

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

<b>In re:</b>	)	<b>Chapter 11</b>
	)	
<b>TRANS WORLD AIRLINES, INC., et al.,<sup>1</sup></b>	)	<b>Case No. 01-00056 (PJW)</b>
	)	<b>(Jointly Administered)</b>
<b>Debtors.</b>	)	
	)	
	)	

**ORDER CONFIRMING JOINT LIQUIDATING  
PLAN OF REORGANIZATION OF THE DEBTORS AND THE OFFICIAL  
COMMITTEE OF UNSECURED CREDITORS PURSUANT  
TO CHAPTER 11 OF THE UNITED  
STATES BANKRUPTCY CODE [RE DOCKET NO. 2455]**

Trans World Airlines, Inc. and the above-captioned debtors and debtors in possession (collectively, the "Debtors"), having filed voluntary petitions for relief under Chapter 11 of Title 11 of the United States Code (the "Bankruptcy Code") on January 10, 2001 (the "Petition Date") commencing the above-captioned jointly administered bankruptcy cases (the "Chapter 11 Cases"); and

The Debtors having filed on January 23, 2002 the Second Amended Joint Liquidating Plan of Reorganization of the Debtors and the Official Committee of Unsecured Creditors Pursuant to Chapter 11 of the United States Bankruptcy Code (the "Second Amended Plan") and the Second Amended Disclosure Statement for the Second Amended Joint Liquidating Plan of Reorganization of the Debtors and the Official Committee of Unsecured

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<sup>1</sup> The Debtors are the following entities: Trans World Airlines, Inc., Ambassador Fuel Corporation, LAX Holding Company, Inc., Mega Advertising Inc., Northwest 112th Street Corporation, The TWA Ambassador Club, Inc., Trans World Computer Services, Inc., Transcontinental & Western Air, Inc., TWA Aviation, Inc., TWA Group Inc., TWA Standards & Controls, Inc., TWA Stock Holding Company, TWA-D.C. Gate Company, Inc., TWA-LAX Gate Company, Inc., TWA Logan Gate Co., Inc., TWA-NY/NJ Gate Company, Inc., TWA-Omnibus Gate Company, Inc., TWA-San Francisco Gate Company, Inc., TWA-Hangar 12 Holding Company, Inc., Ozark Group, Inc., TWA Nippon, Inc., TWA Employee Services, Inc., TWA Getaway Vacations, Inc., Trans World Express, Inc., International Aviation Security Inc., Getaway Management Services, Inc., The Getaway Group (U.K.) Inc.

Creditors Pursuant to Chapter 11 of the United States Bankruptcy Code (the "Disclosure Statement"); and

The Debtors having served on or about January 24, 2002 the Second Amended Plan and the Disclosure Statement on all holders of Impaired Claims<sup>2</sup> against the Debtors, together with a solicitation of votes to accept or reject the Second Amended Plan to those holders of Impaired Claims entitled to vote; and

The Debtors having filed on February 15, 2002 the Third Amended Joint Liquidating Plan of Reorganization of the Debtors and the Official Committee of Unsecured Creditors Pursuant to Chapter 11 of the United States Bankruptcy Code (the "Third Amended Plan, and as amended, the "Plan"); and

The Affidavit of Bankruptcy Management Corporation Certifying the (a) Procedures for Distribution of Solicitation Materials and (b) Tabulation of the Ballots Received for the Debtors' Joint Liquidating Plan of Reorganization having been filed with this Court on or about March 18, 2002 (the "Voting Affidavit"); and

This Court, upon motion of the Debtors, having entered an order (the "Solicitation Procedures Order") fixing March 21, 2002 at 1:30 p.m. as the date and time of a hearing (and continuing such Hearing to April 10, 2002 at 11:30 a.m.) pursuant to Rules 3017 and 3018 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") and Sections 1126 and 1128 of the Bankruptcy Code to consider Confirmation of the Plan (the "Confirmation Hearing"); and

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<sup>2</sup> Unless otherwise specified, capitalized terms and phrases used herein have the meanings assigned to them in the Plan. In accordance with Paragraph No. 1 of this Order, if there is any direct conflict between the terms of the Plan and the terms of this Order, the terms of this Order shall control.

The Affidavit of Gary Morris having been filed with this Court on February 4, 2002 with respect to the publication of notice of the Confirmation Hearing in the national edition of The Wall Street Journal on January 28, 2002; and

The Debtors having identified the technical and non-material modifications to the Plan, a modified copy of which is attached hereto as Exhibit A; and

The Debtors having filed the Affidavit of Michael J. Lichty in Support of Confirmation of the Plan (as may be supplemented, the "Lichty Affidavit"); and

This Court having reviewed and/or having been advised regarding the Plan, the Disclosure Statement, any technical or non-material modifications to the Plan, and the Debtors' Reply to Objections and Memorandum in Support of Confirmation of the Joint Liquidating Plan of Reorganization of the Debtors and the Official Committee of Unsecured Creditors, filed on March 15, 2002 (the "Confirmation Memorandum"), and all filed objections and responses to, and statements and comments regarding, the Plan; and

This Court having heard the statements of counsel in support of and in opposition to Confirmation at the Confirmation Hearing, this Court having considered all testimony presented and evidence admitted by affidavits or otherwise at the Confirmation Hearing, and this Court having taken judicial notice of the papers and pleadings on file in the above-captioned Chapter 11 Cases; and

This Court having heard the statements on the record at the Confirmation Hearing regarding the resolutions of certain of the objections to, and replies in support of, Plan confirmation; and

It appearing to this Court that: (a) notice of the Confirmation Hearing and the opportunity of any party in interest to object to Confirmation were adequate and appropriate as to

all parties to be affected by the Plan and the transactions contemplated thereby; and (b) the legal and factual bases set forth in the Confirmation Memorandum and presented at the Confirmation Hearing establish just cause for the relief granted herein;

Now, therefore, this Court hereby makes and issues Findings of Fact, Conclusions of Law and Order Confirming Plan of Liquidation as follows.<sup>3</sup>

### **FINDINGS OF FACT AND CONCLUSIONS OF LAW**

#### **Jurisdiction and Venue**

A. On the Petition Date, the Debtors commenced the above-captioned Chapter 11 Cases by filing voluntary petitions for relief under Chapter 11 of the Bankruptcy Code. Each of the Debtors was and is qualified to be a debtor under Section 109 of the Bankruptcy Code.

B. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157(a) and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). Venue in the District of Delaware was proper on the Petition Date and continues to be proper under 28 U.S.C. § 1408.

#### **Compliance with the Requirements of Section 1129 of the Bankruptcy Code**

C. Section 1129(a)(1) — Compliance of the Plan with Applicable Provisions of the Bankruptcy Code. The Plan complies with all applicable provisions of the Bankruptcy Code as required by 11 U.S.C. § 1129(a)(1), including, without limitation, 11 U.S.C. §§ 1122 and 1123. The Plan is dated and identifies the Debtors and the Official Committee of Unsecured Creditors (the "OCUC") as proponents of such Plan. Pursuant to Sections 1122(a) and

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<sup>3</sup> This Order constitutes this Court's findings of fact and conclusions of law under Federal Rule of Civil Procedure 52, as made applicable by Rules 7052 and 9014 of the Federal Rules of Bankruptcy Procedure. Any and all findings of fact shall constitute findings of fact even if they are stated as conclusions of law, and any and all conclusions of law shall constitute conclusions of law even if they are stated as findings of fact.

1123(a)(1) of the Bankruptcy Code, the Plan designates Classes of Claims and Interests, other than Administrative Expense Claims and Priority Tax Claims. As required by Section 1122(a) of the Bankruptcy Code, each Class of Claims and Interests contains only Claims or Interests that are substantially similar to the other Claims or Interests within that Class. A reasonable basis exists for the classifications in the Plan. Pursuant to Sections 1123(a)(2) and 1123(a)(3) of the Bankruptcy Code, Article IV of the Plan specifies all Claims and Interests that are not impaired and specifies the treatment of all Claims and Interests that are impaired. Article IV of the Plan identifies Classes 1, 2, and 3 as unimpaired and Classes 4A, 4B, and 5 as impaired under the Plan. Pursuant to Section 1123(a)(4) of the Bankruptcy Code, the Plan also provides the same treatment for each Claim or Interest within a particular Class. Pursuant to Section 1123(a)(5) of the Bankruptcy Code, the Plan provides adequate means for the Plan's implementation, as set forth in Article VII of the Plan. The Debtors will have, immediately upon the effectiveness of the Plan, sufficient Cash available to make all payments that are required to be made on the Effective Date pursuant to the terms of the Plan. Because the Debtors are liquidating pursuant to the terms of the Plan, there is no relevant application of Sections 1123(a)(6) and 1123(a)(7) of the Bankruptcy Code to the Plan.

D. Section 1129(a)(2) — Compliance of the Debtors with Applicable Provisions of the Bankruptcy Code. As required by 11 U.S.C. § 1129(a)(2), the Debtors and the OCUC, as proponents of the Plan, have complied with all applicable provisions of the Bankruptcy Code, including, without limitation, 11 U.S.C. §§ 1125 and 1126 and Bankruptcy Rules 3017, 3018 and 3019. In particular, the solicitation of votes to accept or reject the Plan was (a) in compliance with all applicable nonbankruptcy laws, rules, and regulations governing

the adequacy of disclosure in connection with such solicitation and (b) solicited after disclosure to holders of Claims of “adequate information” as defined in 11 U.S.C. § 1125(a).

E. Section 1129(a)(3) — Proposal of Plan in Good Faith. The Debtors and the OCUC proposed the Plan in good faith and not by any means forbidden by law. Moreover, the Plan itself, and the process leading to its formulation, provides independent evidence of the Debtors’ good faith. The Debtors and their current directors, officers, employees, agents, affiliates and professionals (acting in such capacity) have acted in “good faith” within the meaning of Section 1125(e) of the Bankruptcy Code. Moreover, the OCUC and their members, agents, and professionals (acting in such capacity) have acted in “good faith” within the meaning of Section 1125(e) of the Bankruptcy Code.

F. Section 1129(a)(4) — Bankruptcy Court Approval of Certain Payments as Reasonable. Pursuant to Section 1129(a)(4) of the Bankruptcy Code, any payment made or promised by the Debtors or by any person acquiring property under the Plan, for services or for costs and expenses in, or in connection with, the Chapter 11 Cases, or in connection with the Plan and incident to the Chapter 11 Cases to the extent of services provided before the Confirmation Date, has been, or will be before payment, disclosed to this Court. Any such payment made before the Confirmation Hearing is reasonable. Any such payment to be fixed after the Confirmation Hearing is subject to the approval of this Court as reasonable.

G. Section 1129(a)(5) — Disclosure of Identity and Affiliations of Proposed Management, Compensation of Insiders and Consistency of Management Proposals with the Interests of Creditors and Public Policy. Section 1129(a)(5) of the Bankruptcy Code is inapplicable because the Debtors are not reorganizing but instead are liquidating pursuant to the Plan. To the extent 11 U.S.C. § 1129(a)(5) applies to the Post Confirmation Estate, the Debtors

have satisfied the requirements of this provision of the Bankruptcy Code by, among other things, disclosing Michael J. Lichty as the Plan Administrator and disclosing the current and/or contemplated members of the Plan Oversight Committee (the "POC").

H. Section 1129(a)(6) — Approval of Rate Changes. After the Plan is confirmed, no governmental regulatory commission will have jurisdiction over the rates of the Debtors because the Debtors are liquidating pursuant to the Plan.

I. Section 1129(a)(7) — Best Interests of Creditors and Equity Interest Holders. With respect to each Impaired Class of Claims or Interests of the Debtors, each holder of a Claim or Interest in such Class has accepted the Plan or will receive or retain under the Plan on account of such Claim or Interest property of a value, as of the Effective Date, that is not less than the amount such holder would receive or retain if the Debtors were liquidated on the Effective Date under Chapter 7 of the Bankruptcy Code.

J. Section 1129(a)(8) — Acceptance of the Plan by Each Impaired Class. Pursuant to 1129(a)(8) of the Bankruptcy Code, (i) Classes 1, 2 and 3 are Unimpaired and, pursuant to 11 U.S.C. § 1126(f), are conclusively presumed to have accepted the Plan, and (ii) as described in the Voting Affidavit, Classes 4A and 4B have accepted the Plan in accordance with 11 U.S.C. § 1126(c). Class 5 is deemed to have rejected the Plan pursuant to 11 U.S.C. § 1126(g) because the Plan provides that Holders of Class 5 Equity Interests will not receive or retain any property on account of such Equity Interests. Notwithstanding the deemed rejection of the Plan by Class 5, the Plan is confirmable because, as more fully set forth in Paragraph P of this Order, the Plan satisfies Section 1129(b)(1) of the Bankruptcy Code with respect to this class. The Plan does not discriminate unfairly and is fair and equitable with respect to Class 5.

Moreover, there is no holder of a Claim or Equity Interest junior to Class 5 who will receive or retain any property under the Plan on account of such junior Claim or Equity Interest.

K. Section 1129(a)(9) — Treatment of Claims Entitled to Priority Pursuant to Section 507(a) of the Bankruptcy Code. The Plan provides for treatment of Administrative Expense Claims and Priority Claims in the manner required by Section 1129(a)(9) of the Bankruptcy Code. Specifically, with respect to Administrative Expense and Priority Claims, on the later to occur of (i) the Distribution Date and the (ii) date on which such Claim shall become an Allowed Claim, the Debtors or the Plan Administrator shall (a) pay to each Holder of an Allowed Administrative Expense or Priority Claim a Pro Rata portion of Cash distribution reasonably determined based on the amount of available Post Confirmation Estate Assets at that time, after the establishment of an appropriate reserve for Disputed Claims, and thereafter make periodic Cash payments as set forth in the Plan, or (b) satisfy and discharge such Administrative Expense or Priority Claim in accordance with such other terms as may be agreed upon by and between the Holder thereof and the Debtors or the Plan Administrator, as the case may be. With respect to Administrative Expense and Priority Convenience Claims, on the Distribution Date, the Debtors or the Plan Administrator shall pay to Holders of Allowed Administrative Expense or Allowed Priority Convenience Claims a Cash amount equal to 50% of their Allowed Claims in full and final settlement of their Claims.

L. Section 1129(a)(10) — Acceptance by at Least One Impaired Class. As required by Section 1129(a)(10) of the Bankruptcy Code and as indicated in the Voting Affidavit, at least one Class of Claims (specifically, Classes 4A and 4B) that is impaired under the Plan has accepted the Plan, excluding votes cast by insiders.



M. Section 1129(a)(11) — Feasibility of the Plan. Section 1129(a)(11) of the Bankruptcy Code is inapplicable to the Plan, which provides for the liquidation of the Debtors' assets pursuant to the Plan. Moreover, Confirmation of the Plan is not likely to be followed by a Chapter 7 liquidation of the Debtors. There will be sufficient funds to satisfy the obligations under the Plan and to fund the costs and expenses of the Post Confirmation Estate in accordance therewith.

N. Section 1129(a)(12) — Payment of Bankruptcy Fees. In accordance with Section 1129(a)(12) of the Bankruptcy Code, Article XV, Section E of the Plan provides for the payment of all fees payable under 28 U.S.C. § 1930 on or before the Effective Date. The Debtors or the Post Confirmation Estate, as applicable, have adequate means to pay all such fees.

O. Section 1129(a)(13) — Retiree Benefits. In accordance with Section 1129(a)(13) of the Bankruptcy Code, the Plan provides for the continuation after the Effective Date of all "retiree benefits," as that term is defined in Section 1114 of the Bankruptcy Code, at the level established pursuant to 11 U.S.C. §§ 1114(e)(1)(B) or 1114(g), at any time prior to the Confirmation Hearing, for the duration of the period the Debtors have obligated themselves to provide such benefits. On April 6, 2001, this Court authorized the elimination of such retiree benefits.

P. Section 1129(b) — Confirmation of Plan Over Nonacceptance of Impaired Class. Pursuant to Section 1129(b)(1) of the Bankruptcy Code, the Plan is confirmed notwithstanding that Equity Interests (Class 5) are impaired and holders of such Interests are deemed to have rejected the Plan. The Plan does not discriminate unfairly and is fair and equitable with respect to the holders of Claims in Class 5. There is no holder of a Claim junior

to the Class 5 Claims who will receive or retain any property under the Plan on account of such Claim.

### **Treatment of Unimpaired Claims**

Q. The provisions of the Plan with respect to the holders of Unimpaired Claims are fair and appropriate, and the Plan does not require the holders of the Unimpaired Claims to file proofs of claim with this Court.

### **Satisfaction of Conditions to Confirmation**

R. Each of the conditions precedent to the entry of this Confirmation Order has been satisfied or waived in accordance with the Plan.

### **Exemptions from Taxation**

S. Pursuant to Section 1146(c) of the Bankruptcy Code: (i) the issuance, distribution and transfer of interests in the Post Confirmation Estate (to the extent 11 U.S.C. § 1146 applies); (ii) the creation, modification, consolidation or recording of any mortgage, deed of trust or other security interest, the securing of additional indebtedness by such means or by other means; (iii) the making, assignment or recording of any lease or sublease; or (iv) the making delivery or recording of any deed or other instrument of transfer under, in furtherance of, or in connection with, the Plan, including any deeds, bills of sale, assignments or other instruments of transfer executed in connection with any transactions arising out of, contemplated by or in any way related to the Plan or this Confirmation Order, shall not be subject to any ~~document recording tax, stamp tax, conveyance fee, intangibles or similar tax, mortgage tax, real-estate transfer tax, mortgage recording tax or other similar tax or governmental assessment~~, and the appropriate state or local governmental officials or agents shall be, and hereby are, directed to forego the collection of any such tax ~~or governmental assessment~~ and to accept for filing and

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recording any of the foregoing instruments or other documents without the payment of any such tax, ~~or governmental assessment.~~

### **Compliance with Section 1129 of the Bankruptcy Code**

T. As set forth in Paragraph C through Paragraph P of this Order, the Plan complies in all respects with the applicable requirements of Section 1129 of the Bankruptcy Code.

### **Settlements, Compromises, and Releases**

U. All settlements and compromises that are embodied in the Plan, are hereby approved as fair, equitable, reasonable and in the best interests of the Debtors and their estates, Creditors and holders of Equity Interests, and such settlements and compromises shall be, and hereby are, effective and binding on all persons and entities who may have had standing to assert such claims or causes of action. Pursuant to Section 1123(b)(3) of the Bankruptcy Code and Bankruptcy Rule 9019(a): (i) the settlements, compromises, releases, discharges, exculpations, and injunctions set forth in the Plan and implemented by this Confirmation Order shall be, and hereby are, approved as equitable, reasonable and in the best interests of the Debtors, the Creditors, and Equity Interest holders; (ii) the classification and manner of satisfying all Claims and Equity Interests and the respective distributions and treatments under the Plan take into account and/or conform to the relative priority rights of the Claims and Equity Interests in each Class in connection with any contractual, legal and equitable subordination rights relating thereto, whether arising under general principles of equitable subordination, Section 510(b) of the Bankruptcy Code or otherwise; and (iii) the settlement, compromise and release of any and all such rights pursuant to the Plan are in the best interests of the Debtors, their Creditors, and Equity Interest holders, and shall be, and hereby are, approved as fair, equitable, and reasonable. See Protective Comm. For Independent Stockholders of TMT Trailer Ferry Inc. v. Anderson,

390 U.S. 414, 424 (1968). All settlements and compromises of claims and causes of action against non-Debtor entities that may be embodied in the Plan, are approved herein as fair, equitable, reasonable and in the best interests of the Debtors, their Creditors, and Equity Interest holders, shall be, and hereby are, effective and binding on each Holder of a Claim who has accepted or who has been deemed to accept, the Plan, and no other such Holder of a Claim shall possess such standing to assert such claims or causes of action after the Effective Date. See St. Paul Fire & Marine Ins. Co. v. Pepsico. Inc., 884 F.2d 688, 700-01 (2d. Cir. 1989).

V. The settlements and compromises contained herein and in the Stipulations and Agreed Orders entered into among the Debtors and certain parties who have filed objections to the Plan are proper settlements and compromises under Bankruptcy Rule 9019, notice of such settlements and compromises is deemed adequate and proper under Bankruptcy Rule 2002 and applicable Delaware Local Rules, and, in accordance with Bankruptcy Rule 2002(a)(3), cause has been shown for not providing notice of such settlements and compromises other than notice actually provided.

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**ORDER CONFIRMING JOINT LIQUIDATING  
PLAN OF REORGANIZATION OF THE DEBTORS AND THE OFFICIAL  
COMMITTEE OF UNSECURED CREDITORS PURSUANT TO  
CHAPTER 11 OF THE UNITED STATES BANKRUPTCY CODE**

**Confirmation of the Plan**

APW  
1. The Plan and each of its provisions shall be, and hereby are, confirmed and approved ~~in each and every respect~~ pursuant to Section 1129 of the Bankruptcy Code. The terms of the Plan are incorporated by reference into, and are an integral part of, this Confirmation Order. Notwithstanding the foregoing, if there is any direct conflict between the terms of the Plan and the terms of this Order, the terms of this Order shall control. All objections and responses to, and statements and comments regarding, the Plan, to the extent not already withdrawn or resolved pursuant to representations on the record at the Confirmation Hearing, shall be, and hereby are, overruled. The Debtors' estates are substantively consolidated as provided in the Plan.

**Effective Date**

2. The Effective Date of the Plan shall be the first Business Day on which all conditions specified in Article XIV, Sections A and B of the Plan have been satisfied or waived pursuant to Article XIV, Section C of the Plan. Notwithstanding anything in the Plan to the contrary: (a) the Effective Date shall be no more than sixty (60) days after the Confirmation Date; and (b) the Debtors shall waive the conditions precedent to the Effective Date set forth in Article XIV, Section B(2) of the Plan (other than (i) the selection of an Administrative Designee other than American as set forth in Section 2.6(b) of the Post Confirmation Estate Agreement, and (ii) the execution of appropriate bank account creation, transfer, and similar documents to conduct the transfer of the Debtors' Assets to the Post Confirmation Estate as provided for in Article VII, Section A of the Plan).

### **Effects of Confirmation**

3. Executory Contracts and Unexpired Leases Generally. Any executory contracts or unexpired leases which have not expired by their own terms on or prior to the Effective Date, which have not been assumed, assumed and assigned, or rejected with the approval of the Bankruptcy Court, which are not the subject of a motion to assume the same pending as of the Effective Date, or are not otherwise identified by the Debtors to this Court before the Effective Date, shall be deemed rejected by the Debtors on the Effective Date or as otherwise agreed upon by the relevant parties, and the entry of the Order by this Court shall constitute approval of such rejections pursuant to 11 U.S.C. §§ 365(a) and 1123.

4. Claims for Rejection Damages. If the rejection of an executory contract or unexpired lease by the Debtors results in damages to the other party or parties to such contract or lease, then any claim for such damages, if not heretofore evidenced by a filed proof of claim, shall be forever barred and shall not be enforceable against the Debtors, their estates, their property or assets, or their agents, successors, or assigns, unless a proof of claim is filed with the Bankruptcy Court and served upon counsel for the Debtors on or before thirty (30) days after the latest to occur of: (a) the Confirmation Date; (b) the date of entry of an order by this Court authorizing rejection of a particular executory contract or unexpired lease; and (c) the date upon which a particular executory contract or unexpired lease is rejected (or a notice of rejection is served pursuant to the Executory Contract Order).

5. Incorporation of the Executory Contract Order. Notwithstanding anything in the Executory Contract Order to the contrary, any Claim by a counterparty to an executory contract or unexpired lease assumed and assigned pursuant to the Executory Contract Order, on account of an alleged default under such contract or lease that allegedly had to be cured as of the time of such assumption and assignment pursuant to 11 U.S.C. § 365(b)(1), shall be disallowed

in its entirety unless such Claim, at a minimum, was (a) listed as an amount claimed by such counterparty in the Executory Contract Order (or included in an amendment to such Order) or acknowledgement by the Debtors in writing subsequent to the entry of such Order, or (b) the subject of a proof of Administrative Expense Claim timely filed prior to the Administrative Expense Claim Bar Date. Except as provided herein or in the Plan, the Executory Contract Order is hereby incorporated by reference into the Plan and this Order; provided, however, that notwithstanding anything to the contrary contained in the Executory Contract Order (as incorporated in this Confirmation Order and the Plan), the terms of the: (x) Order Authorizing Settlements By and Among the Debtors and Various Clearinghouses and Clearinghouse Participants Pursuant to Rule 9019 of the Federal Rules of Bankruptcy Procedure and Limiting Notice Thereof (the "Clearinghouse Settlement Order"); (y) Order Authorizing the Settlement By and Among the Debtors, American Airlines, Inc. and TWA Airlines, LLC Pursuant to Rule 9019 of the Federal Rules of Bankruptcy Procedure and Limiting Notice Thereof; and (z) the Clearinghouse Settlements (as defined in the Clearinghouse Settlement Order), will for all purposes govern the treatment of the "Settled Claims" (as defined in such Clearinghouse Settlements).

6. Employee Related Contracts. Except as otherwise expressly provided under the Plan, all employment and severance policies, and all compensation and benefit plans, policies and programs of the Debtors applicable to their employees, former employees, retirees and non-employee directors, including all savings plans, retirement plans, health care plans, disability plans, severance benefit plans, incentive plans and life, accidental death, and dismemberment insurance plans are hereby treated as executory contracts and on the Effective

Date shall be, and hereby are, deemed rejected pursuant to the provisions of Sections 365 and 1123 of the Bankruptcy Code.

7. Indemnification Obligations. The obligations of the Debtors, their successors or assigns, or the Post Confirmation Estate to indemnify and reimburse the Exculpation Parties against and for any obligations pursuant to articles of incorporation, codes of regulations, bylaws, applicable state law, or specific agreement, or any combination of the foregoing, shall survive Confirmation of the Plan, remain unaffected thereby, and not be discharged in accordance with Section 1141 of the Bankruptcy Code, irrespective of whether indemnification or reimbursement is owed in connection with an event occurring before, on, or after the Petition Date.

8. Director and Officer Liability Insurance Policies. Subject to Article VII, Section F of the Plan, the obligations of the Debtors and/or the Post Confirmation Estate, if any, (a) to its directors and officers, to the extent that such obligations are covered by director and officer policies, and (b) to maintain director and officer coverage for the benefit of its pre-Effective Date directors and officers, to the extent that such coverage was in place on the Effective Date, shall be deemed assumed by the Post Confirmation Estate on the Effective Date without any further action by any Entity.

9. Assumption or Rejection of Executory Contracts and Unexpired Leases. The deadline for the Debtors or the Post Confirmation Estate, as the case may be, to assume or reject executory contracts pursuant to Section 365(d)(4) of the Bankruptcy Code is hereby extended to and including the Effective Date, without prejudice to the Debtors or the Post Confirmation Estate, as the case may be, to seek additional extensions.



10. Exculpation. Article XV, Section D of the Plan is hereby approved. The exculpation provisions contained in the Plan are fair and equitable, are given for valuable consideration, are in the best interests of the Debtors and their Chapter 11 estates, and shall be effective and binding upon all persons and entities. The Exculpation Parties shall neither have nor incur any liability to any Entity for any act taken or omitted to be taken in connection with or related to the formulation, preparation, dissemination, implementation, administration, Confirmation, or consummation of the Plan, the Disclosure Statement or any contract, instrument, release or other agreement or document created or entered into in connection with the Plan, including the Post Confirmation Estate Agreement, or any other act taken or omitted to be taken in connection with the Chapter 11 Cases (other than to the extent determined by a Final Order or a court of competent jurisdiction to be due to their own respective gross negligence or willful misconduct); provided, however, that the exculpation contained in the Plan shall not apply to any Director or Officer Action or to the exercise of police or regulatory powers by governmental regulatory units.

11. Injunction of Subordination Rights. The classification and manner of satisfying all Claims and Interests and the respective distributions and treatments under the Plan take into account and/or conform to the relative priority and rights of the Claims and Interests in each Class in connection with any contractual, legal and equitable subordination rights relating thereto whether arising under general principles of equitable subordination, Section 510(b) of the Bankruptcy Code or otherwise, and any and all such rights shall be, and hereby are, settled, compromised and released pursuant to the Plan. As of the Effective Date, all persons and entities shall be, and hereby are, permanently enjoined from enforcing or attempting to enforce any such subordination rights satisfied, compromised and settled pursuant to the Plan and this Order.

12. Binding Nature of Plan. In accordance with Section 1141 of the Bankruptcy Code, the Plan, its provisions, and this Confirmation Order are binding upon the Debtors, the Post Confirmation Estate, the Plan Administrator, any other Entity created pursuant to the Plan, any Entity acquiring or receiving property under the Plan, any holder of a Claim or Equity Interest, whether or not the Claim or Interest is Allowed under 11 U.S.C. § 502 or impaired under the Plan, and whether or not the holder of such Claim or Equity Interest has filed, or is deemed to have filed, a proof of Claim or Equity Interest or has accepted or rejected the Plan.

13. Transfer to the Post Confirmation Estate. Pursuant to Section 1141 of the Bankruptcy Code, on the Effective Date, except as otherwise provided in the Plan, (a) all of the property of the Debtors' estates is vested in the Post Confirmation Estate and (b) the transfer of any assets by the Debtors to the Post Confirmation Estate, as contemplated by the Plan, and the vesting of the assets in the Post Confirmation Estate, are free and clear of any and all liens, claims, encumbrances and interests, and all such liens, claims, encumbrances, and interests shall be extinguished.

14. Injunction With Respect to Exculpation Parties. Except as otherwise expressly provided in the Plan, all Entities who have held, hold or may hold Claims or Equity Interests are permanently enjoined, among other things, from and after the Effective Date, from: (a) commencing or continuing in any manner any action or other proceeding of any kind on account of any such Claim or Interest against the Exculpation Parties; (b) enforcing, attaching, collecting or recovering by any manner or means of any judgment, award, decree or order against the Exculpation Parties; (c) creating, perfecting, or enforcing any encumbrance of any kind against the Exculpation Parties or against the property or interests in property of the

Exculpation Parties; and (d) asserting any defense or right of setoff, subrogation or recoupment of any kind against any obligation due from the Exculpation Parties or against the property or interests in property of the Exculpation Parties with respect to any such Claim or Interest. Notwithstanding any other provision of the Plan, this injunction shall not preclude any cause of action against any Entities not included within the above-described injunction (including, without limitation, any Director and Officer Action) or the exercise of police or regulatory powers by governmental regulatory units.

15. Injunction of Certain Actions. Except as otherwise provided in the Plan, as of the Effective Date, all non-Debtor entities are permanently enjoined from commencing or continuing in any manner, any action or proceeding, whether directly, derivatively, on account of or respecting any claim, debt, right, or cause of action of the Exculpation Parties which the Exculpation Parties, as the case may be, retain sole and exclusive authority to pursue in accordance with the Plan.

16. Injunctions and Stays Remain in Effect Until Effective Date. Unless otherwise provided in the Plan, all injunctions and stays provided for in the Chapter 11 Cases pursuant to Sections 105 and 362 of the Bankruptcy Code or otherwise that are in existence on the Confirmation Date, shall remain in full force and effect until the Effective Date; provided, however, that nothing herein shall bar the taking of such other actions as are necessary to effectuate the transactions specifically contemplated by the Plan or by this Order.

#### **Matters Relating to Implementation of the Plan.**

17. Immediate Effectiveness; Successors and Assigns. Immediately upon the entry of this Order, the terms of the Plan shall be, and hereby are, deemed binding upon the Debtors, the Post Confirmation Estate, any and all holders of Claims or Equity Interests (irrespective of whether such Claims or Interests are impaired under the Plan or whether the

holders of such Claims or Interests have accepted or are deemed to have accepted the Plan), any and all non-Debtor parties to executory contracts and unexpired leases with the Debtors, and the respective heirs, executors, administrators, successors or assigns, if any, of any of the foregoing.

18. Corporate Authorization, Dissolution. The appropriate officers of the Debtors and members of the board of directors of the Debtors are authorized and hereby directed to issue, execute and deliver any agreements, documents, securities and instruments contemplated by the Plan in the name of, and on behalf of, the Debtors. All matters provided under the Plan involving the corporate structure of the Debtors shall be deemed authorized and approved without any requirement of further action by the Debtors, the Debtors' shareholders or the Debtors' boards of directors. The Debtors (and their boards of directors) shall be deemed dissolved and their existence otherwise terminated upon the Effective Date and the appropriate Governmental Entities shall accept this Order as evidence of such dissolution and termination. The Post Confirmation Estate is authorized to execute and deliver all such instruments and to take all such actions as are necessary or appropriate to further evidence such dissolution and termination. The Debtors' officers shall be deemed to have resigned their offices as of the Effective Date.

19. Plan Administrator. Effective on the Effective Date, Michael J. Lichty is hereby approved as the Plan Administrator pursuant to the Plan to serve in such capacity in accordance with the Plan and the Post Confirmation Estate Agreement. Mr. Lichty's compensation shall be as set forth in documentation to be filed with the Court on or before the Effective Date.

20. Cancellation of Notes, Instruments, Debentures, Interests and Equity Securities. On the Effective Date, except to the extent provided otherwise in the Plan, all notes,

instruments, certificates and other documents evidencing Claims and all Equity Interests in any of the Debtors shall be canceled and deemed terminated.

21. Sources of Cash for Plan Distribution. All Cash necessary for the Debtors and the Post Confirmation Estate to make payments pursuant to the Plan shall be obtained from the Debtors' Assets, including without limitation existing Cash balances, proceeds from the American Sale Transaction, and Bankruptcy Causes of Action.

22. Distributions. The distribution provisions of the Plan shall be, and hereby are, approved. The Debtors and the Post Confirmation Estate, as the case may be, shall make all distributions required under the Plan. The Plan Administrator, as plan administrator on behalf of the Post Confirmation Estate, will administer all Claims and make all distributions required under the Plan to the extent not administered or satisfied by the Debtors. After the second (2nd) anniversary of the Effective Date, the Plan Administrator shall file a list with the Bankruptcy Court setting forth the names of those Entities, if any, for which distributions have been made under the Plan and have been returned as undeliverable as of the date thereof. Any holder of an Allowed Claim that does not assert its rights pursuant to the Plan to receive a distribution within three (3) years from and after the date that such distribution is returned as undeliverable shall have its Claim for such undeliverable distribution discharged and shall be forever barred from asserting any such Claim against the Post Confirmation Estate or the Post Confirmation Estate Assets. In such case, any consideration held for distribution on account of such Claim shall revert to the Post Confirmation Estate for distribution to the beneficiaries of the Post Confirmation Estate in accordance with the terms of the Plan.

23. Preservation of Bankruptcy Causes of Action. The Plan Administrator shall retain all rights on behalf of the Debtors and the Post Confirmation Estate to commence and

pursue any and all Bankruptcy Causes of Action (under any theory of law, including, without limitation, the Bankruptcy Code, and in any court or other tribunal including, without limitation, in an adversary proceeding filed in the Debtors' Chapter 11 Cases), including, without limitation, those Bankruptcy Causes of Action identified by the Debtors in (i) Article V, Section E of the Disclosure Statement, (ii) the Exhibit Book, and (iii) Article VII, Section E of the Plan.

24. No Waiver of Bankruptcy Causes of Action. The Debtors' failure to list any Bankruptcy Causes of Action or other Unknown Causes of Action in Article V, Section E of the Disclosure Statement, the Exhibit Book, or in Article VII, Section E of the Plan or otherwise in no way limits the rights of the Plan Administrator to pursue such Bankruptcy Causes of Action or Unknown Causes of Action to the extent the facts underlying such Bankruptcy Causes of Action or Unknown Causes of Action subsequently become fully known to the Debtors or Plan Administrator, as the case may be.

#### **Substantive Consolidation**

25. On the Effective Date, the Chapter 11 Cases and the Debtors and their estates shall be deemed to be substantively consolidated for all purposes of the Plan. Therefore, on the Effective Date all Intercompany Claims shall be extinguished.


#### **Prosecution of Objections to Claims.**

26. Article IX of the Plan is hereby approved. The Debtors and, after the Effective Date, the Plan Administrator, on behalf of the Post Confirmation Estate, shall have the exclusive authority to file objections to, settle, compromise, withdraw or litigate to judgment any objections to Claims, in accordance with the Plan and the Post Confirmation Estate Agreement. The Debtors and, after the Effective Date, the Plan Administrator, on behalf of the Post Confirmation Estate, may settle or compromise any Disputed Claim without approval of this Court, subject to the terms of the Plan and the Post Confirmation Estate Agreement. Except as

expressly provided in the Plan or in any order entered in the Chapter 11 Cases prior to the Effective Date, no Claim or Equity Interest shall be deemed Allowed unless and until such Claim or Equity Interest is deemed Allowed under the Bankruptcy Code or by the Debtors or the Plan Administrator, or the Court enters a Final Order in the Chapter 11 Cases allowing such Claim or Equity Interest. Except as expressly provided in the Plan or in any order entered in the Chapter 11 Cases prior to the Effective Date, after the Confirmation Date the Plan Administrator will have and retain any and all rights and defenses of the Debtors with respect to any Claim or Equity Interest as of the date the appropriate Debtor filed its petition for relief under Chapter 11 of the Bankruptcy Code, including the Causes of Action referenced in Article VII, Section E of the Plan and Article V, Section E of the Disclosure Statement. Notwithstanding any provision in the Plan to the contrary, the Plan does not in any way alter the rights, if any, of any holder of a Claim or the Plan Administrator, on behalf of the Post Confirmation Estate, to pursue resolution of such Claims in any appropriate non-bankruptcy forum, to the extent and by such means as permitted by non-bankruptcy law, including through trial by jury (if applicable).

27. Within forty-five (45) days after the Effective Date, the Debtors shall prepare and file an initial post-Confirmation Date omnibus objection to certain Filed Claims in the Debtors' Chapter 11 Cases (including without limitation alleged duplicate, late, and clearly erroneous Claims), and within forty-five (45) days after the entry of an order disposing of such an omnibus objection, the Post Confirmation Estate shall distribute at least \$30 million from its general cash account pursuant to the terms of the Plan.

#### **Post Confirmation Estate Agreement**

 28. The Post Confirmation Estate Agreement, as amended and modified, shall be, and hereby is, confirmed and approved, ~~in each and every respect.~~

### Substantial Consummation

*pg 12*  
~~29. The substantial consummation of the Plan, within the meaning of Section 1127 of the Bankruptcy Code, shall be, and hereby is, deemed to have occurred on the Effective Date.~~

### Retention Of Jurisdiction

30. Notwithstanding the entry of this Order or the occurrence of the Effective Date, and except as may otherwise be provided in the Order Authorizing Settlements by and Among the Debtors and Various Clearinghouse and Clearinghouse Participants Pursuant to Rule 9019 of the Federal Rules of Bankruptcy Procedure and Limiting Notice Thereof, the Bankruptcy Court shall retain jurisdiction over the Chapter 11 Cases, and shall have exclusive jurisdiction over any matter arising under the Bankruptcy Code related to the Chapter 11 Cases or the Plan, after the Confirmation Date and after the Effective Date, to the greatest extent permitted by applicable law, including, without limitation, jurisdiction to:

- (a) resolve any matters related to the assumption, assumption and assignment or rejection of any executory contract, unexpired lease, or collective bargaining agreement to which any of the Debtors is a party or with respect to which the Debtors may be liable and to hear, determine and, if necessary, liquidate, any Claims arising therefrom, including those matters related to the amendment after the Effective Date of the Plan, to add any executory contracts, unexpired leases, or collective bargaining agreement to the list of executory contracts, unexpired leases, and collective bargaining agreement to be rejected;
- (b) enter such orders as may be necessary or appropriate to implement or consummate the provisions of the Plan and all contracts, instruments, releases, and other agreements or documents created in connection with the Plan or the Disclosure Statement;
- (c) determine any and all motions, adversary proceedings, applications and contested or litigated matters that may be pending on the Effective Date or that, pursuant to the Plan, may be instituted by the Plan Administrator or the Post Confirmation Estate after the Effective Date; provided, however, that the Plan Administrator and the Post Confirmation Estate shall reserve



the right to commence collection actions, actions to recover receivables and other similar actions in all appropriate jurisdictions;

- (d) ensure that distributions to Holders of Allowed Claims are accomplished as provided herein and in the Plan;
- (e) hear and determine any timely objections to Administrative Expense Claims and Priority Claims or to proofs of Claim and Interests filed, both before and after the Confirmation Date, including any objections to the classification of any Claim or Interest, and to allow, disallow, determine, liquidate, classify, estimate or establish the priority of or secured or unsecured status of any Claim, in whole or in part;
- (f) enter and implement such orders as may be appropriate in the event the Order is for any reason stayed, revoked, modified, reversed or vacated;
- (g) issue such orders in aid of execution of the Plan to the extent authorized by Section 1142 of the Bankruptcy Code;
- (h) resolve any cases, controversies, suits or disputes with respect to the releases, injunctions or other provisions contained in the Plan or this Order and enter such orders as may be necessary or appropriate to implement such releases, injunctions and other provisions;
- (i) consider any modifications of the Plan, to cure any defect or omission, or reconcile any inconsistency in any order of the Bankruptcy Court, including this Order;
- (j) hear and determine all applications for awards of compensation for services rendered and reimbursements of expenses incurred prior to the Confirmation Date;
- (k) hear and determine disputes that may arise in connection with or relating to the Plan or the interpretation, implementation, or enforcement of the Plan or the extent of any Entity's obligations incurred in connection with or released or exculpated under the Plan;
- (l) issue injunctions, enter and implement other orders, or take such other actions as may be necessary or appropriate to restrain interference by any Entity with consummation or enforcement of the Plan;
- (m) determine any other matters that may arise in connection with or are related to the Plan, the Disclosure Statement, the Post Confirmation Estate Agreement, the Confirmation Order or any contract, instrument, release or other agreement or document created in connection with the Plan or the Disclosure Statement to be executed in connection with the Plan or the Post Confirmation Estate Agreement;

- (n) hear and determine matters concerning state, local and federal taxes in accordance with Sections 346, 505, and 1146 of the Bankruptcy Code;
- (o) hear and determine any matters that may arise in connection with the American Sale Transaction or any order of the Bankruptcy Court with respect thereto;
- (p) liquidate or estimate contingent or unliquidated personal injury tort or wrongful death claims against the Debtors' Estates for purposes of distribution in the Debtors' Chapter 11 Cases;
- (q) hear any other matter or for any purpose specified in the Order that is not inconsistent with the Bankruptcy Code; and
- (r) enter an order and/or final decree concluding the Chapter 11 Cases.

#### **Dissolution of Committees**

31. On the Effective Date, the OCUC and the Ad Hoc Committee shall be dissolved and the members thereof shall be released and discharged from all rights and duties arising from, or related to, the Chapter 11 Cases; provided, however, that the dissolution of the OCUC shall not impair the ability of its designee(s) to serve on the Plan Oversight Committee.

#### **Payment of Statutory Fees**

32. On or prior to the Effective Date, the Debtors shall pay all fees payable pursuant to 28 U.S.C. § 1930. Any and all fees payable pursuant to 28 U.S.C. § 1930 after the Effective Date shall be payable only on account of the substantively consolidated Post Confirmation Estate.

#### **Paid Administrative Claims**

33. Subject to the Debtors' preservation of certain rights of action in Article VII, Section E of the Plan, all payments made on account of Paid Administrative Claims shall be final and not subject to disgorgement.

### **Notice of Entry of Confirmation Order.**

34. Pursuant to Bankruptcy Rules 2002(f)(7) and 3020(c), the Debtors or the Plan Administrator, as applicable, shall be, and hereby are, directed to serve a notice of the entry of this Order on the United States Trustee and all Holders of Claims or Equity Interests to whom the notice of the Confirmation Hearing was mailed no later than thirty (30) days after the Confirmation Date. The Debtors or the Plan Administrator, as applicable, shall be, and hereby are, directed to serve copies of the Confirmation Order on each party that has filed a notice of appearance in these Chapter 11 Cases and on each party who filed an objection or response to, or statement or comment regarding the Plan, no later than thirty (30) days after the Confirmation Date. No further notice of the entry of this Confirmation Order shall be required.

### **Bankruptcy Professionals Fees and Expenses**

35. Fee Applications. Any person or entity seeking an allowance of final compensation or reimbursement of expenses for professional services rendered to the Debtors or in relation to these cases pursuant to Sections 327, 328, 330, 331, 503(b) and 1103 of the Bankruptcy Code shall file and serve an application for allowance of final compensation for services rendered and reimbursement of related expenses incurred on or before the Confirmation Date or in connection with this case (each, an "Application"), on each of the following entities not later than sixty (60) days after the Effective Date:

TWA Post Confirmation Estate The Flight Operations Training Center 11495 Natural Bridge Road St. Louis, Missouri 63044 Attn: Michael J. Lichty, Plan Administrator Phone: (314) 895-5497 Fax: (314) 895-6646	
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Kirkland & Ellis 200 East Randolph Chicago, Illinois 60601 Attention: James H. M. Sprayregen, P.C. Phone: (312) 861-2000 Fax: (312) 861-2200	Office of the United States Trustee 844 King Street, Suite 2313 Wilmington, Delaware 19801 Attention: Mark Kenney, Esq. Phone: (302) <del>428-3500</del> <b>573-6491</b> Fax: (302) 573-6497
Pachulski, Stang, Ziehl, Young & Jones P.C. 919 North Market Street, 16 <sup>th</sup> Floor P.O. Box 8705 Wilmington, Delaware 19899-8705 (Courier 19801) Attention: Laura Davis Jones, Esq. Phone: (302) 652-4100 Fax: (302) 652-4400	Blank Rome Comisky & McCauley, LLP One Logan Square Philadelphia, Pennsylvania 19103-6998 Attention: Thomas E. Biron, Esq. Phone: (215) 569-5000 Fax: (215) 569-5555
Weil Gotshal & Manges LLP 767 Fifth Avenue New York, New York 10153 Attention: Alan B. Miller, Esq. Phone: (212) 310-8000 Fax: (212) 310-8007	Blank Rome Comisky & McCauley, LLP 405 Lexington Avenue New York, New York 10174 Attention: Michael Brownstein, Esq. Phone: (212) 885-5000 Fax: (212) 885-5002
Richards, Layton & Finger, P.A. One Rodney Square P.O. Box 551 Wilmington, Delaware 19899 Attention: Marc D. Collins, Esq. Phone: (302) 658-6541 Fax: (302) 658-6548	Blank Rome Comisky & McCauley, LLP Chase Manhattan Center 1201 Market Street, Suite 800 Wilmington, Delaware 19801 Attention: Michael Debaecke, Esq. Phone: (302) 425-6400 Fax: (302) 425-6464

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36. Final Fee Hearing. A hearing to consider the Applications so served and filed shall be held before the Court as soon as counsel may be heard, in the United States Bankruptcy Court for the District of Delaware, (the "Final Fee Hearing"), or on such adjourned date and time as may be announced at the Final Fee Hearing.

37. Fee Application Requirements. Each Application shall comply with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Bankruptcy Rules, and Orders of this Court, and shall set forth, among other things, in reasonable detail: (a) the name and address of the applicant; (b) the nature of the professional or other services rendered and expenses for which reimbursement is requested for all periods from the date the

particular applicant was retained through the Confirmation Date; (c) the amount of compensation and reimbursement of expenses requested; (d) whether any payments have been received on account and, if so, the amount or amounts thereof; and (e) the amounts of compensation and reimbursement of expenses previously allowed by the Court, if any.

38. Services Rendered and Expenses Incurred After the Effective Date. No Applications shall be filed for compensation and reimbursement by professional persons for services rendered or expenses incurred on or after the Effective Date, and such compensation and reimbursement may be paid by the Post Confirmation Estate in accordance with the Plan, the Post Confirmation Estate Agreement, ordinary business practices, and without order of the Court.

#### **Provisions With Respect to Certain Objections**

39. Certain Claims of the United States. Notwithstanding anything in the Plan or the Confirmation Order to the contrary, the United States: (a) shall not be enjoined from asserting any right of setoff and/or right of recoupment it may have against the Post Confirmation Estate; provided, however, that the Debtors reserve the right, to the extent otherwise provided by federal law, to dispute the merits of any such rights of setoff and/or recoupment; and (b) shall be paid on account of any Allowed Secured Claim pursuant to Article IV, Section B(1)(a) of the Plan.

40. Citibank Letter of Credit. Notwithstanding Paragraph 4 of the Stipulation and Order Between Trans World Airlines, Inc. and Citibank, N.A. Relating To Prepetition Letters Of Credit so ordered by the Bankruptcy Court on March 14, 2001 (the "Citibank Stipulation"), from and after the Effective Date, there shall be no obligation to deposit additional funds in the TWA Collateral Accounts (as defined in the Citibank Stipulation); and except as otherwise set forth in this Paragraph, notwithstanding any provisions of the Plan or any other

provisions of this Confirmation Order to the contrary, the Citibank Stipulation shall remain in full force and effect, the TWA Collateral Accounts shall remain in place, and Citibank N.A.'s rights in and to the TWA Collateral Accounts shall not be affected hereby or by the Plan.

41. Certain Aircraft Lease-Related Claims of Wilmington Trust and ILFC.

Notwithstanding anything in the Plan or this Confirmation Order to the contrary, the claims of CS Aviation, Wilmington Trust Company in its capacity as Owner Trustee for (i) the Buelach LLC Owner Trust, (ii) the Yemrin LLC Owner Trust, (iii) the Oberglatt LLC Owner Trust, (iv) the Revnier LLC Owner Trust, and (v) the Grand-Saconnex LLC Owner Trust, International Lease Finance Corporation, ILFC Volare, Inc., IAI Alaska I Corporation, MSA I, and MSA V (collectively the "Wilmington Trust and ILFC Lessors") for attorneys fees, interest, and other costs that the Wilmington Trust and ILFC Lessors assert must be paid by the Debtors to cure defaults (the Wilmington Trust and ILFC Disputed Cure Claims") under leases for aircraft and engines assumed by Debtors and assigned to TWA Airlines, LLC (the "Wilmington Trust and ILFC Leases") shall be treated as Executory Contract Cure Reserve Claims pursuant to Article III Section B of the Plan. In addition, in the event and to the extent that the Wilmington Trust and ILFC Disputed Cure Claims become Allowed Executory Contract Cure Reserve Claims, the Wilmington Trust and ILFC Lessors shall be entitled to apply and setoff against such Allowed Claims security deposits that are held by the Wilmington Trust and ILFC Lessors in accordance with the Wilmington Trust and ILFC Leases and applicable law, and the Wilmington Trust and ILFC Lessors shall thereafter deliver the remainder of such security deposits to the Post Confirmation Estate within five (5) business days of such setoff accompanied by a full accounting thereof.

42. Certain Rights of Setoff of Wilmington Trust and ILFC. Notwithstanding anything in the Plan (including Article XV. Section B thereof) or the Confirmation Order to the contrary, Wilmington Trust and ILFC Lessors and Triton Aviation Services shall not be enjoined from asserting, and shall be permitted to assert any defense, right of setoff and/or right of recoupment that they may have against the Post Confirmation Estate pursuant to any contract between the Debtors and any of the above-mentioned parties or under applicable law consistent with Sections 553 and/or 1110 of the Bankruptcy Code; provided, however, that the Debtors reserve the right to dispute the merits of any such defenses, rights of setoff and/or recoupment. Further, notwithstanding anything in the Plan or this Confirmation Order to the contrary, the first sentence of Article IX. Section E of the Plan shall not be applicable to any claims asserted against the Debtors by the Wilmington Trust and ILFC Lessors and Triton Aviation Services.

43. Certain Alleged Secured Claims of City of Grapevine et al. Notwithstanding anything in the Plan or the Order to the contrary, to the extent that the Claims of the City of Grapevine and the Grapevine-Colleyville Independent School District are allowed by the Bankruptcy Court as Secured Claims, such Claims shall be paid pursuant to Article IV. Section B(1) of the Plan plus applicable interest under the Bankruptcy Code and state law. The Debtors shall object to the Claims of the City of Grapevine and the Claims of Grapevine-Colleyville Independent School District within ninety (90) days of the Effective Date.

44. Certain Alleged Executory Contract Cure Reserve Claim of Kansas City et al. Notwithstanding any provisions of the Plan or this Order to the contrary, the Executory Contract Cure Reserve Claim of the City of Kansas City, Missouri Aviation Department, listed in Exhibit A to the Executory Contract Order with a Brief Description as "Other - Aircraft Maintenance Operations Center Lease (01/01/01 thru 12/31/03) by and b/t City of Kansas and

TWA re: Overhaul Base” which shall not exceed the amount of \$956,174.94, shall be paid in accordance with Article III. Section B of the Plan.

45. Certain Alleged Secured Claims of Certain Texas Taxing Authorities.

Notwithstanding anything to the contrary, to the extent that the Claims of: (a) the County of Bexar filed in the amount of \$53,505.56; (b) the County of Tarrant filed in the amount of \$102,922.83; (c) the County of Hidalgo in the amount of \$486.85; (d) the City of Houston filed in the amount of \$1,513.32; (e) Harris County in the amount of \$1,751.30; (f) the City of El Paso filed in the amount of \$388.98; and (g) the City of McAllen in the amount of \$89.43 (collectively, the “Texas Taxing Authorities”) are Allowed Secured Claims, such Claims shall be paid (x) pursuant to Article IV. Section B(1) of the Plan, (y) over a period not exceeding thirty-six (36) months from the Effective Date, and (z) with interest under the Bankruptcy Code and applicable state law.

46. Certain Alleged Executory Contract Cure Reserve Claims of Oklahoma

City Airport Trust. Notwithstanding any provisions of the Plan or this Order to the contrary, the Executory Contract Cure Reserve Claim of Oklahoma City Airport Trust, listed in Exhibit A to the Executory Contract Order with a Brief Description as “Terminal; Passenger Airline Operating Agreement for Signatory Airlines (1/1/97 through 12/31/01), by and b/t Oklahoma City Airport Trust and TWA, re: Terminal Use and Cargo Building [Real Property - Yes],” which has been agreed to previously by the Debtors and Oklahoma City Airport Trust in that Notice of Intent to Disburse Amounts Pursuant to Order Approving (A) Assumption and Assignment of Certain Executory Contracts and Unexpired Leases and (B) Rejection of Certain Executory Contracts and Unexpired Leases Dated February 6, 2002, shall be paid as an



Executory Contract Cure Reserve Claim in the amount of \$258,831.56 in accordance with Article III. Section B of the Plan prior to ten (10) days after the ~~Effective Date~~ <sup>Confirmation</sup> ~~Effective Date~~.

47. Certain Alleged Section 1110 Rights of Itochu Corporation.

Notwithstanding anything in the Plan, the Post Confirmation Estate Agreement or the Confirmation Order to the contrary, (A) ITOCHU Corporation, f/k/a C. Itoh & Co., Ltd., retains its rights under 11 U.S.C. § 1110 to take possession of the (i) airframe of one 1982 Boeing Model 767-231 EM aircraft with manufacturer's serial number 22568 and US registration number N605TW; (ii) two JT9D-7R4D aircraft engines bearing manufacturer's serial number P707541 and P707544; and (iii) related property as defined by 11 U.S.C. §1110(a)(3) (collectively, the "Equipment"), and to enforce any of its other rights or remedies including its right to sell, lease or otherwise dispose of the Equipment in compliance with applicable law and contract, (B) upon written demand for possession of the Equipment from ITOCHU Corporation made to the Debtors and the Plan Administrator, the Debtors or the Plan Administrator, as applicable, shall immediately surrender and return to ITOCHU Corporation the Equipment in accordance with 11 U.S.C. § 1110, and (C) any security interest granted by the Post Confirmation Estate Agreement shall not extend to the Equipment.

48. Certain Alleged Secured Claims of the Counties of San Bernadino and San

Diego. Notwithstanding anything in the Plan or the Order to the contrary, to the extent that the Claims of: (a) the County of San Bernardino in the amount of \$155,181.53; (b) the County of San Diego in the amount of \$26,329.59; and (c) the County of San Diego in the amount of \$357,763.72 (collectively, the "San Bernardino and San Diego Alleged Secured Claims") are allowed by the Bankruptcy Court as Secured Claims, such Claims shall be paid pursuant to Article IV. Section B(1)(a) of the Plan plus applicable interest under the Bankruptcy Code and

state law. The Debtors shall object to the San Bernardino and San Diego Alleged Secured Claims within ninety (90) days of the Effective Date.

49. Certain Executory Contract Cure Reserve Claims of Healthnet, Inc.

Notwithstanding any provisions of the Plan or this Order to the contrary, the Executory Contract Cure Reserve Claim of Healthnet, Inc., listed in Exhibit A to the Executory Contract Order as "MidAmerica HealthNetwork, Inc. ("HealthNet")" with a Brief Description as "Memorandum - Employer Group Network Access Agreement," which shall not exceed the amount of \$351,695.58, shall be paid in accordance with Article III, Section B of the Plan.

50. Certain Claims of the City of San Francisco. The Plan Administrator, on behalf of the Post Confirmation Estate, shall use commercially reasonable efforts to communicate regarding, reconcile and allow the Administrative Expense Claims of the City of San Francisco ("San Francisco") prior to the first distribution of funds set forth in Paragraph 27 above. San Francisco shall be authorized to amend, and shall amend, that portion of its Administrative Expense Claims on account of lease rejection damages to reflect such portion of its Administrative Expense Claims as a timely filed Unsecured Claim.

51. Certain Aircraft Lease-Related Claims of Pegasus Aviation and Aerospace Finance. Notwithstanding anything in the Plan or this Confirmation Order to the contrary, Claim No. 5420 of Pegasus Aviation, Inc. ("Pegasus") and Claim No. 5419 of Aerospace Finance, LLC ("Aerospace") for attorneys fees, interest, and other costs (as applicable, the "Pegasus Disputed Claim" and the "Aerospace Disputed Claim") that Pegasus and Aerospace each assert must be paid in full by the Debtors to either cure defaults or otherwise to satisfy the Debtors' obligations under Section 1110 of the Bankruptcy Code, certain Stipulations, Agreements, and Orders Regarding Section 1110 Compliance entered in these Chapter 11 Cases, and leases for aircraft

and engines assumed by Debtors and assigned to TWA Airlines, LLC (as applicable, the "Pegasus Leases" or the "Aerospace Leases"), shall each be treated as Executory Contract Cure Reserve Claims pursuant to Article III. Section B of the Plan and shall be deemed to constitute Executory Contract Cure Reserve Claims as defined in the Plan, this Confirmation Order and all other orders entered in these Chapter 11 Cases, subject to allowance or disallowance in full or in part pursuant to further court order. In addition, in the event and to the extent that the Pegasus and Aerospace Disputed Claims become Allowed Claims, and notwithstanding anything in the Plan (including Article XV. Section B thereof) or the Confirmation Order to the contrary: (a) Pegasus shall be entitled to apply, setoff and recoup against such Allowed Claim the security deposits held by Pegasus (the "Pegasus Security Deposits"); (b) Aerospace shall be entitled to apply, setoff, and recoup against such Allowed Claim the security deposits held by Aerospace; (c) Aerospace shall thereafter deliver the remainder of its portion of the Aerospace Security Deposits to the Post Confirmation Estate within five (5) business days of such setoff and/or recoupment; and (d) Aerospace and Pegasus shall each provide to the Post Confirmation Estate an accounting of such setoffs and/or recoupments within five (5) business days thereof.

52. Certain Rights of Setoff of Pegasus Aviation and Aerospace Finance.

Notwithstanding anything in the Plan (including Article XV. Section B thereof) or the Confirmation Order to the contrary, Pegasus and Aerospace shall not be enjoined from asserting, and shall be permitted to assert any defense, right of setoff and/or right of recoupment that they may have against the Post Confirmation Estate pursuant to any contract between the Debtors and the above-mentioned parties or under applicable law consistent with Sections 553 and/or Section 1110 of the Bankruptcy Code; provided, however, that, except as provided in Paragraph 51 above, the Debtors reserve the right to dispute the merits of any such defenses, rights of setoff

and/or recoupment. Pegasus and the Debtors reserve their rights with respect to: (a) the allowability of Pegasus' Claim Nos. 8636 and 846 and (b) Pegasus' rights, if any, to offset or recoup the allowed portions of such Claims against the remaining portion of the Pegasus Security Deposits. Further, notwithstanding anything in the Plan or this Confirmation Order to the contrary, the first sentence of Article IX, Section E of the Plan shall not be applicable to any claims asserted against the Debtors by the Pegasus and Aerospace.

53. Section 1110 Rights of Pegasus and Aerospace Preserved.

Notwithstanding any provision in the Plan or this Confirmation Order to the contrary, nothing in the Plan or this Confirmation Order: (a) shall constitute a waiver, forbearance or adjudication of the rights of any secured party, lessor, or vendor or agent of any such entity (including, without limitation, any servicer or beneficial owner of any lessor) under Section 1110 of the Bankruptcy Code in connection with the Pegasus or Aerospace Leases (in each case, an "1110 Beneficiary"), (b) shall prejudice, limit, impair, or otherwise affect any rights of any 1110 Beneficiary (i) under Section 1110 of the Bankruptcy Code, (ii) under any Stipulation, Agreement and Order Regarding Section 1110 Compliance entered in these Chapter 11 Cases, or (iii) under an applicable pre-petition lease, security agreement, conditional sales agreement or other agreement with respect to any equipment as described in Section 1110(a)(3) of the Bankruptcy Code or any other property which is subject to the rights of an 1110 Beneficiary under Section 1110 of the Bankruptcy Code, all of which rights are expressly preserved.

54. Certain Claims of MBNA Bank. Notwithstanding anything in the Plan (including Article IX, Section C thereof) to the contrary, any Allowed Claims of MBNA shall include interest only if and to the extent that interest is allowable under applicable law. Notwithstanding anything in this Order or the Plan to the contrary, entry of this Order and any

transfer to the Post Confirmation Estate shall not affect and are without prejudice to any of MBNA's rights, claims, and defenses, including but not limited to MBNA's rights of setoff and recoupment, that MBNA may have against the Debtors, their estates, the Post Confirmation Estate, the Exculpation Parties, American Airlines, Inc., TWA Airlines, LLC, or any other entities; provided, however, that such parties, as applicable, reserve the right to dispute such rights, claims, and defenses. Notwithstanding anything in this Order or the Plan to the contrary, the Plan shall not, absent the agreement of MBNA, constitute a compromise of the Claims of MBNA as a result of the operation of Rule 9019 of the Federal Rules of Bankruptcy Procedure; provided, however, that MBNA shall be bound by the Plan, and any Allowed Claims of MBNA shall be paid pursuant to the Plan. Notwithstanding anything in this Order or the Plan (including Article IX, Section B thereof) to the contrary, in the event that the Bankruptcy Court estimates or has estimated any Claim of MBNA (the "MBNA Estimated Claims"), such estimation shall not preclude any court of competent jurisdiction from subsequently determining that the MBNA Estimated Claims are in excess of, or less than, the amount(s) so estimated. Immediately upon the Effective Date of the Plan, the Debtors shall set aside in a temporary reserve the sum of \$17 million on account of the alleged Secured Claim of MBNA (the "Temporary Reserve"), pending the Court's final determination, after further hearing, of the amount, if any, necessary to be held in a permanent reserve on account of the alleged Secured Claim of MBNA until the allowance of disallowance of the Claims of MBNA (the "Permanent Reserve"); provided, however, that the Debtors, their estates, or the Post Confirmation Estate, as applicable, shall not transfer any funds from the Temporary Reserve or the Permanent Reserve, until and subject to further court order.

55. Certain Obligations to File Tax Returns. Notwithstanding anything in the Plan to the contrary, after the Confirmation Date, the Debtors or the Plan Administrator, as

applicable, shall use commercially reasonable efforts to file IRS Form 945 tax returns for the periods ending December 31, 1998, December 31, 2000, and December 31, 2001, and until such returns are filed, there shall be no distributions to holders of Allowed Priority Tax Claims under Article III, Section D of the Plan or to holders of Allowed Other Priority Claims under Article IV, Section B(3) of the Plan.

56. Resolution, Compromise, and Settlement of Certain Administrative Claims and Plan Confirmation Objections of (1) General Electric Capital Corporation, (2) Polaris Holding Company, (3) Polaris Investment Management Corporation, (4) GE Capital Aviation Services, Limited, and (5) Wells Fargo Bank Northwest, National Association, Not in Its Individual Capacity, but Solely in its Capacity as Owner Trustee and Lessor of Particular Aircraft (collectively, the "GE Claimants").

- (a) Administrative Expense Claim Nos. 863, 864, and 865 filed by Wells Fargo Bank Northwest, National Association, not in its individual capacity, but solely in its capacity as owner trustee and lessor of Aircraft Nos. N922L, N929L, N924L, N926L, N978L, and N990Z, for rent related to those aircraft, shall be (a) Allowed Administrative Expense Claims in the amounts of \$422,989.38 (No. 863), \$108,672.07 (No. 864), and \$356,605.28 (No. 865), respectively, and (b) treated as Allowed Administrative Expense Claims under the Plan.
- (b) The Administrative Expense Claims filed by the GE Claimants, in various capacities, for costs and expenses (including attorneys' fees) related to Aircraft Nos. N637TW, N640TW, EI-BWD, N638TW, N639TW, N110HM, N995Z, N921L, N989Z, N987Z, N977Z, N982PS, N996Z, N998, N992Z, N923L, N988Z, N931L, N979Z, N981Z, N925L, N983Z, N984Z, N985Z, N915TW, N916TW, and N955U shall collectively be (a) an Allowed Executory Contract Cure Reserve Claim in the amount of \$347,000 (the "GE Claimants' Cure Claim"), and (b) an Allowed Secured Claim in that amount, with a first priority, perfected, and unavoidable Lien on, and right of setoff against, maintenance reserves, security deposits, and certain other amounts totaling approximately \$663,728 held by or on behalf of the GE Claimants (collectively, the "Withheld Amounts") with respect to particular aircraft that were owned or managed by the GE Claimants and leased to TWA.

- (c) Prior to ten days after the Effective Date, the GE Claimants shall (a) realize on, set off, and apply \$347,000 of the Withheld Amounts in full and final payment and settlement of the GE Claimants' Cure Claim and (b) pay the remaining \$316,728 of the Withheld Amounts (the "Withheld Amounts Payment") to the Post Confirmation Estate by wire-transfer in accordance with instructions to be provided by the Debtors to the GE Claimants before the Effective Date. The Post Confirmation Estate shall, pending further order of the Bankruptcy Court, receive and hold \$65,706 of the Withheld Amounts Payment subject to any Liens on or rights of setoff against the Withheld Amounts that were held by, or for the benefit of, AerFi Corporation, with any such Liens and rights of setoff being preserved as to that \$65,706 amount notwithstanding the Withheld Amounts Payment.
- (d) The GE Claimants' objections to Confirmation are hereby withdrawn.
- (e) The preceding provisions regarding the resolution, compromise, and settlement of certain Administrative Claims of the GE Claimants are interdependent, integrated, and non-severable.

#### **Miscellaneous**

57. Distributions. Subject to Bankruptcy Rule 9010, and except as provided in the Plan, distributions and deliveries to holders of Allowed Claims shall be made at the address of each such holder as set forth on the Schedules filed with the Bankruptcy Court unless superseded by the address set forth on proofs of claim filed by such holders, or at the last known address of such a holder if no proof of claim is filed, or if the Debtors have been notified in writing of a change of address.

58. Settlements and Compromises. The settlements and compromises contained herein and in the Stipulations and Agreed Orders entered into among the Debtors and certain parties who have filed objections to the Plan are proper settlements and compromises under Bankruptcy Rule 9019, notice of such settlements and compromises is deemed adequate and proper under Bankruptcy Rule 2002 and applicable Delaware Local Rules, and, in accordance with Bankruptcy Rule 2002(a)(3), cause has been shown for not providing notice of such settlements and compromises other than notice actually provided.

59. Modifications to Post Confirmation Estate Agreement. Without need for further order or authorization of the Bankruptcy Court, the Plan Administrator and the Plan Oversight Committee, as applicable, on behalf of the Post Confirmation Estate, are authorized and empowered to make any and all modifications to any and all documents included as part of the Post Confirmation Estate Agreement that do not materially modify the terms of such documents and are consistent with the Plan.

60. Bankruptcy Case Caption. On the Effective Date, the Debtors shall change the caption on all papers, documents or other materials with respect to these cases to read as follows:

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

<b>In re:</b>	)	
	)	Chapter 11
<b>TWA POST CONFIRMATION ESTATE,</b>	)	
	)	Case No. 01-00056
	)	(Jointly Administered)
Debtor.	)	
	)	

61. Inconsistencies Between Plan and Order. To the extent of any inconsistency between the provisions of the Plan and this Order, the terms and conditions contained in the Order shall govern.

62. Integration of Provisions. The provisions of this Order are integrated with each other and are nonseverable and mutually dependent.

63. Final Order. This Confirmation Order is a final order and the period in which an appeal must be filed shall commence upon the entry hereof.

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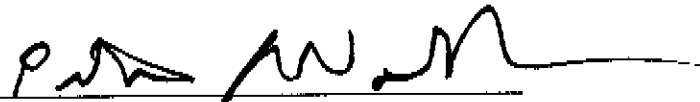


64. Plan Modifications. Pursuant to Section 1127 of the Bankruptcy Code and Bankruptcy Rule 3019, any technical amendments or non-material modifications to the Plan shall be and are hereby approved.

IT IS SO ORDERED.

Wilmington, Delaware

Dated as of: June 4 2002

A handwritten signature in black ink, appearing to read 'P. J. Walsh', is written over a horizontal line.

Honorable Peter J. Walsh  
United States Bankruptcy Judge

## **EXHIBIT A**

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

<b>In re:</b>  <b>TRANS WORLD AIRLINES, INC.</b> <b>et al.,<sup>1</sup></b>  <b>Debtors</b>	) ) ) <b>Chapter 11</b> ) ) <b>Case No. 01-00056 (PJW)</b> ) ) <b>(Jointly Administered)</b> ) )
------------------------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------------------------------

**THIRD AMENDED JOINT LIQUIDATING PLAN OF REORGANIZATION OF THE  
DEBTORS AND THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS  
PURSUANT TO CHAPTER 11 OF THE UNITED STATES BANKRUPTCY CODE**

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6/12/02 1:19 AM  
March 1, 2002

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<sup>1</sup> The Debtors are the following entities: Trans World Airlines, Inc., Ambassador Fuel Corporation, LAX Holding Company, Inc., Mega Advertising Inc., Northwest 112<sup>th</sup> Street Corporation, The TWA Ambassador Club, Inc., Trans World Computer Services, Inc., Transcontinental & Western Air, Inc., TWA Aviation, Inc., TWA Group, Inc., TWA Standards & Controls, Inc., TWA Stock Holding Company, TWA-D.C. Gate Company, Inc., TWA-LAX Gate Company, Inc., TWA Logan Gate Co., Inc., TWA-NY/NJ Gate Company, Inc., TWA-Omnibus Gate Company, Inc., TWA-San Francisco Gate Company, Inc., TWA-Hangar 12 Holding Company, Inc., Ozark Group, Inc., TWA Nippon, Inc., TWA Employee Services, Inc., TWA Getaway Vacations, Inc., Trans World Express, Inc., International Aviation Security Inc., Getaway Management Services, Inc., and The Getaway Group (U.K.) Inc.

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**THIRD AMENDED JOINT LIQUIDATING PLAN OF REORGANIZATION OF THE  
DEBTORS AND THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS  
PURSUANT TO CHAPTER 11 OF THE UNITED STATES BANKRUPTCY CODE**

Trans World Airlines, Inc. and twenty-six of its wholly owned subsidiaries, and the Official Committee of Unsecured Creditors, hereby propose the following Joint Liquidating Plan of Reorganization of the Debtors and the Official Committee of Unsecured Creditors pursuant to Sections 1121(a) and (c) and 1123 of the Bankruptcy Code.

**ARTICLE I  
DEFINITIONS, RULES OF INTERPRETATION, AND COMPUTATION OF TIME**

Section A. Rules of Interpretation, Computation of Time and Governing Law

1. For purposes of the Plan: (a) whenever from the context it is appropriate, each term, whether stated in the singular or the plural, shall include both the singular and the plural, and each pronoun, whether stated in the masculine, feminine or neutral gender, shall include the masculine, feminine and the neutral gender; (b) any reference in the Plan to a contract, instrument, release, indenture or other agreement or document being in a particular form or on particular terms and conditions means that such document shall be substantially in such form or substantially on such terms and conditions; (c) any reference in the Plan to an existing document or exhibit as filed, or to be filed, shall mean such document or exhibit, as it may have been or may be amended, modified or supplemented; (d) unless otherwise specified, all references in the Plan to Sections, Articles and Exhibits are references to Sections, Articles and Exhibits of or to the Plan; (e) the words herein and hereto refer to the Plan in its entirety rather than to a particular portion of the Plan; (f) captions and headings to Articles and Sections are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation of the Plan; (g) the rules of construction set forth in Section 102 of the Bankruptcy Code shall apply; and (h) any term used in capitalized form in the Plan that is not defined herein but that is used in the Bankruptcy Code or the Bankruptcy Rules shall have the meaning assigned to such term in the Bankruptcy Code or the Bankruptcy Rules, as the case may be.

2. In computing any period of time prescribed or allowed by the Plan, the provisions of Bankruptcy Rule 9006(a) shall apply.

Section B. Definitions

As used in the Plan, the following terms shall have the respective meanings specified below and be equally applicable to the singular and plural of terms defined:

1. 11 1/2% Notes: TWA's 11 1/2% Senior Secured Notes due 2004, in an original principal amount of \$140,000,000, issued pursuant to that certain indenture dated December 9, 1997, with Wells Fargo as indenture trustee.

2. 11 3/8% Notes: TWA's 11 3/8% Senior Secured Notes due 2003, in an original principal amount of \$43,200,000, issued pursuant to that certain indenture dated April 21, 1998, with Wells Fargo as indenture trustee.

3. 12% Notes: TWA's 12% Senior Secured Notes due 2002, in an original principal amount of \$50,000,000, issued pursuant to that certain indenture dated March 31, 1997, with Wells Fargo as indenture trustee.

4. Ad Hoc Committee: The Ad Hoc Committee of holders of Unsecured Notes.

5. Administrative Expense and Priority Claims Bar Date: June 15, 2001, which is the date set by the Bankruptcy Court as the last date for timely submission of a proof of claim on account of an Administrative Expense Claim or a Priority Claim through May 30, 2001, other than an Administrative Expense Claim held by a Foreign Entity.

6. Administrative Expense Claim: Any Claim constituting a cost or expense of administration of the Chapter 11 Cases asserted under Sections 503(b) and 507(a)(1) of the Bankruptcy Code, including, without limitation, any actual and necessary costs and expenses of preserving the estates of the Debtors, any actual and necessary costs and expenses of operating the businesses of the Debtors in Possession, any indebtedness or obligations incurred or assumed by the Debtors in Possession in connection with the administration and implementation of the Plan, the administration, prosecution or defense of Claims by or against the Debtors and for distributions under the Plan, any Claims for compensation and reimbursement of expenses arising during the period from and after the Petition Date and prior to the Effective Date or otherwise in accordance with the provisions of the Plan, any Professional Compensation and Reimbursement Claims and any fees or charges assessed against the Debtors' estates pursuant to 28 U.S.C. § 1930.

7. Allowed Administrative Expense Convenience Claim: An Administrative Expense Convenience Claim, to the extent it is or has become an Allowed Claim.

8. Administrative Expense Convenience Claim: Any claim of a Holder of an Administrative Expense Claim in an amount not to exceed the Convenience Claim Cap, subject to the opt-in and opt-out rights contained in the Plan; provided, however, that MBNA Bank, N.A.'s alleged Administrative Expense Claim shall in no event be an Administrative Expense Convenience Claim.

9. Affiliate: Any Entity that is an "affiliate" of the Debtors within the meaning of Section 101(2) of the Bankruptcy Code.

10. Allowed Administrative Expense Claim: An Administrative Expense Claim, to the extent it is or has become an Allowed Claim.

11. Allowed Executory Contract Cure Claim: An Executory Contract Cure Claim, to the extent it has become an Allowed Claim.

12. Allowed Claim/Allowed Interest: Any Claim against or Interest in the Debtors, (i) proof of which was filed on or before the date designated by the Bankruptcy Court as the last date for filing proofs of Claim against or Interests in the Debtors, (ii) if no proof of Claim or Interest has been timely filed, which has been or hereafter is listed by the Debtors in their Schedules as liquidated in amount and not disputed or contingent, or (iii) any Interest registered

in the stock register or partnership documents maintained by or on behalf of the Debtors as of the Record Date and, in each such case in clauses (i), (ii) and (iii) above, a Claim or Interest as to which no objection to the allowance thereof has been interposed within the applicable period of limitation fixed by the Plan, the Bankruptcy Code, the Bankruptcy Rules or a Final Order, or as to which an objection has been interposed and such Claim or Interest has been allowed in whole or in part by a Final Order. For purposes of determining the amount of an "Allowed Claim," there shall be deducted therefrom an amount equal to the amount of any Claim which the Debtors may hold against the Holder thereof, to the extent such Claim may be set off pursuant to Section 553 of the Bankruptcy Code.

13. Allowed General Unsecured Claim: A General Unsecured Claim, to the extent it is or has become an Allowed Claim.

14. Allowed Priority Claim: A Priority Claim, to the extent it is or has become an Allowed Claim.

15. Allowed Priority Non-Tax Claim: A Priority Non-Tax Claim, to the extent it is or has become an Allowed Claim.

16. Allowed Priority Tax Claim: A Priority Tax Claim, to the extent it is or has become an Allowed Claim.

17. Allowed Secured Claim: A Secured Claim, to the extent it is or has become an Allowed Claim.

18. Allowed Other Unsecured Claim: An Other Unsecured Claim, to the extent it is or has become an Allowed Claim.

19. Allowed Unsecured Claim: An Unsecured Claim, to the extent it is or has become an Allowed Claim.

20. Allowed Unsecured Note Claim: An Unsecured Note Claim, to the extent it is or has become an Allowed Claim.

21. AMR: AMR Finance, Inc., as Administrative Agent of the Lenders under the DIP Credit Agreement.

22. American: American Airlines, Inc., a Delaware Corporation, TWA Airlines LLC, a wholly-owned subsidiary of American, and AMR.

23. American Closing: The closing of the American Sale Transaction.

24. American Closing Date: April 9, 2001, the date upon which the American Sale Transaction was closed.

25. American Sale Transaction: The sale of substantially all of the Debtors' assets to American.

26. American DIP Claim: The Claim of American, if any, under the DIP Facility.

27. Assets: All assets of the Debtors or the Post Confirmation Estate, as the case may be, of any nature whatsoever, including, without limitation, the property of the Estate pursuant to Section 541 of the Bankruptcy Code, Cash, Cash Equivalents, Bankruptcy Causes of Action, and claims of right, interests and property, real and personal, tangible and intangible.

28. Asset Purchase Agreement: That certain Asset Purchase Agreement between TWA, as Seller and American, as Purchaser, dated January 9, 2001, as amended, supplemented or otherwise modified.

29. Backpay Notes: TWA's 8% Secured Notes due 2001, in an original principal amount of \$22,000,000, issued pursuant to the Backpay Notes Indenture.

30. Backpay Notes Indenture: That certain indenture dated November 3, 1993, with American National Bank and Trust Company of Chicago designated as indenture trustee, with respect to the Backpay Notes.

31. Ballot: The form distributed to each Holder of an impaired Claim on which is to be indicated acceptance or rejection of the Plan.

32. Bankruptcy Causes of Action: All claims, actions, causes of action, chooses in action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, third-party claims, counterclaims, and crossclaims (including, but not limited to, Director and Officer Actions, all claims and any avoidance, recovery, subordination or other actions against insiders and/or any other Entities under the Bankruptcy Code, including Sections 506, 510, 542, 543, 544, 545, 547, 548 549, 500, 551, and 553 of the Bankruptcy Code or otherwise) of the Debtors, the Debtors in Possession, and/or the Post Confirmation Estate (including, but not limited to, those actions listed in ARTICLE VII Section E below) that are or may be pending on the Effective Date or instituted by the Plan Administrator, on behalf of the Post Confirmation Estate, after the Effective Date against any Entity, based in law or equity, including, but not limited to, under the Bankruptcy Code, whether direct, indirect, derivative, or otherwise and whether asserted or unasserted as of the date of entry of the Confirmation Order.

33. Bankruptcy Code: Title 11 of the United States Code, as applicable to the Chapter 11 Cases.

34. Bankruptcy Court: The United States Bankruptcy Court for the District of Delaware or such other court having jurisdiction over the Chapter 11 Cases.

35. Bankruptcy Rules: The Federal Rules of Bankruptcy Procedure, as promulgated by the United States Supreme Court under 28 U.S.C. § 2075 and any Local Rules of the Bankruptcy Court, as amended.

36. Beneficial Holders: The Person or Entity holding the beneficial interest in a Claim or Equity Interest.

37. Business Day: A day other than a Saturday, a Sunday or any other day on which commercial banks in New York, New York are required or authorized to close by law or executive order.

38. Cash: Lawful currency of the United States of America.

39. Cash Equivalents: Equivalents of Cash in the form of readily marketable securities or instruments issued by a person other than the Debtors, including, without limitation, readily marketable direct obligations of, or obligations guaranteed by, the United States of America, commercial paper of domestic corporations carrying a Moody's Rating of "A" or better, or equivalent rating of any other nationally recognized rating service, or interest-bearing certificates of deposit or other similar obligations of domestic banks or other financial institutions having a shareholders' equity or equivalent capital of not less than One Hundred Million Dollars (\$100,000,000), having maturities of not more than one (1) year, at the then best generally available rates of interest for like amounts and like periods.

40. Chapter 11 Cases: The cases commenced under Chapter 11 of the Bankruptcy Code by the Debtors on the Petition Date, styled In re Trans World Airlines, Inc. et al., Case No-01-00056 (PJW), Jointly Administered, currently pending before the Bankruptcy Court.

41. Claim: Any right to payment from the Debtors, whether or not such right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, or unsecured, known or unknown; or any right to an equitable remedy for breach of performance if such breach gives rise to a right of payment from the Debtors, whether or not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, secured, or unsecured.

42. Class: A category of Holders of Claims or Interests as set forth in Article IV of the Plan.

43. Collateral: Any property or interest in property of the estates of the Debtors that is subject to an unavoidable Lien to secure the payment or performance of a Claim.

44. Confirmation: The entry of the Confirmation Order, subject to all conditions specified in ARTICLE XIV. Section A below having been satisfied or waived.

45. Confirmation Date: The date upon which the Clerk of the Bankruptcy Court has entered the Confirmation Order on the consolidated docket of the Debtors in the Chapter 11 Cases.

46. Confirmation Hearing: The hearing to consider confirmation of the Plan in accordance with Section 1129 of the Bankruptcy Code, as the same may be adjourned from time to time.

47. Confirmation Order: The order of the Bankruptcy Court confirming the Plan in accordance with the provisions of Chapter 11 of the Bankruptcy Code.

48. Consummation: The occurrence of the Effective Date.
49. Convenience Claim Cap: The amount of \$15,000, which is the cap on the amount of an Administrative Expense Claim or Priority Claim for purposes of qualifying for an Administrative Expense Convenience Claim or a Priority Convenience Claim.
50. Creditor: Any Entity that has a Claim against the Debtors, including, without limitation, a Claim against the Debtors' Chapter 11 estates of a kind specified in Sections 348(d), 502(f), 502(g), 502(h) or 502(i) of the Bankruptcy Code.
51. Debtors: Trans World Airlines, Inc.; Ambassador Fuel Corporation; LAX Holding Company, Inc.; Mega Advertising Inc.; Northwest 112<sup>th</sup> Street Corporation; The TWA Ambassador Club, Inc.; Trans World Computer Services, Inc.; Transcontinental & Western Air, Inc.; TWA Aviation, Inc.; TWA Group, Inc.; TWA Standards & Controls, Inc.; TWA Stock Holding Company; TWA-D.C. Gate Company, Inc.; TWA-LAX Gate Company, Inc.; TWA Logan Gate Co., Inc.; TWA-NY/NJ Gate Company, Inc.; TWA-Omnibus Gate Company, Inc.; TWA-San Francisco Gate Company, Inc.; TWA-Hangar 12 Holding Company, Inc.; Ozark Group, Inc.; TWA Nippon, Inc.; TWA Employee Services, Inc.; TWA Getaway Vacations, Inc.; Trans World Express, Inc.; International Aviation Security Inc.; Getaway Management Services, Inc.; and The Getaway Group (U.K.) Inc.
52. Debtor Designees: The members of the POC designated by the Debtors and such designee's successor appointed pursuant to the Post Confirmation Estate Agreement.
53. Debtors in Possession: The Debtors as debtors in possession pursuant to Sections 1107(a) and 1108 of the Bankruptcy Code.
54. DIP Credit Agreement: The Secured Debtor In Possession Credit and Security Agreement, dated as of January 10, 2001, as amended, supplemented or otherwise modified, by and among TWA, as Borrower, the Guarantors, the Lenders, and AMR, as Administrative Agent.
55. DIP Facility: The debtor in possession loan facilities provided to the Debtors pursuant to the terms of the DIP Financing Order and the DIP Credit Agreement.
56. DIP Financing Order: Collectively, the Interim Order (i) Authorizing Debtors to Enter Into Postpetition Financing Agreement and Obtain Postpetition Financing Pursuant to Section 364 (c) of the Bankruptcy Code (ii) Granting Liens and Super-Priority Claims and (iii) Scheduling the Hearing on the Debtors' Motion to Incur Such Financing on a Permanent Basis and Approving the Form and Method of Notice Thereof, entered by the Bankruptcy Court on or about January 10, 2001; the Final Order (i) Authorizing Debtors to Enter Into Postpetition Financing Agreement and Obtain Postpetition Financing Pursuant to Section 364 (c) of the Bankruptcy Code and (ii) Granting Liens and Super-Priority Claims entered by the Bankruptcy Court on or about January 27, 2001; the Interim Order Approving Additional Financing Under Postpetition Loan Documents entered by the Bankruptcy Court on or about March 12, 2001; and any and all additional Orders amending, modifying or supplementing the DIP Financing Order and/or the DIP Facility.



57. Director and Officer Action: Any action or lawsuit against any of the Debtors' directors, officers and shareholders for acts or omissions occurring prior to (but not after) the Petition Date, subject to the following:

(a) To the extent that any alleged act or omission in any Director and Officer Action occurred prior to and after the Petition Date, or had continued effects, or caused damages to arise, after the Petition Date, the limitation of the term "Director and Officer Action" in the Plan to an action for acts or omissions occurring prior to (but not after) the Petition Date, shall not in any way be deemed to be an express or implied release or waiver of (or injunction against) all or part of a Director and Officer Action (i) with respect to alleged acts or omissions that occurred prior to the Petition Date and/or (ii) to collect damages that did not arise until after the Petition Date, and the Plan reserves the right to commence and prosecute a Director and Officer Action.

(b) To the extent that any court of competent jurisdiction determines that the definition of "Director and Officer Action" in any way limits any action or proceeding against any of the Debtors' directors and officers for acts or omissions occurring prior to (but not after) the Petition Date (or results in any exclusion of coverage under any director and officer liability insurance policy issued with respect to any of the Debtors' directors and/or officers), the definition of "Director and Officer Action" shall automatically and without any further action be modified so as to permit any such action or proceeding.

(c) Any of the foregoing limitations notwithstanding, no director, officer or shareholder of the Debtors may assert the fact that such directors, officers or shareholders were exculpated for acts or omissions which occurred subsequent to the Petition Date as a procedural or substantive bar, defense, affirmative defense or setoff, at law or equity, in an Director and Officer Action. For the avoidance of doubt, in ARTICLE XV, Section D below, the Debtors' directors, officers and shareholders are not exculpated from any liability derived from or by reason of a Director and Officer Action.

58. Disclosure Statement: The Disclosure Statement for the Joint Liquidating Plan of Reorganization of the Debtors and the Official Committee of Unsecured Creditors Pursuant to Chapter 11 of the United States Bankruptcy Code, dated December 3, 2001, as amended, supplemented, or modified from time to time, describing the Plan, as amended, supplemented, or modified from time to time that is prepared and distributed in accordance with 11 U.S.C. §§ 1125, 1126(b) and/or 1145 and Rule 3018 and/or other applicable law.

59. Disclosure Statement Order: The Order (A) Approving Disclosure Statement; (B) Scheduling Hearings to Approve Adequacy of Disclosure Statement and to Confirm Liquidating Plan of Reorganization; (C) Establishing Objection Deadlines; (D) Approving Form of Ballots, Voting Deadline and Solicitation Procedures; and (E) Approving Form of Notice.

60. Disputed Claim; Disputed Interest: Any Claim against or Interest in the Debtors, to the extent the allowance of which is the subject of a timely objection or request for estimation in accordance with the Plan, the Bankruptcy Code, the Bankruptcy Rules or the Confirmation Order, or is otherwise disputed by the Debtors in accordance with applicable law, which objection, request for estimation or dispute has not been withdrawn, settled, or determined by a Final Order.

61. Disputed Claim Amount: The lesser of (a) the amount of a Disputed Claim as filed with the Bankruptcy Court and (b) if the Bankruptcy Court has estimated such Disputed Claim pursuant to Section 502(c) of the Bankruptcy Code, the amount of a Disputed Claim as estimated by the Bankruptcy Court; provided, however, that nothing contained in the Plan is intended to or shall affect any Entity's rights under Section 502(j) of the Bankruptcy Code.

62. Distribution Date: The Effective Date, or as soon as practicable thereafter as determined by the Debtors or Plan Administrator, as applicable, in their sole discretion.

63. Effective Date: The date selected by the Debtors which is a Business Day after the Confirmation Date on which all conditions specified in ARTICLE XIV Section B below have been satisfied or waived. When used in the Plan, Effective Date means on the Effective Date or as soon as reasonably practicable thereafter.

64. Entity: A Person, a corporation, a general partnership, a limited partnership, a limited liability company, a limited liability partnership, an association, a joint stock company, a joint venture, an estate, a trust, an unincorporated organization, a Governmental Unit or any subdivision thereof or any other entity.

65. Equity Interest: Any interest in any Debtor on account of an Equity Security.

66. Equity Security: One of the following: (i) a share in a corporation, whether or not denominated "stock," or similar security, and whether or not issued, unissued, authorized, or outstanding, (ii) an interest of a limited partner in a limited partnership, (iii) an interest of a general partner in a general partnership, or (iv) a warrant, option, contract, or right, other than a right to consent, to purchase, sell, or subscribe to a share, security, or interest of a kind specified in (i), (ii), (iii), or (iv) of this definition.

67. Exculpation Beneficiaries: The following persons: (a) all employees, agents, and representatives of the Debtors after the American Closing Date (solely in their capacity as such); and (b) all employees, agents, representatives, and members (if any, and solely in their capacity as such) of the Plan Administrator, the Post Confirmation Estate, the POC, the OCUC, the Ad Hoc Committee, and the Retiree Committee; provided, however, that the term Exculpation Beneficiary shall not include any person subject to a Director and Officer Action.

68. Exculpation Parties: The following parties (acting in such capacity): the Plan Administrator, the Post Confirmation Estate, the POC, the OCUC, the Ad Hoc Committee, the Retiree Committee, the Exculpation Beneficiaries, and any Entities employed in the Debtors' Chapter 11 Cases pursuant to Sections 327 and 1103 of the Bankruptcy Code (and in the case of

the Debtors' co-counsel and investment bankers, such exculpation shall also be with respect to periods both before and after the Petition Date).

69. Executory Contract Cure Reserve Claim: Any Claim (whether disputed or undisputed, among other things) pursuant to 11 U.S.C. § 365, for the cure of any default under any executory contract or unexpired lease of the Debtors that was assumed and assigned by the Debtors to American pursuant to the Executory Contract Order.

70. Executory Contract Cure Reserve: That escrow fund established on or about April 9, 2001, to hold proceeds from the American Sale Transaction on account of the Allowed Executory Contract Cure Reserve Claims.

71. Executory Contract Order: The Bankruptcy Court's April 9, 2001 Order (A) Approving Assumption and Assignment of Executory Contracts and Unexpired Leases, and (B) Rejection of Certain Executory Contracts and Unexpired Leases.

72. Exhibit Book: A separate volume, to be filed with the Clerk of the Bankruptcy Court, containing, among other things, the form of the Post Confirmation Estate Agreement and other exhibits to the Plan and Disclosure Statement.

73. File or Filed: File or filed with the Bankruptcy Court in the Chapter 11 Cases.

74. Final Decree: The decree contemplated under Bankruptcy Rule 3022 as applied to these Chapter 11 Cases.

75. Final Order: An order of the Bankruptcy Court or any other court of competent jurisdiction as to which the time to appeal, petition for certiorari or move for reargument or rehearing has expired and as to which no appeal, petition for certiorari or other proceedings for reargument or rehearing shall then be pending; and if an appeal, writ of certiorari, reargument or rehearing thereof has been sought, such order shall have been affirmed by the highest court to which such order was appealed, or certiorari shall have been denied or reargument or rehearing shall have been denied or resulted in no modification of such order, and the time to take any further appeal, petition for certiorari or move for reargument or rehearing shall have expired; provided, however, that the possibility that a motion under Rule 59 or Rule 60 of the Federal Rules of Civil Procedure or any analogous rule under the Bankruptcy Rules, may be but has not then been filed with respect to such order, shall not cause such order not to be a Final Order.

76. Foreign Administrative Expense Bar Date: August 1, 2001, which is the date set by the Bankruptcy Court as the last date for timely submission of a proof of claim on account of a Foreign Administrative Expense Claim.

77. Foreign Administrative Expense Claim: Any Administrative Expense Claim held by a Foreign Entity.

78. Foreign Entity: Those entities contained on the list of those foreign vendors, service providers and governments with whom the Debtors have done business within

the eighteen (18) months prior to the Petition Date, as set forth in the Motion for the Entry of an Order Extending the Deadline for Foreign Entities to File Administrative Claims, dated June 15, 2001.

79. General Claims Bar Date: August 1, 2001, which is the date set by the Bankruptcy Court as the last date for timely submission of a proof of Interest or proof of Claim for all Claims other than Administrative Expense Claims and Priority Claims.

80. General Unsecured Claim: An Unsecured Claim, other than an Intercompany Claim.

81. Governmental Unit: An Entity that is a "governmental unit" as defined in 11 U.S.C. § 101(27).

82. HSBC: HSBC Bank USA, as successor indenture trustee under the HSBC Indenture.

83. HSBC Indenture: That certain indenture, dated as of March 3, 1998, between TWA and First Security Bank, N.A., as amended from time to time, with respect to the Unsecured Notes.

84. Holder: A Person or Entity holding an Equity Interest or Claim, and with respect to a vote on the Plan, means the Beneficial Holder as of the Record Date or any authorized signatory who has completed and executed a Ballot or on whose behalf a Master Ballot has been completed and executed in accordance with the Voting Instructions.

85. Icahn Entities: Lowestfare.com, LLC, Lowestfare.com, Inc., Karabu Corporation, High River Limited Partnership, and any related entities.

86. Impaired: With respect to a Claim or Class of Claims, a Claim or Class of Claims that is impaired within the meaning of Section 1124 of the Bankruptcy Code.

87. Indentures: The indentures issued with respect to the 12% Notes, the 11½% Notes, the Unsecured Notes, the Backpay Notes, and any other indenture evidencing any indebtedness of the Debtors.

88. Information Agent: Bankruptcy Management Corporation, 1330 East Franklin Avenue, El Segundo, California 90245, (888) 909-0100.

89. Intercompany Affiliate: Any of the Debtors and any direct or indirect wholly-owned subsidiary of TWA.

90. Intercompany Claim: Any Claim held by any Intercompany Affiliate against any Debtor.

91. Interest: means any ownership interest in any Debtor, including, but not limited to, an interest in any issued, unissued, authorized or outstanding shares or stock and other

Equity Security together with any warrants, options or contractual rights to purchase or acquire such interests at any time and all rights arising with respect thereto.

92. IRC: The Internal Revenue Code of 1986, as amended from time to time.

93. IRS: The Internal Revenue Service, an agency of the United States Department of the Treasury.

94. Israeli Assets: Assets located or with their locus in the State of Israel.

95. Israeli Liquidation Proceedings: Those insolvency proceedings instituted in the State of Israel on or about March 19, 2001 against the Debtors.

96. Lien: Any charge against or interest in property to secure payment of a debt or performance of an obligation.

97. Lock Up Agreement: That certain Lockup, Voting and Consent Agreement concerning Terms of Proposed Settlement Including Joint Liquidating Plan of Reorganization by and among the Debtors, the OCUC and the Ad Hoc Committee (which, for limited purposes, was joined by the Icahn Entities) dated as of August 1, 2001, a copy of which is contained in the Exhibit Book.

98. Master Ballot: The master ballots accompanying the Disclosure Statement upon which Holders of Impaired Claims shall indicate the acceptance or rejection of the Plan in accordance with the Voting Instructions.

99. OCUC: The Official Committee of Unsecured Creditors appointed in these Chapter 11 Cases pursuant to Section 1102 of the Bankruptcy Code as constituted from time to time up to the Effective Date.

100. OCUC Designees: The members of the POC designated by the OCUC and their successors appointed pursuant to the Post Confirmation Estate Agreement.

101. Opt-In/Opt-Out Deadline: The Voting Deadline.

102. Other Priority Claims: All Priority Non-Tax Claims other than Priority Convenience Claims.

103. Other Sale Transaction: Any transaction involving the sale, transfer, or exchange of any asset of the Debtors, their estates, or the Post Confirmation Estate on or after the Petition Date, other than the American Sale Transaction.

104. Other Unsecured Claims: Unsecured Claims other than Unsecured Note Claims.

105. Paid Administrative Claims: Any Administrative Expense Claim or Priority Claim to the extent that the Holder of which received a payment, distribution, or other

transfer of property of the Debtors or their estates on account of such Claim prior to the Effective Date.

106. Person: A "person" as defined in 11 U.S.C. § 101(41).

107. Petition Date: January 10, 2001, the dates on which the Debtors filed their voluntary petitions for relief under Chapter 11 of the Bankruptcy Code commencing the Chapter 11 Cases.

108. Plan: This First Amended Joint Liquidating Plan of Reorganization of the Debtors and the Official Committee of Unsecured Creditors Pursuant to Chapter 11 of the Bankruptcy Code, including, without limitation, any exhibits and schedules hereto, either in its present form or as the same may be amended, modified or supplemented from time to time in accordance with the terms and provisions hereof.

109. Plan Administrator: The person designated by the Debtors and retained as of the Effective Date, under the Post Confirmation Estate Agreement, as the employee or fiduciary responsible for, among other things, the matters described in Article VII herein. When the context requires, any reference to the Plan Administrator or the Post Confirmation Estate shall mean the Plan Administrator on behalf of the Post Confirmation Estate.

110. POC: The Plan Oversight Committee, created pursuant to the terms of the Post Confirmation Estate Agreement.

111. Post Confirmation Estate: The grantor trust to be created on the Effective Date in accordance with the provisions of Article VIII of the Plan and the Post Confirmation Estate Agreement for the benefit of Holders of certain Allowed Claims.

112. Post Confirmation Estate Agreement: The trust agreement, substantially in the form contained in the Exhibit Book, that documents the Post-Confirmation Estate, describes the powers, duties and responsibilities of the Plan Administrator and the liquidation and distribution of proceeds of the Post Confirmation Estate Assets.

113. Post Confirmation Estate Assets: All assets of all of the Debtors' Chapter 11 estates (including without limitation, any and all rights to any insurance recoveries and any and all rights relating to insurance policies or proceeds thereof), which shall not include any assets in the PPPF Trust; provided, however, that: (a) the reserves for Allowed Administrative Expense Claims and Allowed Priority Claims shall be properly administered by the Post Confirmation Estate as agent for the Holders of such Claims and any excess reserves shall constitute Post Confirmation Estate Assets; and (b) any proceeds from Director and Officer Actions shall constitute part of the Post Confirmation Estate and shall be Post Confirmation Estate Assets.

114. PPPF Trust: That certain trust, dated as of November 6, 2001, among TWA, Wells Fargo, Northwest f/k/a First Security Bank, N.A., solely in its capacity as indenture trustee for TWA's \$140,000,000 11½% Senior Secured Notes due 2004, HSBC, the OCUC, and the PPPF Trustee, a copy of which is contained in the Exhibit Book.

115. PPPF Trustee: The Capital Trust Company of Delaware, in its capacity as PPPF Trustee, under the PPPF Trust.

116. Preference Action Recoveries: All net recoveries to the Debtors as a result of any avoidance actions brought pursuant to 11 U.S.C. § 547.

117. Priority Claim: All Priority Non-Tax Claims and Priority Tax Claims.

118. Priority Convenience Claim: Any Claim of a Holder of a Priority Claim in an amount not to exceed the Convenience Claim Cap, subject to the opt-in and opt-out rights contained in the Plan.

119. Priority Non-Tax Claim: Any Claim against the Debtors, other than an Administrative Expense Claim, or a Priority Tax Claim, entitled to priority in payment under Section 507(a) of the Bankruptcy Code, but only to the extent entitled to such priority.

120. Priority Tax Claim: Any Claim against the Debtors entitled to priority in payment under Section 507(a)(8) of the Bankruptcy Code, but only to the extent entitled to such priority.

121. Professional: A Person or Entity: (a) employed in accordance with Sections 327 and 1103 of the Bankruptcy Code and to be compensated for services rendered prior to the Effective Date, pursuant to Sections 327, 328, 329 and 330 and 331 of the Bankruptcy Code; or (b) to whom compensation and reimbursement has been allowed by the Bankruptcy Court pursuant to Section 503(b) of the Bankruptcy Code.

122. Professional Compensation and Reimbursement Claim: Any Claim in the Chapter 11 Cases entitled to payment in accordance with Section 330 or 331 of the Bankruptcy Code or entitled to priority in payment under Sections 503(b)(1), 503(b)(2), 503(b)(3), 503(b)(4) or 503(b)(5) of the Bankruptcy Code.

123. Professional Fee Escrow Fund: The escrow fund set aside by the Debtors on or about April 9, 2001 to fund the carve-out under the DIP Financing Order to fund the payment of certain Professional Compensation and Reimbursement Claims.

124. Pro Rata: With respect to Allowed Claims within the same Class, the proportion that an Allowed Claim bears to the sum of (a) all Allowed Claims within such Class and (b) all Disputed Claim Amounts within such Class.

125. Record Date: The date to be established by the Bankruptcy Court in the Confirmation Order and the Disclosure Statement Order for the purpose of determining those Holders of Allowed Claims that can receive distributions pursuant to the Plan.

126. Retiree Benefits: "Retiree benefits" as defined in Section 1114(a) of the Bankruptcy Code.

127. Retiree Benefits Order: The Bankruptcy Court's April 6, 2001 Order Pursuant to Section 1114 of the Bankruptcy Code (A) Appointing Authorized Representatives of Retirees and (B) Modifying Retiree Benefits.

128. Retiree Committee: That committee of retirees appointed pursuant to 11 U.S.C. § 1114 and the Retiree Benefits Order.

129. Schedules: The respective schedules of assets and liabilities, the list of Interests, and the statements of financial affairs filed by the Debtors in accordance with Section 521 of the Bankruptcy Code and the Official Bankruptcy Forms of the Bankruptcy Rules as such schedules and statements have been or may be supplemented or amended.

130. Section 365(d)(4) Extension Order: Collectively, the Court's May 21, 2001 Approval Order and Stipulation by and Among the Port Authority of New York and New Jersey, the Debtors and Debtors in Possession, American Airlines, Inc. and TWA Airlines LLC, the Court's Order Pursuant to Section 365(d)(4) of the Bankruptcy Code Extending the Time Upon Which Certain of the Debtors' Unexpired Leases of Nonresidential Real Property Are Deemed Rejected, and the Court's October 26, 2001 Order Pursuant to Section 365(d)(4) of the Bankruptcy Code Extending the Time Upon Which Certain of the Debtors' Unexpired Leases of Nonresidential Real Property Are Deemed Rejected and such other of the Bankruptcy Court's Orders amending the above Orders.

131. Secured Claim: A Claim against the Debtors, that is secured by a Lien on Collateral or that is subject to setoff under Section 553 of the Bankruptcy Code, to the extent of the value of the Collateral or to the extent of the amount subject to setoff as applicable, as determined in accordance with Section 506(a) of the Bankruptcy Code.

132. Term Sheet: That certain Term Sheet, which is Exhibit A to the Lockup Agreement, regarding the terms of a proposed settlement including this Plan.

133. TWA: Trans World Airlines, Inc.

134. Unimpaired Class: An unimpaired Class within the meaning of Section 1124 of the Bankruptcy Code.

135. Unknown Causes of Action: Those causes of action as defined in ARTICLE VII. Section E.4 below.

136. Unsecured Claim: Any Claim against any of the Debtors other than an Administrative Expense Claim, a Priority Claim, a Secured Claim, and an Equity Interest.

137. Unsecured Note Claims: Claims of the Unsecured Noteholders.

138. Unsecured Noteholders: Holders of the Unsecured Notes.

139. Unsecured Notes: TWA's 11 3/8% Senior Notes due 2006 in an original principal amount of \$150,000,000, issued pursuant to the HSBC Indenture, dated as of March 3, 1998.



140. Voting Deadline: The date set by the Bankruptcy Court as the last date for timely submission by a Creditor of a ballot accepting or rejecting the Plan.

141. Voting Instructions: Those instructions included in the Ballot and Master Ballot.

142. Wells Fargo: Wells Fargo Bank Northwest, N.A. f/k/a First Security Bank, N.A.

143. Wells Fargo Litigation: That certain adversary proceeding entitled Wells Fargo Bank Northwest N.A., in its capacity as Indenture Trustee, f/k/a First Security Bank, N.A., v. the Official Committee of Unsecured Creditors, Trans World Airlines, Inc., AMR Finance, Inc., John Does 1-100, and Jane Does 1-100, bearing caption number Adv. Pro. No. 01-3259.

144. Wells Fargo Settlement Order: The Order Approving Settlement by and Among the Debtors, the Official Committee of Unsecured Creditors, American, the Icahn Entities, the Ad Hoc Committee, and Wells Fargo Northwest, N.A. f/k/a First Security Bank, N.A., solely in its capacity as Indenture Trustee for the 11½ and 12% Senior Secured Notes and for Shortened Notice pursuant to Rules 9019 and 2002 of the Federal Rules of Bankruptcy Procedure, dated October 12, 2001, a copy of which is contained in the Exhibit Book.

145. Other Definitions: Unless the context otherwise requires, any capitalized term used and not defined herein or elsewhere in the Plan but that is defined in the Bankruptcy Code shall have the meaning assigned to that term in the Bankruptcy Code. Unless otherwise specified, all section, schedule or exhibit references in the Plan are to the respective section in, article of, or schedule or exhibit to, the Plan, as the same may be amended, waived, or modified from time to time. The words "herein," "hereof," "hereto," "hereunder," and other words of similar import refer to the Plan as a whole and not to any particular section, subsection, or clause contained in the Plan.

## ARTICLE II. SUBSTANTIVE CONSOLIDATION OF DEBTORS; CANCELLATION OF INTERCOMPANY CLAIMS

Section A. Substantive Consolidation: On the Effective Date, the Chapter 11 Cases and the Debtors and their estates shall be deemed to be substantively consolidated for all purposes of the Plan. The assets and liabilities of the Debtors shall be pooled and all claims shall be satisfied from the assets of a single consolidated estate. Any Claims against one or more of the Debtors based upon a guaranty, indemnity, co-signature, surety or otherwise, of Claims against another Debtor shall be treated as a single Claim against the consolidated estate of the Debtors and shall be entitled to distributions under the Plan only with respect to such single Claim.

Section B. Cancellation of Intercompany Claims: On the Effective Date, all Intercompany Claims shall be extinguished.

**ARTICLE III.**  
**PROVISIONS FOR PAYMENT OF ADMINISTRATIVE**  
**EXPENSE CLAIMS AND PRIORITY CLAIMS**

Section A. Administrative Expense Claims: On the later to occur of (i) the Distribution Date and (ii) the date on which such Claim shall become an Allowed Claim, the Debtors or the Plan Administrator shall (a) pay to each Holder of an Allowed Administrative Expense Claim a Pro Rata portion of a Cash distribution reasonably determined based on the amount of available Post Confirmation Estate Assets at that time, after the establishment of an appropriate reserve for Disputed Claims, and thereafter make periodic Cash payments as set forth in the next sentence, or (b) satisfy and discharge such Administrative Expense Claim in accordance with such other terms as may be agreed upon by and between the Holder thereof and the Debtors or the Plan Administrator, as the case may be. On or after the Distribution Date and as often as reasonable in the Plan Administrator's sole discretion, after the establishment or maintenance of appropriate reserves, the Plan Administrator shall make additional periodic Cash distributions to Holders of Allowed Administrative Expense Claims on a Pro Rata basis until the earlier of the date that (i) such Claims are paid in full and (ii) all Post Confirmation Estate Assets have been exhausted. The failure to object to confirmation of this Plan by a Holder of an Allowed Administrative Expense Claim shall be deemed to be such Holder's agreement to receive treatment for such Claim that is different from that set forth in 11 U.S.C. § 1129(a)(9). American shall receive no distribution on account of the American DIP Claim.

Section B. Executory Contract Cure Reserve Claims: Notwithstanding anything in the Executory Contract Order to the contrary, on the later of (a) the Distribution Date and (b) the date that such Claim shall become an Allowed Claim, the Plan Administrator, as often as reasonable and practicable in the Plan Administrator's sole discretion, shall reconcile the remaining unpaid Allowed Executory Contract Cure Reserve Claims and pay to each Holder of such Allowed Claims, from the Executory Contract Cure Reserve, to the extent available, an amount equal to such Holder's Allowed Claim, after the establishment of an appropriate reserve for Disputed Executory Contract Cure Reserve Claims. To the extent that there are excess funds in the Executory Contract Cure Reserve after payment of, or the establishment of appropriate reserves for, all Allowed Executory Contract Cure Claims, such excess funds shall revert to the Post Confirmation Estate's general operating account(s) and be available for general distribution to Holders of Allowed Claims. Notwithstanding anything in the Executory Contract Order to the contrary, the Plan Administrator need not comply with the Disbursement Notice procedures set forth in the Executory Contract Order.

Section C. Administrative Expense Convenience Claims:

1. Distributions. On the Distribution Date, the Debtors or the Plan Administrator shall pay to Holders of Allowed Administrative Expense Convenience Claims a Cash amount equal to 50% of their Allowed Claims (each, a "Reduced Convenience Claim") in full and final settlement of their Claims. Holders of Allowed Administrative Convenience Claims shall receive no distribution other than the distribution set forth in the preceding sentence. The failure to object to confirmation of this Plan by a Holder of an Allowed Administrative Expense Convenience Claim shall be deemed to be such Holder's agreement to receive treatment for such Claim that is different from that set forth in 11 U.S.C. § 1129(a)(9).

2. Opt-in and Opt-out Rights. Holders of Administrative Expense Claims shall have the option to irrevocably opt to be treated as Holders of Allowed Administrative Expense Convenience Claims (assuming such Administrative Expense Claims are Allowed) by providing written notice to the Information Agent so as to actually be received on or before the Opt-In/Opt-Out Deadline; provided, however, that each such Holder, by electing such treatment, shall be deemed to agree to (a) reduce voluntarily the amount of its Allowed Administrative Expense Claim to a face amount not to exceed the Convenience Claim Cap and (b) receive no distribution other than as a Holder of an Allowed Administrative Expense Convenience Claim. Holders of Allowed Administrative Expense Convenience Claims shall have the option to irrevocably opt out of treatment as Holders of Administrative Expense Convenience Claims and instead be treated as Holders of Allowed Administrative Expense Claims (assuming such Administrative Expense Convenience Claims are Allowed) by providing written notice to the Information Agent so as to be received on or before the Opt-In/Opt-Out Deadline.

Section D. Priority Tax Claims: On the later to occur of (i) the Distribution Date and (ii) the date on which such Claim shall become an Allowed Claim, the Plan Administrator shall either (in his sole option and discretion) (a) pay to each Holder of an Allowed Priority Tax Claim a Pro Rata portion of a Cash distribution reasonably determined based on the amount of available Post Confirmation Estate Assets at that time, after the establishment of appropriate reserves (for, among other things, the payment of Administrative Expense Claims and certain Disputed Claims), and thereafter make periodic Cash payments as set forth in the next sentence, or (b) satisfy and discharge such Allowed Priority Tax Claim in accordance with such other terms as may be agreed upon by and between the Holder thereof and the Debtors or the Plan Administrator. On or after the Distribution Date and as often as reasonable in the Plan Administrator's sole discretion, after the establishment or maintenance of appropriate reserves (for, among other things, the payment of Administrative Expense Claims and certain Disputed Claims), the Plan Administrator shall make additional periodic Cash distributions to Holders of Allowed Priority Tax Claims until the earlier of the date that (1) such Claims are paid in full and (2) all Post Confirmation Estate Assets have been exhausted. The failure to object to confirmation of this Plan by a Holder of a Priority Tax Claim shall be deemed to be such Holder's agreement to receive treatment for such Claim that is different from that set forth in 11 U.S.C. § 1129(a)(9).

Section E. Paid Administrative Claims: Subject to the Debtors' preservation of certain rights of action in ARTICLE VII. Section E below, all payments made on account of Paid Administrative Claims shall be final and not subject to disgorgement.

#### **ARTICLE IV. CLASSIFICATION AND TREATMENT OF CLASSIFIED CLAIMS AND INTERESTS**

##### **Section A. Summary**

The categories of Claims and Interests listed below classify Claims and Interests for all purposes, including voting, Confirmation and distribution pursuant to the Plan and pursuant to Sections 1122 and 1123(a)(1) of the Bankruptcy Code. A Claim or Interest shall be deemed classified in a particular Class only to the extent that the Claim or Interest qualifies within the description of that Class and shall be deemed classified in a different Class to the

extent that any remainder of such Claim or Interest qualifies within the description of such different Class. A Claim or Interest is in a particular Class only to the extent that such Claim or Interest is Allowed in that Class and has not been paid or otherwise settled prior to the Effective Date.

The classification of Claims and Interests against the Debtors pursuant to the Plan is as follows:

Class	Claim	Status	Voting Rights
Class 1	Secured Claims	Unimpaired	Not Entitled to Vote
Class 2	Priority Convenience Claims	Unimpaired	Not Entitled to Vote
Class 3	Other Priority Claims	Unimpaired	Not Entitled to Vote
Class 4A	Other Unsecured Claims	Impaired	Entitled to Vote
Class 4B	Unsecured Note Claims	Impaired	Entitled to Vote
Class 5	Equity Interests	Impaired	Not Entitled to Vote - Deemed to Reject

#### Section B. Treatment

##### 1. Class 1 - Secured Claims

On the later of the Distribution Date or the date of the entry of a Final Order allowing a Secured Claim, or as soon as reasonably practicable thereafter, each Holder of an Allowed Secured Claim shall receive one of the following distributions: (a) the payment of such Holder's Allowed Secured Claim in full in Cash; (b) the sale or disposition proceeds of the property securing such Allowed Secured Claim to the extent of the value of the Debtors' interest in such property; (c) the surrender to the Holder of any Allowed Secured Claim of the property securing such Claim; or (d) such other distributions as shall be necessary to satisfy the requirements of the Bankruptcy Code. The manner and treatment of each Allowed Secured Claim shall be determined by the Debtors or the Plan Administrator, as applicable, in their sole and absolute discretion. American shall receive no distribution on account of the American DIP Claim.

##### 2. Class 2 - Priority Convenience Claims

(a) Distributions. Holders of Allowed Priority Convenience Claims shall receive the same treatment as Holders of Allowed Administrative Expense Convenience Claims. The failure to object to confirmation of this Plan by a Holder of a Priority Convenience Claim shall be deemed to be such Holder's agreement to receive treatment for such Claim that is different from that set forth in 11 U.S.C. § 1129(a)(9).

(b) Opt-in and Opt-out Rights. Holders of Priority Tax Claims and Other Priority Claims (assuming such Claims are Allowed) shall have the option to irrevocably opt-into the Priority Convenience Class by providing written notice to the Information Agent so as to be actually received on or before the Opt-In/Opt-Out Deadline; provided, however, that each such Holder, by electing such treatment, shall be deemed to agree to (a) reduce voluntarily the amount of its Allowed Priority Claim to a face amount not to exceed the Convenience Claim Cap and (b) receive no distribution other than as a Holder of an Allowed Priority Convenience Claim. Holders of Priority Convenience Claims shall have the option to irrevocably opt-out of the Priority Convenience Class and instead be treated as Holders of Allowed Other Priority Claims (assuming such Allowed Other Priority Claims are Allowed) by providing written notice to the Information Agent so as to be actually received on or before the Opt-In/Opt-Out Deadline.

3. Class 3 - Other Priority Claims

On the later to occur of: (a) the Distribution Date and (b) the date on which such Claim shall become an Allowed Claim, the Debtors or the Plan Administrator shall (i) pay to each Holder of an Allowed Other Priority Claim a Pro Rata portion of a Cash distribution reasonably determined based on the amount of available Post Confirmation Estate Assets at that time, after the establishment of appropriate reserves (for, among other things, the payment in full of Administrative Expense Claims and certain Disputed Claims), and thereafter make periodic Cash payments as set forth in the next sentence, or (ii) satisfy and discharge such Allowed Other Priority Claim in accordance with such other terms as may be agreed upon by and between the Holder thereof and the Debtors or the Plan Administrator, as the case may be. On or after the Distribution Date and as often as reasonable in the Plan Administrator's sole discretion, after the establishment or maintenance of appropriate reserves, the Plan Administrator shall make additional periodic Cash distributions to Holders of Allowed Other Priority Claims until the earlier of the date that (a) such Claims are paid in full and (b) all Post Confirmation Estate assets have been exhausted. The failure to object to confirmation of this Plan by a Holder of an Other Priority Claim shall be deemed to be such Holder's agreement to receive treatment for such Claim that is different from that set forth in 11 U.S.C. § 1129(a)(9).

4. Class 4A - Other Unsecured Claims

On and after the Distribution Date, the Plan Administrator shall pay to the Holders of Allowed Other Unsecured Claims on a Pro Rata basis 3.33% of Preference Action Recoveries. Moreover, to the extent Post Confirmation Estate Assets are available after the full satisfaction of (a) fees, costs, and expenses in connection with the administration of the Post Confirmation Estate and (b) Allowed Other Claims senior in priority to the Allowed Unsecured Claims as set forth in the Plan, and after consideration of the amounts necessary to be withheld on account of, among other things, Disputed Claims, the Plan Administrator shall pay to Holders of Allowed Unsecured Claims on a Pro Rata basis the net proceeds of the Post Confirmation Estate Assets; provided, however, that in the event that Holders of Allowed Other Unsecured Claims receive at least 2.5% of their Allowed Claims (such percentage computation to include distributions pursuant to the PPPF Trust), then the Plan Administrator shall pay, to the extent Post Confirmation Estate Assets are available and after consideration of the amounts necessary

to be withheld on account of, among other things, Disputed Claims, any further distributions on account of Allowed Unsecured Claims to Holders of Allowed Other Unsecured Claims and Holders of Allowed Unsecured Note Claims on a Pro Rata basis. Moreover, pursuant to the Wells Fargo Settlement Order, upon and to the extent of HSBC's receipt of the HSBC Fee, HSBC shall irrevocably assign and transfer the HSBC Claim in the amount of the HSBC Fee (which is \$500,000 and which shall then be an Allowed Administrative Expense Claim) to an Entity designated by the OCUC for the benefit of Holders of Other Unsecured Claims, to be distributed by such Entity on a Pro Rata basis.

5. Class 4B - Unsecured Note Claims

In the event that Holders of Allowed Other Unsecured Claims receive at least 2.5% of their Allowed Claims (such percentage computation to include distributions to Holders of Allowed Other Unsecured Claims pursuant to the PPPF Trust), then the Plan Administrator shall pay, to the extent Post Confirmation Estate Assets are available and after consideration of the amounts necessary to be withheld on account of, among other things, Disputed Claims, any further distributions on account of Allowed Unsecured Claims shall be made to Holders of Allowed Other Unsecured Claims and Holders of Allowed Unsecured Note Claims on a Pro Rata basis. Distributions to Holders of Allowed Unsecured Note Claims shall be payable to HSBC in accordance with the HSBC Indenture.

6. Class 5 - Equity Interests: On the Effective Date, all Interests in the Debtors, including preferred shares, common shares, and/or other forms of equity security or other interests shall be deemed extinguished and the certificates and all other documents representing such Interests shall be deemed canceled and of no force and effect.

**ARTICLE V.**

**ACCEPTANCE OR REJECTION OF PLAN; EFFECT OF REJECTION  
BY ONE OR MORE CLASSES OF CLAIMS OR INTERESTS**

Section A. Impaired Classes to Vote: Each Holder of a Claim or Interest in an impaired Class shall be entitled to vote separately to accept or reject the Plan unless such Holder is deemed to accept or reject the Plan.

Section B. Holders of Administrative Expense Claims and Priority Claims: Holders of Administrative Expense Claims and Priority Claims who do not object to confirmation of the Plan shall be deemed to have consented to treatment, as set forth in the Plan, that is different from that set forth in 11 U.S.C. § 1129(a)(9).

Section C. Acceptance by Class of Creditors: An impaired Class of Holders of Claims shall have accepted the Plan if the Plan is accepted by at least two-thirds (2/3) in dollar amount and more than one-half (1/2) in number of the Allowed Claims of such Class that have voted to accept or reject the Plan. A Class of Holders of Claims shall be deemed to accept the Plan in the event that no Holder of a Claim within that Class submits a Ballot by the Voting Deadline.

Section D. Cramdown: In the event that any impaired Class of Claims or Interests shall fail to accept the Plan in accordance with Section 1129(a) of the Bankruptcy Code,

the Debtors reserves the right to request that the Bankruptcy Court confirm the Plan in accordance with Section 1129(b) of the Bankruptcy Code or amend the Plan.

**ARTICLE VI.  
IDENTIFICATION OF CLAIMS AND INTERESTS  
IMPAIRED AND NOT IMPAIRED BY THE PLAN**

Section A. Impaired and Unimpaired Classes: Claims in Classes 1, 2, and 3 are not impaired under the Plan. Claims and Interests in Classes 4A, 4B, and 5 are impaired under the Plan.

Section B. Impaired Classes to Vote on Plan: The Claims included in Classes 4A and 4B are impaired and entitled to receive distribution under the Plan and are therefore entitled to vote to accept or reject the Plan. The Claims and Interests included in Class 5 of the Plan are impaired but are not entitled to receive a distribution under the Plan, and therefore are deemed to have rejected the Plan in accordance with Section 1126(g) of the Bankruptcy Code.

Section C. Controversy Concerning Impairment: In the event of a controversy as to whether any Class of Claims or Interests is impaired under the Plan, the Bankruptcy Court shall, after notice and a hearing, determine such controversy.

**ARTICLE VII.  
PROVISIONS FOR IMPLEMENTATION OF THE PLAN**

Section A. Establishment of the Post Confirmation Estate: On the Effective Date, the Debtors, on their own behalf and on behalf of Holders of Allowed Claims, shall execute the Post Confirmation Estate Agreement and shall take all other steps necessary to establish the Post Confirmation Estate. On the Effective Date, and in accordance with and pursuant to the terms of the Plan, the Debtors shall assign and transfer to the Post Confirmation Estate all of the Assets (including without limitation all property of their estates, all rights as a trustee or debtor in possession to assert Bankruptcy Causes of Action, and all rights as a trustee or debtor in possession to assert a Director and Officer Action) and all of their right, title, and interest in and to all of the Post Confirmation Estate Assets, notwithstanding any prohibition of assignability under applicable non-bankruptcy law. Although the Plan Administrator shall be responsible for directing the PPPF Trustee to disburse the funds in the PPPF Trust as set forth in such Trust, the funds in the PPPF Trust shall not be transferred to the Post Confirmation Estate and shall not be or constitute property of the Debtors' estates or the Post Confirmation Estate. In connection with the transfer of these assets, including rights and causes of action (including Bankruptcy Causes of Action), any attorney-client privilege, work-product privilege, or other privilege or immunity attaching to any documents or communications (whether written or oral) transferred to the Post Confirmation Estate shall vest in the Post Confirmation Estate and its representatives, and the Debtors and the Post Confirmation Estate are authorized to take all necessary actions to effectuate the transfer of such privileges.

Section B. Funding Expenses of the Post Confirmation Estate: As more fully described in the Post-Confirmation Estate Agreement, any Cash in the Post Confirmation Estate shall be applied: first, to the fees, costs, expenses and liabilities of the Plan Administrator, the

POC and their professionals; second, to satisfy any other administrative and wind down expenses of the Post Confirmation Estate and the Debtors' estates; and third, to the distributions provided for pursuant to the Plan.

Section C. Professional Fee Escrow Fund: The Professional Fee Escrow Fund shall not constitute part of the Post Confirmation Estate, but shall continue in existence to the extent necessary to pay for and fund (i) all pending and anticipated professional fees, costs and expenses of consummation of the Plan and administration of the Debtors, the POC, and the Post Confirmation Estate, and (ii) the obligations required under Paragraph 14 of the Wells Fargo Order, with any remainder to be transferred to the Post Confirmation Estate.

Section D. Corporate Action: Upon the entry of the Confirmation Order by the Bankruptcy Court, all matters provided under the Plan involving the corporate structure of the Debtors shall be deemed authorized and approved without any requirement of further action by the Debtors, the Debtors' shareholders or the Debtors' boards of directors. The Debtors (and their boards of directors) shall dissolve or otherwise terminate their existence following the Effective Date and are authorized to liquidate and dissolve or terminate the existence of wholly-owned non-Debtor subsidiaries following the Effective Date.

Section E. Preservation of Rights of Action.

1. Investigation of Bankruptcy Causes of Action. The Debtors are currently investigating whether to pursue potential Bankruptcy Causes of Action against other Entities. The investigation has not been completed to date, and under the Plan, the Plan Administrator, on behalf of the Post Confirmation Estate, retains all rights on behalf of the Debtors and the Post Confirmation Estate to commence and pursue any and all Bankruptcy Causes of Action (under any theory of law or equity, including, without limitation, the Bankruptcy Code, and in any court or other tribunal including, without limitation, in an adversary proceeding filed in the Chapter 11 Cases) discovered in such an investigation (other than the claims exculpated in ARTICLE XV. of the Plan) to the extent the Plan Administrator, on behalf of the Post Confirmation Estate, deems appropriate, in accordance with and subject to the terms of the Post Confirmation Estate Agreement. Potential Bankruptcy Causes of Action currently being investigated by the Debtors, which may but need not (if at all) be pursued by the Debtors prior to the Effective Date and by the Plan Administrator, on behalf of Post Confirmation Estate, after the Effective Date to the extent warranted, include, without limitation, the following Bankruptcy Causes of Action set forth below:

(a) Any lawsuits for, or in anyway involving, the collection of accounts receivable or any matter related thereto;

(b) Any Director and Officer Action;

(c) Potential claims for prepetition breaches of fiduciary duty, negligent management and wasting of corporate assets and corporate opportunity and/or arising under the Debtors' directors and officers insurance policies against the Debtors' prepetition directors and officers, among others;



(d) Any and all potential claims against the prepetition members of the Debtors' boards of directors, officers and/or shareholders, for acts or omissions occurring prior to the Petition Date, including, without limitation, the right to equitably subordinate claims held by such directors, officers, or shareholders pursuant to Section 510(c) of the Bankruptcy Code;

(e) Claims arising out of, and in connection with, the prepetition management, operation and/or reporting of financial and other information against all persons and entities having any responsibility with respect thereto, whether such claims are legal, equitable or statutory in nature;

(f) Claims to recover amounts improperly awarded to employees under the terms of any prepetition employment or change in control agreement;

(g) All violations against third parties with respect to prepetition violations of applicable federal or state securities laws;

(h) All claims or causes of action arising out of or that relate to prepetition acquisitions or financings;

(i) All claims or causes of action arising out of or in connection with clearinghouse settlements (including without limitation the Airlines Clearing House and the International Air Transport Association Clearinghouse), whether arising before or after the Petition Date, whether against such clearinghouses themselves or the current and former members or other participants in such clearinghouses;

(j) All claims, counterclaims, cross-claims, third party claims, and affirmative defenses asserted or that could be asserted in any litigation involving the Debtors, whether arising before or after the Petition Date, including but not limited to those actions contained on Exhibit F-3a to the Schedules;

(k) All claims or causes of action for credits; overpayments; overcharges; prepaid deposits and other amounts; adjustments; disgorgement rights; recoupments; setoffs; and other rights to payment from those Entities who have received payments or other transfers of property of the Estate during the course of the Chapter 11 Cases; and

(l) Any claims or causes of action contained in the List of Retained Bankruptcy Causes of Action in the Exhibit Book.

2. Additional Bankruptcy Causes of Action. In addition, potential Bankruptcy Causes of Action which may be pursued by the Debtors prior to the Effective Date and by the Plan Administrator, on behalf of the Post Confirmation Estate after the Effective Date, also include, without limitation the following:

(a) Any other actual or potential Bankruptcy Causes of Action, whether legal, equitable or statutory in nature, arising out of, or in connection with the

Debtors' businesses or operations, including, without limitation, the following: possible claims against vendors, landlords, sublessees, assignees, customers or suppliers for warranty, indemnity, back charge/set-off issues, overpayment or duplicate payment issues and collections/accounts receivable matters; deposits or other amounts owed by any creditor, lessor, utility, supplier, vendor, landlord, sublessee, assignee, or other entity; employee, management or operational matters; claims against landlords, sublessees and assignees arising from various leases, subleases and assignment agreements relating thereto, including, without limitation, claims for overcharges relating to taxes, common area maintenance and other similar charges; financial reporting; environmental, and product liability matters; actions against insurance carriers relating to coverage, indemnity or other matters; counterclaims and defenses relating to notes or other obligations; contract or tort claims which may exist or subsequently arise; and

(b) Except for the express waiver of certain claims in the Plan, any and all actual or potential avoidance claims pursuant to any applicable section of the Bankruptcy Code, including, without limitation Sections 544, 545, 547, 548, 549, 550, 551, 553(b) and/or 724(a) of the Bankruptcy Code, arising from any transaction involving or concerning the Debtors.

3. Director and Officer Actions. The OCUC is currently investigating whether Director and Officer Actions should be pursued to recover from certain of the Debtors' directors and officers for acts or omissions, including breaches of fiduciary duty, negligent management and wasting of corporate assets and corporate opportunity and/or arising under the Debtors' directors and officers insurance policies. The investigation is only in its initial phase and has not been completed to date, and under this Plan and the Post Confirmation Estate Agreement, the OCUC Designees shall have primary responsibility with respect to any such Director and Officer Action.

4. Unknown Causes of Action. In addition, there may be numerous other Bankruptcy Causes of Action which currently exist or may subsequently arise that are not set forth herein or in the List of Retained Bankruptcy Causes of Action, because the facts upon which such Bankruptcy Causes of Action are based are not fully or currently known by the Debtors, and, as a result, cannot be raised during the pendency of the Chapter 11 Cases (collectively, the "Unknown Causes of Action"). The failure to list any such Unknown Cause of Action herein or in the List of Retained Bankruptcy Causes of Action is not intended to limit the rights of the Plan Administrator, on behalf of the Post Confirmation Estate, to pursue any Unknown Cause of Action to the extent the facts underlying such Unknown Cause of Action become fully known to the Debtors.

5. No Waiver of Bankruptcy Causes of Action. The potential net proceeds from the Bankruptcy Causes of Action identified herein or in the List of Retained Bankruptcy Causes of Action, or which may subsequently arise or be pursued, are presently speculative and uncertain and therefore no value has been assigned to such recoveries. The Debtors, the OCUC, and the Plan Administrator do not intend, and it should not be assumed that because any existing or potential Bankruptcy Causes of Action have not yet been pursued or are not set forth herein or in the List of Retained Bankruptcy Causes of Action, that any such Bankruptcy Causes of Action

have been waived. Unless Bankruptcy Causes of Action against an Entity are expressly waived, relinquished, exculpated, released, compromised or settled in the Plan or any Final Order, this Plan expressly reserves all Bankruptcy Causes of Action and Unknown Causes of Action, including the Bankruptcy Causes of Action described herein and in the List of Retained Bankruptcy Causes of Action, as well as any other Bankruptcy Causes of Action or Unknown Causes of Action, for later adjudication, and therefore no preclusion doctrine, including, without limitation, the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable or otherwise) or laches shall apply to such actions upon or after the confirmation or consummation of the Plan. In addition, this Plan expressly reserves the right to pursue or adopt any claims alleged in any lawsuit in which the Debtors are a defendant or an interested party, including the lawsuits described herein and in the List of Retained Bankruptcy Causes of Action, against any Entity, including, without limitation, the plaintiffs and co-defendants in such lawsuits.

6. Vesting in the Post Confirmation Estate Except as otherwise provided in the Plan or in any contract, instrument, release, indenture or other agreement entered into in connection with the Plan, in accordance with Section 1123(b)(3) of the Bankruptcy Code, any claims, rights, and Bankruptcy Causes of Action that the respective Debtors or the Post Confirmation Estate may hold against any Entity, including but not limited to those Bankruptcy Causes of Action listed herein and in the List of Retained Bankruptcy Causes of Action, shall vest in the Post Confirmation Estate, and the Plan Administrator (and the POC, as applicable), on behalf of the Post Confirmation Estate, shall retain and may exclusively enforce, as the authorized representative of the Post Confirmation Estate, any and all such claims, rights, or Bankruptcy Causes of Action, as appropriate, in accordance with the best interests of the Post Confirmation Estate and the Holders of Allowed Claims entitled to distributions under the Plan, and the terms of the Post Confirmation Estate Agreement. The Plan Administrator, on behalf of the Post Confirmation Estate, shall have the exclusive right, authority, and discretion to institute, prosecute, abandon, settle, or compromise any and all such claims, rights, and Bankruptcy Causes of Action without the consent or approval of any third party and without any further order of the Bankruptcy Court or any other court except as otherwise provided in the Post Confirmation Estate Agreement.

7. Preservation of Rights to Contested Liens and Security Interests The Debtors have preserved and continue to reserve their rights to contest the validity, priority, extent and amount of any asserted liens and security interests of any Holder of Secured Claims in Assets, including without limitation: security deposits; letter of credit or bond proceeds; aircraft and aircraft related equipment, aircraft simulators; Cash and Cash Equivalents; contracts; and securities.

Section F. Directors and Officers Insurance Policies; Indemnification: The Debtors and the Post Confirmation Estate shall assume the pre-Effective Date obligations to the Debtors' directors and officers solely to the extent that such obligations are covered by directors and officers insurance policies. Other than as set forth in the preceding sentence, the Post Confirmation Estate shall not be liable or responsible in any way for any pre-Effective Date obligations to the Debtors' directors and officers.

Section G. Cancellation of Notes, Instruments, Debentures and Equity Securities: On the Effective Date, except to the extent provided otherwise in the Plan, all notes, instruments, debentures, certificates and other documents evidencing Claims and all Equity Interests in any of the Debtors shall be canceled and deemed terminated and surrendered (regardless of whether such notes, instruments, debentures, certificates or other documents are in fact surrendered for a cancellation to the appropriate indenture trustee or other such person), except for purposes of distribution in accordance with the terms of this Plan. On the Effective Date, the Indentures shall be deemed canceled as permitted by Section 1123(a)(5) of the Bankruptcy Code. Notwithstanding the termination of any Indenture and any notes issued under any such Indenture, the provisions of such Indenture, including those provisions relating to distributions, the indenture trustee's rights to payment, liens on property to be distributed to Holders of such notes, and the indenture trustees' rights of indemnity, if any, shall not be affected by the Confirmation of the Plan, other than as specifically set forth in the Plan.

Section H. Reserves: Any reserves maintained by the Debtors or the Plan Administrator, as the case may be, in connection with the distribution of funds on account of Allowed Claims, may be maintained by bookkeeping entries alone; the Debtors or the Plan Administrator, as the case may be, need not (but may) establish separate bank accounts for such purposes.

#### **ARTICLE VIII. POST CONFIRMATION ESTATE; THE PLAN ADMINISTRATOR**

Section A. Purpose of the Post Confirmation Estate: The Post Confirmation Estate shall be established for the primary purpose of liquidating its assets, in accordance with Treasury Regulation Section 301.7701-4(d), with no objective to continue or engage in the conduct of a trade or business, except to the extent reasonably necessary to, and consistent with, the liquidating purpose of the Post Confirmation Estate. The Post Confirmation Estate shall not be deemed a successor of the Debtors for tax purposes. It is anticipated that the Debtors will not incur any United States federal income tax liability from the transfer of the Post Confirmation Estate Assets to the Post-Confirmation Estate. The Post-Confirmation Estate Agreement shall govern the liquidation and distribution of the Post Confirmation Estate Assets, and solely to the extent inconsistent with Article VIII of the Plan, the Post Confirmation Estate Agreement shall control.

Section B. Appointment of Plan Administrator: On the Effective Date, Michael Lichty shall be appointed as the Plan Administrator, who will, not individually, but solely in his capacity as Plan Administrator, act on behalf of and be the representative of the Post Confirmation Estate and be subject to all fiduciary duties attendant thereto. The Plan Administrator will generally be responsible for complying with the Plan and liquidating into Cash (or abandoning) the Post Confirmation Estate Assets for distribution to Holders of Allowed Claims entitled to distributions under the Plan. The Plan Administrator shall take all steps necessary to carry out the Plan, according to the terms set forth in the Post Confirmation Estate Agreement, as well as carry out any obligations relating to the PPPF Trust.

Section C. Governance and Administration: The Post Confirmation Estate will be administered by the Plan Administrator and any replacements thereafter selected in

accordance with the provisions of the Post Confirmation Estate Agreement. It is the responsibility of the Plan Administrator, at the direction of the POC, to determine in accordance with the Post Confirmation Estate Agreement whether to prosecute, compromise or discontinue any Post Confirmation Estate Claims of the Post Confirmation Estate and the liquidation of any Post Confirmation Estate Assets. The powers, authority, responsibilities and duties of the Post Confirmation Estate and the Plan Administrator are set forth in, and shall be governed by, the Post Confirmation Estate Agreement.

Section D. Plan Oversight Committee:

1. The POC. On the Effective Date, the POC shall be appointed as described in the Post Confirmation Estate Agreement, with the rights and authority described therein. Four persons designated by the Debtors, one person designated by American, one person designated by the Debtors who is the Holder of an undisputed, non-contingent, and liquidated Administrative Claim against the Debtors' estates who is willing to serve on the POC (together with American, the "Administrative Designees"), and one person designated by the OCUC, shall be the initial members of the POC. The POC shall adopt its own bylaws. The POC shall oversee the actions of the Plan Administrator in accordance with the Post Confirmation Estate Agreement. There shall be no compensation to the members of the POC solely for their service as members of the POC, unless specifically approved by a Supermajority (as defined in the Post Confirmation Estate Agreement) of the POC (such Supermajority to include American solely for the purposes of Section 2.6(h)(1) of the Post Confirmation Estate Agreement).

2. Director and Officer Actions. The member of the POC appointed by the OCUC shall, among other things, have primary responsibility with respect to Director and Officer Actions; provided, however, that a majority of the POC must approve the commencement of such litigation according to certain fee arrangements as set forth in the Post Confirmation Estate Agreement.

3. Approval of Plan Administrator's Actions. The Plan Administrator shall not be required to obtain Bankruptcy Court approval with respect to any proposed action or inaction (a) authorized in the Post Confirmation Estate Agreement, (b) authorized by the by laws of the POC, or (c) to which the POC has consented. The POC shall be deemed to have consented to a proposed action or inaction if a majority of the POC has not objected to such action or inaction after being provided with the following notice: (a) 10 days notice of such action or inaction by facsimile, electronic mail or overnight delivery (plus 3 days delivery if such notice is made by regular mail); or (b) 3 business days telephonic notice of such action or inaction (if the Plan Administrator in his discretion believes that telephonic notice is appropriate under the circumstances). With respect to any litigation directly or indirectly involving any member of the POC, such POC member(s) shall (a) recuse himself or herself from any decision affecting such litigation and (b) have the right to appoint an alternate to serve as a member of the POC solely with respect to any decision for which the POC member has recused himself or herself.

Section E. Transfer of Assets:

1. The Post Confirmation Estate Assets. The transfer of the Post Confirmation Estate Assets to the Post Confirmation Estate shall be made, as provided herein, for the benefit of the Holders of Allowed Claims only to the extent such Holders are entitled to distributions under the Plan. On the Effective Date, the Debtors shall transfer title to all of their remaining assets to the Post Confirmation Estate. Upon the transfer of the Post Confirmation Estate Assets to the Post Confirmation Estate, the Debtors shall have no interest in or with respect to the Post Confirmation Estate Assets or the Post Confirmation Estate. Notwithstanding the foregoing, to the extent the Debtors or the OCUC determine that any such transfer may implicate an exclusion in any of the Debtors' director and officer insurance policies, the cause of action at issue shall be assigned in another manner determined by the Debtors, after consultation with the OCUC.

2. Federal Income Tax Purposes. For all federal income tax purposes, all parties (including, without limitation, the Debtors, the Plan Administrator and the beneficiaries of the Post Confirmation Estate) shall treat the transfer of assets to the Post Confirmation Estate in accordance with the terms of the Plan, as a transfer by the Debtors to the Holders of Allowed Claims entitled to a distribution under the Plan followed by a transfer by such Holders to the Post Confirmation Estate, and the beneficiaries of the Post Confirmation Estate shall be treated as the grantors and owners thereof. To the extent that any federal income tax liability results from the transfer of assets to the Post Confirmation Estate pursuant to ARTICLE VII Section A of the Plan, the resulting tax shall be paid by the Post Confirmation Estate as an administrative expense of the Post Confirmation Estate pursuant to ARTICLE VII Section B of the Plan; provided, however, that the Debtors and the Post Confirmation Estate reserve the right to dispute the existence of any such liability.

3. Royal Ambassador Insurance Company. After the transfer of the Post Confirmation Estate Assets to the Post Confirmation Estate, such Assets shall include 100% of the capital stock of Royal Ambassador Insurance Company, which, after payment of all obligations of such Company (including without limitation indemnification and reimbursement obligations of such Company as determined by the directors of such Company without need of the approval or consent of the Bankruptcy Court or otherwise), shall be voted by the Plan Administrator so as to dissolve and/or windup such Company and make available any net proceeds of such dissolution or winding up for distribution to the Beneficiaries of the Post Confirmation Estate in accordance with the Plan and the Post Confirmation Estate Agreement. Prior to any such determination, the directors of such Company shall provide at least sixty (60) days notice to any officer or director of the Debtors who may have indemnification, reimbursement, or other rights with respect to any insurance policy associated with such Company. In determining whether all obligations of the Royal Ambassador Insurance Company have been paid, the Plan Administrator and the directors of such Company shall take into account contingent, disputed, unliquidated, and other threatened or asserted claims, including without limitation (1) any indemnification and reimbursement obligations insured by Royal Ambassador Insurance Company as of the proposed date of termination and (2) any claims made or asserted during the sixty (60) day notice period set forth in the preceding sentence.

Section F. Valuation of Assets: As soon as possible after the Effective Date, the Plan Administrator (to the extent that he deems it necessary or appropriate in his good judgment) may conduct a good faith valuation of the Post Confirmation Estate Assets and shall

make such valuation available to the beneficiaries of the Post Confirmation Estate. Such valuation shall be used consistently by all parties (including the Debtors, the Plan Administrator and the beneficiaries of the Post Confirmation Estate) for all federal income tax purposes. Any dispute regarding the valuation of the Post Confirmation Estate Assets shall be resolved by the Bankruptcy Court.

Section G. Distribution; Withholding: The Plan Administrator, in his good faith judgment and based on available assets, shall periodically distribute to the beneficiaries of the Post Confirmation Estate net Cash income and proceeds from the liquidation of assets pursuant to the Plan; provided, however, that the Post Confirmation Estate shall retain such amounts as are necessary (i) to meet contingent liabilities; (ii) to pay expenses of administration (including any taxes imposed on the Post Confirmation Estate or in respect of the Post-Confirmation Estate Assets); and (iii) to satisfy other liabilities incurred or assumed by the Post Confirmation Estate (or to which the Post-Confirmation Estate Assets are otherwise subject) in accordance with the Plan or the Post Confirmation Estate Agreement. All such distributions shall be subject to the terms of the Plan and the Post Confirmation Estate Agreement; provided, however, that of the net amount distributable, the Plan Administrator shall reserve, in accordance with ARTICLE IX. Section D below, such amounts as would be distributable with respect to Disputed Claims (treating such Claims, for this purpose, as if they were Allowed Claims). The Post-Confirmation Estate may withhold from amounts distributable to any Entity any and all amounts, determined in the Plan Administrator's reasonable discretion, to be required by any law, regulation, rule, ruling, directive or other governmental requirement.

Section H. Post-Confirmation Estate Implementation: On the Effective Date, the Post Confirmation Estate will be established and become effective for the benefit of the Holders of Allowed Claims entitled to distributions under the Plan. The Post-Confirmation Estate Agreement shall contain provisions customary to trust agreements utilized in comparable circumstances, including, but not limited to, any and all provisions necessary to ensure the continued treatment of the Post Confirmation Estate as a grantor trust and the Holders of Allowed Claims as the grantors and owners thereof for federal income tax purposes. All parties (including the Debtors, the Plan Administrator and holders of Allowed Claims) shall execute any documents or other instruments as necessary to cause title to the applicable assets to be transferred to the Post Confirmation Estate.

Section I. Investment Powers: The right and power of the Plan Administrator to invest Assets transferred to the Post Confirmation Estate, the proceeds thereof, or any income earned by the Post Confirmation Estate, shall be limited to the right and power to invest such Assets (pending distributions in accordance with the Plan) in demand and time deposits, such as short-term certificates of deposit, in banks or other savings institutions, or other temporary liquid investments, such as Treasury bills; provided, however, that the scope of any such permissible investments shall always include only those investments that a liquidating trust, within the meaning of Treasury Regulation Section 301.7701-4(d) may be permitted to hold, pursuant to the Treasury Regulations, or any modification in the IRS guidelines, whether set forth in IRS rulings, other IRS pronouncements or otherwise, and (ii) the Plan Administrator may expend the assets of the Post Confirmation Estate (a) as reasonably necessary to meet contingent liabilities and to maintain the value of the Post-Confirmation Estate Assets during liquidation, (b) to pay any and all administrative expenses (including, but not limited to, any taxes imposed on the Post

Confirmation Estate or fees, costs and expenses in connection with litigation), and (c) to satisfy other liabilities incurred or assumed by the Post Confirmation Estate (or to which the Post-Confirmation Estate Assets are otherwise subject) in accordance with the Plan or the Post Confirmation Estate Agreement.

Section J. Tax Reporting Duties:

1. Subject to definitive guidance from the IRS or a court of competent jurisdiction to the contrary (including the receipt by the Plan Administrator of a private letter ruling if the Plan Administrator so requests one, or the receipt of an adverse determination by the IRS upon audit if not contested by the Plan Administrator), the Plan Administrator shall file returns for the Post Confirmation Estate as a grantor trust pursuant to Treasury Regulation Section 1.671-4(a).

2. Allocations of Post Confirmation Estate taxable income shall be determined by reference to the manner in which an amount of Cash equal to such taxable income would be distributed (without regard to any restrictions on distributions described herein), if immediately prior to such deemed distribution, the Post Confirmation Estate had distributed all of its other Assets (valued for this purpose at their tax book value) to the beneficiaries of the Post Confirmation Estate (treating any holder of a Disputed Claim, for this purpose, as a current beneficiary of the Post Confirmation Estate entitled to distributions), taking into account all prior and concurrent distributions from the Post Confirmation Estate (including all distributions held in reserve pending the resolution of Disputed Claims). The tax book values of the Post Confirmation Estate Assets shall equal their fair market value on the Effective Date or, if later, the date such assets were acquired by the Post Confirmation Estate, adjusted in either case in accordance with tax accounting principles prescribed by the IRC, the regulations promulgated thereunder and other applicable administrative and judicial authorities and pronouncements. Beneficiaries of the Post Confirmation Estate who are allocated any such taxable income shall be responsible for the payment of any federal income taxes due on such amounts.

3. Taxable loss of the Post Confirmation Estate will be allocated by reference to the manner in which an economic loss would be borne immediately after a liquidating distribution of the remaining Post Confirmation Estate Assets.

Section K. Termination of Post Confirmation Estate: The Post Confirmation Estate will terminate no later than the fifth (5th) anniversary of the Effective Date; provided, however, that, on or prior to the date six (6) months prior to such termination, the Bankruptcy Court, upon motion by a party in interest, may extend the term of the Post Confirmation Estate for a finite period, if such extension is necessary for the liquidation of the Post Confirmation Estate Assets. Notwithstanding the foregoing, multiple extensions can be obtained so long as Bankruptcy Court approval is obtained at least six (6) months prior to the expiration of each extended term; provided, however, that the Plan Administrator receives an opinion of counsel or a favorable ruling from the IRS that any further extension would not adversely affect the status of the Post Confirmation Estate as a grantor trust for federal income tax purposes.



Section L. Termination of Plan Administrator: The duties, responsibilities and powers of the Plan Administrator shall terminate in accordance with the terms of the Post Confirmation Estate Agreement.

Section M. Exculpation; Indemnification: From and after the Effective Date, the Plan Administrator, the POC and its members (solely in their capacity as such), the Post Confirmation Estate, and each of their employees, professionals, and representatives shall be and hereby are exculpated by all Persons and Entities, including, without limitation, Holders of Claims and other parties in interest, from any and all Claims, causes of action and other assertions of liability arising out of the discharge of the powers and duties conferred upon said parties pursuant to the Plan or any Order of the Bankruptcy Court entered pursuant to or in furtherance of the Plan, or applicable law, or otherwise, except only for actions or omissions to act from and after the Effective Date to the extent determined by a Final Order to be solely due to their own respective gross negligence or willful misconduct. No Holder of a Claim or other party in interest will have or pursue any Claim or cause of action against the Plan Administrator, the POC, the Post Confirmation Estate or their employees, professionals, or representatives for making payments in accordance with the Plan or for implementing the provisions of the Plan. Any act or omission taken with the approval of the Bankruptcy Court or the POC will be conclusively deemed not to constitute gross negligence or willful misconduct. The Post Confirmation Estate shall indemnify, defend and hold harmless the Plan Administrator, the POC and its members (solely in their capacity as such), and each of their (and the Post Confirmation Estate's) employees, professionals and representatives from and against any and all claims, causes of action, liabilities, losses, damages and expenses (including attorneys' fees and expenses), other than to the extent determined by a Final Order of a court of competent jurisdiction to be solely due to their own respective gross negligence or willful misconduct, to the fullest extent permitted by applicable law. The Plan Administrator shall not be deemed a successor of the Debtors. The Plan Administrator and the Post Confirmation Estate shall be authorized to obtain (by using Cash in the Post Confirmation Estate) insurance coverage with respect to the responsibilities, liabilities and obligations of the Plan Administrator, the Post Confirmation Estate, and those Entities hired by the Plan Administrator and the Post Confirmation Estate to discharge such responsibilities, liabilities and obligations. The exculpation provisions of this ARTICLE VIII Section M shall apply with equal force to the members of the OCUC, the OCUC Designees (in such capacity on the POC), their professionals, and the Administrative Designees (solely in their capacity as members of the POC).

Section N. Israeli Liquidation Proceedings:

1. On the Effective Date, with respect to the Israeli Liquidation Proceedings, all Creditors (other than the United States) shall be deemed: to have irrevocably assigned and transferred to the Plan Administrator, on behalf of the Post Confirmation Estate, any and all net proceeds or distributions (in the form of dividends or otherwise) on account of any Claims they may have against the Debtors or the Israeli Assets in the Israeli Liquidation Proceedings; to have irrevocably appointed the Plan Administrator as their exclusive representative in the Israeli Liquidation Proceedings; and to have irrevocably and exclusively authorized the Plan Administrator to act on their behalf and in their stead and to appear in their name and stead in all aspects of the Israeli Liquidation Proceedings.

2. On the Effective Date, all such Creditors (other than the United States) shall further be deemed to have irrevocably and exclusively authorized the Plan Administrator, at his sole and complete discretion, among other things: (i) to sign and file any proof of debt or similar claim against the Debtors or the Israeli Assets in the Israeli Liquidation Proceedings on behalf of all such Creditors, including any affidavit, proof or other documents related thereto; (ii) to institute, litigate (including by way of arbitration), prosecute, abandon, settle or compromise any such claims in the Israeli Liquidation Proceedings; (iii) to collect and hold any proceeds or distributions (in the form of dividends or otherwise) to which such Creditors may be entitled in the Israeli Liquidation Proceedings; (iv) to participate in creditors' meetings on behalf of all such Creditors, to vote on such Creditors' behalf in such meetings, and to appear in the Israeli Liquidation Proceedings or before any other court in the State of Israel in connection with the Israeli Assets and the Israeli Liquidation Proceedings (including without limitation any hearing regarding the appointment of any manager, administrator, or liquidator, or any hearing to approve a compromise arrangement or scheme of arrangement relating to the Israeli Liquidation Proceedings); (v) to appear, on behalf of all such Creditors, before any liquidator in the Israeli Liquidation Proceedings, before the Israeli Official Receiver, or before any court or tribunal in the State of Israel, including any appellate court, concerning the Israeli Liquidation Proceedings and the Israeli Assets; (vi) to file and sign all claims, demands, defenses, replies, notices, receipts, statements and other documents (including motions, appeals and other court documents) on behalf of all such Creditors against the Debtors or the Israeli Assets in connection with the Israeli Liquidation Proceedings; (vii) to appoint any representative or attorney to attend and/or represent all such Creditors at any creditors' meetings or court proceedings in connection with the foregoing; and (ix) to expend any funds (including payments of expenses, legal fees and court fees) necessary to represent the Plan Administrator's interests in connection with the Israeli Liquidation Proceedings.

3. The Plan Administrator further shall be deemed to have been authorized by such Creditors (other than the United States) to take any such acts in the Israeli Liquidation Proceedings under such power(s) of attorney, at his or her exclusive authority and discretion, for the benefit of the Post Confirmation Estate, without the consent or approval of any Creditor or Entity, and without any further order of court (except as may otherwise be provided in the Post Confirmation Estate Agreement). The Plan Administrator shall distribute any and all net proceeds or distributions (in the form of dividends or otherwise), on account of any claims of such Creditors against the Debtors or the Israeli Assets in the Israeli Liquidation Proceedings, to Holders of Allowed Claims entitled to distributions under the Plan as set forth in the Plan (other than the United States).

4. All Creditors (other than the United States) shall be obligated to cooperate with the Plan Administrator in his or her efforts to prosecute the Claims of such Creditors in the Israeli Liquidation Proceedings, including without limitation the obligation to provide to the Plan Administrator all required information, sign all necessary proofs of debt, powers of attorney, or other documents, and perform any such other acts as the Plan Administrator shall deem necessary to prosecute such Claims. Further, except as otherwise expressly provided in the Plan, all Creditors (other than the United States) and other Entities are permanently enjoined, from and after the Effective Date, from: prosecuting any claims against the Debtors or the Israeli Assets in the Israeli Liquidating Proceedings; commencing or continuing any other proceeding in the State of Israel with respect to the Israeli Assets; enforcing, attaching, collecting or recovering by any

manner or means any judgment, award, decree or order against Debtors or the Israeli Assets in the Israeli Liquidation Proceedings; creating, perfecting, or enforcing any encumbrance of any kind against the Israeli Assets; and asserting any defense or right of setoff, subrogation or recoupment of any kind against any obligation due to any liquidator appointed in the Israeli Liquidation Proceedings.

5. Any Creditor who has held, holds, or may hold Claims against the Debtors or the Israeli Assets in the Israeli Liquidation Proceedings may retain the right to prosecute such Claims and receive all net proceeds or distributions (in the form of dividends or otherwise), on account of such Claims in the Israeli Liquidation Proceedings, by providing written notice of such election so as to be received by the Information Agent and the Debtors on or before the Voting Deadline; provided, however, that by making such election, such Creditor (other than the United States) shall be deemed to have fully, finally, and forever waived and released such Creditor's right (to the extent that such right existed) to receive any distribution on account of such Claim under the Plan, from the Post Confirmation Estate, or from the PPPF Trust.

Section O. The PPPF Trust: The Plan provides that the Plan Administrator shall fulfill and comply with the terms of the PPPF Trust and shall take all steps necessary to administer the PPPF Trust Agreement.

#### **ARTICLE IX. PROVISIONS FOR TREATMENT OF DISPUTED CLAIMS UNDER THE PLAN**

##### **Section A. Objections to Claims; Prosecution of Disputed Claims:**

1. After the Effective Date, the Plan Administrator shall object (and shall take over, and continue prosecuting, any outstanding objections by the Debtors and the OCUC) to the allowance of Claims or Interests filed with the Bankruptcy Court with respect to which they dispute liability or allowance in whole or in part. All objections shall be litigated to Final Order; provided, however, that the Plan Administrator (within such parameters as may be established by the Post-Confirmation Estate Agreement) shall have the authority and sole discretion to file, settle, compromise or withdraw any objections to Claims, without approval of the Bankruptcy Court.

2. There shall be no deadline to object to or investigate and review Claims, and any objections to Claims and settlement thereof shall be dealt with as the Plan Administrator, in his sole discretion, deems to be appropriate, subject to the Post Confirmation Estate Agreement. Further, the Plan Administrator shall have the sole and complete discretion to decide not to review and/or object to proofs of Claim below a certain dollar amount because such review and/or objection would not be economically practical.

3. Unless otherwise provided by the Plan or the Post Confirmation Estate Agreement, no court approval shall be required in order for the Plan Administrator to settle and/or compromise any Claim, objection to Claim, cause of action, or right to payment of or against the Post Confirmation Estate.

Section B. Estimation of Claims: The Debtors or the Plan Administrator may at any time request that the Bankruptcy Court estimate any contingent or Disputed Claim pursuant to Section 502(c) of the Bankruptcy Code regardless of whether the Debtors or the Plan Administrator previously have objected to such Claim or whether the Bankruptcy Court has ruled on any such objection, and the Bankruptcy Court will retain jurisdiction to estimate any Claim at any time during litigation concerning any objection to any Claim, including, without limitation, during the pendency of any appeal relating to any such objection. Subject to the provisions of Section 502(j) of the Bankruptcy Code, in the event that the Bankruptcy Court estimates any contingent or Disputed Claim, the amount so estimated shall constitute the maximum allowed amount of such Claim. If the estimated amount constitutes a maximum limitation on the amount of such Claim, the Debtors or the Post-Confirmation Estate may pursue supplementary proceedings to object to the allowance of such Claim. All of the aforementioned objection, estimation and resolution procedures are intended to be cumulative and not necessarily exclusive of one another. Claims may be estimated and subsequently compromised, settled, withdrawn or resolved by any mechanism approved by the Bankruptcy Court.

Section C. Payments and Distributions on Disputed Claims: No interest shall be paid on Disputed Claims that later become Allowed Claims or with respect to any distribution to such Holder. No distribution shall be made with respect to all or any portion of any Claim, a portion of which or all of which is a Disputed Claim pending the entire resolution thereof in the manner prescribed in Article VI of the Plan; provided, however, that with respect to any separately-filed Claim of the United States, as each such Disputed Claim becomes an Allowed Claim in its entirety, such Allowed Claim shall be paid in accordance with the provisions of the Plan, notwithstanding the fact that other Disputed Claims of the United States have not yet been Allowed.

Section D. Disputed Claims Reserve: The Post Confirmation Estate shall maintain, in accordance with the Post Confirmation Estate's powers and responsibilities as described herein and in the Post Confirmation Estate Agreement, a reserve of any distributable amounts required to be set aside on account of Disputed Claims. Such amounts shall be distributed, as provided herein, as such Disputed Claims are resolved by settlement or Final Order, and shall be distributable on account of such Disputed Claims as such amounts would have been distributable had the Disputed Claims been Allowed Claims as of the Effective Date.

Section E. Disallowance of Claims: All Claims held by Entities against whom the Debtors have or have asserted a cause of action under Sections 542, 543, 550, 551 or 552 of the Bankruptcy Code, or that is a transferee of a transfer avoidable under Sections 544, 545, 547, 548, 549 or 553 of the Bankruptcy Code, shall be deemed disallowed pursuant to Section 502(d) of the Bankruptcy Code, and Holders of such Claims may not vote to accept or reject the Plan, both consequences to be in effect until such time as such causes of action against that Entity have been settled or a Final Order entered and all sums due the Debtors by that Entity are turned over to the Debtors or the Post Confirmation Estate. Any and all Claims filed with the Bankruptcy Court after the relevant Bar Date (i.e., the Administrative Expense and Priority Claim Bar Date, the Foreign Administrative Expense Bar Date, or the General Claims Bar Date, as the case may be) shall be disallowed, and Holders of such Claims may not vote to accept or reject the Plan.

**ARTICLE X.**  
**PROVISIONS REGARDING DISTRIBUTIONS**

Section A. Manner of Payment under the Plan: Any payment in Cash to be made under the Plan shall be made at the election of the Plan Administrator by check drawn on a domestic bank or by wire transfer from a domestic bank.

Section B. Delivery of Distributions: Subject to the provisions of Rule 2002(g) of the Bankruptcy Rules, and except as otherwise provided herein, distributions and deliveries to Holders of Allowed Claims shall be made at the address of each such Holder as set forth on the Schedules filed with the Bankruptcy Court, unless superseded by the address set forth on the proof(s) of claim filed by such holders, or at the last known address of such a Holder if no proof of claim has been filed or if the Debtors has been notified in writing of a change of address.

Section C. Undeliverable Distributions:

1. Holding of Undeliverable Distributions: If any distribution to any Holder is returned to the Plan Administrator as undeliverable, no further distributions shall be made to such Holder unless and until the Plan Administrator is notified, in writing, of such Holder's then-current address. Undeliverable distributions shall remain in the possession of the Plan Administrator until such time as a distribution becomes deliverable. All Entities ultimately receiving undeliverable Cash shall not be entitled to any interest or other accruals of any kind. Nothing contained in the Plan shall require the Plan Administrator to attempt to locate any Holder of an Allowed Claim or an Allowed Interest.

2. Failure to Claim Undeliverable Distributions: After the first (1st) anniversary of the Effective Date, the Plan Administrator shall file a list with the Bankruptcy Court setting forth the names of those Entities, if any, for which distributions have been made hereunder that have been returned as undeliverable as of the date thereof. The Plan Administrator may file such additional lists with the Bankruptcy Court as often as reasonable in the Bankruptcy Court's sole discretion. Any Holder of an Allowed Claim that does not assert its rights pursuant to the Plan to receive a distribution within six (6) months from and after the date such list is filed with the Bankruptcy Court shall have its Claim for such undeliverable distribution discharged and shall be forever barred from asserting any such Claim against the Post Confirmation Estate, the Plan Administrator or the Post-Confirmation Estate Assets. In such case, any consideration held for distribution on account of such Claim or Interest shall revert to the Post Confirmation Estate for distribution to the beneficiaries of the Post-Confirmation Estate in accordance with the terms of the Plan.

3. Abandoned Property Law: The provisions of the Plan regarding undeliverable distributions will apply with equal force to distributions made pursuant to any Indenture (including without limitation the Unsecured Notes but excluding the Backpay Notes Indenture), notwithstanding any provision in such indenture to the contrary and notwithstanding any otherwise applicable escheat, abandoned, or unclaimed property law. Notwithstanding any provision in the Backpay Notes Indenture to the contrary, any payments required to be made to Trans World Airlines, Inc. pursuant to and in accordance with the second sentence of Section

8.03 of the Backpay Notes Indenture, shall be paid directly to the Plan Administrator, on behalf of the Post Confirmation Estate, notwithstanding any requirement, mandatory or otherwise, under any applicable escheat or abandoned or unclaimed property law.

Section D. Compliance with Tax Requirements/Allocation: To the extent applicable, the Post-Confirmation Estate shall comply with all tax withholding and reporting requirements imposed on it by any Governmental Unit, and all distributions pursuant to the Plan shall be subject to such withholding and reporting requirements. For tax purposes, distributions received in respect of Allowed Claims will be allocated first to the principal amount of such Claims, with any excess allocated to unpaid accrued interest.

Section E. Time Bar to Cash Payments: Checks issued by the Plan Administrator on account of Allowed Claims shall be null and void if not negotiated within ninety (90) days from and after the date of issuance thereof. Requests for reissuance of any check shall be made directly to the Plan Administrator by the Holder of the Allowed Claim with respect to which such check originally was issued. Any claim relating to such voided check shall be made on or before the later of: (i) the first (1st) anniversary of the Effective Date; or (ii) one hundred and eighty (180) days after the date of issuance of such check. After such date, all claims relating to such voided checks shall be discharged and forever barred, and the Post Confirmation Estate shall retain all moneys related thereto for distribution to the beneficiaries of the Post Confirmation Estate in accordance with the terms of the Plan.

Section F. Distributions after Effective Date: Distributions made after the Effective Date to Holders of Claims that are not Allowed Claims as of the Effective Date, but which later become Allowed Claims, shall be deemed to have been made on the Effective Date.

Section G. Fractional Dollars; De Minimis Distributions: Notwithstanding anything contained herein to the contrary, payments of fractions of dollars will not be made. Whenever any payment of a fraction of a dollar under the Plan would otherwise be called for, the actual payment made will reflect a rounding of such fraction to the nearest dollar (up or down), with half dollars being rounded down. The Plan Administrator will not make any payment of less than One Hundred Dollars (\$100) on account of any Allowed Claim, unless a specific request therefor is made in writing to the Plan Administrator on or before ninety (90) days after the Effective Date.

Section H. Set-Offs: The Plan Administrator may, pursuant to Section 553 of the Bankruptcy Code or applicable nonbankruptcy law, set off against any Allowed Claim, except an Allowed Claim filed by American, and the distributions to be made pursuant to the Plan on account thereof (before any distribution is made on account of such Claim), the claims, rights and causes of action of any nature that the Debtors, their estates, or the Post Confirmation Estate may hold against the Holder of such Allowed Claim; provided, however, that neither the failure to effect such a set-off nor the allowance of any Claim hereunder shall constitute a waiver or release by the Debtors, their estates, or the Post Confirmation Estate of any such claims, rights and causes of action that the Debtors, their estates, or the Post Confirmation Estate may possess against such Holder. Notwithstanding the foregoing, the Plan Administrator may, pursuant to Section 553 of the Bankruptcy Code or applicable nonbankruptcy law, set off against any Allowed Claim of American and the distributions to be made pursuant to the Plan on account

thereof (before any distribution is made on account of such Claim), the amounts, of any nature, then due and owing to the Debtors, their estates, or the Post Confirmation Estate from American; provided, however, that neither the failure to effect such a set-off nor the allowance of any Claim hereunder shall constitute a waiver or release by the Debtors, their estates, or the Post Confirmation Estate of any such amounts then due and owing to the Debtors, their estates, or the Post Confirmation Estate from American.

Section I. Subordination Rights: Except as otherwise ordered by the Bankruptcy Court, on the Effective Date, each Holder of a Claim shall be deemed to have waived all contractual, legal and equitable subordination rights which they may have, whether arising under general principles of equitable subordination, Section 510(c) of the Bankruptcy Code or otherwise, with respect to any and all distributions to be made under the Plan, and all such contractual, legal or equitable subordination rights that each Holder of a Claim has individually and collectively with respect to any such distribution made pursuant to this Plan shall be discharged and terminated, and all actions related to the enforcement of such subordination rights will be permanently enjoined. Only if so otherwise ordered, then all subordination rights and claims determined by such order related to subordination shall remain valid, enforceable and unimpaired in accordance with Section 510 of the Bankruptcy Code or otherwise.

Section J. Settlement of Claims and Controversies: Pursuant to Bankruptcy Rule 9019 and in consideration for the distributions and other benefits provided under the Plan, the provisions of this Plan shall constitute a good faith compromise of all claims or controversies relating to the contractual, legal and subordination rights that a Holder of a Claim may have with respect to any Allowed Claim with respect thereto, or any distribution to be made on account of such an Allowed Claim. The entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of the compromise or settlement of all such claims or controversies, and the Bankruptcy Court's finding that such compromise or settlement is in the best interests of the Debtors, their estates and Holders of Claims and is fair, equitable and reasonable.

## **ARTICLE XI. EXECUTORY CONTRACTS AND UNEXPIRED LEASES**

Section A. Rejection of Executory Contracts and Unexpired Leases: Any executory contracts or unexpired leases which have not expired by their own terms on or prior to the Effective Date, which have not been assumed, assumed and assigned, or rejected with the approval of the Bankruptcy Court, or which the Debtors have obtained the authority to reject but have not rejected as of the Effective Date, or which are not the subject of a motion to assume the same pending as of the Effective Date, shall be deemed rejected by the Debtors in Possession on the Effective Date, and the entry of the Confirmation Order by the Bankruptcy Court shall constitute approval of such rejections pursuant to Sections 365(a) and 1123 of the Bankruptcy Code; provided, however, that those unexpired leases that are the subject of the Section 365(d)(4) Extension Order that have not been rejected shall be deemed rejected as of the date specified in such Order.

Section B. Rejection Damage Claims: If the rejection of an executory contract or unexpired lease by the Debtors results in damages to the other party or parties to such contract

or lease, then any claim for such damages, if not heretofore evidenced by a filed proof of claim, shall be forever barred and shall not be enforceable against the Debtors, or its properties or agents, successors, or assigns, unless a proof of claim is filed with the Bankruptcy Court and served upon counsel for the Debtors on or before thirty (30) days after the latest to occur of: (i) the Confirmation Date; (ii) the date of entry of an order by the Bankruptcy Court authorizing rejection of a particular executory contract or unexpired lease; and (iii) the date upon which a particular executory contract or unexpired lease is rejected (or a notice of rejection is served pursuant to the Executory Contract Order).

Section C. Incorporation of Executory Contract Order. Notwithstanding anything in the Executory Contract Order to the contrary, any Claim by a counterparty to an executory contract or unexpired lease assumed and assigned pursuant to the Executory Contract Order, on account of an alleged default under such contract or lease that allegedly had to be cured as of the time of such assumption and assignment pursuant to 11 U.S.C. § 365(b)(1), shall be disallowed in its entirety unless such Claim, at a minimum, was (i) listed as an amount claimed by such counterparty in the Executory Contract Order (or included in an amendment to such Order) or acknowledged by the Debtors in writing subsequent to the entry of such Order, or (ii) the subject of a proof of Administrative Expense Claim timely filed prior to the Administrative Expense Claim Bar Date. Except as otherwise provided herein, the Executory Contract Order is hereby incorporated by reference as if the relevant provisions thereof were set forth herein.

Section D. Indemnification and Reimbursement Obligations: Subject to ARTICLE VII Section F above, the obligations of the Debtors and the Post Confirmation Estate, if any, (i) to its directors and officers, to the extent that such obligations are covered by director and officer policies, and (ii) to maintain director and officer coverage for the benefit of its pre-Effective Date directors and officers, to the extent that such coverage was in place on the Effective Date, shall be deemed assumed by the Post-Confirmation Estate on the Effective Date without any further action by any Entity.

Section E. Employee Stock Option Plans: All of the Debtors' employee stock option plans shall be deemed terminated and containing no assets as of the Effective Date.

## ARTICLE XII. COLLECTIVE BARGAINING AGREEMENTS AND RETIREE MEDICAL BENEFITS

Section A. Collective Bargaining Agreements: Any and all of the Debtors' collective bargaining agreements shall be deemed rejected by the Debtors on the Effective Date, and entry of the Confirmation Order by the Bankruptcy Court shall constitute approval of such rejections pursuant to Sections 365, 1113 and 1123 of the Bankruptcy Code. Notwithstanding anything to the contrary herein, all Claims arising under any of the Debtors' collective bargaining agreements, to the extent such Claims are Allowed, shall be deemed to be Allowed Other Unsecured Claims and shall be treated accordingly under the Plan, except to the extent the Claim is (i) the Claim of the Air Line Pilots Association, International ("ALPA") as may be approved, if at all, in an order disposing of the Joint Motion of the Debtors, the Air Line Pilots Association, International, and the International Association of Machinists and Aerospace



Workers, AFL-CIO for Approval of Settlements Relating to Disputes Arising under Stipulations Modifying Certain Collective Bargaining Agreements Dated April 6, 2001, or (ii) for amounts described in paragraph 4.A. through 4.J. of the proof of claim filed by ALPA docketed as Claim Number 05821 (with Claim Number 06011 to be expunged as duplicative of Claim Number 05821) to the extent such Claims of ALPA are deemed Allowed with priority other than that of Other General Unsecured Claims.

Section B. Retiree Medical Benefits: Any and all Retiree Benefits, if any, other than those Retiree Benefits assumed by American pursuant to of the Retiree Benefits Order, that are required to be paid by the Debtors (regardless of whether such Benefits have in fact been paid), shall be deemed terminated by the Debtors on the Effective Date, and entry of the Confirmation Order by the Bankruptcy Court shall constitute, pursuant to Sections 1114(e), 1123, and 1129 of the Bankruptcy Code: (i) the agreement of the Retiree Committee to such termination; and (ii) the Bankruptcy Court's approval of such termination.

### **ARTICLE XIII. STATUTORY AND UNOFFICIAL COMMITTEES**

Section A. The OCUC: From the Confirmation Date up to and including the Effective Date, the members of the OCUC appointed pursuant to Section 1102 of the Bankruptcy Code, and their duly appointed successors, shall continue to serve. On the Effective Date, the OCUC shall be dissolved and the members thereof and the professionals retained by the OCUC in accordance with Section 1103 of the Bankruptcy Code shall be released and discharged from their respective fiduciary obligations. The dissolution of the OCUC shall not impair the ability of its members to serve on the POC which members shall be appointed to the POC on the terms and conditions contained in the Post Confirmation Estate Agreement.

Section B. The Retiree Committee: After the Confirmation Date, and subject to the terms set forth in this ARTICLE XIII. Section B, the members of the Retiree Committee appointed pursuant to the Retiree Benefits Order shall continue to serve, and the Retiree Committee shall remain in existence and shall continue to be represented by the Retiree Committee's professionals retained as of the Confirmation Date whose retention has been approved by the Bankruptcy Court (the "Retiree Committee's Professionals"). If the Retiree Committee has not commenced a challenge, by the initiation of a contested matter or adversary proceeding, to American's calculation and/or allocation of the assumed liability for non-pension retirement benefits pursuant to Schedule 3.1(c)(1) of the Asset Purchase Agreement (a "Retiree Challenge") on or before the Effective Date, then the Retiree Committee shall be dissolved as of the Effective Date, and the members thereof and the Retiree Committee's Professionals shall be released and discharged from their respective fiduciary obligations. If the Retiree Committee has commenced a Retiree Challenge on or before the Effective Date, then after the Effective Date, the Retiree Committee shall remain in existence as a statutory committee pursuant to Section 1114 of the Bankruptcy Code (and the Retiree Committee's Professionals shall continue to represent it) solely for the purpose of: (a) the adjudication by the Bankruptcy Court of the Retiree Challenge; (b) if such adjudication is in favor of the Retiree Committee, defending such adjudication on appeal, if any; (c) efforts to achieve a settlement of the Retiree Challenge (and any necessary oversight of the implementation of such settlement as set forth in such settlement to which the POC has consented) prior to the entry of a final order not subject to appeal,

reconsideration, modification, or amendment with respect thereto; (d) any necessary oversight of American's implementation of any Bankruptcy Court order resolving the Retiree Challenge in favor of the Retiree Committee, if any; and (e) the Retiree Committee's withdrawal of the Retiree Challenge. Except as otherwise set forth in this Paragraph, upon entry of a final order not subject to appeal, reconsideration, modification, or amendment adjudicating the Retiree Challenge, the Retiree Committee shall be discharged without the necessity of further action, notice, motion, or hearing. If the Retiree Committee has commenced a Retiree Challenge on or before the Effective Date, then after the Effective Date, the Plan Administrator shall pay the Retiree Committee's Professionals their monthly fees and expenses from the Professional Fee Escrow Fund in the same manner as the other professionals retained by the Post Confirmation Estate, the POC, or the Plan Administrator, as the case may be; provided, however, that such fees and expenses shall be subject to a reasonable bi-monthly budget and fee cap approved by a majority of the POC (with American's Designee recusing himself or herself from any such determination) and the Retiree Committee.

Section C. The Ad Hoc Committee: On the Effective Date, the Ad Hoc Committee shall be dissolved and the members thereof and the professionals retained by the Ad Hoc Committee shall be released and discharged from their respective fiduciary obligations.

#### **ARTICLE XIV. CONDITIONS PRECEDENT TO CONFIRMATION AND EFFECTIVE DATE OF THE PLAN**

Section A. Conditions Precedent to Confirmation Date of the Plan: The occurrence of the Confirmation Date shall be subject to satisfaction of the following conditions precedent:

1. The entry of the Confirmation Order in form and substance satisfactory to the Debtors.
2. The Holders of all Administrative and Priority Claims have consented to or have been deemed to consent to the treatment set forth in Article IV of the Plan, including without limitation, their potential receipt of less than the full amount to which they would otherwise be entitled under the Bankruptcy Code.

Class 4A or 4B shall have voted to accept the Plan.

Section B. Conditions Precedent to Effective Date of the Plan: The occurrence of the Effective Date and the substantial consummation of the Plan are subject to satisfaction of the following conditions precedent:

1. Confirmation Order: The Confirmation Order as entered by the Bankruptcy Court shall be in full force and effect and shall not be subject to appeal, reconsideration, modification, or stay, or a motion, pleading, or other filing seeking an appeal, reconsideration, modification, or stay.

2. Execution of Documents; Other Actions: All other actions and documents necessary to implement the Plan shall have been effected or executed, including the Post Confirmation Estate Agreement.

3. Ability to Meet Projected Cash Needs: The Post Confirmation Estate shall have sufficient Cash to permit payment of all of its and the Plan Administrator's projected fees, expenses and wind down costs.

Section C. Waiver of Conditions Precedent: To the extent legally permissible, each of the conditions precedent in this ARTICLE XIV may be waived, in whole or in part, by the Debtors in their sole discretion. Any such waiver of a condition precedent may be effected at any time, without notice or leave or order of the Bankruptcy Court and without any formal action other than proceeding as if such condition did not exist.

## **ARTICLE XV. MISCELLANEOUS PROVISIONS**

Section A. Title to Assets: Except as otherwise provided by the Plan, on the Effective Date, title to all assets and properties encompassed by the Plan shall vest in the Post Confirmation Estate in accordance with Section 1141 of the Bankruptcy Code.

Section B. Injunction:

1. Except as otherwise expressly provided in the Plan, all Entities who have held, hold or may hold Claims or Interests are permanently enjoined, from and after the Effective Date, from: (i) commencing or continuing in any manner any action or other proceeding of any kind on account of any such Claim or Interest against the Exculpation Parties; (ii) enforcing, attaching, collecting or recovering by any manner or means any judgment, award, decree or order against the Exculpation Parties; (iii) creating, perfecting, or enforcing any encumbrance of any kind against the Exculpation Parties or against the property or interests in property of the Exculpation Parties; and (iv) asserting any defense or right of setoff, subrogation or recoupment of any kind against any obligation due from the Exculpation Parties or against the property or interests in property of the Exculpation Parties with respect to any such Claim or Interest. Notwithstanding any other provisions in the Plan, this injunction shall not preclude any cause of action against any Entities not included within the above-described injunction (including, without limitation, any Director and Officer Action) or the exercise of police or regulatory powers by governmental regulatory units. For the sake of clarity, any exculpation of American as a member of the POC contained in the Plan shall be an exculpation of American solely in its capacity as a member of the POC upon and after the Effective Date.

2. Except as provided in the Plan, as of the Effective Date, all non-Debtor Entities are permanently enjoined from commencing or continuing in any manner, any action or proceeding, whether directly, derivatively, on account of, or respecting any Claim, debt, right or cause of action of the Exculpation Parties, which the Exculpation Parties, as the case may be, retain sole and exclusive authority to pursue in accordance with the Plan or which has been released pursuant to the Plan.

Section C. Term of Existing Injunctions or Stays: Unless otherwise provided, all injunctions or stays provided for in the Chapter 11 Cases pursuant to Sections 105, 362 or 525 of the Bankruptcy Code, or otherwise, and in existence on the Confirmation Date, shall remain in full force and effect until the Effective Date.

Section D. Exculpation: The Exculpation Parties shall neither have nor incur any liability to any Entity for any act taken or omitted to be taken in connection with or related to the formulation, preparation, dissemination, implementation, administration, confirmation or consummation of the Plan, the Disclosure Statement or any contract, instrument, release or other agreement or document created or entered into in connection with the Plan, including the Post Confirmation Estate Agreement, or any other act taken or omitted to be taken in connection with the Chapter 11 Cases (other than to the extent determined by a Final Order of a court of competent jurisdiction to be due to their own respective gross negligence or willful misconduct); provided, however, that the exculpation contained herein shall not apply, if at all, to any Director or Officer Action or to the exercise of police or regulatory powers by governmental regulatory units. For the sake of clarity, any exculpation of American as a member of the POC contained in the Plan shall be an exculpation of American solely in its capacity as a member of the POC upon and after the Effective Date.

Section E. Payment of Statutory Fees: All fees payable pursuant to 28 U.S.C. § 1930, as determined by the Bankruptcy Court at the Confirmation Hearing, shall be paid on and after the Effective Date from the Post-Confirmation Estate to the extent required by applicable law.

Section F. Post-Effective Date Fees and Expenses: From and after the Effective Date, the Post Confirmation Estate shall, in the ordinary course of business and without the necessity for any approval by the Bankruptcy Court, pay the reasonable professional fees and expenses incurred by the Post Confirmation Estate related to implementation and consummation of the Plan.

Section G. Section 1146 Exception: Pursuant to Section 1146(c) of the Bankruptcy Code, the issuance, transfer or exchange of any security under the Plan, or the making or delivery of an instrument of transfer under or in contemplation of the Plan, the American Sale Transaction, any Other Sale Transaction, or any other transaction, may not be taxed under any law imposing a stamp tax or similar tax.

Section H. Severability: The provisions of this Plan shall not be severable unless such severance is agreed to by the Debtors and such severance would constitute a permissible modification of the Plan pursuant to Section 1127 of the Bankruptcy Code.

Section I. Conflicts: Except as set forth below, to the extent that any provision of the Disclosure Statement, the Post Confirmation Estate Agreement, the DIP Financing Order, or the Confirmation Order (or any exhibits, schedules, appendices, supplements or amendments to the foregoing) or any other order referenced in the Plan, conflict with or are in any way inconsistent with the terms of the Plan, the Plan shall govern and control.

Section J. Governing Law: Except to the extent that the Bankruptcy Code or other federal law is applicable, or to the extent that an exhibit hereto or document contained in the Exhibit Book provides otherwise, the rights, duties and obligations arising under this Plan shall be governed by, and construed and enforced in accordance with, the Bankruptcy Code and, to the extent not inconsistent therewith, the laws of the State of Delaware without giving effect to principles of conflicts of laws.

Section K. Notices: All notices, requests, and demands to or upon the Debtors, the Plan Administrator, or the OCUC, to be effective, shall be in writing, including by facsimile transmission, and, unless otherwise expressly provided herein, shall be deemed to have been duly given or made when actually delivered to all of the following, or in the case of notice by facsimile transmission, when received by all of the following, addressed as follows or to such other addresses as filed with the Bankruptcy Court.

Notice Parties	
<b>To the Debtors:</b>  Trans World Airlines, Inc. c/o Post Confirmation Estate The Flight Operations Training Center 11495 Natural Bridge Road St. Louis, Missouri 63044 Attention: Plan Administrator Telecopier: (314) 895-6646 Telephone: (314) 895-5497	
<b>To the Debtors' Counsel:</b>  Kirkland & Ellis 200 East Randolph Chicago, Illinois 60601 Attention: James H.M. Sprayregen, Esq. Telecopier: (312) 861-2200 Telephone: (312) 861-2000  -and-  Pachulski, Stang, Ziehl, Young & Jones PC 919 North Market Street, 16 <sup>th</sup> Floor Wilmington, Delaware 19801 Attention: Laura Davis Jones, Esq. Telecopier: (302) 652-4200 Telephone: (302) 652-4100	<b>To the OCUC's Counsel:</b>  Blank Rome Comisky & McCauley, LLP One Logan Square Philadelphia, PA 19103-6998 Attention: Thomas H. Biron, Esq. Phone: (215) 569-5500 Fax: (215) 569-5555  Blank Rome Comisky & McCauley, LLP 405 Lexington Avenue New York, NY 10174 Attention: Michael Brownstein, Esq. Phone: (212) 885-5000 Fax: (212) 885-5001  Blank Rome Comisky & McCauley LLP Chase Manhattan Centre, 1201 Market Street, Suite 800 Wilmington, Delaware 19801

Notice Parties	
	Attention: Michael Debaecke, Esq. Phone: (302) 425-6400 Fax: (302) 425-6464

Section L. Closing of Cases: The Plan Administrator shall, promptly upon the full administration of the Chapter 11 Cases, file with the Bankruptcy Court all documents required by Bankruptcy Rule 3022 and any applicable order of the Bankruptcy Court to close the Chapter 11 Cases.

Section M. Section Headings: The section headings contained in this Plan are for reference purposes only and shall not affect in any way the meaning or interpretation of the Plan.

## ARTICLE XVI RETENTION OF JURISDICTION

The Bankruptcy Court shall retain and have exclusive jurisdiction over any matter arising under the Bankruptcy Code, arising in or related to the Chapter 11 Cases or the Plan, or that relates to the following, in each case to the greatest extent permitted by applicable law:

1. to resolve any matters related to the assumption, assumption and assignment or rejection of any executory contract, unexpired lease or collective bargaining agreement to which any of the Debtors is a party or with respect to which the Debtors may be liable, and to hear, determine and, if necessary, liquidate, any Claims arising therefrom, including those matters related to the amendment after the Effective Date of the Plan, to add any executory contracts, unexpired leases or collective bargaining agreements to the list of executory contracts, unexpired leases and collective bargaining agreements to be rejected;

2. to enter such orders as may be necessary or appropriate to implement or consummate the provisions of the Plan and all contracts, instruments, releases, and other agreements or documents created in connection with the Plan;

3. to determine any and all motions, adversary proceedings, applications and contested or litigated matters that may be pending on the Effective Date or that, pursuant to the Plan, may be instituted by the Plan Administrator or the Post Confirmation Estate after the Effective Date; provided, however, that the Plan Administrator and the Post Confirmation Estate shall reserve the right to commence collection actions, actions to recover receivables and other similar actions in all appropriate jurisdictions;

4. to ensure that distributions to Holders of Allowed Claims are accomplished as provided herein;

5. to hear and determine any timely objections to Administrative Expense Claims and Priority Claims or to proofs of Claim and Interests filed, both before and after the Confirmation Date, including any objections to the classification of any Claim or Interest, and to

allow, disallow, determine, liquidate, classify, estimate or establish the priority of or secured or unsecured status of any Claim, in whole or in part;

6. to enter and implement such orders as may be appropriate in the event the Confirmation Order is for any reason stayed, revoked, modified, reversed or vacated;

7. to issue such orders in aid of execution of the Plan, to the extent authorized by Section 1142 of the Bankruptcy Code;

8. to consider any modifications of the Plan, to cure any defect or omission, or reconcile any inconsistency in any order of the Bankruptcy Court, including the Confirmation Order;

9. to hear and determine all applications for awards of compensation for services rendered and reimbursement of expenses incurred prior to the Confirmation Date;

10. to hear and determine disputes arising in connection with or relating to the Plan or the interpretation, implementation, or enforcement of the Plan or the extent of any Entity's obligations incurred in connection with or released or exculpated under the Plan;

11. to issue injunctions, enter and implement other orders or take such other actions as may be necessary or appropriate to restrain interference by any Entity with consummation or enforcement of the Plan;

12. to determine any other matters that may arise in connection with or are related to the Plan, the Disclosure Statement, the Post Confirmation Estate Agreement, the Confirmation Order or any contract, instrument, release or other agreement or document created in connection with the Plan or the Disclosure Statement to be executed in connection with the Plan or the Post Confirmation Estate Agreement;

13. to hear and determine matters concerning state, local and federal taxes in accordance with Sections 346, 505, and 1146 of the Bankruptcy Code;

14. to hear any other matter or for any purpose specified in the Confirmation Order that is not inconsistent with the Bankruptcy Code;

15. to hear and determine any matters that may arise in connection with the Sale Transaction or any order of the Bankruptcy Court with respect thereto; and

16. to enter a final decree closing the Chapter 11 Cases.

#### **ARTICLE XVII.**

#### **MODIFICATION, REVOCATION, OR WITHDRAWAL OF THE PLAN**

Section A. Modification of Plan: The Debtors, with the consent of the OCUC, reserve the right, in accordance with the Bankruptcy Code and the Bankruptcy Rules, to amend or modify the Plan at any time prior to the entry of the Confirmation Order. Upon entry of the Confirmation Order, the Debtors may, upon order of the Bankruptcy Court, amend or modify the

Plan, in accordance with Section 1127(b) of the Bankruptcy Code, or remedy any defect or omission or reconcile any inconsistency in the Plan in such manner as may be necessary to carry out the purpose and intent of the Plan. A Holder of a Claim that has accepted the Plan shall be deemed to have accepted the Plan as modified if the proposed modification does not materially and adversely change the treatment of the Claim of such Holder.

Section B. Revocation or Withdrawal:

1. The Debtors may, after consultation with the OCUC, revoke or withdraw the Plan prior to the Confirmation Date.

2. If the Plan is revoked or withdrawn prior to the Confirmation Date, then the Plan shall be deemed null and void, and the OCUC shall no longer be bound by the Plan or the Term Sheet between the parties. In such event, nothing contained herein shall be deemed to constitute a waiver or release of any claims by the Debtors or any other Entity or to prejudice in any manner the rights of the Debtors or any other Entity in any further proceedings involving the Debtors.

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**ARTICLE XVIII.  
THE EXHIBIT BOOK**

Section A. Contents: The following exhibits to the Plan and the Disclosure Statement are contained in the Exhibit Book:

1. Wells Fargo Settlement Order
2. PPPF Trust Agreement
3. Lockup Agreement (and Term Sheet)
4. List of Retained Bankruptcy Causes of Action
5. Post Confirmation Estate Agreement; and
6. Journal of Post-Petition Disbursements for the Period Ended December 28, 2001.

The Debtors reserve the right to amend and update the exhibits in the Exhibit Book to the extent that those exhibits can be amended in accordance with applicable law or agreement.

Section B. Incorporation: The Plan and the Disclosure Statement incorporate by reference all contents of the Exhibit Book as though fully restated herein or therein.

Dated: St. Louis, Missouri  
February 15, 2002

THE OFFICIAL COMMITTEE OF  
UNSECURED CREDITORS

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

TRANS WORLD AIRLINES, INC.  
DEBTOR AND DEBTOR IN POSSESSION

By: \_\_\_\_\_  
Name: Michael J. Lichty  
Title: President and Chief Executive Officer

AMBASSADOR FUEL CORPORATION  
DEBTOR AND DEBTOR IN POSSESSION

By: \_\_\_\_\_  
Name: Michael J. Lichty  
Title: President

LAX HOLDING COMPANY, INC.  
DEBTOR AND DEBTOR IN POSSESSION

By: \_\_\_\_\_  
Name: Michael J. Lichty  
Title: President

MEGA ADVERTISING, INC.  
DEBTOR AND DEBTOR IN POSSESSION

By: \_\_\_\_\_  
Name: Michael J. Lichty  
Title: President

NORTHWEST 112<sup>TH</sup> STREET CORPORATION  
DEBTOR AND DEBTOR IN POSSESSION

By: \_\_\_\_\_  
Name: Michael J. Lichty  
Title: President

THE TWA AMBASSADOR CLUB, INC. DEBTOR  
AND DEBTOR IN POSSESSION

By: \_\_\_\_\_  
Name: Michael J. Lichty  
Title: President

TRANS WORLD COMPUTER SERVICES, INC.  
DEBTOR AND DEBTOR IN POSSESSION

By: \_\_\_\_\_  
Name: Michael J. Lichty  
Title: President

TRANSCONTINENTAL & WESTERN AIR, INC.  
DEBTOR AND DEBTOR IN POSSESSION

By: \_\_\_\_\_  
Name: Michael J. Lichty  
Title: President

TWA AVIATION, INC.  
DEBTOR AND DEBTOR IN POSSESSION

By: \_\_\_\_\_  
Name: Michael J. Lichty  
Title: President

TWA GROUP, INC.  
DEBTOR AND DEBTOR IN POSSESSION

By: \_\_\_\_\_  
Name: Michael J. Lichty  
Title: President

TWA STANDARDS & CONTROLS, INC.  
DEBTOR AND DEBTOR IN POSSESSION

By: \_\_\_\_\_  
Name: Michael J. Lichty  
Title: President

TWA STOCK HOLDING COMPANY  
DEBTOR AND DEBTOR IN POSSESSION

By: \_\_\_\_\_  
Name: Michael J. Lichty  
Title: President

TWA-D.C. GATE COMPANY, INC.  
DEBTOR AND DEBTOR IN POSSESSION

By: \_\_\_\_\_  
Name: Michael J. Lichty  
Title: President

TWA-LAX GATE COMPANY, INC.  
DEBTOR AND DEBTOR IN POSSESSION

By: \_\_\_\_\_  
Name: Michael J. Lichty  
Title: President

TWA LOGAN GATE CO., INC.  
DEBTOR AND DEBTOR IN POSSESSION

By: \_\_\_\_\_  
Name: Michael J. Lichty  
Title: President

TWA-NY/NJ GATE COMPANY, INC.  
DEBTOR AND DEBTOR IN POSSESSION

By: \_\_\_\_\_  
Name: Michael J. Lichty  
Title: President

TWA-OMNIBUS GATE COMPANY, INC.  
DEBTOR AND DEBTOR IN POSSESSION

By: \_\_\_\_\_  
Name: Michael J. Lichty  
Title: President

TWA-SAN FRANCISCO GATE COMPANY, INC.  
DEBTOR AND DEBTOR IN POSSESSION

By: \_\_\_\_\_  
Name: Michael J. Lichty  
Title: President

OZARK GROUP, INC.  
DEBTOR AND DEBTOR IN POSSESSION

By: \_\_\_\_\_  
Name: Michael J. Lichty  
Title: President

TWA-HANGAR 12 HOLDING COMPANY, INC.  
DEBTOR AND DEBTOR IN POSSESSION

By: \_\_\_\_\_  
Name: Michael J. Lichty  
Title: President

TWA NIPPON, INC.  
DEBTOR AND DEBTOR IN POSSESSION

By: \_\_\_\_\_  
Name: Michael J. Lichty  
Title: President

TWA EMPLOYEE SERVICES, INC.  
DEBTOR AND DEBTOR IN POSSESSION

By: \_\_\_\_\_  
Name: Michael J. Lichty  
Title: President

TWA GETAWAY VACATION, INC.  
DEBTOR AND DEBTOR IN POSSESSION

By: \_\_\_\_\_  
Name: Michael J. Lichty  
Title: President

TRANS WORLD EXPRESS, INC.  
DEBTOR AND DEBTOR IN POSSESSION

By: \_\_\_\_\_  
Name: Michael J. Lichty  
Title: President

INTERNATIONAL AVIATION SECURITY INC.  
DEBTOR AND DEBTOR IN POSSESSION

By: \_\_\_\_\_  
Name: Michael J. Lichty  
Title: President

GETAWAY MANAGEMENT SERVICES, INC.  
DEBTOR AND DEBTOR IN POSSESSION

By: \_\_\_\_\_  
Name: Michael J. Lichty  
Title: President

THE GETAWAY GROUP (U.K.) INC.  
DEBTOR AND DEBTOR IN POSSESSION

By: \_\_\_\_\_  
Name: Michael J. Lichty  
Title: President