TRANSPORT ASSOCIATION, INC., NORTHWEST AIRLINES, CORPORATION, SABRE INC., UNITED AIRLINES, INC., US AIRWAYS, INC.,	)
Defendants.	)

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

Upon the motion (the "Motion") of the above-captioned debtors and debtors in possession (collectively, the "Debtors"), for an Order Authorizing the Settlement By and Among the Debtors, American Airlines, Inc. ("American"), and TWA Airlines, LLC ("LLC," and collectively with the Debtors and American, the "Parties") Pursuant to Rule 9019 of the Federal Rules of Bankruptcy Procedure and Limiting Notice Thereof; and it appearing that the Court has jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334; and due notice of the Motion having been provided to the United States Trustee, all parties to the Adversary Proceeding,[2] and all parties who have filed requests for notice under Fed. R. Bankr. P. 2002; and it appearing that the form and manner of notice of the Motion has been adequate, sufficient, and proper under the circumstances and that no other or further notice need be provided; and it further appearing that the relief requested in the Motion is in the best interests of the Debtors and their estates and creditors; and upon all of the proceedings had before the Court; and after due deliberation and sufficient cause appearing therefore;

IT IS HEREBY FOUND AND CONCLUDED THAT:

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2 All capitalized terms not defined herein shall have the same meaning as in the Motion or the Plan (as those terms may be defined therein).

A. The findings and conclusions set forth herein constitute the Court's finding of fact and conclusions of law pursuant to Fed. R. Bankr. P. 7052, made applicable to this proceeding pursuant to Fed. R. Bankr. P. 9014.

B. To the extent any of the following findings of fact constitute conclusions of law, they are adopted as such. To the extent any of the following conclusions of law constitute findings of fact, they are adopted as such.

C. On January 10, 2001, Trans World Airlines, Inc. ("TWA") and twenty-six of its direct and indirect wholly-owned subsidiaries commenced the above-captioned Chapter 11 cases (the "Chapter 11 Cases") by filing voluntary petitions for relief under Chapter 11 of Title 11 of the United States Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court").

D. On January 10, 2001, the Debtors filed a motion (the "Sale Motion") seeking approval of an asset purchase agreement (as amended, the "Asset Purchase Agreement") with American Airlines, Inc. ("American"), pursuant to which American would purchase substantially all of the Debtors' assets.

E. On January 10, 2001, the Bankruptcy Court, Honorable Sue Robinson presiding, entered an Order Authorizing the Debtors to (A) Assume Executory Contracts Relating to Interline and Clearinghouse Agreements, and (B) Honor Prepetition Obligations Relating to Computer Reservation Service Agreements, Code Sharing, Travel Agency Agreements, Cargo Agency Agreements, Aviator Agreements, UATP Agreement and ATPCO Agreement in the Ordinary Course of Business [Original Docket No. 33] (the "Clearinghouse Order").

F. On March 12, 2001, the Bankruptcy Court entered an Order approving the Sale Motion and authorized the Debtors to sell substantially all of their assets to LLC, a wholly owned subsidiary and designee of American. The sale (the "American Sale") to LLC pursuant to the Asset Purchase Agreement closed on April 9, 2001 (the "Closing").

G. Pursuant to Section 4.9 to the Asset Purchase Agreement, American "held back" $20 million of the purchase price for the Debtors' assets, such money to be released to the Debtors if Administrative Expense Claims and Priority Claims in the Chapter 11 Cases were not paid in full (the "Purchase Price Holdback").

H. Pursuant to Section 4.8 of the Asset Purchase Agreement, and as more fully described therein, American set aside $14.3 million of the purchase price for the Debtors' assets for the establishment of an escrow to be applied to pay certain of the Debtors' real property and other tax obligations (the "Tax Escrow Funds").

I. By agreement dated as of April 9, 2001, the Debtors and LLC entered into an agreement pursuant to which LLC would provide the Debtors with transition services to support the Debtors' liquidation and wind-up of their operations and the administration of the Debtors' estates (as amended and/or supplemented, the "Transition Services Agreement").

J. By agreement dated as of April 9, 2001, the Debtors and LLC entered into an agreement that allowed LLC to make use of certain bank accounts previously established by the Debtors (the "Banking Services Agreement").

K. By agreement dated as of September, 2001, the Debtors, American and LLC entered into an agreement pursuant to which the Debtors would assist American and LLC in connection with the prosecution of certain environmental litigation in exchange for a

percentage of the net recovery, if any, as a result of such litigation (as amended, the "Insurance Coverage Cooperation Agreement").

L. By agreement dated October 31, 2001, the Debtors, American and LLC entered into an agreement pursuant to which the parties thereto would share certain communications and materials in connection with the defense of certain litigation as set forth therein (the " Joint Defense Agreement").

M. By agreement dated May 8, 2002, the Debtors, American and LLC entered into an agreement pursuant to which the Debtors, American and LLC would share certain communications and materials in connection with the defense of certain litigation as set forth therein (the "Icahn Joint Defense Agreement").

N. On April 9, 2001, the Bankruptcy Court entered an Order Approving (A) Assumption and Assignment of Certain Executory Contracts and Unexpired Leases, and (B) Rejection of Certain Executory Contracts and Unexpired Leases [Docket No. 1334] (the "Executory Contract Order"), *inter alia*, authorizing the Debtors to assign or assume and assign approximately 10,000 executory contracts and unexpired leases to LLC.

O. After the Closing, a dispute arose between the Debtors and LLC as to whether LLC purchased certain claims of the Debtors against third parties under Section 2.1(iv) of the Asset Purchase Agreement, which provides for the transfer of "accounts, accounts receivable, and rights to payment." The Debtors' position was that LLC was not entitled to any "rights to payment" separate and apart from accounts receivable; whereas, LLC's position was that the "rights to payment" that it purchased were not limited solely to accounts receivable.

P. After the Closing, American unilaterally paid, on behalf of the Debtors, the following alleged executory contract cure claims of counterparties to certain executory

contracts and/or unexpired leases that were assumed and assigned to American pursuant to the Executory Contract Order: (i) Worldspan, L.P. in the amount of $639,103.21; (ii) Kennedy Wilson (1CC), as successor to Heitman Properties of Missouri, Ltd., in the amount of $36,647.05; (iii) Greenwich Capital Products (Chicago), as successor to Prime Group Realty Trust, in the amount of $104,876.73; and (iv) Simuflite Training International in the amount of $26,249.99 (collectively, the "American Subrogated Cure Claim"). The total amount of the American Subrogated Cure Claim is $806,876.98.

Q. Among the contracts assumed and/or assigned to LLC as part of the Executory Contract Order were certain bilateral and multilateral agreements with Airlines Clearing House, Inc. ("ACH"), the International Air Transport Association ("IATA"), and participants in the ACH and IATA clearinghouses (respectively, the "ACH Participants" and "IATA Participants") that were referenced in the Clearinghouse Order (the "Clearinghouse Agreements"). ACH and IATA shall collectively be referred to as the "Clearinghouses." ACH, IATA, the ACH Participants, and the IATA Participants shall collectively be referred to as the "Clearinghouse Counterparties."

R. In the months following the Closing, LLC made funds available on the respective ACH and IATA settlement dates to cover the net amounts due from TWA's former account, "TW-015," to the Clearinghouses. In an effort to recover the funds it paid on post-Closing settlements for obligations allegedly incurred by TWA prior to Closing, LLC invoked clearinghouse "rejection" and "chargeback" procedures. Using these procedures, LLC charged back and received credit for in excess of $58 million (the "LLC Rejection"). As of December 31, 2001, the records of LLC indicate that the Clearinghouse Counterparties (other than American and LLC) still claim approximately $25.7 million (collectively, the ACH/IATA

Claims"). In addition, IATA is currently holding in escrow $4,427,728.81 as the result of protests of the IATA Rejection by IATA Participants (the "IATA Escrow").

S. On June 14, 2001, American and/or LLC filed an administrative expense claim in the Chapter 11 Cases in the amount of $98,175,942.41 (the "First American/LLC Administrative Expense Claim"). On August 1, 2001, American and/or LLC filed another administrative expense claim in the amount of $86,176,438.33 (the "Second American/LLC Administrative Expense Claim").

T. In the First and Second American/LLC Administrative Expense Claims, among other things: (i) LLC claimed that it was entitled to the benefit of the Clearinghouse Credits as "rights to payment" under the Asset Purchase Agreement (the "LLC Clearinghouse Claim"); and (ii) American claimed that it was entitled to be paid $7,780,060 on account of obligations allegedly incurred in connection with the ACH prior to the Closing that was subsequently rejected as part of the LLC Rejection (the "American Clearinghouse Claim").

U. On July 20, 2001, LLC commenced the above-captioned adversary proceeding (the "Adversary Proceeding") against IATA by filing a complaint seeking payment of the IATA Escrow, as well as payment of the Clearinghouse Credits billed through TWA-015.

V. On August 28, 2001, LLC amended its complaint to include eleven ACH Participants as defendants in the Adversary Proceeding (collectively, the "ACH Participant Defendants"). The amended complaint alleged that LLC was entitled to recover and/or retain the amounts it had paid unilaterally on behalf of TWA in the Clearinghouse settlements, and also sought payment for amounts allegedly owing to billing prefix TW-015 in connection with pre-Closing services and transactions. By Order dated November 2, 2001, ACH entered the Adversary Proceeding as an intervenor-defendant.

W. IATA and the ACH Participant Defendants have asserted counterclaims against LLC that allege that LLC improperly rejected amounts it paid on account of TWA. Certain of the ACH Participant Defendants have filed third-party complaints against TWA and have alleged that if LLC is found not liable for these rejected amounts, then TWA's estate is liable for such amounts.

X. Since the parties to the Adversary Proceeding filed their answers, counterclaims, and third-party claims, those parties have engaged in discovery.

Y. Effective January 11, 2002, the parties to the Adversary Proceeding entered into a stipulation staying discovery and have continued that discovery stay from time to time.

Z. On January 10, 2002, the Bankruptcy Court held a hearing to approve the Second Amended Disclosure Statement for 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 "Disclosure Statement").

AA. On January 16, 2002, this Court entered an Order approving the Disclosure Statement.

BB. Pursuant to the Order approving the Disclosure Statement, the Debtors and the Official Committee of Unsecured Creditors solicited votes for 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").

CC. On February 17, 2002, the Debtors and the Official Committee of Unsecured Creditors filed 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 (as so amended, the "Plan").

DD. American and LLC have filed objections to the confirmation of the Plan (the "American/LLC Objection"). In addition, the Clearinghouses and certain ACH Participants have filed objections to the confirmation of the Plan.

EE. On March 15, 2002, the Debtors filed 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 Pursuant to Chapter 11 of the United States Bankruptcy Code.

FF. As of April 26, 2002, the Debtors had a balance of approximately $55 million in the Debtors' central concentration account maintained at Citibank, N.A., in New York (the "Operating Account").

GG. The Parties have reached a settlement, subject to court approval, which the Debtors believe is in the best interests of the Debtors, their creditors, and their estates (the "American Settlement"). The American Settlement, set forth in detail below, resolves all issues arising out of the Adversary Proceeding with respect to American, LLC, and the Debtors, as well as the issues relating to the First American/LLC Administrative Expense Claim and the Second American/LLC Administrative Expense Claim.

HH. The terms of the American Settlement represent an agreement that was negotiated in good faith and at arms' length, with the Parties thereto represented by counsel.

II. The Parties have read and fully understand this Settlement Order, and all of the terms, contents, and conditions thereof. The Parties understand that the American Settlement, among other things, is a full, complete, and final discharge of the Parties from any

and all rights, claims, liabilities, debts, accounts, damages, demands and causes of action whatsoever, sounding in law or equity that arise from or otherwise relate to the LLC Rejection and the Adversary Proceeding, the consideration for which is the payment of the sums and the performance of the obligations set forth below, and the releases and covenants contained herein.

JJ. The American Settlement is related to a series of settlements (the "Clearinghouse Settlements") with IATA, ACH, and certain ACH Participants (collectively, the "Other Participating Creditors"), pursuant to which, among other things: (i) the Debtors and certain of the Other Participating Creditors mutually release claims (the "Clearinghouse Claims") arising in connection with the LLC Rejection; (ii) certain of the Other Participating Creditors agree to compromise their administrative expense claims against the Debtors' estate in consideration for the Debtors' agreement as to the amount of such claims and for reduced payment of such claims; (iii) certain of the Other Participating Creditors agree to withdraw their objections to confirmation of the Plan; and (iv) the Debtors and certain of the Other Participating Creditors agree to dismiss certain claims asserted in connection with the Adversary Proceeding. Simultaneously with the filing of the Motion, the Debtors have filed a motion for authority to enter into the ACH/IATA Settlements (the "Clearinghouse Settlement Motion").

KK. Certain of the Clearinghouse Settlements provide for, among other things, the reduction and allowance of a portion of the relevant Clearinghouse Claim against the Debtors' estate by the relevant party to such a Settlement (each, an "Option 1 ACH/IATA Settlement"), and certain of the ACH/IATA Settlements do not provide for such a reduction but instead provide for an allowance of the relevant ACH/IATA Claim (each, an "Option 2 ACH/IATA Settlement").

For all of the foregoing and after due deliberation, the Court ORDERS, ADJUDGES AND DECREES:

1. The Motion is granted in its entirety.

2. The American Settlement is fair and reasonable and in the best interests of the Debtors, their estates, and their creditors. The Debtors are authorized to enter into the American Settlement and all related proposed settlements described in the Motion as well as this Settlement Order for which the Debtors seek approval and authorization.

3. The American Settlement and any related settlements described in the Motion for which the Debtors seek approval and authorization to consummate, are hereby approved, and all parties are to comply with the relevant terms thereof.

4. Notice of the hearing on the Motion is sufficient and, among other things, complies with Federal Rule of Bankruptcy Procedure 2002.

The Clearinghouse Claims

5. The LLC Clearinghouse Claim, in the total claimed amount of $24,944,090.00, shall be an Allowed Administrative Expense Claim in the amount of $24,944,090.00 (the "Allowed LLC Clearinghouse Claim").

6. The American Clearinghouse Claim, in the total claimed amount of $7,780,060.00, shall be an Allowed Administrative Expense Claim in the amount of $7,780,060.00 (the "Allowed American Clearinghouse Claim").

7. On or before a date that is ten days after the Effective Date, the Debtors shall pay to American and LLC the sum of $16,362,075 from the Operating Account in full, final, and complete payment and satisfaction of the Allowed LLC Clearinghouse Claim and the Allowed American Clearinghouse Claim.

American Administrative Claim

8. The portion of the Second American/LLC Administrative Expense Claim that does not include the LLC Clearinghouse Claim and the American Clearinghouse Claim shall be an Allowed Administrative Expense Claim in the amount of $41,483,636.77, and shall be treated as an Allowed Administrative Expense Claim under the Plan (the "Non-Clearinghouse-Related Allowed Administrative Expense Claim"). All other proofs of claim of American and/or LLC (except with respect to claims by third parties against American or LLC that relate to pre-Closing liabilities of the Debtors or their estates, whether or not presently asserted, on account of which American, LLC, and the Debtors reserve all of their rights), including without limitation the First American/LLC Administrative Expense Claim, shall be disallowed and expunged.

9. American shall be entitled to offset against its Non-Clearinghouse-Related Allowed Administrative Expense Claim the following amounts: (a) the Purchase Price Holdback (as may have been adjusted in connection with the Asset Purchase Agreement); and (b) the amount of $23,281,004.29, which is comprised of certain amounts owed by American and/or LLC to the Debtors' estates. The balance of the Non-Clearinghouse-Related Administrative Expense Claim shall be paid when and as Allowed Administrative Expense Claims are paid under the Plan.

10. American and/or LLC shall continue to provide services as reasonably requested by TWA to assist in the reconciliation of the ACH/IATA Claims. If, upon completion of the reconciliation of all such Claims, any final adjustments are required, the Debtors and American/LLC shall negotiate proper adjustments to the American/LLC Allowed Administrative Expense Claim.

American Subrograted Cure Claim

11. The American Subrogated Cure Claim is Allowed in the amount of $806,876.98 and shall be paid to American out of the Executory Contract Cure Reserve on or before a date that is ten (10) days after the Effective Date.

American Rights to Payment

12. The Debtors are authorized to stipulate with American and LLC that "rights to payment," as defined under the Asset Purchase Agreement, shall mean all amounts allegedly due to the Debtors from third parties arising from transactions that occurred prior to the Closing but that did not become due until after the Closing. LLC shall (as between LLC and the Debtors) be entitled to collect all such "rights to payment" except for the following:

(a) All deposits, letters of credit, claims, and rights to payment associated with any executory contracts or unexpired leases rejected by the Debtors, other than (i) the Karabu Ticket Program Agreement and (ii) the Affinity Agreement and Credit Card Miles Program Agreement entered into between TWA and MBNA America Bank, N.A.

(b) All debit (*i.e.*, "positive") balances in the Debtors' accounts payable records as of April 9, 2001, including, but not limited to, those amounts listed as Exhibit D to the Affidavit of Michael J. Lichty attached as Exhibit B to the Motion, other than debit balances reflected in the Debtors' consolidated balance sheet (as of Closing) resulting from UATP receivables.

(c) All credits or amounts that were issued, or were due to be issued, prior to the Closing for periods prior to such Closing relating to any executory contracts, unexpired leases, or other agreements between the Debtors and third parties.

(d) All tax refunds relating to tax periods prior to the Closing.

(e) The Debtors' residual interest in any amounts held in trust relating to the Debtors' prior bankruptcy cases, restructurings or refinancings, including without limitation TWA's 8% IAM Backpay Notes; and

(f) All of the Debtors' interest in Ambassador Capital Corporation and the approximately $500,000 held by such corporation.

(g) All rights, properties, and assets identified on Schedule 2.2 of the Asset Purchase Agreement, entitled "Excluded Assets."

13. Except as set forth in Paragraph 12 above, (a) the Debtors and their estates shall not have claims against American or LLC for the recovery of funds paid to American or LLC as "accounts, accounts receivable, or rights to payment" under the Asset Purchase Agreement, and (b) American and LLC shall not have claims against the Debtors or their estates for the recovery of funds paid to the Debtors or their estates as "accounts, accounts receivable, or rights to payment" under the Asset Purchase Agreement.

Tax Escrow

14. American and/or LLC shall continue to hold the Tax Escrow Funds for the purposes and subject to the terms and conditions set forth in Section 4.8 of the Asset Purchase Agreement.

Mutual Release

15. Except as otherwise set forth herein, American and LLC, and the Debtors and their estates, on their own behalves and on behalf of all of their successors, assigns, past and present parents, subsidiaries, and other direct and indirect affiliates, agree to, and hereby, release and forever discharge each other and their respective successors, assigns, past and present parents, subsidiaries, and other direct and indirect affiliates, and officers, directors, agents, attorneys and employees, of and from all manner of rights, claims, liabilities, debts, accounts, damages, demands and causes of action whatsoever sounding in law, equity or otherwise, of any nature, whether known or unknown, that arise from or otherwise relate to the LLC Rejection.

16. The following claims, obligations and rights (the "Surviving Claims"), among others, shall not be affected by the mutual release set forth in the preceding paragraph:

(a) all "Assumed Liabilities" identified in Section 3.1 of the Asset Purchase Agreement;

(b) all indemnity rights and obligations under any agreements between the Parties;

(c) the rights and obligations of the Debtors, American, and LLC with respect to the maintenance of and access to records and data under the Asset Purchase Agreement and the Transition Services Agreement;

(d) the rights and obligations of the Debtors, American, and LLC under the Transition Services Agreement (and all services agreements related thereto) including without limitation (i) obligations in connection with the Facilities, as such term is defined in the Transition Services Agreement, (ii) obligations under Exhibit D, subparagraphs 2(a), 2(b) and 2(d) of the Transition Services Agreement for the period specified therein, and (iii) obligations under Exhibit A, subparagraph (h)(I) of the Transition Services Agreement for the period specified therein;

(e) The rights and obligations of the Debtors, American, and LLC under the Banking Services Agreement, the Insurance Coverage Cooperation Agreement, the Joint Defense Agreement, and the Icahn Joint Defense Agreement; and

(f) The Debtors' right to audit and seek adjustment of the LLC Clearinghouse Claim and the American Clearinghouse Claim with respect to rejections and rebillings relating to pre-Closing services and transactions.

Dismissal of the Adversary Proceeding

17. All claims of LLC and American in the Adversary Proceeding against the Other Participating Creditors who are defendants in the Adversary Proceeding are hereby dismissed with prejudice. Any claims of LLC or American against any of the Debtors in the Adversary Proceeding, and any claims of any of the Debtors against LLC or American in the Adversary Proceeding are hereby dismissed with prejudice.

Indemnification of American and LLC in Adversary Proceeding

18. From and after the date of this Order, the Debtors and their estates shall indemnify, defend and hold American and LLC and their respective administrators, successors, assigns, past and present direct and indirect affiliates, parents, subsidiaries, officers, directors,

agents, attorneys, and employees (including their respective heirs, executors, administrators, and assigns) (collectively, the "Indemnitees") harmless from and against any liability, claim, cost, loss, judgment, damage or expense (including reasonable attorneys' fees and expenses) that the Indemnitees may incur or suffer as a result of, or arising in, the Adversary Proceeding or of and from all manner of rights, claims, liabilities, debts, accounts, damages, demands and causes of action whatsoever sounding in law, equity or otherwise, of any nature, whether known or unknown, based upon, arising from or otherwise related to, with or by the Adversary Proceeding or the facts pleaded therein and on account of the counterclaims and third-party complaints that have been, or can, shall or may in the past, present or future have been or may be asserted or filed by IATA, ACH, and the ACH Member Defendants and any other Clearinghouse Counterparties.

19. From and after the date of this Order, the Debtors shall control the Adversary Proceeding on American's and LLC's behalf and shall dictate the progress of the Adversary Proceeding and shall be in sole control of the incurrence of all fees and costs in connection with the Adversary Proceeding, including, but not limited to, attorney's fees; provided, however, that (a) nothing contained herein shall authorize the Debtors to take or omit taking any action that is adverse to the interests or creates claims against American or LLC in the Adversary Proceeding, and (b) the Debtors shall consult with American and LLC as to any matter in the Adversary Proceeding that may adversely affect American or LLC.

20. The Debtors and their estates are authorized to settle the ACH/IATA Claims and/or the claims of IATA and the ACH Member Defendants in the Adversary Proceeding, in the best interest of the Debtors, their estates, and their creditors, consistent with orders of this Bankruptcy Court (including without limitation any order confirming the Plan and

related documents); provided, however, that nothing contained herein shall authorize the Debtors to take or omit taking any action that is adverse to the interests or creates claims against American or LLC in the Adversary Proceeding.

Withdrawal of Objections to Plan

21. The American/LLC Objection is hereby withdrawn with prejudice. American and LLC shall actively support confirmation of the Plan and use their best efforts to resolve objections to confirmation of the Plan. No Party shall take any action that is inconsistent with this Order or confirmation of the Plan.

Supplemental Documents and Actions

22. The Parties shall execute any and all supplementary documents and take all additional steps that are reasonably necessary to give full force and effect to the terms and intent of this Order; provided, however, that nothing contained solely in this paragraph shall require American or LLC to expend monies or incur any expense or liability other than in the ordinary course of effecting like settlements.

Release of the Other Participating Creditors

23. American and LLC, on their own behalves and on behalf of all of their successors, assigns, past and present parents, subsidiaries, and other direct and indirect affiliates: (a) agree to, and hereby, release and forever discharge each Other Participating Creditor and its successors, assigns, past and present parents, subsidiaries, and other direct and indirect affiliates, and officers, directors, agents, attorneys and employees, of and from all manner of rights, claims, liabilities, debts, accounts, damages, demands and causes of action whatsoever sounding in law, equity or otherwise, of any nature, whether known or unknown, to the extent (and solely to the extent) that they arise from or otherwise relate to the Other Participating Creditor's billings

against TW-015, through ACH and/or IATA, with respect to (i) obligations incurred on or before April 9, 2001, and (ii) billings against such Other Participating Creditor by TW-015 (whether such billings were submitted by TWA on or before April 9, 2001 or by LLC thereafter) with respect to obligations incurred on or before April 9, 2001 (the "Settled Claims"); (b) agree not to reject, chargeback, re-bill, or otherwise seek to recover, receive credit for, or cause payment (through ACH, IATA, or otherwise) of or with respect to the Settled Claims; (c) agree to take all necessary steps to reverse any rejection, chargeback, or re-billing through ACH and/or IATA with respect to any Settled Claim that has been included in any ACH or IATA settlement subsequent to December 31, 2001; and (d) covenant not to sue, institute, cause to be instituted, or permit to be instituted on their behalf, against any of the Other Participating Creditors, relating to the Settled Claims (i) any proceeding or action with or before any local, state and/or federal agency, court or other tribunal or (ii) any binding arbitration proceeding, proceeding before the ACH Committee on Differences, or other dispute resolution proceeding.

Other Terms and Conditions

24. The American Settlement is subject to, and conditioned on, confirmation and substantial consummation of the Plan and this Settlement Order not being subject to appeal, reversal, stay, modification, or amendment.

25. This Court shall retain jurisdiction to interpret and enforce the provisions of the American Settlement in all respects and further to hear and determine all matters arising from the construction or implementation of this Order and any and all disputes between the parties hereto or relating to the claims of the ACH Participants in the Chapter 11 Cases or the Adversary Proceeding, provided that with respect to disputes among American, LLC, and the Debtors, such jurisdiction shall be exclusive.

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26. All parties hereto are authorized to execute such documents and instruments and take such other steps as are necessary to implement the provisions of this Order, consistent with its terms.

This Agreed Order is binding upon the parties hereto upon their execution hereof, subject to approval by this Court.

Dated: Wilmington, Delaware
This ___ day of _____, 2002

_____
United States Bankruptcy Judge

AGREED AS SET FORTH BELOW:

TRANS WORLD AIRLINES, INC.
Debtors and Debtors in Possession

By:_____
Its:_____
Printed Name:_____

AMERICAN AIRLINES, INC.

By:_____
Its:_____
Printed Name:_____

TWA AIRLINES, LLC

By:_____
Its:_____
Printed Name:_____