compensation are performed, or, in the case of an individual who first becomes a Qualified Director on or after the first day of the calendar year, within 30 days after the date such individual becomes a Qualified Director.

(B) Redeferral Election. A Participant may elect to change the time and manner of his or her distribution provided (X) the Participant elects, in accordance with Plan Rules and subject to Section 409(A) of the Code, at least twelve (12) months prior to the date that the Participant's first scheduled payment was to begin, (Y) the election may not take effect until at least 12 months after the date on which the election is made, and (Z) the election defers the first payment at least five (5) years beyond the date payment otherwise would have been made.

(ii) Form of Distribution. A Participant's Cash Account and Share Account will be distributed as provided in this Section 7(a) in a lump sum payment unless the Participant has elected, as provided in Section 7(a)(i), to receive his or her distribution in the form of annual installment payments for a period of not more than 10 years.

(iii) Medium of Distribution. Any distribution from a Participant's Cash Account will be made in cash only. Subject to Section 14, any distribution from a Participant's Share Account will be made in whole Shares only, rounded up to the next whole Share.

(iv) Time of Distribution. Distribution to a Participant will be made (if in a lump sum) or will commence (if in installments) as soon as administratively practicable after the January 1 immediately following the date the Participant experiences a Separation from Service unless the Participant has elected to defer commencement of distribution until a future date as provided in Section 7(a)(i); provided that if a lump sum distribution from a Participant's Share Account would otherwise be made after the record date for a dividend but before the payment date for such dividend, the distribution of the dividend will be made as soon as administratively practicable after the earnings credits has been made to the Share Account pursuant to Section 6(d) on the payment date of the dividend.

(v) Amount of Distribution for Cash Account.

(A) Lump Sum. The amount of a lump sum payment from a Participant's Cash Account will be equal to the balance of the Cash Account as of the time of the distribution.

(B) Installments. The amount of each installment payment from a Participant's Cash Account will be determined by dividing the balance of the Cash Account as of the distribution date for such installment payment by the total number of remaining payments (including the current payment).

(vi) Amount of Distribution for Share Account.

(A) Lump Sum. A lump sum distribution from a Participant's Share Account will consist of the number of Shares equal to the number of Share Units credited to the Share Account as of the time of distribution, rounded up to the next whole Share.

(B) Installments. Each installment distribution from a Participant's Share Account will consist of the number of Shares determined by dividing the number of whole Share Units credited to the Share Account as of the distribution date for such installment distribution by the total number of remaining payments (including the current payment) and rounding the quotient to the next whole Share.

(b) Distribution Due to Unforeseeable Emergency. Notwithstanding any distribution election by a Participant to the contrary, a distribution will be made to a Participant from his or her Account if the Participant submits a written distribution request to the Committee and the Committee determines that the Participant has experienced an Unforeseeable Emergency. The amount of the distribution may not exceed the amount necessary to satisfy the Unforeseeable Emergency plus the amount necessary to pay taxes, as determined by the Committee. Payments made on account of an Unforeseeable Emergency will not be made to the extent that such Unforeseeable Emergency is or may be relieved through reimbursement or compensation by insurance or otherwise, by liquidation of the Participant's assets (to the extent that such liquidation would not itself cause severe financial hardship) or by cessation of deferrals under Section 6(b) and/or 6(c) for the balance of the calendar year, provided the determination of such limitations is consistent with the requirements of Section 409A of the Code. Any distribution pursuant to this Section 7(b) will be made as soon as administratively practicable after the Committee's determination that the Participant has experienced an Unforeseeable Emergency and in the form of a lump sum payment that is in cash from the Cash Account and in Shares from the Share Account (rounded up to the next whole Share). Any distribution pursuant to this Section 7(b) will be made first from the Participant's Cash Account and then from the Participant's Share Account.

(c) Small Benefits.

(i) Cash Account. Each installment distribution to a Participant who has experienced a Separation from Service will be at least $2,500 or such smaller amount that equals the balance of the Participant's Cash Account.

(ii) Share Account. If the balance of the Share Account of a Participant who has experienced a Separation from Service is fewer than 100 Share Units as of the day of any installment distribution pursuant to Section 7(a)(v)(B), such remaining balance will be distributed to the Participant, as soon as administratively practicable, in the form of a lump sum distribution, that will consist of the number of Shares equal to the number of Share Units credited to the Share Account as of that date, rounded up to the next whole Share. Each installment distribution to a Participant who has experienced a Separation from Service must be at least 100 Share Units or such smaller number of Share Units that remains in the Participant's Share Account.

(d) Payment in Event of Incapacity. If any individual entitled to receive any payment under the DEIP is, in the judgment of the Committee, physically, mentally or legally incapable of receiving or acknowledging

receipt of the payment, and no legal representative has been appointed for the individual, the Committee may (but is not required to) cause the payment to be made to any one or more of the following as may be chosen by the Committee: the Beneficiary (in the case of the incapacity of a Participant); the institution maintaining the individual; a custodian for the individual under the Uniform Transfers to Minors Act of any state; or the individual's spouse, child, parent, or other relative by blood or marriage. The Committee is not required to see to the proper application of any such payment, and the payment completely discharges all claims under the DEIP against the Company, and the DEIP to the extent of the payment.

(e) Reduction of Account Balance. The balance of the Cash or Share Account from which a distribution is made will be reduced, as of the date of the distribution, by the cash amount or number of Shares distributed, as the case may be.

(f) Distribution to a Beneficiary. Following a Participant's death, the balances of the Participant's Cash and Share Accounts will be distributed to the Participant's Beneficiary in a lump sum payment whether or not payments had commenced to the Participant in the form of installments prior to his or her death. Any distribution from a Participant's Cash Account will be made in cash and any distribution from a Participant's Share Account will be made in whole Shares, rounded up to the next whole Share. Distributions will be subject to the following:

(i) Time. Distribution to a Beneficiary will be made as soon as administratively practicable after the end of the calendar quarter during which the Committee receives notice of the Participant's death; provided that if a distribution from the Participant's Share Account would otherwise be made after the record date for a dividend but before the payment date for such dividend, the distribution of the dividend will be made as soon as administratively practicable after the earnings credit has been made to the Share Account pursuant to Section 6(d) on the payment date of the dividend.

(ii) Amount. The amount of the lump sum payment from a Participant's Cash Account will be equal to the sum of the balances of the Cash Account on the date of distribution. A lump sum distribution from a Participant's Share Account will consist of the number of Shares equal to the number of Share Units credited to the Share Account, rounded up to the next whole Share.

(g) Beneficiary Designation.

(i) Each Participant may designate, in accordance with Plan Rules, one or more primary Beneficiaries or alternative Beneficiaries to receive all or a specified part of the balance of his or her Cash or Share Accounts after his or her death. The Participant may change or revoke any such designation from time to time without notice or consent from any person. No such designation, change or revocation is effective unless completed and received by the Committee during the Participant's lifetime.

(ii) Any portion of a Participant's Cash and Share Accounts for which the Participant fails to designate a Beneficiary, revokes a Beneficiary designation without naming another Beneficiary or designates one or more Beneficiaries, none of whom survives the Participant or exists at the time in question, will be paid to the Participant's surviving spouse or, if the Participant is not survived by a spouse, to the representative of the Participant's estate.

(iii) The automatic Beneficiaries specified above and, unless the designation otherwise specifies, the Beneficiaries designated by the Participant, become fixed as of the Participant's death so that, if a Beneficiary survives the Participant but dies before the receipt of the payment due such Beneficiary, the payment will be made to the representative of such Beneficiary's estate. Any designation of a Beneficiary by name that is accompanied by a description of the relationship or only by a statement of relationship to the Participant is effective only to designate the person or persons standing in such relationship to the Participant at the Participant's death.

(h) Modification of Time and Manner of Payment. Notwithstanding the foregoing, the Committee in its sole and absolute discretion, may distribute all balances in the Cash Account or Share Account to the Participant in a lump sum as of any date but only if and to the extent permitted under Section 409A of the Code. Nothing herein

shall be construed to grant a Participant the right to elect a modification of the time or manner for receiving payments hereunder, including on account of termination of the Plan.

8. Options.

All Options granted by the Board under the DEIP will be governed by the following terms and conditions:

(a) Non-Statutory Options. All Options granted under the DEIP will be non-statutory stock options not entitled to special tax treatment under Section 422 of the Internal Revenue Code of 1986, as amended to date and as may be amended from time to time (the "Code").

(b) Option Exercise Price. The exercise price per Share purchasable under an Option granted under the DEIP will be not less than 100% of the Market Price on the date of grant of the Option.

(c) Exercisability of Options. Each Option granted under the DEIP will be immediately exercisable, unless the Award notice provides otherwise.

(d) Duration of Options; Effect of Cessation as Director. Except as provided in Section 11, each Option granted under the DEIP will terminate ten years after its Date of Grant. If the Participant ceases to serve as a director on the Board for any reason other than a Qualified Retirement, then the Option will remain exercisable until the earlier of the expiration of five years after the date the Participant ceased to serve as a director of the Company or the remaining term of the Option. If the Participant ceases to serve as a director on the Board or account of a Qualified Retirement all Options will become immediately exercisable in full and will remain exercisable in full until the expiration of the Option.

(e) Manner of Option Exercise. An Option granted under the DEIP may be exercised by a Participant in whole or in part from time to time, subject to the conditions contained in the DEIP, by delivering in person, by facsimile or electronic transmission or through the mail notice of exercise to the Company at its principal executive office, and by paying in full the total exercise price for the Shares to be purchased in accordance with paragraph (f). Such notice will specify the particular Option that is being exercised (by the date of grant and total number of Shares subject to the Option) and the number of Shares with respect to which the Option is being exercised.

(f) Payment of Exercise Price. The total purchase price of the shares to be purchased upon exercise of an Option granted under the DEIP will be paid entirely in cash (including check, bank draft or money order); provided, however, that the Committee, in its sole discretion and upon terms and conditions established by the Committee, may allow such payments to be made, in whole or in part, by tender of a Broker Exercise Notice, by tender, or attestation as to ownership, of Previously Acquired Shares, or by a combination of such methods. For purposes of such payment, Previously Acquired Shares tendered or covered by an attestation will be valued at the Market Price on the exercise date.

(g) Restrictions on Transfer.

(i) Except pursuant to testamentary will or the laws of descent and distribution or as otherwise expressly permitted by clauses (ii) or (iii) below, no right or interest of any Participant in an Option granted under the DEIP prior to the exercise of such Option will be assignable or

transferable, or subjected to any lien, during the lifetime of the Participant, either voluntarily or involuntarily, directly or indirectly, by operation of law or otherwise.

(ii) A Participant will be entitled to designate a beneficiary to receive an Option granted under the DEIP upon such Participant's death, and in the event of a Participant's death, payment of any amounts due under the DEIP will be made to, and exercise of any Options (to the extent permitted pursuant to Section 15) may be made by, the Participant's legal representatives, heirs and legatees.

(iii) A Participant who is a director of the Company will be entitled to transfer all or a portion of an Option granted under the DEIP, other than for value, to such Participant's child, stepchild, grandchild,

parent, stepparent, grandparent, spouse, former spouse, sibling, niece, nephew, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, any person sharing such Participant's household (other than a tenant or employee), a trust in which any of the foregoing have more than fifty percent of the beneficial interests, a foundation in which any of the foregoing (or the Participant) control the management of assets, and any other entity in which these persons (or the Participant) own more than fifty percent of the voting interests. Any permitted transferee will remain subject to all the terms and conditions applicable to the Participant prior to the transfer. A permitted transfer may be conditioned upon such requirements as the Committee may, in its sole discretion, determine, including, but not limited to execution and/or delivery of appropriate acknowledgements, opinion of counsel, or other documents by the transferee.

(h) Rights as a Stockholder. No Participant will have any rights as a stockholder with respect to any Shares covered by an Option granted under the DEIP until the Participant has exercised such Option, paid the exercise price and become the holder of record of such Shares, and, except as otherwise provided in Section 3(c), no adjustments will be made for dividends or other distributions or other rights as to which there is a record date preceding the date the Participant becomes the holder of record of such Shares.

9. Stock Appreciation Rights.

A Stock Appreciation Right may be granted by the Board to the holder of any Option granted hereunder. In addition, a Stock Appreciation Right may be granted independently of and without relation to any Option. Stock Appreciation Rights shall be subject to such terms and conditions consistent with the DEIP as the Board shall impose from time to time including the following:

(a) A Stock Appreciation Right may be granted with respect to an Option at the time of its grant or at any time thereafter.

(b) Each Stock Appreciation Right will entitle the Participant to elect to receive in cash up to 100% of the appreciation in Market Price of the Shares subject thereto up to the date the Stock Appreciation Right is exercised. In the case of a Stock Appreciation Right issued in relation to an Option, such appreciation will be measured from the Option's exercise price. In the case of a Stock Appreciation Right issued independently of any Option, the appreciation shall be measured from not less than the Market Price of a Share on the date the Stock Appreciation Right is granted.

(c) The Committee shall have the discretion to satisfy a Participant's right to receive the amount of cash as determined in Section 9(b), in whole or in part, by the delivery of Shares valued as of the date of the Participant's election.

(d) In the event a Participant experiences a Separation from Service:

(i) by reason of death or Disability, all outstanding Stock Appreciation Rights then held by the Participant will become immediately exercisable in full and will remain exercisable for a period of twelve (12) months after such Separation from Service (but in no event after the expiration date of any such Stock Appreciation Right);

(ii) by reason of a Qualified Retirement, all outstanding Stock Appreciation Rights then held by the Participant will become immediately exercisable in full and will remain exercisable in full until the expiration date of any such Stock Appreciation Rights; or

(iii) for reasons other than death, Disability or Qualified Retirement, all outstanding Stock Appreciation Rights then held by the Participant will, to the extent exercisable as of the date of Separation from Service, remain exercisable in full for a period of three (3) months after such Separation from Service (but in no event after the expiration date of any such Stock Appreciation Right); and Stock Appreciation Rights not exercisable as of such Separation from Service will terminate and be forfeited.

10. Restricted Stock.

The Board may grant a Periodic Award of Restricted Stock to Participants with the following terms and conditions.

(a) During the Restricted Period (as defined in paragraph (b)), a Participant shall not sell, assign, exchange, transfer, pledge, hypothecate or otherwise dispose of or encumber any of the Restricted Stock. Upon grant of the Award of Restricted Stock, however, Participant shall thereupon be a stockholder with respect to all Shares subject to the Award and shall have all the rights of a stockholder with respect to such Shares, including the right to vote such Shares and to receive all dividends and other distributions.

(b) The term "Restricted Period" shall mean any period as set by the Board, not to exceed ten years, ending upon such conditions as the Board may deem appropriate, including, without limitation, achievement of certain goals and/or that the Participant has remained in continuous service as a member of the Board of the Company for a certain period.

(c) To enforce the restrictions referred to in this Section 10, the Board may place a legend on the stock certificates for the Shares referring to such restrictions and may require the Participant, until the restrictions have lapsed, to keep the stock certificates, together with duly endorsed stock powers, in

the custody of the Company or its transfer agent, or to maintain evidence of stock ownership, together with duly endorsed stock powers, in a certificateless book-entry stock account with the Company's transfer agent.

(d) In the event a Participant experiences a Separation from Service:

(i) by reason of death, Disability or Qualified Retirement, all Restricted Stock then held by the Participant will become fully vested; or

(ii) for reasons other than death, Disability or Qualified Retirement, all Restricted Stock then held by Participant that has not vested as of such Separation from Service will be terminated and forfeited.

11. Effects of Actions Constituting Cause.

(a) Notwithstanding anything in the DEIP to the contrary, if a Participant is determined by the Board, acting in its sole discretion, to have committed any action which would constitute Cause as defined in Section 2(h), irrespective of whether such action or the Board's determination occurs before or after such Participant ceases to serve as a director of the Company, all rights of the Participant under the DEIP attributable to unexercised Options or Stock Appreciation Rights or unvested Emergence Awards or Periodic Awards of Restricted Stock and any agreements or notices evidencing any Emergence Awards or Periodic Awards then held by the Participant will terminate and be forfeited without notice of any kind.

(b) Benefits attributable to amounts credited to a Participant's Account pursuant to Section 6 which are vested and any earnings credited with respect to such vested amounts will not be forfeited.

12. Change in Control.

(a) A "Change in Control" shall be deemed to have occurred if the event set forth in any one of the following paragraphs shall have occurred:

(i) any "person" as such term is used in Sections 13(d) and 14(d) of the Exchange Act (other than the Company or other fiduciary holding securities under any employee benefit plan of the Company, or any corporation owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company), is or becomes during the 12-month period ending on the date of the most recent acquisition, including pursuant to a tender or exchange offer for shares of Common Stock pursuant to which purchases are made, the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing 35% or more of the combined voting power of the Company's then outstanding securities, other than in a

transaction arranged or approved by the Continuity Directors prior to its occurrence; provided, however, that if any such person will become the beneficial owner, directly or indirectly, of securities of the Company representing 50% or more of the combined voting power of the Company's then outstanding securities, a Change in Control will be deemed to occur whether or not any or all of such beneficial ownership is obtained in a transaction arranged or approved by the Continuity Directors prior to its occurrence, and provided further that the provisions of this clause (i) shall not be applicable to a transaction in which a corporation becomes the owner of all the Company's outstanding securities in a transaction which complies with the provisions of clause (iii) of this Section 12(a) (e.g., a reverse triangular merger); or

(ii) there is consummated a merger or consolidation of the Company or any direct or indirect Subsidiary of the Company with any other corporation that (constitutes a "change of control" under Section 409A of the Code other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior to such merger or consolidation continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or any parent thereof) more than 50% of the combined voting power of the securities of the Company or such surviving entity or any parent thereof outstanding immediately after such merger or consolidation, and in which no "person" (as defined under clause (i) above) acquires 50% or more of the combined voting power of the securities of the Company or such surviving entity or parent thereof outstanding immediately after such merger or consolidation provided such merger or consolidation); or

(iii) the stockholders of the Company approve a plan of complete liquidation or dissolution of the Company or there is consummated an agreement for the sale or disposition by the Company of all or substantially all of the Company's assets, other than a sale or disposition by the Company of all or substantially all of the Company's assets to an entity, more than 50% of the combined voting power of the voting securities of which are owned by stockholders of the Company in substantially the same proportions as their ownership of the Company immediately prior to such sale; or

(iv) during any 12-month period, the Continuity Directors cease for any reason to constitute at least a majority of the Board.

(b) Cash Payment. If a Change in Control of the Company occurs, then the Board, without the consent of any Participant affected thereby, may determine to the extent permitted by Section 409A of the Code (for amounts subject to Section 409A) that some or all Participants holding outstanding Options and/or Stock Appreciation Rights granted under the DEIP will receive, with respect to some or all of the Shares subject to such Options or Stock Appreciation Rights, as of the effective date of any Change in Control of the Company, cash in an amount equal to the excess of the Market Price of such Shares immediately prior to the effective date of such Change in Control of the Company over the exercise price per share of such Options or Stock Appreciation Rights.

(c) Acceleration of Vesting. If a Change in Control of the Company occurs, then (i) all Options and Stock Appreciation Rights will become immediately exercisable in full and will remain exercisable in accordance with their terms; (ii) all Restricted Stock will become immediately fully vested and nonforfeitable; and (iii) the Participant's deferral Accounts will become immediately fully vested and non-forfeitable.

(d) Acceleration of Payment. If a Change in Control of the Company occurs, then all deferred amounts credited to a Participant's Cash Account and Share Account will become immediately due and payable to the Participant.

13. Source of Payments; Nature of Interest.

(a) Source of Payments. The Company is responsible for paying, from its general assets, any benefits attributable to a Participant's Account.

(b) Status of DEIP. Nothing contained in the DEIP is to be construed as providing for assets to be held for the benefit of any Participant or any other person or persons to whom benefits are to be paid pursuant to the

terms of the DEIP, the Participant's or other person's only interest under the DEIP being the right to receive the benefits set forth herein. Until such time as Shares are distributed to a Participant, Beneficiary of a deceased Participant or other person, he or she has no rights as a shareholder with respect to any Share Units credited to a Share Account pursuant to the DEIP. To the extent that the Participant or any other person acquires a right to receive benefits under the DEIP, such right is no greater than the right of any unsecured general creditor of the Company.

(c) Non-Assignability of Benefits. The benefits payable under the DEIP and the right to receive future benefits under the DEIP may not be anticipated, alienated, sold, transferred, assigned, pledged, encumbered, or subjected to any charge or legal process.

14. Securities Law and Other Restrictions.

Notwithstanding any other provision of the DEIP or any agreements entered into pursuant to the DEIP to the contrary, the Company is not required to issue or distribute any Shares under the DEIP, and a Participant or distributee may not sell, assign, transfer or otherwise dispose of Shares issued or distributed pursuant to the DEIP, unless (a) there is in effect with respect to such Shares a registration statement under the Securities Act and any applicable securities laws of a state or foreign jurisdiction or an exemption from such registration under the Securities Act and applicable state or foreign securities laws, and (b) there has been obtained any other consent, approval or permit from any other regulatory body which the Company, in its sole discretion, deems necessary or advisable. The Company may condition such issuance, distribution, sale or transfer upon the receipt of any representations or agreements from the parties involved, and the placement of any legends on certificates representing Shares, as may be deemed necessary or advisable by the Company in order to comply with such securities law or other restrictions.

15. Amendment or Termination.

(a) Amendment.

(i) The Company reserves the right to amend the DEIP at any time to any extent that it may deem advisable. To be effective, an amendment must be stated in a written instrument approved in advance or ratified by the Board and executed in the name of the Company by its Chief Executive Officer or President and attested by the Secretary or an Assistant Secretary.

(ii) An amendment adopted in accordance with Section 15(a) is binding on all interested parties as of the effective date stated in the amendment; provided, however, that no amendment will have any retroactive effect so as to deprive any Participant, or the Beneficiary of a deceased Participant, of any benefit to which he or she is entitled under the terms of the DEIP in effect immediately prior to the effective date of the amendment, determined as if such Participant had terminated service as a director immediately prior to the effective date of the amendment.

(iii) Without limiting Section 15(a), the Company reserves the right to amend the DEIP to change the method of determining the earnings credited to Participants' Accounts pursuant to Section 6(d) and to apply such new method not only with respect to the portion of the Accounts attributable to credits made after the date on which such amendment is adopted but also with respect to the portion of the Accounts attributable to credits made prior to the date on which such amendment is adopted and regardless of whether such new method would result in materially lower earnings credits than the old method.

(iv) The provisions of the DEIP in effect at the termination of a Participant's service as a director will, except as otherwise expressly provided by a subsequent amendment, continue to apply to such Participant.

(b) Termination. The Company reserves the right to terminate the DEIP at any time. The DEIP will terminate as of the date specified by the Company in a written instrument by its authorized officers to the Committee, adopted in the manner of an amendment. Upon the termination of the DEIP, any benefits to which

Participants have become entitled prior to the effective date of the termination will continue to be paid in accordance with the provisions of Section 7, subject to acceleration as permitted by Section 7(h) and Section 409A of the Code. No termination, suspension or amendment of the DEIP may adversely affect any outstanding Emergence Award or Periodic Award without the consent of the affected Participant; provided, however, that this sentence will not impair the right of the Board to take whatever action it deems appropriate under Sections 3(c), 8, 9 and 10 of the DEIP. Options and Stock Appreciation Rights outstanding upon termination of the DEIP may continue to be exercised in accordance with their terms.

16. Administration.

(a) Committee. The general administration of the DEIP and the duty to carry out its provisions will be vested in the Committee or such other Board committee as may be subsequently designated as the Committee by the Board. Such Committee may delegate such duty or any portion thereof to a named person and may from time to time revoke such authority and delegate it to another person.

(b) Plan Rules and Regulations. The Committee has the discretionary power and authority to make such Plan Rules as the Committee determines to be consistent with the terms, and advisable in connection with the administration, of the DEIP and to modify or rescind any such Plan Rules. In addition, the Committee has the discretionary power and authority to limit or modify application of DEIP provisions and Plan Rules as the Committee determines to be advisable to facilitate tax deferral treatment (or accommodate the unavailability thereof) for Options granted to, or amounts credited with respect to, non-U.S. resident Participants.

(c) Discretion. The Committee has the sole discretionary power and authority to make all determinations necessary for administration of the DEIP, except those determinations that the DEIP requires others to make, and to construe, interpret, apply and enforce the provisions of the DEIP and Plan Rules whenever necessary to carry out its intent and purpose and to facilitate its administration, including, without limitation, the discretionary power and authority to remedy ambiguities, inconsistencies, omissions and erroneous benefit calculations. In the exercise of its discretionary power and authority, the Committee will treat all similarly situated persons uniformly.

(d) Specialist's Assistance. The Committee may retain such actuarial, accounting, legal, clerical and other services as may reasonably be required in the administration of the DEIP, and may pay reasonable compensation for such services. All costs of administering the DEIP will be paid by the Company.

(e) Indemnification. The Company agrees to indemnify and hold harmless, to the extent permitted by law, each director, officer and employee of the Company and any subsidiary or affiliate of the Company against any and all liabilities, losses, costs and expenses (including legal fees) of every kind and nature that may be imposed on, incurred by, or asserted against such person at any time by reason of such person's services in connection with the DEIP, but only if such person did not act dishonestly or in bad faith or in willful violation of the law or regulations under which such liability, loss, cost or expense arises. The Company has the right, but not the obligation, to select counsel and control the defense and settlement of any action for which a person may be entitled to indemnification under this provision.

17. Miscellaneous.

(a) Other Benefits. Neither amounts deferred nor amounts paid pursuant to the DEIP constitute salary or compensation for the purpose of computing benefits under any other benefit DEIP, practice, policy or procedure of the Company unless otherwise expressly provided thereunder.

(b) No Warranties Regarding Treatment. The Company makes no warranties regarding the tax treatment to any person of any deferrals or payments made pursuant to the DEIP, and each Participant will hold the Committee and the Company and their officers, directors, employees, agents and advisors harmless from any liability resulting from any tax position taken in good faith in connection with the DEIP.

(c) No Rights to Continued Service Created. Neither the establishment of or participation in the DEIP gives any individual the right to continued service on the Board or limits the right of the Company or its

stockholders to terminate or modify the terms and conditions of service of such individual on the Board or otherwise deal with any individual without regard to the effect that such action might have on him or her with respect to the DEIP.

(d) Successors. Except as otherwise expressly provided in the DEIP, all obligations of the Company under the DEIP are binding on any successor to the Company whether the successor is the result of a direct or indirect purchase, merger, consolidation or otherwise of all of the business and/or assets of the Company.

(e) Governing Law. Questions pertaining to the construction, validity, effect and enforcement of the DEIP will be determined in accordance with the internal, substantive laws of the State of Delaware without regard to the conflict of laws rules of the State of Delaware or any other jurisdiction.

(f) Headings. The headings of sections are included solely for convenience of reference; if there exists any conflict between such headings and the text of the DEIP, the text will control.