

SECURITIES AND EXCHANGE COMMISSION
 WASHINGTON, D.C. 20549
 FORM S-3
 REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

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

REPUBLIC OF PANAMA 4400 59-1562976
 (State or other jurisdiction of (Primary Standard Industrial (I.R.S. Employer
 incorporation or organization) Classification Code Number) Identification Number)

3655 N.W. 87TH AVENUE
 MIAMI, FLORIDA 33178-2428
 (305) 599-2600
 (Address, including zip code, and telephone number, including area code, of
 registrant's principal executive office)

ARNALDO PEREZ, ESQ.
 GENERAL COUNSEL
 CARNIVAL CORPORATION
 3655 N.W. 87TH AVENUE
 MIAMI, FLORIDA 33178-2428
 (305) 599-2600
 (Name, address, including zip code, and telephone number, including area code,
 of agent for service)

WITH COPIES TO:
 JOHN C. KENNEDY, ESQ.
 PAUL, WEISS, RIFKIND, WHARTON & GARRISON
 1285 AVENUE OF THE AMERICAS
 NEW YORK, NEW YORK 10019-6064
 (212) 373-3000

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

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

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

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

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

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

CALCULATION OF REGISTRATIO FEE

TITLE OF EACH CLASS OF SECURITIES TO BE REGISTERED	AMOUNT TO BE REGISTERED	PROPOSED MAXIMUM OFFERING PRICE PER SHARE(2)	PROPOSED MAXIMUM AGGREGATE OFFERING PRICE	AMOUNT OF REGISTRATION FEE
2% Convertible Senior Debentures due 2021....	\$600,000,000	100%	\$600,000,000	\$150,000
Common Stock.....	15,400,000(1)	(2)	-0-(2)	-0-(2)

(1) Includes the shares of common stock initially issuable upon conversion of
 the debentures at the rate of 25.5467 shares of common stock per \$1,000
 principal amount of debentures. Pursuant to Rule 416 under the Securities
 Act, such number of shares of common stock registered hereby shall also
 include an indeterminate number of additional shares of common stock that
 may be issued from time to time upon conversion of the debentures by
 reason of adjustment of the conversion price in certain circumstances
 outlined in the prospectus. See "Description of Debentures -- Conversion
 Rights." Also includes such additional shares as may be issued in
 connection with stock splits, stock dividends and similar transactions.
 (2) Pursuant to Rule 457(i) under the Securities Act, there is no filing fee
 with respect to the shares of common stock issuable upon conversion of the
 debentures, because no additional consideration will be received in

connection with the exercise of the conversion privilege.

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

The information in this prospectus is not complete and may be changed. The selling securityholders identified in this prospectus may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

Subject to completion, dated June 13, 2001

PROSPECTUS

CARNIVAL CORPORATION

\$600,000,000 2% CONVERTIBLE SENIOR DEBENTURES DUE 2021
15,400,000 SHARES OF COMMON STOCK

This prospectus relates to \$600,000,000 aggregate principal amount of our 2% convertible senior debentures due 2021 held by certain selling securityholders. The debentures may be sold from time to time by or on behalf of the selling securityholders named in this prospectus or in supplements to this prospectus.

This prospectus also relates to 15,400,000 shares of our common stock issuable upon conversion of the debentures held by certain selling securityholders, plus such additional indeterminate number of shares as may become issuable upon conversion of the debentures by reason of adjustment to the conversion price in certain circumstances.

The selling securityholders may sell all or a portion of the debentures in market transactions or negotiated transactions or otherwise and at prices which will be determined by the prevailing market price for the debentures or in negotiated transactions. The selling securityholders may also sell all or a portion of the shares of common stock from time to time on the New York Stock Exchange, in negotiated transactions or otherwise, and at prices which will be determined by the prevailing market price for the shares or in negotiated transactions. The selling securityholders will receive all of the proceeds from the sale of the debentures and the common stock. We will not receive any proceeds from the sale of debentures or common stock by the selling securityholders.

Our common stock is traded on the New York Stock Exchange under the symbol CCL. On June 11, 2001, the last reported sales price of the common stock was \$26.88 per share. There is no public market for the debentures, and we do not intend to apply for listing of them or any securities exchange or to seek approval for quotation of them through any automated quotation system.

WE URGE YOU TO CAREFULLY READ THE "RISK FACTORS" SECTION BEGINNING ON PAGE 10, WHERE WE DESCRIBE SPECIFIC RISKS ASSOCIATED WITH THESE SECURITIES, BEFORE YOU MAKE YOUR INVESTMENT DECISION.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION (THE "SEC"), NOR ANY STATE SECURITIES COMMISSION, HAS APPROVED OR DISAPPROVED OF THESE DEBENTURES OR COMMON STOCK OR PASSED UPON THE ADEQUACY OR ACCURACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The date of this prospectus is June 13, 2001.

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WHERE YOU CAN FIND MORE INFORMATION

We are subject to the informational requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and file reports, proxy statements and other information with the SEC. We have also filed with the SEC a registration statement on Form S-3 to register the debentures and the underlying common stock. This prospectus, which forms part of the registration statement, does not contain all of the information included in that registration statement. For further information about Carnival Corporation and the securities offered in this prospectus, you should refer to the registration statement and its exhibits. You may read and copy any document we file with the SEC at the SEC's Public Reference Room, 450 Fifth Street, N.W., Washington, D.C. 20549, and at the SEC's regional offices in New York (7 World Trade Center, 13th Floor, New York, New York 10048) and Chicago (Citicorp Center, 14th Floor, 500 West Madison Street, Chicago, Illinois 60661). Copies of these reports, proxy statements and information may be obtained at prescribed rates from the Public Reference Section of the SEC at 450 Fifth Street, N.W., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the operation of the Public Reference Room. In addition, the SEC maintains a web site that contains reports, proxy statements and other information regarding registrants, such as us, that file electronically with the SEC. The address of this web site is <http://www.sec.gov>.

You should only rely on the information contained in this prospectus and incorporated by reference therein.

INCORPORATION OF DOCUMENTS BY REFERENCE

We are incorporating by reference into this prospectus the documents listed below and any other filings made by us with the SEC under Section 13(a), 13(c), 14 or 15(d) of the Exchange Act prior to the termination of the offering:

- o Our Annual Report on Form 10-K for the fiscal year ended November 30, 2000.
- o Our Quarterly Report on Form 10-Q for the fiscal quarter ended February 28, 2001.
- o Our Current Reports on Form 8-K filed on December 21, 2000, February 26, 2001 and April 27, 2001 with the SEC.

Any statement contained in this prospectus or in a document incorporated or deemed to be incorporated by reference in this prospectus shall be deemed to be modified or superseded for purposes of this prospectus to the extent that a statement contained in this prospectus or in any other document subsequently filed with the SEC which is or is deemed to be incorporated by reference in this prospectus modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this prospectus.

We will provide without charge to you, upon your written or oral request a copy of any or all of the documents incorporated by reference in this prospectus (not including the exhibits to these documents, unless such exhibits are specifically incorporated by reference in these documents). Requests for such copies should be directed to Investor Relations, Carnival Corporation, 3655 N.W. 87th Avenue, Miami, Florida 33178-2428. Except as provided above, no other information (including information on our web site) is incorporated by reference into this prospectus.

SUMMARY

THE FOLLOWING SUMMARY IS QUALIFIED IN ITS ENTIRETY BY THE MORE DETAILED INFORMATION INCLUDED ELSEWHERE OR INCORPORATED BY REFERENCE INTO THIS PROSPECTUS. BECAUSE THIS IS A SUMMARY, IT MAY NOT CONTAIN ALL THE INFORMATION THAT MAY BE IMPORTANT TO YOU. YOU SHOULD READ THE ENTIRE PROSPECTUS, AS WELL AS THE INFORMATION INCORPORATED BY REFERENCE, BEFORE MAKING AN INVESTMENT DECISION. SOME OF THE STATEMENTS IN THIS "SUMMARY" ARE FORWARD-LOOKING STATEMENTS. PLEASE SEE "SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS" FOR MORE INFORMATION REGARDING THESE STATEMENTS. IN THIS PROSPECTUS, THE TERMS "COMPANY," "WE," "US" AND "OUR" REFER TO CARNIVAL CORPORATION, A PANAMANIAN CORPORATION, AND ITS CONSOLIDATED SUBSIDIARIES.

CARNIVAL CORPORATION

We are the world's largest multiple-night cruise company based on the number of passengers carried, revenues generated and available capacity. We offer a broad range of cruise products, serving the contemporary cruise market through Carnival Cruise Lines and Costa Cruises, the premium market through Holland America Line and the luxury market through Cunard Line, Seabourn Cruise Line and Windstar Cruises. In total, we own and operate 45 cruise ships with an aggregate capacity of 59,520 passengers based on two passengers per cabin. The fifteen Carnival Cruise Lines ships have an aggregate capacity of 31,122 passengers with itineraries primarily in the Caribbean and the Mexican Riviera. The eight Costa ships have an aggregate capacity of 10,222 passengers with itineraries primarily in Europe, the Caribbean and South America. The ten Holland America ships have an aggregate capacity of 13,348 passengers, with itineraries primarily in the Caribbean, Europe and Alaska. Windstar operates four luxury, sail-powered ships with an aggregate capacity of 756 passengers, primarily in the Caribbean, Europe and Central America. The six Seabourn ships have an aggregate capacity of 1,614 passengers and the two Cunard ships have an aggregate capacity of 2,458 passengers, each with worldwide itineraries.

We have signed agreements with three shipyards providing for the construction of additional cruise ships as set forth in the following table:

SHIP	EXPECTED SERVICE DATE (1)	SHIPYARD	PASSENGER CAPACITY (2)	ESTIMATED TOTAL COST (\$ IN MILLIONS)(3)
CARNIVAL CRUISE LINES				
Carnival Pride.....	1/02	Masa-Yards (4)	2,124	\$ 375
Carnival Legend.....	9/02	Masa-Yards (4)	2,124	375
Carnival Conquest.....	12/02	Fincantieri	2,974	500
Carnival Glory.....	8/03	Fincantieri	2,974	500
Carnival Miracle.....	4/04	Masa-Yards (4)	2,124	375
Carnival Valor.....	11/04	Fincantieri (4)	2,974	500
TOTAL CARNIVAL.....			15,294	2,625
HOLLAND AMERICA				
Zuiderdam.....	11/02	Fincantieri (4)	1,848	410
Oosterdam.....	8/03	Fincantieri (4)	1,848	410
Newbuild.....	2/04	Fincantieri (4)	1,848	410
Newbuild.....	10/04	Fincantieri (4)	1,848	410
Newbuild.....	6/05	Fincantieri (4)	1,848	410
TOTAL HOLLAND AMERICA....			9,240	2,050

SHIP	EXPECTED SERVICE DATE (1)	SHIPYARD	PASSENGER CAPACITY (2)	ESTIMATED TOTAL COST (\$ IN MILLIONS)(3)
COSTA				
Newbuild.....	7/03	Masa-Yards (5)	2,112	340
Newbuild.....	1/04	Fincantieri (6)	2,740	395
Newbuild.....	12/04	Fincantieri (6)	2,740	395
TOTAL COSTA.....			7,592	1,130
CUNARD				
Queen Mary 2.....	12/03	Chantiers de l'Atlantique (4)	2,620	780
CUNARD TOTAL.....			2,620	780
TOTAL.....			34,746	\$6,585

- (1) The expected service date is the date the ship is expected to begin revenue generating activities.
- (2) In accordance with cruise industry practice, passenger capacity is calculated based on two passengers per cabin even though some cabins can accommodate three or four passengers.
- (3) Estimated total cost of the completed ship includes the contract price with the shipyard, design and engineering fees, capitalized interest, various owner supplied items and construction oversight costs.
- (4) These construction contracts are denominated in either German marks, Italian lira or euros and have been fixed into U.S. dollars through the utilization of forward foreign currency contracts.
- (5) This construction contract is denominated in German marks which has a fixed exchange rate with Costa's functional currency, which is the Italian lira. The unpaid portion of the estimated total cost has been translated into U.S. dollars using the February 28, 2001 exchange rate.
- (6) These construction contracts are denominated in Italian lira, and the unpaid portion of the estimated total costs have been translated into U.S. dollars using the February 28, 2001 exchange rate.

We also operate a tour business through Holland America Tours, which markets sightseeing tours both separately and as part of its cruise/tour packages. Holland America Tours operates 13 hotels in Alaska and the Canadian Yukon, two luxury dayboats offering tours to the glaciers of Alaska and the Yukon River, over 300 motor coaches used for sightseeing and charters in the states of Washington and Alaska and 13 private domed rail cars which are run on the Alaska railroad between Anchorage and Fairbanks.

We were incorporated under the laws of the Republic of Panama in November 1974. Our executive offices are located at 3655 N.W. 87th Avenue, Miami, Florida 33178-2428, telephone number (305) 599-2600.

RECENT DEVELOPMENTS

On June 1, 2001, we sold our 25 percent interest in Airtours plc, for approximately 350 million pounds (\$497 million). Proceeds from the sale will be used for general corporate purposes. The sale will result in a one-time nonoperating gain of approximately \$100 million (\$0.17 per share) in our fiscal third quarter in 2001.

SECURITIES BEING OFFERED

This prospectus covers the sale of \$600,000,000 aggregate principal amount of debentures and 15,400,000 shares of our common stock, plus such indeterminate number of additional shares of common stock that may be issued from time to time upon conversion of the debentures by reason of adjustment to the conversion price or upon repurchase or redemption, in each case in certain circumstances described in this prospectus.

We issued and sold \$600,000,000 aggregate principal amount of debentures, on April 25, 2001, in a private offering to Merrill Lynch & Co., as the initial purchaser. These debentures were simultaneously resold by the initial purchaser in transactions exempt from registration requirements of the Securities Act to persons reasonably believed by the initial purchaser to be "qualified institutional buyers" (as defined in Rule 144A under the Securities Act).

The shares of common stock may be offered by the selling securityholders following the conversion of the debentures.

TERMS OF THE DEBENTURES

Principal.....\$600,000,000 aggregate principal amount in \$1,000 denominations.

Maturity.....April 15, 2021.

Interest.....2% per year on the principal amount, payable semi-annually in arrears on April 15 and October 15 of each year, beginning October 15, 2001.

Conversion Rights.....For each \$1,000 principal amount of debenture surrendered for conversion, if specified conditions are satisfied, a holder will receive 25.5467 shares of our common stock. Upon conversion, we will have the right to deliver, in lieu of our common stock, cash or a combination of cash and common stock. If we elect to pay holders cash for their debentures, the payment will be based on the average sale price of our common stock for the five consecutive trading days immediately following either:

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

The conversion rate may be adjusted for certain reasons specified in the indenture. Upon conversion, a holder will not receive any cash payment representing accrued interest (unless such debenture or portion thereof has been called for redemption on a redemption date that occurs between a regular record date and the third business day after the interest payment date to which it relates). Instead, interest will be deemed paid by the shares of common stock received by the holder on conversion. See "Description of Debentures--Conversion Rights."

Commencing after May 31, 2001, holders may surrender debentures for conversion into shares of common stock in any fiscal quarter (and only during such fiscal quarter), if, as of the last day of the preceding fiscal quarter, the closing sale price of our common stock for at least 20 trading days in a period of 30 consecutive trading days ending on the last trading day of such preceding fiscal quarter is more than \$43.05 (110% of the conversion price) per share of common stock. Our fiscal quarters end on the last day of February, May, August and November. The initial conversion price will equal \$39.14 per share (subject to adjustment).

Debentures or portions of debentures in integral multiples of \$1,000 principal amount called for redemption may be surrendered for conversion until the close of business on the redemption date, even if the debentures are not otherwise convertible. In addition, if we make a significant distribution to our shareholders or if we are a party to certain consolidations, mergers or binding share exchanges, debentures may be surrendered for conversion as provided in "Description of Debentures--Conversion Rights." The ability to surrender debentures for conversion will expire at the close of business on the business day immediately preceding April 15, 2021, unless they have previously been called for redemption or repurchased. See "Certain Panamanian and United States Federal Income Tax Consequences" and "Description of Debentures--Conversion Rights--Conversion Rights Upon Notice of Redemption."

Ranking.....The debentures will be unsecured and unsubordinated obligations and will rank equal in right of payment to all our existing and future unsecured and unsubordinated indebtedness. However, the debentures will be effectively subordinated to all existing and future obligations of our subsidiaries. As of February 28, 2001, we had approximately \$2,360.6 million of total indebtedness outstanding, which includes approximately \$1,202.3 million indebtedness of our consolidated subsidiaries. See "Capitalization."

Sinking Fund.....None.

Redemption of Debentures at Our Option.....

We may redeem all or a portion of the debentures for cash at any time on or after April 15, 2008 at a price equal to 100% of the principal amount of the debentures to be redeemed plus accrued and unpaid interest to, but excluding, the redemption date. Holders may convert their debentures after they are called for redemption at any time prior to the close of business on the redemption date. Our notice of redemption will inform the holders of our election to deliver shares of our common stock or to pay cash or a combination of cash and common stock. See "Description of Debentures--Redemption of Debentures at Our Option."

Purchase of Debentures by Us at Option of Holder.....Holders may require us to purchase all or a portion of the their debentures on any April 15 occurring in the years 2005, 2008 and 2011 at a price equal to 100% of the principal amount of the debentures to be purchased plus accrued and unpaid interest to, but excluding, such purchase date. We may choose to pay the purchase price in cash, shares of common stock or a combination of cash and shares of common stock. After receiving notice of such choice, you may withdraw your election. We may also add additional purchase dates on which holders may require us to purchase all or a portion of their debentures. See "Description of Debentures--Purchase of Debentures by Us at the Option of the Holder."

Change in Control.....Upon a change in control (as defined in the indenture governing the debentures) of our company occurring at any time on or before April 15, 2008, each holder may require us to purchase all or a portion of such holder's debentures for cash at a price equal to 100% of the principal amount of the debentures to be purchased plus accrued and unpaid interest to, but excluding, the date of purchase. See "Description of Debentures--Change in Control Permits Purchase of Debentures by Us at the Option of the Holder."

Ownership Limitation on Debentures.....In order to permit us to retain our status as a publicly traded corporation under the proposed Treasury regulations to Section 883 of the Code, debentures generally may not be transferred if the transfer would result in ownership, including debentures and other convertible securities on an as-converted basis, by one person or group of related persons by virtue of the attribution provisions of the Code, of more than 4.9% of our common stock. See "Description of Debentures--Ownership Limitation on Debentures."

Use of Proceeds.....The selling securityholders will receive all of the proceeds from the sale of the securities sold under this prospectus. We will not receive any of the proceeds from sales by the selling securityholders of the offered securities.

DTC Eligibility.....The debentures were issued in book-entry form and are represented by one or more permanent global certificates deposited with a custodian for and registered in the name of a nominee of DTC in New York, New York. Beneficial interests in any such securities are shown on, and transfers are effected only through, records maintained by DTC and its direct and indirect participants and any such interest may not be exchanged for certificated securities, except in limited circumstances. See "Description of Debentures--Book-Entry System."

Shelf Registration

Statement.....Under the registration rights agreement, dated April 25, 2001, between Merrill Lynch & Co. and us, we have agreed to use commercially reasonable efforts to cause a shelf registration statement to become effective within 180 days after the date of original issuance of the debentures. We are required to keep such shelf registration statement effective until the earlier of (i) the sale pursuant to the shelf registration statement of all of the debentures and the shares of common stock issuable upon conversion of the debentures, which together we refer to as "registrable securities," and (ii) the expiration of the holding period applicable to such securities held by non-affiliates of ours under Rule 144(k) under the Securities Act, or any successor provision and (iii) the second anniversary of the effective date of the shelf registration statement, subject to certain permitted exceptions. See "Description of Debentures--Registration Rights."

We are permitted to suspend the use of this prospectus under certain circumstances. We agreed to pay predetermined liquidated damages to selling securityholders if this prospectus is unavailable for periods in excess to those described elsewhere in this prospectus. Purchasers of the registrable securities offered by means of this prospectus will not have any rights under the registration rights agreement, although once sold under this registration statement the registrable securities should be freely tradable except by purchasers who are our "affiliates" or are "underwriters" of the registrable securities for purposes of the Securities Act.

Trading Symbol for our

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

RISK FACTORS

YOU SHOULD CAREFULLY CONSIDER THE SPECIFIC RISK FACTORS SET FORTH BELOW AS WELL AS THE OTHER INFORMATION CONTAINED OR INCORPORATED BY REFERENCE IN THIS PROSPECTUS BEFORE DECIDING TO INVEST IN THE DEBENTURES AND OUR COMMON STOCK. SOME FACTORS IN THIS SECTION ARE "FORWARD-LOOKING STATEMENTS." FOR A DISCUSSION OF THOSE STATEMENTS AND OF OTHER FACTORS FOR INVESTORS TO CONSIDER, SEE "SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS."

RISKS RELATING TO OUR CORPORATE STRUCTURE

A CHANGE OF OUR TAX STATUS UNDER THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), MAY HAVE AN ADVERSE EFFECT ON OUR NET INCOME AND SHAREHOLDERS.

We are a foreign corporation engaged in a trade or business in the United States, and our ship-owning subsidiaries are foreign corporations that, in many cases, depending upon the itineraries of their ships, receive income from sources within the United States. To the best of our knowledge, we believe that, under Section 883 of the Code and applicable income tax treaties, our income and the income of our ship-owning subsidiaries, in each case derived from or incidental to the international operation of a ship or ships, is currently exempt from United States federal income tax. We believe that substantially all of our income and the income of our ship-owning subsidiaries, with the exception of the United States source income from the transportation, hotel and tour business of Holland America Tours, is derived from or incidental to the international operation of a ship or ships within the meaning of Section 883 and applicable income tax treaties.

We believe that we and many of our ship-owning subsidiaries currently qualify for the Section 883 exemption since each of us is incorporated in qualifying jurisdictions and our common stock is primarily and regularly traded on an established securities market in the United States. To date, however, no final Treasury regulations or other definitive interpretations of the relevant portions of Section 883 have been promulgated, although regulations have been proposed. See the risk factor immediately below for a discussion of the proposed regulations under Section 883. Those regulations or official interpretations could differ materially from our interpretation of this Code provision and, even in the absence of differing regulations or official interpretations, the Internal Revenue Service might successfully challenge our interpretation. In addition, the provisions of Section 883 are subject to change at any time by legislation. Moreover, changes could occur in the future with respect to the identity, residence, or holdings of our direct or indirect shareholders that could affect our and our subsidiaries' eligibility for the Section 883 exemption. Accordingly, it is possible that we and our subsidiaries will not be exempt from United States federal income tax on United States-source shipping income. If we and our ship-owning subsidiaries were not entitled to the benefit of Section 883, we would be subject to United States federal income taxation on a portion of our income, which would reduce our net income.

We believe that the income of some of our ship-owning subsidiaries currently qualifies for exemption from United States income tax under bilateral income tax treaties. These treaties may be cancelled by either country or replaced with a new agreement that treats shipping income differently than under the agreements currently in force. If these subsidiaries do not qualify for benefits under the existing treaties or the existing treaties are cancelled or materially modified in a manner adverse to our interests and the subsidiaries do not qualify for the Section 883 exemption, the ship-owning subsidiaries would be subject to United States federal income taxation on a portion of their income, which would reduce our net income.

FAILURE TO COMPLY WITH THE PROPOSED TREASURY REGULATIONS COULD HAVE A NEGATIVE IMPACT ON OUR NET INCOME AND STOCK PRICE. ALSO, IN ORDER TO COMPLY WITH PROPOSED TREASURY REGULATIONS, YOUR ABILITY TO ACQUIRE OR TRANSFER OUR COMMON STOCK AND THE DEBENTURES IS RESTRICTED.

On February 8, 2000, the United States Treasury Department issued proposed Treasury regulations to Section 883 of the Code, relating to income derived by foreign corporations from the international operation of ships and aircraft. The proposed regulations provide, in general, that a corporation organized in a qualified foreign country and engaged in the international operation of ships or aircraft shall exclude qualified income from gross

income for purposes of United States federal income taxation provided that the corporation can satisfy certain ownership requirements, including, among other things, that its stock is publicly traded. A publicly traded corporation will satisfy this requirement if more than 50% of its stock is owned by persons who each own less than 5% of the value of the outstanding shares of the corporation's capital stock. To the best of our knowledge, after due investigation, we believe that we currently qualify as a publicly traded corporation under these proposed regulations. However, because various members of the Arison family and certain trusts established for their benefit currently own approximately 46.9% of our common stock, there is the potential that another shareholder could acquire 5% or more of our common stock, which could jeopardize our qualification as a publicly traded corporation. If, in the future, we were to fail to qualify as a publicly traded corporation, we would be subject to United States federal income tax on our income associated with our cruise operations in the United States. In such event, our net income and stock price would be negatively impacted.

As a precautionary matter, we amended our second amended and restated articles of incorporation to ensure that we will continue to qualify as a publicly traded corporation under the proposed regulations. This amendment provides that no one person or group of related persons, other than certain members of the Arison family and certain trusts established for their benefit, may own or be deemed to own by virtue of the attribution provisions of the Code more than 4.9% of our common stock, whether measured by vote, value or number of shares. Any shares of our common stock acquired in violation of this provision will be transferred to a trust and, at the direction of our board of directors, sold to a person whose shareholding does not violate that provision. No profit for the purported transferee may be realized from any such sale. In addition, under specified circumstances, the trust may transfer the common stock at a loss to the purported transferee. Because the debentures are convertible into common stock, the transfer of the debentures will be subject to similar restrictions. See "Description of Debentures--Ownership Limitation on Debentures." These transfer restrictions may also have the effect of delaying or preventing a change in our control or other transactions in which the shareholders might receive a premium for their shares of our common stock over the then prevailing market price or which the shareholders might believe to be otherwise in their best interest.

A GROUP OF PRINCIPAL SHAREHOLDERS EFFECTIVELY CONTROLS US AND HAS THE POWER TO CAUSE OR PREVENT A CHANGE OF CONTROL.

A group of shareholders comprising certain members of the Arison family, including Micky Arison, our chairman and chief executive officer, and trusts established for their benefit, beneficially own, as of the date of this prospectus, a total of approximately 46.9% of our outstanding common stock. As a result, this group of shareholders has the power to substantially influence the election of directors and our affairs and policies without the consent of our other shareholders. In addition, this group has the power to prevent or cause a change in control.

WE ARE NOT A U.S. CORPORATION, AND OUR SHAREHOLDERS MAY BE SUBJECT TO THE UNCERTAINTIES OF A FOREIGN LEGAL SYSTEM IN PROTECTING THEIR INTERESTS.

Our corporate affairs are governed by our second amended and restated articles of incorporation and by-laws and by the corporate laws of Panama. Thus, our public shareholders may have more difficulty in protecting their interests in the face of actions by the management, directors or controlling shareholders than would shareholders of a corporation incorporated in a United States jurisdiction.

RISKS RELATED TO OUR BUSINESS

ENVIRONMENTAL AND HEALTH AND SAFETY LEGISLATION COULD INCREASE OPERATING COSTS.

Some environmental groups have lobbied for more stringent regulation of cruise ships. Some groups also have generated negative publicity about the cruise industry and its environmental impact. The United States Environmental Protection Agency is considering new laws and rules to manage cruise ship waste. Stricter environmental and health and safety regulations could increase the cost of compliance and adversely affect the cruise industry.

OVERCAPACITY WITHIN THE CRUISE BUSINESS COULD HAVE A NEGATIVE IMPACT ON OUR NET REVENUE YIELDS.

Cruising capacity has grown in recent years and we expect it to continue to increase over the next five years as all of the major cruise companies are expected to introduce new ships into service. In order to utilize new capacity, the cruise industry must increase its share of the overall vacation market. Any future imbalances between cruise industry supply and demand could have a negative impact on our net revenue yields, which would also have a negative impact on our net income.

DEMAND FOR CRUISES COULD BE REDUCED AND, AS A RESULT, OUR NET REVENUE YIELDS MAY BE ADVERSELY AFFECTED.

Demand for cruises may be affected by a number of factors. For example, our sales are dependent on the underlying economic strength of the countries in which we operate. Adverse economic conditions can reduce the level of disposable income of consumers available for vacations. In addition, armed conflicts or political instability in areas where our ships cruise can adversely affect demand for our cruises to those areas. Finally, adverse incidents involving cruise ships and adverse media publicity concerning the cruise industry in general can impact demand. The operation of cruise ships involves the risk of accidents and other incidents which may bring into question passenger safety and adversely affect future industry performance. While we make passenger safety a high priority in the design and operation of our ships, accidents and other incidents involving cruise ships could adversely affect our future sales and profitability. Any reduction in demand may have a negative impact on our net revenue yields, which would also have a negative impact on our net income.

WE FACE SIGNIFICANT COMPETITION FROM BOTH CRUISE LINES AND OTHER VACATION OPERATORS.

We operate in the vacation market. We compete for consumer disposable leisure-time dollars with both other cruise operators and a wide array of vacation operators, including numerous land destinations and timeshare vacation operators located throughout the world. The primary methods of competition among these operators are on the basis of pricing, product, differentiated by the nature of the overall vacation experience, and itinerary or location. Our principal competitors include Royal Caribbean Cruise Ltd., which owns Royal Caribbean International and Celebrity Cruises, P&O Princess Cruises plc, which owns Princess Cruises, P&O Cruises and Aida Cruises, and Norwegian Cruise Line and Orient Lines, which are both owned by Star Cruises plc. In the event that we do not compete effectively with other cruise companies and other vacation operators, our market share could decrease and our net revenue yields could be adversely affected.

HIGHER FUEL PRICES COULD RAISE OUR COSTS.

The cost of fuel is subject to many economic and political factors which are beyond our control. An increase in fuel prices could adversely affect our financial results because we may not be able to increase the prices on our cruise vacations to recover any increased costs.

CONDUCTING BUSINESS INTERNATIONALLY MAY RESULT IN INCREASED COSTS.

We operate our business internationally, and we plan to continue to develop our international presence, especially in Europe. Operating internationally exposes us to a number of risks. Examples include currency fluctuations, interest rate movements, increases in duties and taxes, political uncertainty, and changes in laws and policies affecting cruising, vacation or maritime businesses or the governing operations of foreign-based companies. If we are unable to address these risks adequately, our financial results could be adversely affected.

DELAYS OR FAULTS IN SHIP CONSTRUCTION COULD REDUCE OUR PROFITABILITY.

Cruise ships are large and complicated vessels, and building them involves risks similar to those encountered in similar sophisticated construction projects, including delays in delivery and faulty construction. Delays or faults in ship construction may result in delays or cancellations of scheduled cruises, necessitate unscheduled repairs and drydocking of the ship and increase our shipbuilding costs and/or expenses. Industrial action, insolvency of shipyards or other events could also delay or indefinitely postpone the delivery of new ships.

These events, in turn, could, to the extent they are not covered by contractual provisions or insurance, adversely affect our financial results.

THE INABILITY OF QUALIFIED SHIPYARDS TO BUILD OUR SHIPS COULD REDUCE OUR FUTURE PROFITABILITY.

We believe that there are a limited number of shipyards in the world capable of the quality construction of large passenger cruise ships. We currently have contracts with three of these shipyards for the construction of 15 ships to enter service over the next five years. Our primary competitors also have contracts to construct new cruise ships. If we elect to build additional ships in the future, which we expect to do, there is no assurance that any of these shipyards will have the available capacity to build additional new ships for us at the times desired by us or that the shipyards will agree to build additional ships at a cost acceptable to us. Additionally, there is no assurance that ships under contract for construction will be delivered. These events, in turn, could adversely affect our financial results.

RISKS RELATING TO THE DEBENTURES AND OUR COMMON STOCK

AN ACTIVE TRADING MARKET FOR THE DEBENTURES MAY NOT DEVELOP.

The debentures are a new issue of securities for which there is currently no public market and no active trading market might ever develop. If the debentures are traded, they may trade at a discount from their initial offering price, depending on prevailing interest rates, the market for similar securities, the price of our shares of common stock, our performance and other factors. In addition, we do not know whether an active trading market will develop for the debentures. To the extent that an active trading market does not develop, the liquidity and trading prices for the debentures may be harmed.

WE MAY NOT HAVE THE ABILITY TO RAISE THE FUNDS NECESSARY TO FINANCE THE CHANGE IN CONTROL REPURCHASE OPTION OR THE REPURCHASE AT THE OPTION OF THE HOLDER PROVISION IN THE DEBENTURES.

Upon the occurrence of specific kinds of change in control events occurring on or before April 15, 2008, and on the 2005, 2008 and 2011 purchase dates, we may be required to repurchase all outstanding debentures. However, it is possible that we will not have sufficient funds at such time to make the required repurchase of debentures in cash or that restrictions in our debt instruments will not allow such repurchases. See "Description of Debentures--Purchase of Debentures by Us at the Option of the Holder" and "--Change in Control Permits Purchase of Debentures by the Company at the Option of the Holder."

THE HOLDERS OF OUR COMMON STOCK MAY EXPERIENCE A DILUTION IN THE VALUE OF THEIR EQUITY INTEREST AS A RESULT OF THE ISSUANCE AND SALE OF ADDITIONAL SHARES OF OUR COMMON STOCK.

A substantial number of shares of our common stock were issued by us in private transactions not involving a public offering and are therefore treated as "restricted securities" for purposes of Rule 144 under the Securities Act or are held by our affiliates and, therefore, treated as "restricted securities" or "control securities." Some members of the Arison family and related entities beneficially own approximately 46.9% of our outstanding common stock. No predictions can be made as to the effect, if any, that the issuance and availability for future market sales of shares of our common stock will have on the market price of our common stock prevailing from time to time. Sales of substantial amounts of our common stock (including shares issued upon the exercise of stock options), or the perception that such sales could occur, could materially adversely affect the prevailing market price for our common stock and could impair our future ability to raise capital through an offering of equity securities.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements in this prospectus constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. We have tried, wherever possible, to identify such statements by using words such as "anticipate," "assume," "believe," "expect," "intend," "plan" and words and terms of similar substance in connection with any discussion of future operating or financial performance. These forward-looking statements, including those which may impact the forecasting of our net revenue yields, involve known and unknown risks, uncertainties and other factors, which may cause our actual results, performances or achievements to be materially different from any future results, performances or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the following:

- o general economic and business conditions which may impact levels of disposable income of consumers and the net revenue yields for our cruise products;
- o consumer demand for cruises, including the effects on consumer demand of armed conflicts, political instability or adverse media publicity;
- o increases in cruise industry capacity;
- o cruise and other vacation industry competition;
- o changes in tax laws and regulations;
- o our ability to implement our shipbuilding program and to continue to expand our business outside the North American market;
- o changes in foreign currency rates, food, fuel and commodity prices and interest rates;
- o delivery of new ships on schedule and at the contracted prices;
- o weather patterns;
- o unscheduled ship repairs and drydocking;
- o incidents involving cruise ships;
- o impact of pending or threatened litigation;
- o the ability of unconsolidated affiliates to successfully implement their business strategies; and
- o changes in laws and regulations applicable to us.

We caution the reader that these risks may not be exhaustive. We operate in a continually changing business environment, and new risks emerge from time to time. We cannot predict such risks nor can we assess the impact, if any, of such risks on our business or the extent to which any risk, or combination of risks may cause actual results to differ from those projected in any forward-looking statements. Accordingly, forward-looking statements should not be relied upon as a prediction of actual results. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

RATIO OF EARNINGS TO FIXED CHARGES

The following table sets forth our ratio of earnings to fixed charges for the fiscal years ended November 30, 2000, 1999, 1998, 1997 and 1996 and for the three months ended February 28, 2001 and February 29, 2000. Earnings include net income, adjusted for income taxes, minority interest and income from affiliated operations net of dividends received, plus fixed charges and exclude capitalized interest. Fixed charges include gross interest expense, amortization of deferred financing expenses and an amount equivalent to interest included in rental charges. We have assumed that one-third of rental expense is representative of the interest factor.

	THREE MONTHS ENDED FEBRUARY 29/28,		YEARS ENDED NOVEMBER 30,				
	2001	2000	2000	1999	1998	1997	1996
	Ratio of earnings to fixed charges.....	4.8x	10.3x	11.5x	11.3x	8.8x	9.0x

PRICE RANGE OF COMMON STOCK AND DIVIDENDS

Our common stock is traded on the New York Stock Exchange under the symbol "CCL". The high and low of our common stock sales prices for the periods indicated were as follows:

	HIGH	LOW
FISCAL 2001		
First Quarter.....	\$ 34.938	\$ 21.938
Second Quarter.....	\$ 33.400	\$ 23.600
Third Quarter (through June 11, 2001).....	\$ 28.390	\$ 26.740
FISCAL 2000		
First Quarter.....	\$ 50.563	\$ 27.625
Second Quarter.....	\$ 28.813	\$ 21.875
Third Quarter.....	\$ 27.313	\$ 18.625
Fourth Quarter.....	\$ 25.750	\$ 19.688
FISCAL 1999		
First Quarter.....	\$ 49.125	\$ 34.875
Second Quarter.....	\$ 53.500	\$ 38.500
Third Quarter.....	\$ 50.500	\$ 39.750
Fourth Quarter.....	\$ 51.875	\$ 38.125

As of June 11, 2001, there were approximately 4,657 holders of record of our common stock.

We declared cash dividends on all of our common stock in the amount of \$.09 per share in each of the first three quarters of fiscal 1999 and \$.105 for each subsequent quarter through and including the first quarter of fiscal 2001. Payment of future dividends on the common stock will depend upon, among other factors, our earnings, financial condition and capital requirements. We may also declare special dividends to all shareholders in the event that members of the Arison family and certain related entities, as a result of any future income tax audit, are required to pay additional income taxes by reason of their ownership of the common stock.

The Republic of Panama does not currently have tax treaties with any other country. Under current law, we believe that distributions to our United States shareholders are not subject to taxation under the laws of the Republic of Panama. Dividends that we pay will be taxable as ordinary income for United States federal income tax purposes to the extent of our current or accumulated earnings and profits, but generally will not qualify for any dividends-received deduction.

The payment and amount of any dividend is within the discretion of our board of directors, and it is possible that the amount of any dividend may vary from the levels discussed above.

SELECTED CONSOLIDATED FINANCIAL DATA

The selected consolidated financial data presented below for the fiscal years ended November 30, 2000, 1999, 1998, 1997 and 1996, and as of the end of each such fiscal year are derived from our audited financial statements and should be read in conjunction with those financial statements and the related notes. The selected financial data presented below for the quarters ended February 28, 2001 and February 29, 2000, are derived from our unaudited financial statements and should be read in conjunction with those financial statements and related notes.

	THREE MONTHS ENDED FEBRUARY 28/29,		YEARS ENDED NOVEMBER 30,				
	2001	2000	2000	1999	1998	1997	1996
	(IN THOUSANDS, EXCEPT PER SHARE DATA)						
INCOME STATEMENT AND OTHER DATA(3):							
Revenues	\$1,007,606	\$ 824,878	\$3,778,542	\$3,497,470	\$3,009,306	\$2,447,468	\$2,212,572
Operating income before income from affiliated operations	160,004	170,955	945,130	943,941	819,792	660,979	551,461
Operating income	138,941	159,518	982,958	1,019,699	896,524	714,070	597,428
Net income	127,950	171,517	965,458	1,027,240	835,885	666,050	566,302
Earnings per share (1):							
Basic	\$ 0.22	\$ 0.28	\$ 1.61	\$ 1.68	\$ 1.40	\$ 1.12	\$ 0.98
Diluted	0.22	0.28	1.60	1.66	1.40	1.12	0.96
Dividends declared per share (1)	0.105	0.105	0.420	0.375	0.315	0.240	0.190
Capital expenditures	120,829	93,046	1,003,348	872,984	1,150,413	497,657	901,905
Passenger cruise days	5,203	3,839	16,750	14,947	13,009	11,908	10,583
Occupancy percentage (2)	105.2%	103.4%	105.4%	104.3%	106.3%	108.3%	107.6%

	AS OF FEBRUARY 28/29,		AS OF NOVEMBER 30,				
	2001(3)	2000	2000(3)	1999	1998	1997	1996
	(IN THOUSANDS)						
BALANCE SHEET DATA:							
Total assets	\$10,285,311	\$8,332,673	\$9,831,320	\$8,286,355	\$7,179,323	\$5,426,775	\$5,101,888
Long-term debt (excluding portion due within one year)	1,854,719	865,666	2,099,077	867,515	1,563,014	1,015,294	1,316,632
Total shareholders' equity	5,942,562	6,025,623	5,870,617	5,931,247	4,285,476	3,605,098	3,030,884

(1) All per share amounts have been adjusted as of such date to reflect a two-for-one stock split effective June 12, 1998.

(2) In accordance with cruise industry practice, occupancy percentage is calculated based upon two passengers per cabin even though some cabins can accommodate three or four passengers. The percentages in excess of 100% indicate that more than two passengers occupied some cabins.

(3) Since June 1997, we have owned 50% of Costa. On September 29, 2000, we completed the acquisition of the remaining 50% interest in Costa. We accounted for this transaction using the purchase accounting method. Prior to the fiscal 2000 acquisition, we accounted for our 50% interest in Costa using the equity method. Commencing in fiscal 2001, Costa's results of operations will be consolidated on a current month basis in the same manner as our other wholly-owned subsidiaries. Our November 30, 2000 and February 28, 2001 consolidated balance sheets include Costa's balance sheet. See Note 3 to our financial statements for the year ended November 30, 2000.

CAPITALIZATION

The following table sets forth our capitalization as of February 28, 2001 and as adjusted as of such date to give effect to the sale of the debentures and the application of the gross proceeds of that offering.

	AS OF FEBRUARY 28, 2001	
	ACTUAL	AS ADJUSTED
	(in thousands, except per share data)	
Long-term debt:		
Commercial paper, bearing interest at 5.4% at February 28, 2001, due in 2001	\$ 324,612	\$ --
2% Convertible Senior Debentures due 2021	--	600,000
\$200 million multi-currency revolving credit facility drawn in euros, bearing interest at 5.0% at February 28, 2001 (1)(2)	161,283	161,283
Unsecured Debentures and Notes, bearing interest at rates ranging from 6.15% to 7.7%, due through 2028	848,687	848,687
Euro note, secured by one ship, bearing interest at euribor plus 0.5% (5.3% at February 28, 2001), due through 2008 (1)	137,971	137,971
Unsecured euro notes, bearing interest at rates ranging from euribor plus 0.17% to euribor plus 1.0% (4.9% to 5.8% at February 28, 2001), due 2001, 2005 and 2006 (1)(2)	856,163	856,163
Other	31,894	31,894
	-----	-----
Total long-term debt	2,360,610	2,635,998
Less portion due within one year	(505,891)	(181,279)
	-----	-----
Total long-term debt (excluding portion due within one year)	1,854,719	2,454,719
Shareholders' equity:		
Common Stock; \$.01 par value; 960,000 shares authorized; 617,803 shares issued	6,178	6,178
Additional paid-in capital	1,778,260	1,778,260
Retained earnings	4,950,578	4,950,578
Unearned stock compensation	(14,532)	(14,532)
Accumulated other comprehensive loss	(72,785)	(72,785)
Treasury stock; 33,087 shares at cost	(705,137)	(705,137)
	-----	-----
Total shareholders' equity	5,942,562	5,942,562
	-----	-----
Total capitalization (excluding portion of long-term debt due within one year)	\$ 7,797,281	\$ 8,397,281
	=====	=====

(1) Euro denominated notes have been translated to U.S. dollars at the exchange rate in effect as of February 28, 2001.

(2) On March 22, 2001, we repaid the outstanding amount drawn under our \$200 million credit facility and an unsecured euro note of approximately \$105 million from the proceeds received from \$266 million of unsecured euro notes, bearing interest at an effective rate of 5.57%, due in 2006. Since the debt outstanding at February 28, 2001 was repaid with long-term debt, the outstanding balances have been classified as long-term in the February 28, 2001 capitalization table.

USE OF PROCEEDS

The selling securityholders will receive all of the proceeds from the sale of the securities sold under this prospectus. We will not receive any of the proceeds from sales by the selling securityholders of the offered securities.

SELLING SECURITYHOLDERS

The following table provides, as of June 7, 2001, the name of each selling securityholder, the principal amount of debentures held by such selling securityholder, the number of shares of common stock owned by such securityholder prior to its purchase of debentures and the common stock issuable upon conversion of the debentures (based upon the initial conversion price). This information has been obtained from the selling securityholders. Selling securityholders representing an amount of up to an additional \$482,750,000 aggregate principal amount of debentures will be added to the table prior to the effectiveness of the registration statement of which this prospectus is a part.

(1) SELLING SECURITYHOLDER	(2) PRINCIPAL AMOUNT OF DEBENTURES BENEFICIALLY OWNED AND OFFERED	(3) PERCENT OF TOTAL OUTSTANDING DEBENTURES	(4) COMMON STOCK ISSUABLE UPON CONVERSION OF THE DEBENTURES	(5) COMMON STOCK OWNED PRIOR TO CONVERSION OF DEBENTURES
First Union Securities, Inc.	\$29,500,000	4.92%	757,167	0
White River Securities L.L.C.	\$ 1,500,000	0.25%	38,500	0
Bear Stearns & Co. Inc.	\$ 1,500,000	0.25%	38,500	0
Nomura Securities International, Inc.	\$15,000,000	2.50%	385,000	497,292
CIBC World Markets	\$ 5,000,000	0.83%	128,333	0
JMG Triton Offshore Fd Ltd.	\$21,000,000	3.50%	539,000	0
OZ Master Fund, Ltd.	\$ 4,534,000	0.76%	116,373	0
Lexington (IMA) Limited	\$ 139,000	0.02%	3,568	0
Absolute Return Fund, Ltd.	\$ 327,000	0.05%	8,393	0
TD Securities (USA) Inc.	\$ 9,500,000	1.58%	243,833	0

(1) SELLING SECURITYHOLDER	(2) PRINCIPAL AMOUNT OF DEBENTURES BENEFICIALLY OWNED AND OFFERED	(3) PERCENT OF TOTAL OUTSTANDING DEBENTURES	(4) COMMON STOCK ISSUABLE UPON CONVERSION OF THE DEBENTURES	(5) COMMON STOCK OWNED PRIOR TO CONVERSION OF DEBENTURES
Peoples Benefit Life Insurance Company TEAMSTERS	\$ 5,000,000	0.83%	128,333	0
Retail Clerks Pension Trust #2	1,500,000	0.25%	38,500	0
GM Employees Global Group Pension Trust (Abs Return Portfolio)	1,500,000	0.25%	38,500	0
St. Albans Partners Ltd.	5,000,000	0.83%	128,333	0
Yield Strategies Fund II, LP	3,250,000	0.54%	83,417	0
Bank America Pension Plan	3,000,000	0.50%	77,000	0
Circllet (IMA) Limited	2,000,000	0.33%	51,333	0
Duckbill & Co.	1,750,000	0.29%	44,917	0
General Motors Welfare Benefit Trust (VEBA)	3,000,000	0.50%	77,000	0

* Assuming the sale of all debentures and common stock issuable upon conversion of the debentures, selling securityholders will not hold any debentures and will hold the number of our common stock set forth in column (5) "Common Stock Owned Prior to Conversion of Debentures". At that time, no selling securityholder will hold more than 1% of our outstanding common stock.

Except as described below, none of the selling securityholders listed above has, or within the past three years had, any position, office or any material relationship with us or any of our affiliates. Because the selling securityholders may offer all or some portion of the above-referenced securities under this prospectus or otherwise, no estimate can be given as to the amount of percentage that will be held by the selling securityholders upon termination of any sale. In addition, the selling securityholders identified above may have sold, transferred or otherwise disposed of all or a portion of such securities since April 25, 2001 in transactions exempt from the registration requirements of the Securities Act.

Mr. Uzi Zucker, one of our directors, is a Senior Managing Director of Bear, Stearns & Co. Inc. ("Bear Stearns"). Bear Stearns was one of the investment banking firms serving as our agent in connection with our common stock repurchase program. It is expected that Bear Stearns may continue to provide us with investment banking and consulting services when we so request it.

Generally, only selling securityholders identified in the foregoing table who beneficially own the securities set forth opposite their respective names in columns (2) and (5) may sell offered securities under the registration statement of which this prospectus forms a part. We may from time to time include additional selling securityholders in supplements to this prospectus.

PLAN OF DISTRIBUTION

The debentures and underlying common stock, which we will refer to as offered securities, are being registered to permit the resale of such securities by the holders of them from time to time after the date of this prospectus. We will not receive any of the proceeds from the sale by the selling securityholders of the debentures and common stock. We will bear the fees and expenses incurred in connection with our obligation to register the debentures and underlying common stock. These fees and expenses include registration and filing fees, printing and duplication expenses, fee and disbursement of our counsel, as well as reasonable fees and disbursement of the indenture's trustee, its counsel and the registrar and transfer agent. However, the selling securityholders will pay all underwriting discounts and selling commissions, if any, and their own legal expenses.

The selling securityholders may sell the debentures and common stock from time to time, at market prices prevailing at the time of sale, at prices related to market prices, at fixed prices, prices subject to change or at negotiated prices, by a variety of methods including the following:

- o in market transactions;
- o in privately negotiated transactions;
- o through broker-dealers, which may act as agents or principals;
- o in a block trade in which a broker-dealer will attempt to sell a block of securities as agent but may position and resell a portion of the block as principal to facilitate the transaction;
- o if we agree to it prior to the distribution, through one or more underwriters on a firm commitment or best-efforts basis;
- o directly to one or more purchasers;
- o through agents;
- o in any combination of the above; or
- o by any other legally available means.

In effecting sales, brokers or dealers engaged by the selling securityholders may arrange for other brokers or dealers to participate. Broker-dealer transactions may include:

- o purchases of the debentures and common stock by a broker-dealer as principal and resales of them by the broker-dealer for its account pursuant to this prospectus;
- o ordinary brokerage transactions; or
- o transactions in which the broker-dealer solicits purchasers.
- o If a material arrangement with any underwriter, broker, dealer or other agent is entered into for the sale of any debentures and common stock through a secondary distribution or a purchase by a broker or dealer, or if other material changes are made in the plan of distribution of the debentures and common stock, a prospectus supplement will be filed, if necessary, under the Securities Act disclosing the material terms and conditions of such arrangement. The underwriter or underwriters with respect to an underwritten offering of debentures and common stock and the other material terms and conditions of the underwriting will be set forth in a prospectus supplement relating to such offering and, if an underwriting syndicate is used, the managing

underwriter or underwriters will be set forth on the cover of the prospectus supplement. In connection with the sale of debentures and common stock, underwriters will receive compensation in the form of underwriting discounts or commissions and may also receive commissions from purchasers of debentures and underlying common stock for whom they may act as agent. Underwriters may sell to or through dealers, and such dealers may receive compensation in the form of discounts, concessions or commissions from the underwriters and/or commissions from the purchasers for whom they may act as agent.

The selling securityholders and any underwriters, broker-dealers or agents participating in the distribution of the securities may be deemed to be "underwriters" within the meaning of the Securities Act, and any profit on the sale of the debentures and/or common stock by the selling securityholders and any commissions received by any such underwriters, broker-dealers or agents may be deemed to be underwriting commissions under the Securities Act.

The selling securityholders and any other person participating in the distribution will be subject to applicable provisions of the Exchange Act and the rules and regulations under the Exchange Act, including without limitation, Regulation M, which may limit the timing of purchases and sales of any of the debentures and common stock by the selling securityholders and any other relevant person. Furthermore, Regulation M may restrict the ability of any person engaged in the distribution of the debentures and common stock to engage in market-making activities with respect to the particular debentures and common stock being distributed. All of the above may affect the marketability of the debentures and common stock and the ability of any person or entity to engage in market-making activities with respect to the debentures and common stock.

Under the securities laws of certain states, the debentures and underlying common stock may be sold in those states only through registered or licensed brokers or dealers. In addition, in certain states the debentures and common stock may not be sold unless the debentures and common stock have been registered or qualified for sale in the state or an exemption from registration or qualification is available and is complied with.

We have agreed to indemnify the selling securityholders against certain civil liabilities, including certain liabilities arising under the Securities Act, and the selling securityholders will be entitled to contribution from us in connection with those liabilities. The selling securityholders will indemnify us against certain civil liabilities, including liabilities arising under the Securities Act, and will be entitled to contribution from the selling securityholders in connection with those liabilities.

We are permitted to suspend the use of this prospectus under certain circumstances relating to pending corporate developments, public filings with the SEC and similar events for a period not to exceed 60 days in any three-month period and not to exceed an aggregate of 90 days in any 12-month period. However, if the duration of such suspension exceeds any of the periods above-mentioned, we have agreed to pay liquidated damages. Please refer to the section entitled "Description of Debentures -- Registration Rights."

The outstanding common stock is listed for trading on the New York Stock Exchange under the symbol "CCL." We do not intend to apply for listing of the debentures on any securities exchange or for quotation through the National Association of Securities Dealers Automated Quotation System. Accordingly, we cannot assure you about the development of liquidity or any trading market for the debentures. Please refer to the section entitled "Risk Factors."

DESCRIPTION OF DEBENTURES

We have issued the debentures pursuant to the indenture dated as of April 25, 2001, between us and US Bank Trust National Association, as trustee, as supplemented by a first supplemental indenture dated April 25, 2001, governing the debentures. We refer to the indenture, as so supplemented, as the "indenture."

The following summary does not purport to be complete, and is subject to, and is qualified in its entirety by reference to, all of the provisions of the debentures and the indenture. We urge you to read the indenture and the form of the debentures, which you may obtain from us upon request. As used in this description, all references to "our company" or to "we," "us" or "our" mean Carnival Corporation, excluding, unless otherwise expressly stated or the context otherwise requires, its subsidiaries.

GENERAL

The debentures:

- o were issued only in registered form without coupons in denominations of \$1,000 and any integral multiple of \$1,000 above that amount;
- o were limited to \$600,000,000 aggregate principal amount;
- o mature on April 15, 2021; and
- o accrue interest at a rate of 2.00% per year from April 25, 2001 or from the most recent interest payment date to which interest has been paid or duly provided, payable semi-annually in arrears on April 15 and October 15 of each year, beginning October 15, 2001.

Interest is paid to the person in whose name a debenture is registered at the close of business on April 1 or October 1, as the case may be, immediately preceding the relevant interest payment date. Interest on the debentures is computed on the basis of a 360-day year composed of twelve 30-day months.

If any interest payment date, maturity date, redemption date or purchase date of a debenture falls on a day that is not a business day, the required payment of principal and interest is made on the next succeeding business day as if made on the date that the payment was due and no interest will accrue on that payment for the period from and after that interest payment date, maturity date, redemption date or purchase date, as the case may be, to the date of that payment on the next succeeding business day. The term "business day" means, with respect to any debenture, any day other than a Saturday, a Sunday or a day on which banking institutions in The City of New York are authorized or required by law, regulation or executive order to close.

The debentures are redeemable prior to maturity only on or after April 15, 2008, as described below under "--Redemption of Debentures at Our Option" and do not have the benefit of a sinking fund. Principal of and interest on the debentures will be payable at the office of the paying agent, which initially will be an office or agency of the trustee, or an office or agency maintained for such purpose, in the Borough of Manhattan, The City of New York. If certain conditions have been satisfied, the debentures may be presented for conversion at the office of the conversion agent, and for registration of transfer or exchange at the office of the registrar, each such agent initially being the trustee. No service charge is made for any registration of transfer or exchange of debentures, but we may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Maturity, conversion, purchase by us at the option of a holder or redemption of a debenture will cause interest to cease to accrue on such debenture. We may not reissue a debenture that has matured or been converted, purchased by us at the option of a holder, redeemed or otherwise cancelled, except for registration of transfer, exchange or replacement of such debenture.

RANKING OF DEBENTURES

The debentures are unsecured and unsubordinated obligations. The debentures rank equal in right of payment to all of our existing and future unsecured and unsubordinated indebtedness. However, the debentures are effectively subordinated to all existing and future obligations of our subsidiaries.

As of February 28, 2001, we had approximately \$2,360.6 million of total indebtedness outstanding, which includes approximately \$1,202.3 million indebtedness of our consolidated subsidiaries. See "Capitalization."

CONVERSION RIGHTS

The initial conversion rate is 25.5467 shares of common stock per \$1,000 principal amount of debentures, subject to adjustment upon the occurrence of certain events described below. A holder of a debenture otherwise entitled to a fractional share will receive cash in an amount equal to the value of such fractional share based on the sale price, as defined below, on the trading day immediately preceding the conversion date. Upon a conversion, we will have the right to deliver cash or a combination of cash and common stock, as described below.

CONVERSION RIGHTS BASED ON COMMON STOCK PRICE. Commencing after May 21, 2001, holders may surrender debentures for conversion into shares of common stock in any fiscal quarter (and only during such fiscal quarter), if, as of the last day of the preceding fiscal quarter, the closing sale price of our common stock for at least 20 trading days in a period of 30 consecutive trading days ending on the last trading day of such preceding fiscal quarter is more than \$43.05 (110% of the conversion price per share of common stock). Our fiscal quarters end on the last day of February, May, August and November. The initial conversion price per share equals \$39.14, subject to adjustment as described below.

"Trading Day" means a day during which trading in securities generally occurs on the New York Stock Exchange or, if the common stock is not listed on the New York Stock Exchange, on the principal other national or regional securities exchange on which the common stock is then listed or, if the common stock is not listed on a national or regional securities exchange, on the National Association of Securities Dealers Automated Quotation System or, if the common stock is not quoted on the National Association of Securities Dealers Automated Quotation System, on the principal other market on which the common stock is then traded.

CONVERSION RIGHTS UPON NOTICE OF REDEMPTION. A holder may surrender for conversion a debenture called for redemption at any time prior to the close of business on the redemption date, even if it is not otherwise convertible at such time. A debenture for which a holder has delivered a purchase notice or a change in control purchase notice as described below requiring us to purchase the debenture may be surrendered for conversion only if such notice is withdrawn in accordance with the indenture.

CONVERSION RIGHTS UPON OCCURRENCE OF CERTAIN CORPORATE TRANSACTIONS. If we are party to a consolidation, merger or binding share exchange pursuant to which our shares of common stock would be converted into cash, securities or other property, the debentures may be surrendered for conversion at any time from and after the date which is 15 days prior to the anticipated effective date of the transaction until 15 days after the actual date of such transaction and, at the effective time, the right to convert a debenture into shares of common stock will be changed into a right to convert it into the kind and amount of cash, securities or other property of our company or another person which the holder would have received if the holder had converted the holder's debenture immediately prior to the transaction. If such transaction also constitutes a change in control, the holder will be able to require us to purchase all or a portion of such holder's debentures as described under "--Change in Control Permits Purchase of Debentures by Us at the Option of the Holder."

In the event we elect to make a distribution described in the third or fourth bullet of the paragraph under the caption, "--Conversion Rate Adjustment" below describing adjustments to the conversion rate which, in the case of the fourth bullet, has a per share value equal to more than 15% of the sale price of our shares of common stock on the day preceding the declaration date for such distribution, we will be required to give notice to the holders of debentures at least 20 days prior to the ex-dividend date for such distribution and, upon the giving of

such notice, the debentures may be surrendered for conversion at any time until the close of business on the business day prior to the ex-dividend date or until we announce that such distribution will not take place.

Notwithstanding anything to the contrary, no debentures may be surrendered for conversion pursuant to the first paragraph under this caption and no corporate transaction requiring an adjustment to the conversion price will be deemed to have occurred by reason of the completion of a merger, consolidation or other transaction effected with one of our affiliates for the purpose of:

- o changing our jurisdiction of organization; or
- o effecting a corporate reorganization, including, without limitation, the implementation of a holding company structure.

On conversion of debentures, a holder will not receive any cash payment of interest (unless such debentures or portions thereof have been called for redemption on a redemption date that occurs between a regular record date and the third business day after the interest payment date to which it relates). Our delivery to the holder of the full number of shares of common stock into which the debenture is convertible, together with any cash payment for such holder's fractional shares, or cash or a combination of cash and common stock in lieu thereof, will be deemed:

- o to satisfy our obligation to pay the principal amount at maturity of the debenture; and
- o to satisfy our obligation to pay accrued interest attributable to the period from the most recent interest payment date through the conversion date.

As a result, interest is deemed to be paid in full rather than cancelled, extinguished or forfeited.

Notwithstanding the above, if debentures are converted after a record date but prior to the next succeeding interest payment date, holders of such debentures at the close of business on the record date will receive the interest payable on such debentures on the corresponding interest payment date notwithstanding the conversion. Such debentures, upon surrender for conversion, must be accompanied by funds equal to the amount of interest payable on the principal amount of debentures so converted, unless such debentures have been called for redemption on a redemption date that occurs between a regular record date and the third business day after the interest payment date to which it relates, in which case no such payment shall be required.

A certificate for the number of full shares of common stock into which any debentures are converted, together with any cash payment for fractional shares, will be delivered through the conversion agent as soon as practicable following the conversion date. For a discussion of the tax treatment of a holder receiving shares of common stock upon conversion, see "Certain Panamanian and United States Federal Income Tax Consequences--Sale or Exchange of Debentures or Shares of Common Stock" and "--Conversion of Debentures."

In lieu of delivery of shares of our common stock upon notice of conversion of any debentures (for all or any portion of the debentures), we may elect to pay holders surrendering debentures an amount in cash per debenture (or a portion of a debenture) equal to the average sale price of our common stock for the five consecutive trading days immediately following (a) the date of our notice of our election to deliver cash as described below if we have not given notice of redemption, or (b) the conversion date, in the case of conversion following our notice of redemption specifying that we intend to deliver cash upon conversion, in either case multiplied by the conversion rate in effect on that date. We will inform the holders through the trustee no later than two business days following the conversion date of our election to deliver shares of our common stock or to pay cash in lieu of delivery of the shares, unless we have already informed holders of our election in connection with our optional redemption of the debentures as described under "--Redemption of Debentures at Our Option." If we elect to deliver all of such payment in shares of our common stock, the shares will be delivered through the conversion agent no later than the fifth business day following the conversion date. If we elect to pay all or

a

portion of such payment in cash, the payment, including any delivery of our common stock, will be made to holders surrendering debentures no later than the tenth business day following the applicable conversion date. If an event of default, as described under "--Events of Default; Waiver and Notice" below (other than a default in a cash payment upon conversion of the debentures), has occurred and is continuing, we may not pay cash upon conversion of any debentures or portion of the debenture (other than cash for fractional shares).

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

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

Pursuant to the indenture, the date on which all of the foregoing requirements have been satisfied is the conversion date.

CONVERSION RATE ADJUSTMENT. The conversion rate will be adjusted for:

- o dividends or distributions on our shares of common stock payable in shares of our common stock or other capital stock;
- o subdivisions, combinations or certain reclassifications of shares of our common stock;
- o distributions to all holders of shares of common stock of certain rights to purchase shares of common stock for a period expiring within 60 days at less than the sale price at the time; and
- o distributions to all holders of our shares of common stock of our assets (including shares of capital stock, of or similar equity interests in, subsidiary or other business unit of ours) or debt securities or certain rights to purchase our securities (excluding cash dividends or other cash distributions from current or retained earnings other than, with respect to any consecutive 12-month period, the amount, if any, by which the aggregate amount of all cash dividends on the common stock occurring during such 12-month period exceeds on a per share basis 7.5% of the sale price of the shares of common stock on the day preceding the date of declaration of such dividend or other distribution).

In the event that we pay a dividend or make a distribution on shares of our common stock consisting of capital stock of, or similar equity interests in, a subsidiary or other business unit of ours, the conversion rate will be adjusted based on the market value of the securities so distributed relative to the market value of our common stock, in each case based on the average sale prices of those securities for the 10 trading days commencing on and including the fifth trading day after the date on which "ex-dividend trading" commences for such dividend or distribution on the New York Stock Exchange or such other national or regional exchange or market on which the securities are then listed or quoted.

No adjustment to the conversion rate or the ability of a holder of a debenture to convert will be made if we provide that holders of debentures will participate in the transaction without conversion or in certain other cases.

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

In the event of:

- o a taxable distribution to holders of shares of common stock which results in an adjustment of the conversion rate; or
- o an increase in the conversion rate at our discretion,

the holders of the debentures may, in certain circumstances, be deemed to have received a distribution subject to federal income tax as a dividend. See "Certain Panamanian and United States Federal Income Tax Consequences--Constructive Dividends."

Upon determination that debenture holders are or will be entitled to convert their debentures into shares of common stock in accordance with the foregoing provisions, we will issue a press release and publish such information on our website on the World Wide Web.

REDEMPTION OF DEBENTURES AT OUR OPTION

Prior to April 15, 2008, the debentures will not be redeemable at our option. Beginning on April 15, 2008, we may redeem the debentures for cash at any time as a whole, or from time to time in part, at a price equal to 100% of the principal amount of the debentures to be redeemed plus accrued and unpaid interest to, but excluding, the date of redemption. We will give not less than 30 days nor more than 60 days notice of redemption by mail to holders of the debentures. The notice of redemption will inform the holders of our election to deliver shares of our common stock or to pay cash or a combination of cash and common stock.

If we decide to redeem fewer than all of the outstanding debentures, the trustee will select the debentures to be redeemed in principal amounts of \$1,000 or integral multiples of \$1,000. In this case, the trustee may select the debentures by lot, pro rata, or by another method the trustee considers fair and appropriate.

If the trustee selects a portion of your debentures for partial redemption and you convert a portion of your debentures, the converted portion will be deemed to be the portion selected for redemption.

PURCHASE OF DEBENTURES BY US AT THE OPTION OF THE HOLDER

You have the right to require us to purchase your debentures on any April 15 occurring in the years 2005, 2008 and 2011. We are required to purchase, at a purchase price equal to 100% of the principal amount thereof plus accrued and unpaid interest to, but excluding, the purchase date, any outstanding debenture for which a written purchase notice has been properly delivered by the holder to the paying agent and not withdrawn, subject to certain additional conditions. We may also add additional dates on which you may require us to purchase all or a portion of your debentures. However, we cannot assure you that we will add any purchase dates. You may submit your debentures for purchase to the paying agent at any time from the opening of business on the date that is 20 business days prior to the purchase date until the close of business on the purchase date. Also, our ability to satisfy our purchase obligations may be affected by the factors described in "Risk Factors" under the heading "We may not have the ability to raise the funds necessary to finance the change in control repurchase option or the repurchase at the option of the holder provision in the debentures."

We may, at our option, elect to pay the purchase price in cash or shares of common stock, or any combination thereof. For a discussion of the tax treatment of a holder receiving cash, shares of common stock or any combination thereof, see "Certain Panamanian and United States Federal Income Tax Considerations."

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

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

Your purchase notice electing to require us to purchase your debentures must state:

- o if certificated debentures have been issued, the debenture certificate numbers, or if not, such information as may be required under appropriate DTC procedures;
- o the portion of the principal amount of debentures to be purchased, in integral multiples of \$1,000;
- o that we are to purchase the debentures pursuant to the applicable provisions of the debentures and the indenture; and
- o in the event we elect, pursuant to the notice that we are required to give, to pay the purchase price in shares of common stock, in whole or in part, but the purchase price is ultimately to be paid to the holder entirely in cash because any of the conditions to payment of the purchase price or portion of the purchase price in shares of common stock is not satisfied prior to the close of business on the purchase date, as described below, whether the holder elects:
 1. to withdraw the purchase notice as to some or all of the debentures to which it relates; or
 2. to receive cash in respect of the entire purchase price for all debentures or portions of debentures subject to such purchase notice.

If you fail to indicate your choice with respect to the election described in the final bullet point above, you will be deemed to have elected to receive cash in respect of the entire purchase price for all debentures subject to the purchase notice in these circumstances. For a discussion of the tax treatment of a holder receiving cash instead of shares of common stock, see "Certain Panamanian and United States Federal Income Tax Considerations--Sale or Exchange of Debentures or Shares of Common Stock" and "--Conversion of Debentures."

You may withdraw any purchase notice by a written notice of withdrawal delivered to the paying agent prior to the close of business on the purchase date. The notice of withdrawal must state:

- o the principal amount of the withdrawn debentures;
- o if certificated debentures have been issued, the certificate numbers of the withdrawn debentures, or if not, such information as may be required under appropriate DTC procedures; and
- o the principal amount, if any, of debentures that remain subject to your purchase notice.

If we elect to pay the purchase price, in whole or in part, in shares of common stock, the number of shares to be delivered by us will be equal to the portion of the purchase price to be paid in shares of common stock divided by the market price of one share of common stock. We will pay cash based on the market price for all fractional shares in the event we elect to deliver shares of common stock in payment, in whole or in part, of the purchase price.

The "market price" means the average of the sale prices of the common stock for the five trading day period ending on the third business day (if the third business day prior to the purchase date is a trading day or, if not, then on the last trading day prior to the third business day) prior to the purchase date, appropriately adjusted

to take into account the occurrence, during the period commencing on the first of such trading days during such five trading day period and ending on such purchase date, of certain events with respect to the common stock that would result in an adjustment of the conversion rate.

The "sale price" of the common stock on any date means the closing sale price per share (or if no closing sale price is reported, the average of the bid and ask prices or, if more than one in either case, the average of the average bid and the average ask prices) on such date as reported in composite transactions for the principal United States securities exchange on which the common stock is traded or, if the common stock is not listed on a United States national or regional securities exchange, as reported by the National Association of Securities Dealers Automated Quotation System or by the National Quotation Bureau Incorporated.

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

Upon determination of the actual number of shares of common stock to be issued for each \$1,000 principal amount of debentures in accordance with the foregoing provisions, we will publish such information on our Web site on the World Wide Web or through such other public medium as we may use at that time.

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

- o the listing of such shares of common stock on the principal United States securities exchange on which the common stock is then listed or, if not so listed, on Nasdaq;
- o the registration of the shares of common stock under the Securities Act and the Exchange Act, if required; and
- o any necessary qualification or registration under applicable state securities law or the availability of an exemption from such qualification and registration.

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

Our ability to purchase debentures with cash may be limited by the terms of our then existing borrowing agreements. The indenture prohibits us from purchasing debentures for cash in connection with the holders' purchase right if any event of default under the indenture has occurred and is continuing, except a default in the payment of the purchase price with respect to the debentures.

A holder must either effect book-entry transfer or deliver the debentures to be purchased, together with necessary endorsements, to the office of the paying agent after delivery of the purchase notice to receive payment of the purchase price. You will receive payment in cash on the later of the purchase date or the time of book-entry transfer or the delivery of the debenture. If the paying agent holds money or securities sufficient to pay the purchase price of the debenture on the business day following the purchase date, then, immediately after the purchase date:

- o the debenture will cease to be outstanding;

- o interest will cease to accrue; and
- o all other rights of the holder will terminate.

This is the case whether or not book-entry transfer of the debenture is made or whether or not the debenture is delivered to the paying agent.

We will comply with the provisions of Rule 13e-4, Rule 14e-1 and any other tender offer rules under the Exchange Act that may be applicable at the time. We will file Schedule T0 or any other schedule under the Exchange Act required in connection with any offer by us to purchase the debentures at your option.

CHANGE IN CONTROL PERMITS PURCHASE OF DEBENTURES BY US AT THE OPTION OF THE HOLDER

In the event of a change in control, which occurs on or before April 15, 2008, you will have the right, at your option, subject to the terms and conditions of the indenture, to require us to purchase for cash any or all of your debentures in integral multiples of \$1,000 principal amount. We will purchase the debentures at a price equal to 100% of the principal amount of the debentures to be purchased plus accrued and unpaid interest to, but excluding, the change in control purchase date.

We are required to purchase the debentures as of the date that is 35 business days after the occurrence of such change in control (a "change in control purchase date").

A change of control occurs in the following situations:

- o any person or group, other than our subsidiaries, any of our or their employee benefit plans or permitted holders, after the first issuance of debentures files a Schedule T0 or a Schedule 13D (or any successors to those Schedules) stating that it has become and actually is the beneficial owner of our voting stock representing more than 50% of the total voting power of all of our classes of voting stock entitled to vote generally in the election of the members of our board of directors; or
- o permitted holders file a Schedule T0 or a Schedule 13D (or any successors to those Schedules) stating that they have become and actually are beneficial owners of our voting stock representing more than 80%, in the aggregate, of the voting power of all of our classes of voting stock entitled to vote generally in the election of the members of our board of directors; or
- o we consolidate with or merge with or into another person (other than a subsidiary), we sell, convey, transfer or lease our properties and assets substantially as an entirety to any person (other than a subsidiary), or any person (other than a subsidiary) consolidates with or merges with or into our company, and our outstanding common stock is reclassified into, exchanged for or converted into the right to receive any other property or security, provided that none of these circumstances will be a change in control if the persons that beneficially own our voting stock immediately prior to a transaction beneficially own, in substantially the same proportion, shares with a majority of the total voting power of all outstanding voting securities of the surviving or transferee person that are entitled to vote generally in the election of that person's board of directors.

For purposes of this provision, a "permitted holder" means each of Marilyn B. Arison, Micky Meir Arison, Shari Arison, Michael Arison or their spouses, children or lineal descendants of Marilyn B. Arison, Micky Meir Arison, Shari Arison, Michael Arison or their spouses, any trust established for the benefit of any Arison family member mentioned in this paragraph, or any "person" (as such term is used in Section 13(d) or 14(d) of the Exchange Act), directly or indirectly, controlling, controlled by or under common control with any Arison family member mentioned in this paragraph or any trust established for the benefit of any such Arison family member or any charitable trust or non-profit entity established by a permitted holder.

Notwithstanding anything to the contrary, the completion of a merger, consolidation or other transaction effected with one of our affiliates for the purpose of:

- o changing our jurisdiction of organization; or
- o effecting a corporate reorganization, including, without limitation, the implementation of a holding company structure

shall not be deemed to be a "change of control."

Within 15 business days after the occurrence of a change in control, we are obligated to mail to the trustee and to all holders of debentures at their addresses shown in the register of the registrar and to beneficial owners as required by applicable law a notice regarding the change in control, stating, among other things:

- o the events causing a change in control;
- o the date of such change in control;
- o the last date on which the purchase right may be exercised;
- o the change in control purchase price;
- o the change in control purchase date;
- o the name and address of the paying agent and the conversion agent;
- o the conversion rate and any adjustments to the conversion rate;
- o that debentures with respect to which a change in control purchase notice is given by the holder may be converted only if the change in control purchase notice has been withdrawn in accordance with the terms of the debentures and the indenture; and
- o the procedures that holders must follow to exercise these rights.

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

- o if certificated debentures have been issued, the debenture certificate numbers, or if not, must comply with appropriate DTC procedures;
- o the portion of the principal amount of debentures to be purchased, in integral multiples of \$1,000; and
- o that we are to purchase such debentures pursuant to the applicable provisions of the debentures and the indenture.

You may withdraw any change in control purchase notice by a written notice of withdrawal delivered to the paying agent prior to the close of business on the business day before the change in control purchase date. The notice of withdrawal must state:

- o the principal amount of the withdrawn debentures, in integral multiples of \$1,000;

- o if certificated debentures have been issued, the certificate numbers of the withdrawn debentures, or if not, must comply with appropriate DTC procedures; and
- o the principal amount, if any, of debentures that remain subject to your change in control purchase notice.

A holder must either effect book-entry transfer or deliver the debentures to be purchased, together with necessary endorsements, to the office of the paying agent after delivery of the change in control purchase notice to receive payment of the change in control purchase price. You will receive payment in cash on the change in control purchase date or the time of book-entry transfer or the delivery of the debenture. If the paying agent holds money or securities sufficient to pay the change in control purchase price of the debenture on the business day following the change in control purchase date, then, immediately after the change in control purchase date:

- o the debenture will cease to be outstanding;
- o interest will cease to accrue; and
- o all other rights of the holder will terminate.

This will be the case whether or not book-entry transfer of the debenture is made or whether or not the debenture is delivered to the paying agent.

We will comply with the provisions of Rule 13e-4, Rule 14e-1 and any other tender offer rules under the Exchange Act that may be applicable at the time. We will file Schedule TO or any other schedule under the Exchange Act required in connection with any offer by us to purchase the debentures at your option.

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

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

Instead, the terms of the change in control purchase feature resulted from negotiations between Merrill Lynch and us.

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

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

For purposes of defining a change of control:

- o the term "person" and the term "group" have the meanings given by Sections 13(d) and 14(d) of the Exchange Act or any successor provisions;

- o the term "group" includes any group acting for the purpose of acquiring, holding or disposing of securities within the meaning of Rule 13d-5(b)(1) under the Exchange Act or any successor provision; and
- o the term "beneficial owner" is determined in accordance with Rules 13d-3 and 13d-5 under the Exchange Act or any successor provision, except that a person will be deemed to have beneficial ownership of all shares that person has the right to acquire irrespective of whether that right is exercisable immediately or only after the passage of time.

OWNERSHIP LIMITATION ON DEBENTURES

In order to permit us to retain our status as a publicly traded corporation under the proposed Treasury Regulations to Section 883 of the Code, debentures may not be transferred if the transfer would result in ownership by one person or group of related persons by virtue of the attribution provisions of the Code, other than certain members of the Arison family and certain trusts established for their benefit, of more than 4.9% of our common stock, whether measured by vote, value or number of shares. The calculation of a holder's stockholdings assumes the conversion of the debentures and other convertible securities issued by us held by that person or group. See "Description of Capital Stock--Common Stock--Transfer Restrictions" for a discussion of the attribution provisions. If a person attempts to acquire debentures in violation of the 4.9% ownership limitation, the putative transfer to that person would be void, and the intended transferee would acquire no rights to the debentures. For purposes of this 4.9% limitation, a "transfer" will include any sale, transfer, gift, assignment, devise or other disposition, whether voluntary or involuntary, whether of record, constructively or beneficially, and whether by operation of law or otherwise.

If a prohibited transfer of debentures results in the ownership of debentures and shares of common stock by any shareholder in violation of the 4.9% limit or causes us to be subject to United States federal shipping or aircraft income tax, those debentures the ownership of which is in excess of the 4.9% limit or would cause us to be subject to United States federal shipping or aircraft income tax will automatically be designated as "excess debentures."

Our board of directors may waive the 4.9% limit or transfer restrictions in any specific instance if evidence satisfactory to our board of directors and our tax counsel is presented that such ownership will not jeopardize our status as exempt from United States income taxation on gross income from the international operation of a ship or ships, within the meaning of Section 883 of the Code. The board of directors may also terminate the limit and transfer restrictions generally at any time for any reason.

Excess debentures will be transferred to a trust. The trustee of the trust will be appointed by us and will be independent of us and the purported holder of the excess debentures. The beneficiary of such trust will be one or more charitable organizations selected by the trustee of such trust. The trust will be deemed to own the debentures for the beneficiary of such trust on the day prior to the date of the putative violative transfer.

At the direction of our board of the directors, the trustee of such trust will transfer the excess debentures held in trust to a person or persons (including us) whose ownership of such excess debentures will not violate the 4.9% limit or otherwise cause us to become subject to United States shipping income tax within 180 days after the later of the transfer or other event that resulted in such excess debentures or we become aware of such transfer or event. If such a transfer is made, the interest of the charitable beneficiary will terminate, the designation of such shares as excess debentures will cease and the prohibited holder of the excess debentures will receive the payment that reflects a price per debenture for such excess debentures equal to the lesser of (i) the price received by the trustee of such trust for the sale or other disposition of the debentures held in trust, and (ii) the price paid by the prohibited transferee for the debentures, or, if the prohibited transferee did not give value for such debentures, the market price of the debentures on the date of the event that resulted in the excess debentures. A prohibited transferee or holder of the excess debentures will not be permitted to receive an amount that reflects any appreciation in the excess debentures during the period that such excess debentures were outstanding. Any

amount received in excess of the amount permitted to be received by the prohibited transferee or holder of the excess debentures must be turned over to the charitable beneficiary of the trust.

If the foregoing restrictions are determined to be void or invalid by virtue of any legal decision, statute, rule or regulation, then the intended transferee or holder of any excess debentures may be deemed, at our option, to have acted as an agent on our behalf in acquiring or holding such excess debentures and to hold such excess debentures on our behalf.

We have the right to purchase any excess debentures held by the trust for a period of 90 days from the later of (i) the date the transfer or other event resulting in excess debentures has occurred and (ii) the date the board of directors determines in good faith that a transfer or other event resulting in excess debentures has occurred. The price per excess debenture to be paid by us will be equal to the lesser of (i) the price per debenture paid in the transaction that created such excess debentures (or, in the case of certain other events, the market price per debenture for the excess debentures on the date of such event), or (ii) the lowest market price for the excess debentures at any time after their designation as excess debentures and prior to the date we accept such offer.

CONSOLIDATION, MERGER, SALE OR CONVEYANCE

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

- o the successor or transferee entity is a corporation, limited liability company trust or partnership organized under the laws of the United States or any State of the United States or the District of Columbia or the Republic of Panama or any other country recognized by the United States and all political subdivisions of such countries;
- o the successor or transferee entity, if other than us, expressly assumes by a supplemental indenture executed and delivered to the trustee, in form reasonably satisfactory to the trustee, the due and punctual payment of the principal of, any premium on and any interest on, all the outstanding debentures and the performance of every covenant in the indenture to be performed or observed by us and provides for conversion rights in accordance with applicable provisions of the indenture;
- o immediately after giving effect to the transaction, no Event of Default, as defined in the indenture, and no event which, after notice or lapse of time or both, would become an Event of Default, has happened and is continuing; and
- o we have delivered to the trustee an officers' certificate and an opinion of counsel, each in the form required by the indenture and stating that such consolidation, merger, conveyance or transfer and such supplemental indenture comply with the foregoing provisions relating to such transaction.

In case of any such consolidation, merger, conveyance or transfer, the successor entity will succeed to and be substituted for us as obligor on the debentures, with the same effect as if it had been named in the indenture as our company.

EVENTS OF DEFAULT; WAIVER AND NOTICE

An event of default is defined in the indenture as:

(a) default for 30 days in payment of any interest on the debentures or in payment of any Liquidated Damages under the registration rights agreement described below;

(b) default in payment of principal of or any premium on the debentures at maturity, redemption price, purchase price or change in control purchase price, when the same becomes due and payable;

(c) default in the payment (after any applicable grace period) of any indebtedness for money borrowed by our company or a Subsidiary in excess of \$30 million in aggregate principal amount (excluding such indebtedness of any Subsidiary other than a Significant Subsidiary, all the indebtedness of which Subsidiary is nonrecourse to our company or any other Subsidiary) or default on such indebtedness that results in the acceleration of such indebtedness prior to its express maturity, if such indebtedness is not discharged, or such acceleration is not annulled, by the end of a period of 30 days after written notice to us by the trustee or to us and the trustee by the holders of at least 25% in principal amount of the outstanding debentures;

(d) default by us in the performance of any other covenant contained in the indenture for the benefit of the debentures that has not been remedied by the end of a period of 60 days after notice is given as specified in the indenture; and

(e) certain events of bankruptcy, insolvency and reorganization of our company or a Significant Subsidiary.

When we refer to a "Significant Subsidiary," we mean any Subsidiary, the Net Worth of which represents more than 10% of the Consolidated Net Worth of our company and our Subsidiaries. The terms "Subsidiary," "Net Worth" and "Consolidated Net Worth" are defined in the indenture.

The indenture provides that:

- o if an event of default described in clause (a), (b), (c) or (d) above has occurred and is continuing, either the trustee or the holders of not less than 25% in aggregate principal amount of the debentures may declare the principal of the debentures and the interest accrued thereon to be due and payable immediately;
- o upon certain conditions such declarations may be annulled and past defaults (except for defaults in the payment of principal of, any premium on or interest on, the debentures and in compliance with certain covenants) may be waived by the holders of a majority in aggregate principal amount of the debentures then outstanding.
- o if an event of default described in clause (e) occurs and is continuing, then the principal amount of all debentures issued under the indenture and then outstanding and all accrued interest thereon shall become and be due and payable immediately, without any declaration or other act by the trustee or any other holder.

Under the indenture the trustee must give to the holders of debentures notice of all uncured defaults known to it with respect to the debentures within 90 days after such a default occurs (the term default to include the events specified above without notice or grace periods); provided that, except in the case of default in the payment of principal of, any premium on or interest on, any of the debentures, the trustee will be protected in withholding such notice if it in good faith determines that the withholding of such notice is in the interests of the holders of the debentures.

No holder of any debentures may institute any action under the indenture unless:

- o such holder has given the trustee written notice of a continuing event of default with respect to the debentures;
- o the holders of not less than 25% in aggregate principal amount of the debentures then outstanding have requested the trustee to institute proceedings in respect of such event of default;

- o such holder or holders have offered the trustee such reasonable indemnity as the trustee may require;
- o the trustee has failed to institute an action for 60 days thereafter; and
- o no inconsistent direction has been given to the trustee during such 60-day period by the holders of a majority in aggregate principal amount of debentures.

The holders of a majority in aggregate principal amount of the debentures affected and then outstanding will have the right, subject to certain limitations, to direct the time, method and place of conducting any proceeding for any remedy available to the trustee or exercising any trust or power conferred on the trustee with respect to the debentures. The indenture provides that, if an event of default occurs and is continuing, the trustee, in exercising its rights and powers under the indenture, will be required to use the degree of care of a prudent man in the conduct of his own affairs. The indenture further provides that the trustee shall not be required to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties under the indenture unless it has reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is reasonably assured to it.

We must furnish to the trustee within 120 days after the end of each fiscal year a statement of our company signed by one of the officers of our company to the effect that a review of our activities during such year and of our performance under the indenture and the terms of the debentures has been made, and, to the knowledge of the signatories based on such review, we have complied with all conditions and covenants of the indenture or, if we are in default, specifying such default.

For the purposes of determining whether the holders of the requisite principal amount of debentures have taken any action herein described, the principal amount of debentures will be deemed to be the portion of such principal amount that would be due and payable at the time of the taking of such action upon a declaration of acceleration of maturity thereof.

MODIFICATION OF THE INDENTURE

We and the trustee may, without the consent of the holders of the debt securities issued under the indenture, enter into supplemental indentures for, among others, one or more of the following purposes:

- o to evidence the succession of another corporation to our company, and the assumption by such successor of our obligations under the indenture and the debentures;
- o to add covenants of our company, or surrender any rights of our company, or add any rights for the benefit of the holders of debentures;
- o to cure any ambiguity, omission, defect or inconsistency in such indenture;
- o to establish the form or terms of any other series of debt securities, including any subordinated securities;
- o to evidence and provide for the acceptance of any successor trustee with respect to the debentures or one or more other series of debt securities or to facilitate the administration of the trusts thereunder by one or more trustees in accordance with such indenture; and
- o to provide any additional events of default.

With certain exceptions, the indenture or the rights of the holders of the debentures may be modified by us and the trustee with the consent of the holders of a majority in aggregate principal amount of the debentures

then outstanding, but no such modification may be made without the consent of the holder of each outstanding debenture affected thereby that would:

- o change the maturity of any payment of principal of, or any premium on, or any installment of interest on any debenture, or reduce the principal amount thereof or the rate of interest or any premium thereon, or change any place of payment where, or the coin or currency in which, any debenture or any premium or interest thereon is payable, or impair the right to institute suit for the enforcement of any such payment on or after the maturity thereof (or, in the case of redemption or repayment, on or after the redemption date or the repayment date, as the case may be) or adversely affect the conversion or repurchase provisions in the indenture;
- o reduce the percentage in principal amount of the outstanding debentures, the consent of whose holders is required for any such modification, or the consent of whose holders is required for any waiver of compliance with certain provisions of the indenture or certain defaults thereunder and their consequences provided for in the indenture; or
- o modify any of the provisions of certain sections of the indenture, including the provisions summarized in this paragraph, except to increase any such percentage or to provide that certain other provisions of the indenture cannot be modified or waived without the consent of the holder of each outstanding debenture affected thereby.

DISCHARGE OF THE INDENTURE

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

GOVERNING LAW

The indenture and the debentures are governed by and construed in accordance with the laws of the State of New York.

BOOK-ENTRY SYSTEM

The debentures that were sold to qualified institutional buyers are evidenced by global securities, which were deposited with, or on behalf of, DTC and registered in the name of Cede & Co. as DTC's nominee. Except as set forth below, the global securities may be transferred, in whole or in part, only to another DTC nominee or to a successor of DTC or its nominee.

After a sale of debentures under this shelf registration statement, debentures that were held as beneficial interests in the global securities with DTC will remain as beneficial interests in the global securities.

Persons may hold their interests in the global securities directly through DTC if they are participants in DTC, or indirectly through organizations that are participants in DTC. Transfers between participants will be effected in accordance with DTC rules and will be settled in clearing house funds.

Persons who are not DTC participants may own interests in the global securities only through DTC participants or certain banks, brokers, dealers, trust companies and other parties that clear through or maintain a custodial relationship with a DTC participant. So long as Cede & Co., as the nominee of DTC, is the registered owner of the global securities, we will consider Cede & Co. for all purposes to be the sole holder of the global securities. Except as provided in this section or as described in "Exchange of Beneficial Interests in the Global

Securities for Certificated Debentures," owners of beneficial interests in the global securities will not have certificates registered in their names, will not receive physical delivery of certificates in definitive registered form, and will not be considered the holders of the debentures.

We will pay interest on and the redemption price or repurchase price of the global securities to Cede & Co., as the registered owner, by wire transfer of immediately available funds on each interest payment, redemption or repurchase date. We and the trustee have no responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in the global securities.

DTC has informed us that its practice is to credit participants' accounts on the payment date with payments in amounts proportionate to their beneficial interests in the global securities, unless it has reason to believe that it will not receive payment. Only the DTC participants are responsible for payments to owners of beneficial interests held through them.

Because DTC can only act on behalf of participants, who in turn act on behalf of indirect participants and certain banks, a person having a beneficial interest in the principal amount represented by the global securities may be unable to pledge its interest to persons or entities that do not participate in the DTC system, due to the lack of a physical certificate evidencing its interest.

We are not responsible for the performance by DTC or its participants or indirect participants of their obligations. The trustee is also not responsible for such performance. DTC has advised us that it will take any action permitted to be taken by a holder of debentures, only at the direction of one or more participants with an interest in a global security, and only with respect to the principal amount as to which the participants have given it a direction.

DTC has advised us that it is a limited purpose trust company organized under the laws of New York, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the Uniform Commercial Code and a "clearing agency" registered under the provisions of Section 17A of the Exchange Act. DTC was created to hold securities for its participants and to facilitate the clearance and settlement of securities transactions between participants through electronic book-entry changes to the accounts of its participants, thereby eliminating the need for physical movement of certificates. Participants include securities brokers and dealers, banks, trust companies and clearing corporations and may include certain other organizations such as the initial purchasers of the debentures. Certain participants (or their representatives), together with other entities, own DTC. Indirect access to the DTC system is available to others such as banks, brokers, dealers and trust companies that clear through, or maintain a custodial relationship with, a participant, either directly or indirectly.

Although DTC has agreed to the foregoing procedures to facilitate transfers of interests in global security among participants, it has no obligation to perform or continue to perform these procedures. These procedures may be discontinued at any time.

EXCHANGE OF BENEFICIAL INTERESTS IN THE GLOBAL SECURITY FOR CERTIFICATED DEBENTURES

A global security is exchangeable for definitive convertible debentures in registered certificated form if DTC notifies us that it is unwilling or unable to continue as depository for the global security and we fail to appoint a successor depository within 90 days or if we, at any time and in our sole discretion, decide not to have the debentures represented by global securities.

PAYMENT OF ADDITIONAL AMOUNTS

Any amounts payable on the debentures will be paid without deduction or withholding for any taxes, levies, imposts or other governmental charges imposed, assessed, levied or collected by or for the account of the Republic of Panama or any of its political subdivisions or taxing authorities or by or for the account of the jurisdiction of incorporation (other than the United States) of a successor corporation to us, to the extent that such taxes first become applicable as a result of the successor corporation becoming the obligor on the debentures

("foreign taxes"). In addition, if deduction or withholding of any foreign taxes is ever required by the Republic of Panama or any of its political subdivisions or taxing authorities (or the jurisdiction of incorporation (other than the United States) of a successor corporation to us), we will (if the holders or beneficial owners of the relevant debentures comply with any relevant administrative requirements) pay any additional amounts ("additional amounts") required to make the net amounts paid to the holders of the debentures or the trustee under the indenture, as the case may be, after such deduction or withholding, equal to the amounts of principal, premium, if any, interest, if any, and sinking fund or analogous payments, if any, to which those holders or the trustee are entitled. We are not required to pay additional amounts in respect of the following taxes ("excluded taxes"):

- o any present or future foreign taxes which would not have been so imposed, assessed, levied or collected if the holder or beneficial owner of the relevant debenture were not or had not been a domiciliary, national or resident of, or engaging or having been engaged in business or maintaining or having maintained a permanent establishment or being or having been physically present in, the Republic of Panama (or the jurisdiction of incorporation of a successor corporation to us) or any such political subdivision of such jurisdiction or otherwise having or having had some connection with any such jurisdiction other than holding or owning a debenture, or collecting principal and interest, if any, on, or the enforcement of, a debenture;
- o any present or future foreign taxes which would not have been so imposed, assessed, levied or collected but for the fact that, where presentation is required, the relevant debenture was presented more than thirty days after the date the payment became due or was provided for, whichever is later; or
- o any present or future foreign taxes which would not have been so imposed, assessed, levied or collected but for the failure to comply with any certification, identification or other reporting requirements concerning the nationality, residence, identity or connection with the Republic of Panama (or the jurisdiction of incorporation of a successor corporation to us) or any of its political subdivisions of the holder or beneficial owner of the relevant debenture, if compliance is required by statute or by rules or regulations of any such jurisdiction as a condition to relief or exemption from foreign taxes.

We or any successor to us, as the case may be, will indemnify and hold harmless each holder of the debentures and upon written request reimburse each holder for the amount of:

- o any foreign taxes levied or imposed and paid by the holder of the debentures (other than excluded taxes) as a result of payments made with respect to the debentures;
- o any liability (including penalties, interest and expenses) arising from or in connection with the levying or imposing of any foreign taxes; and
- o any foreign taxes levied or imposed with respect to payment of additional amounts or any reimbursement pursuant to this list.

We or our successor, as the case may be, will also (1) make such withholding or deduction and (2) remit the full amount deducted or withheld, to the relevant authority in accordance with applicable law. We or any successor to us, as the case may be, will furnish the trustee within 30 days after the date the payment of any foreign taxes is due, certified copies of tax receipts evidencing the payment by us or any successor to us, as the case may be. The trustee will forward copies of the tax receipts to the holders of the debentures.

At least 30 days prior to each date on which any payment under or with respect to the debentures is due and payable, if we will be obligated to pay additional amounts with respect to those payments, we will deliver to the trustee an officers' certificate stating that additional amounts will be payable, stating the amounts that will be payable, and setting forth any other information necessary to enable the trustee to pay the additional amounts to holders of the debentures on the payment date.

REDEMPTION OR ASSUMPTION OF DEBENTURES UPON CHANGES OR AMENDMENT TO LAWS

If as the result of any change in or any amendment to the laws, including any regulations and any applicable double taxation treaty or convention, of the Republic of Panama (or any jurisdiction of incorporation of a successor corporation to us other than the United States), or of any of its political subdivisions or taxing authorities affecting taxation, or any change in an application or interpretation of those laws, which change, amendment, application or interpretation becomes effective on or after the original issuance date of the debentures (or, in certain circumstances, the later date on which a corporation becomes a successor corporation to us), we determine based upon an opinion of independent counsel of recognized standing that (i) we would be required to pay additional amounts on the next succeeding date for the payment thereof, or (ii) any taxes would be imposed (whether by way of deduction, withholding or otherwise) by the Republic of Panama (or the jurisdiction of incorporation, other than the United States, of a successor corporation to us) or by any of its political subdivisions or taxing authorities, upon or with respect to any principal, premium, if any, interest, if any, or sinking fund or analogous payments, if any, then we may, at our option, on giving not less than 30 nor more than 60 days irrevocable notice, redeem the debentures in whole at any time at a redemption price equal to 100% of the principal amount plus accrued interest to the date fixed for redemption. No notice of redemption may be given more than 90 days prior to the earliest date on which we would be obligated to pay the additional amounts or the tax would be imposed, as the case may be. Also, at the time that the notice of redemption is given, the obligation to pay additional amounts or tax, as the case may be, must be in effect.

In the event that the debentures are called for redemption pursuant to the terms of this provision, the holders of debentures shall have all rights, including rights to conversion and to the receipt of interest upon conversion, which such holders would have had if the debentures had been called for redemption by us pursuant to our rights to redeem the debentures at any time on or after April 15, 2008.

REGISTRATION RIGHTS

The summary herein of certain provisions of the registration rights agreement is subject to, and is qualified in its entirety by reference to, all the provisions of the registration rights agreement, which is incorporated by reference into the registration statement of which this prospectus forms a part. We entered into a registration rights agreement with Merrill Lynch pursuant to which we agreed to file with the SEC, at our expense and for the benefit of the holders, a shelf registration statement covering resale of the debentures and the shares of common stock issuable upon conversion of the debentures, within 90 days after the date of original issuance of the debentures. We will use reasonable best efforts to cause the shelf registration statement to become effective as promptly as practicable but in any event within 180 days of such date of original issuance, and to keep the shelf registration statement effective until the earlier of (i) the transfer pursuant to Rule 144 under the Securities Act or the sale pursuant to the shelf registration statement of all the securities registered thereunder, (ii) the expiration of the holding period applicable to such securities held by persons that are not affiliates of ours under Rule 144(k) under the Securities Act or any successor provision and (iii) the second anniversary of the effective date of the registration statement, subject to certain permitted exceptions. We are permitted to suspend the use of this prospectus under certain circumstances relating to pending corporate developments, public filings with the SEC and similar events for a period not to exceed 60 days in any three-month period and not to exceed an aggregate of 90 days in any 12-month period. We agreed to pay predetermined liquidated damages as described herein ("Liquidated Damages") to holders of transfer restricted debentures and holders of transfer restricted common stock issued upon conversion of the debentures, if a shelf registration statement is not timely filed or made effective or if the prospectus is unavailable for the periods in excess of those permitted above. Such Liquidated Damages shall accrue until such failure to file or become effective or unavailability is cured, (i) in respect of any debentures at a rate per year equal to 0.25% for the first 90 day period after the occurrence of such event and 0.50% thereafter of the principal amount thereof and, (ii) in respect of any shares of common stock issued upon conversion, at a rate per year equal to 0.25% for the first 90 day period and 0.50% thereafter of the then Applicable Conversion Price (as defined below). So long as the failure to file or become effective or unavailability continues, we will pay Liquidated Damages in cash on April 15 and October 15 of each year to the holder of record of the transfer restricted debentures or shares of common stock on the immediately preceding

April 1 or October 1. When such registration default is cured, accrued and unpaid Liquidated Damages will be paid in cash to the record holder as of the date of such cure.

A holder who sells debentures or shares of common stock issued upon conversion of the debentures pursuant to the shelf registration statement must complete and deliver to us a notice and questionnaire, at least 10 business days prior to any distribution of the securities so offered. A holder generally is required to be named as a selling securityholder in the prospectus or in any Supplements to such prospectus, at the time of effectiveness, deliver a prospectus to purchasers and be bound by certain provisions of the registration rights agreement that are applicable to such holder, including certain indemnification provisions, and will be subject to certain civil liability provisions under the Securities Act. If the holder of offered securities is not a named selling securityholder in this prospectus at the time of effectiveness of the shelf registration statement, we will prepare and file, if required, as promptly as practicable after the receipt of such holder's questionnaire, amendments to the shelf registration statement and/or supplements to the prospectus as are necessary to permit such holder to deliver this prospectus, including any supplements, to purchasers of the offered securities, subject to our right to suspend the use of this prospectus as described above. We will pay all of our expenses relating to the shelf registration statement, provide copies of such prospectus to each holder that has notified us of its acquisition of debentures or shares of common stock issued upon conversion of the debentures, notify each such holder when the shelf registration statement has become effective and take certain other actions as are required to permit, subject to the foregoing, unrestricted resales of the debentures and the shares of common stock issued upon conversion of the debentures.

The term "Applicable Conversion Price" means, as of any date of determination, the principal amount of each debenture as of such date of determination divided by the conversion rate in effect as of such date of determination or, if no debentures are then outstanding, the conversion rate that would be in effect were debentures then outstanding.

DESCRIPTION OF CAPITAL STOCK

GENERAL

Our authorized capital stock consists of 960,000,000 shares of common stock and 40,000,000 shares of preferred stock. On June 11, 2001, there were 589,009,249 shares of common stock and no shares of preferred stock outstanding. The following description is qualified in all respects by reference to our second amended and restated articles of incorporation.

COMMON STOCK

VOTING. Holders of common stock vote as a single class on all matters submitted to a vote of the shareholders, with each share of common stock entitled to one vote. In the annual election of directors, the holders of common stock are not entitled to vote cumulatively.

DIVIDENDS. The holders of the common stock are entitled to receive such dividends, if any, as may be declared by our board of directors in its discretion out of funds legally available to be paid as dividends. Panamanian law permits the payment of dividends to the extent of our retained earnings.

TRANSFER RESTRICTIONS. On February 8, 2000, the United States Treasury Department issued proposed Treasury Regulations to Section 883 of the Code relating to income derived by foreign corporations from the international operation of a ship or ships (which includes certain cruise ship and aircraft income). The proposed regulations provide, in general, that a foreign corporation organized in a qualified foreign country and engaged in the international operation of ships and aircraft shall exclude such income from gross income for purposes of federal income taxation provided that the corporation can satisfy certain ownership requirements, including, among other things, that its stock be publicly traded. A corporation's stock that is otherwise publicly traded will fail to satisfy this requirement if it is closely held, i.e., that 50% or more of its stock is owned by persons who each own 5% or more of the value of the outstanding shares of the corporation's stock.

To the best of our knowledge, after due investigation, we currently qualify as a publicly traded corporation under the proposed regulations. However, because certain members of the Arison family and certain trusts established for their benefit own approximately 46.9% of our common stock, there is the potential that another shareholder could acquire 5% or more of our common stock which could jeopardize our qualification as a publicly traded corporation. If we in the future were to fail to qualify as a publicly traded corporation, we would be subject to United States income tax on income associated with our cruise operations in the United States. As a precautionary matter, in 2000, we amended our articles of incorporation to ensure that we will continue to qualify as a publicly traded corporation under the proposed regulations.

Our articles have been amended to provide that no one person or group of related persons, other than certain members of the Arison family and certain trusts established for their benefit, may own, or be deemed to own by virtue of the attribution provisions of the Code, more than 4.9% of our common stock, whether measured by vote, value or number. In addition, the articles generally restrict the transfer of any shares of our common stock if such transfer would cause us to be subject to United States shipping income tax. In general, the attribution rules under the Code applicable in determining whether a person is a 5% shareholder under the proposed regulations attribute stock:

- o among specified members of the same family,
- o to shareholders owning 50% or more of a corporation from that corporation,
- o among corporations that are members of the same controlled group,
- o among grantors, beneficiaries and fiduciaries of trusts, and

o to partners of a partnership from that partnership.

For purposes of this 4.9% limit, a "transfer" will include any sale, transfer, gift, assignment, devise or other disposition, whether voluntary or involuntary, whether of record, constructively or beneficially, and whether by operation of law or otherwise. The 4.9% limit will not apply to certain members of the Arison family and certain trusts established for their benefit. These shareholders will be permitted to transfer their shares of our common stock without complying with the limit so long as transfer does not cause us to be subject to United States income tax on shipping operations.

Our second amended and restated articles of incorporation provide that the board of directors may waive the 4.9% limit or transfer restrictions (in any specific instance) if evidence satisfactory to our board of directors and our tax counsel is presented that such ownership will not jeopardize our status as exempt from United States income taxation on gross income from the international operation of a ship or ships, within the meaning of Section 883 of the Code. The board of directors may also terminate the limit and transfer restrictions generally at any time for any reason.

If a purported transfer or other event (including owning shares of common stock in excess of the 4.9% limit on the effective date of the proposed amendment) results in the ownership of common stock by any shareholder in violation of the 4.9% limit (or causes us to be subject to United States income tax on shipping operations), such shares of common stock in excess of the 4.9% limit or which would cause us to be subject to United States shipping income tax will automatically be designated as "excess shares" to the extent necessary to ensure that the purported transfer or other event does not result in ownership of common stock in violation of the 4.9% limit (or causes us to become subject to United States income tax on shipping operations) and any proposed transfer that would result in such an event would be void. Any purported transferee or other purported holder of excess shares will be required to give us written notice of a purported transfer or other event that would result in excess shares. The purported transferee or holders of such excess shares shall have no rights in such excess shares, other than a right to the payments described below.

Excess shares will not be treasury stock but rather will continue to be issued and outstanding shares of our common stock. While outstanding, excess shares will be transferred to a trust. The trustee of such trust will be appointed by us and will be independent of us and the purported holder of the excess shares. The beneficiary of such trust will be one or more charitable organizations selected by the trustee. The trustee will be entitled to vote the excess shares on behalf of the beneficiary. If, after the purported transfer or other event resulting in excess shares and prior to the discovery by us of such transfer or other event, dividends or distributions are paid with respect to such excess shares, such dividends or distributions will be repaid to the trustee upon demand for payment to the charitable beneficiary. All dividends received or other income declared by the trust will be paid to the charitable beneficiary. Upon our liquidation, dissolution or winding up, the purported transferee or other purported holder will receive a payment that reflects a price per share for such excess shares generally equal to the lesser of (i) in the case of excess shares resulting from a purported transfer, the price per share paid in the transaction that created such excess shares (or, in the case of certain other events, the market price per share for the excess shares on the date of such event), or (ii) in the case of excess shares resulting from an event other than a purported transfer, the market price for the excess shares on the date of such event.

At the direction of the board of the directors, the trustee will transfer the excess shares held in trust to a person or persons (including us) whose ownership of such excess shares will not violate the 4.9% limit or otherwise cause us to become subject to United States shipping income tax within 180 days after the later of the transfer or other event that resulted in such excess shares or we become aware of such transfer or event. If such a transfer is made, the interest of the charitable beneficiary will terminate, the designation of such shares as excess shares will cease and the purported holder of the excess shares will receive the payment described below. The purported transferee or holder of the excess shares will receive a payment that reflects a price per share for such excess shares equal to the lesser of (i) the price per share received by the trustee and (ii) the price per share such purported transferee or holder paid in the purported transfer that resulted in the excess shares (or, if the purported transferee or holder did not give value for such excess shares (through a gift, devise or other event) a price per share equal to the market price on the date of the purported transfer or other event that resulted in the excess

shares). A purported transferee or holder of the excess shares will not be permitted to receive an amount that reflects any appreciation in the excess shares during the period that such excess shares were outstanding. Any amount received in excess of the amount permitted to be received by the purported transferee or holder of the excess shares must be turned over to the charitable beneficiary of the trust.

If the foregoing restrictions are determined to be void or invalid by virtue of any legal decision, statute, rule or regulation, then the intended transferee or holder of any excess shares may be deemed, at our option, to have acted as an agent on our behalf in acquiring or holding such excess shares and to hold such excess shares on our behalf.

We will have the right to purchase any excess shares held by the trust for a period of 90 days from the later of (i) the date the transfer or other event resulting in excess shares has occurred and (ii) the date the board of directors determines in good faith that a transfer or other event resulting in excess shares has occurred. The price per excess share to be paid by us will be equal to the lesser of (i) the price per share paid in the transaction that created such excess shares (or, in the case of certain other events, the market price per share for the excess shares on the date of such event), or (ii) the lowest market price for the excess shares at any time after their designation as excess shares and prior to the date we accept such offer.

These provisions in our second amended and restated articles of incorporation could have the effect of delaying, deferring or preventing a change in our control or other transaction in which our shareholders might receive a premium for their shares of common stock over the then-prevailing market price or which such holders might believe to be otherwise in their best interests. To the extent that the proposed regulations are either not adopted or are adopted in form which, in the opinion of our board of directors, does not require the proposed amendment to ensure that we will maintain its income tax exemption for its shipping income, our board of directors may determine, in its sole discretion, to terminate the 4.9% limit and the transfer restrictions in the amendment.

TRANSFER AGENT AND REGISTRAR. The transfer agent and registrar for our common stock is First Union National Bank.

OTHER PROVISIONS. Upon liquidation or dissolution, the holders of shares of common stock are entitled to receive on a proportionate basis all of our assets remaining for distribution to common stockholders. The common stock has no preemptive or other subscription rights and there are no other conversion rights or redemption or sinking fund provisions with respect to the shares. All shares of common stock that are currently outstanding are fully paid for and may not be assessed.

Neither Panamanian law nor our by-laws limit the right of non-resident or foreign owners to hold or vote shares of the common stock. While no tax treaty currently exists between the Republic of Panama and the United States, under current law we believe that distributions to our shareholders are not subject to taxation under the laws of the Republic of Panama.

Under Panamanian law, our directors may vote by proxy.

PREFERRED STOCK

Our board of directors may issue, without further authorization from our stockholders, up to 40,000,000 shares of preferred stock in one or more series. Our board of directors may determine, at the time of creating each series, the distinctive designation of, and the number of shares in, the series, its dividend rate, the number of votes, if any, allocated to each share of the series, the price and terms on which the shares may be redeemed, the terms of any applicable sinking fund, the amount payable upon liquidation, dissolution or winding up, the conversion rights, if any, and any other rights, preferences and priorities of the shares as our board of directors may be permitted to fix under the laws of the Republic of Panama in effect at the time the series is created. The issuance of preferred stock could adversely affect the voting power of holders of common stock and could delay, defer or prevent a change in control.

CERTAIN PANAMANIAN AND UNITED STATES
FEDERAL INCOME TAX CONSEQUENCES

PANAMA

Under current Panamanian law, because we conduct all of our operations outside of Panama, no Panamanian taxes or withholding will be imposed on payments to holders of our securities.

UNITED STATES

The following is a general summary of certain United States federal income tax consequences that may be relevant to an investment in the debentures but does not purport to be a complete analysis of all of the potential tax considerations that you may need to consider before investing based on your particular circumstances. This discussion is based on existing provisions of the Internal Revenue Code of 1986, as amended (the "Code"), Treasury Regulations promulgated thereunder, judicial decisions and administrative rulings and practice, all of which are subject to change with possible retroactive effect. This summary applies to you only if you hold the debentures and common stock as capital assets within the meaning of the Code. This summary does not discuss any estate, gift, state, local or foreign tax considerations and does not address all federal income tax consequences applicable to all categories of investors, some of which may be subject to special rules, such as life insurance companies, tax-exempt organizations, dealers in securities or currency, regulated investment companies, banks or other financial institutions, partnerships, S corporations and other flow-through entities for federal income tax purposes, holders subject to the alternative minimum tax, expatriates, investors whose functional currency is not the U.S. dollar and investors who hold the debentures as part of a hedge, straddle or conversion transaction. In addition, this summary deals only with debentures acquired in this offering at their original issue price within the meaning of Section 1273 of the Code and does not discuss the tax considerations applicable to subsequent purchasers of the debentures, including the "market discount" and "acquisition premium" rules of the Code. We have not obtained, nor do we intend to obtain, any ruling from the Internal Revenue Service (the "IRS") with respect to the statements made and the conclusions reached in the following summary, and we can not assure you that the IRS will agree with these statements and conclusions. The summary assumes that the debentures will be treated as indebtedness and as securities for federal tax purposes. This summary does not discuss the consequences to you of any transaction that would constitute a Change in Control, as defined in "Description of Debentures" above, including but not limited to the tax consequences of adjustments to the debentures in the event of a consolidation, merger or other corporate transaction.

IF YOU ARE CONSIDERING THE PURCHASE OF THE DEBENTURES, YOU SHOULD CONSULT YOUR OWN TAX ADVISOR WITH RESPECT TO THE APPLICATION OF THE UNITED STATES FEDERAL TAX LAWS TO YOUR PARTICULAR SITUATION AS WELL AS ANY TAX CONSEQUENCES ARISING UNDER THE LAWS OF ANY STATE, LOCAL OR FOREIGN TAXING JURISDICTION OR UNDER ANY APPLICABLE TAX TREATY.

This summary applies to you if you are a U.S. Holder. For purposes of this summary, the term "U.S. Holder" means a beneficial owner of debentures or common stock that is:

- o a citizen or resident of the United States;
- o a corporation, partnership or other entity created or organized in or under the laws of the United States or any State thereof (including the District of Columbia) or a partnership otherwise treated as a United States person under applicable Treasury Regulations;
- o an estate the income of which is subject to United States federal income taxation regardless of its source; and
- o a trust if (a) a court within the United States is able to exercise primary supervision over the administration of the trust and (b) one or more persons have the authority to control all substantial

decisions of the trust; or an electing trust in existence on August 20, 1996 to the extent provided in Treasury Regulations.

If a partnership holds debentures or common stock, the tax treatment of a partner will generally depend upon the status of the partner and upon the activities of the partnership. If you are a partner in that partnership, you should consult your own tax advisor.

INTEREST ON DEBENTURES. You generally will be required to recognize ordinary income when interest on the debentures is paid or accrued, in accordance with your regular method of tax accounting, for United States federal income tax purposes. In certain circumstances, we may be obligated to pay you amounts in excess of stated interest or principal on the debentures. For example, we would have to pay liquidated damages to you in certain circumstances described in "Description of the Debentures--Registration Rights of Holders of the Debentures." According to Treasury Regulations, the possibility of liquidated damages being paid to you will not affect the amount of interest income you recognize, in advance of the payment of any liquidated damages, if there is only a remote chance as of the date the debentures were issued that you will receive liquidated damages. We believe that the likelihood that we will pay liquidated damages is remote. Therefore, we do not intend to treat the potential payment of liquidated damages as part of the yield to maturity of any debentures. Our determination that these contingencies are incidental or remote is binding on you unless you disclose your contrary position in the manner required by applicable Treasury Regulations. Our determination is not, however, binding on the IRS. In the event a contingency occurs, it would affect the amount and timing of the income that you must recognize. If we pay liquidated damages on the debentures, you will be required to recognize additional interest income.

CONSTRUCTIVE DIVIDENDS. Certain corporate transactions, such as distributions of assets to holders of our common stock, may be treated as deemed distributions to you if the conversion price of the debentures is adjusted to reflect those transactions. Other adjustments to the conversion price of the debentures may also be treated as deemed distributions to you. Such deemed distributions will be taxable as a dividend, return of capital or capital gain in accordance with the rules discussed below under "Dividends on Common Stock" and you may recognize income as a result even though you receive no cash or property.

SALE OR EXCHANGE OF DEBENTURES OR SHARES OF COMMON STOCK. You generally will recognize gain or loss upon the sale, exchange, redemption, retirement or other disposition of debentures (other than a conversion) measured by the difference between (i) the amount of cash proceeds and the fair market value of any property you receive (except to the extent attributable to accrued interest, which will generally be taxable as ordinary income), and (ii) your adjusted tax basis in the debentures. In general, if you hold common stock into which the debentures have been converted, you will recognize gain or loss upon the sale, exchange or other disposition of the common stock measured by the difference between (i) the amount of cash and the fair market value of any property you receive, and (ii) your adjusted basis in the common stock. (For a discussion of the basis and holding period of shares of common stock, see "--Conversion of Debentures," below.) Gain or loss on the disposition of debentures or common stock will generally be capital gain or loss and will be long-term gain or loss if the debentures or shares of common stock have been held for more than one year at the time of such disposition.

CONVERSION OF DEBENTURES. You generally will not recognize gain or loss on the conversion of the debentures solely into common stock, except with respect to cash received in lieu of fractional shares and except for common stock attributable to accrued interest which may be taxable as interest as discussed above. Except for common stock attributable to any accrued interest, your tax basis in the shares of common stock received upon conversion of the debentures will be equal to your adjusted tax basis in the debentures exchanged therefor (less any portion thereof allocable to cash received in lieu of a fractional share of common stock). Except for common stock attributable to any accrued interest, the holding period of the common stock will generally include the period during which you held the debentures prior to conversion. Under the current ruling policy of the IRS, cash received in lieu of a fractional share of common stock should generally be treated as a payment in exchange for such fractional share rather than as a dividend. You generally will recognize gain or loss on the receipt of cash paid in lieu of such fractional shares equal to the difference between the amount of cash received and the amount of tax basis allocable to the fractional shares. To the extent that the common stock you receive on conversion is attributable to accrued interest on the debentures, you will recognize ordinary income in accordance with your

regular method of accounting for federal income tax purposes. Your tax basis in the common stock attributable to accrued interest generally should equal the value of the common stock on the date of conversion and your holding period in the common stock will not include the period during which you held the debentures prior to conversion.

DIVIDENDS ON COMMON STOCK. Distributions on shares of our common stock will constitute dividends and be taxed as ordinary income for United States federal income tax purposes to the extent of our current or accumulated earnings and profits as determined under United States federal income tax principles. Dividends paid to those of you that are United States corporations will not qualify for the dividends-received deduction. To the extent that you receive distributions on shares of common stock that would otherwise constitute dividends for United States federal income tax purposes but that exceed our current and accumulated earnings and profits, such distributions will be treated first as a non-taxable return of capital reducing your adjusted tax basis in the shares of common stock. Any such distributions in excess of your adjusted tax basis in the shares of common stock will generally be treated as capital gain.

A failure to fully adjust the conversion price of the debentures to reflect a stock dividend or other event increasing the proportionate interest of holders of our common stock in our earnings and profits or assets could, in some circumstances, be deemed to result in the payment of a taxable dividend to the holders of our common stock.

NON-U.S. HOLDERS

If you are not a U.S. holder, payments to you of interest on the debentures generally will not be subject to U.S. federal withholding tax if the interest qualifies as "portfolio interest." Interest on the debentures paid to you generally will qualify as portfolio interest if:

- o the interest is not contingent interest;
- o you do not actually or constructively own 10 percent or more of the total voting power of all of our voting stock and are not a "controlled foreign corporation" with respect to which we are a "related person" within the meaning of the Code; and
- o you certify under penalty of perjury on an appropriate form that you are not a U.S. person.

The gross amount of payments of interest on a debenture that do not qualify for the portfolio interest exception and that are not effectively connected with your conduct of a trade or business in the United States will be subject to withholding tax at the rate of 30 percent unless a tax treaty applies to reduce or eliminate that withholding. If payments of interest are effectively connected with your conduct of a trade or business in the United States, the interest will be subject to the U.S. federal income tax that applies to U.S. persons generally (and with respect to corporate holders under certain circumstances, the branch profits tax). In order to claim the benefit of a tax treaty or to claim exemption from withholding because the income is effectively connected with your conduct of a trade or business in the United States, you must provide a properly executed IRS Form W-8BEN or W-8ECI (or such successor form as the IRS designates), as applicable, prior to the payment of interest. These forms must be periodically updated. If you wish to claim a treaty benefit for a payment made after December 31, 2000, you may be required to obtain a U.S. taxpayer identification number and to provide certain documentary evidence issued by non-U.S. governmental authorities in order to prove your residence in the foreign country.

Subject to the discussion below of information reporting and backup withholding, if you are not a U.S. holder, any gain you realize on a sale or exchange of a debenture will not be subject to U.S. federal income tax, including withholding tax, unless (i) such gain is effectively connected with your conduct of a trade or business in the United States or (ii) if you are an individual, you are present in the United States for 183 days or more in the taxable year of sale, and you meet certain other conditions.

INFORMATION REPORTING AND BACKUP WITHHOLDING

Information reporting and backup withholding may apply to payments of interest or dividends on or the proceeds of the sale or other disposition of the debentures or shares of common stock made by us with respect to certain noncorporate U.S. Holders. If you are a noncorporate U.S. Holder, you generally will be subject to backup withholding at a rate of 31% unless you supply a taxpayer identification number, certified under penalties of perjury, as well as certain other information, or otherwise establish, in the manner prescribed by law, an exemption from backup withholding. Any amount withheld under backup withholding is allowable as a credit against federal income tax, upon furnishing the required information.

THE UNITED STATES FEDERAL INCOME TAX DISCUSSION SET FORTH ABOVE IS INCLUDED FOR GENERAL INFORMATION ONLY AND MAY NOT BE APPLICABLE DEPENDING UPON YOUR PARTICULAR SITUATION. YOU SHOULD CONSULT YOUR OWN TAX ADVISOR WITH RESPECT TO THE TAX CONSEQUENCES TO YOU OF THE OWNERSHIP AND DISPOSITION OF THE DEBENTURES AND COMMON STOCK, INCLUDING THE TAX CONSEQUENCES UNDER STATE, LOCAL, FOREIGN AND OTHER TAX LAWS AND THE POSSIBLE EFFECTS OF CHANGES IN UNITED STATES OR OTHER TAX LAWS.

EXPERTS

The financial statements incorporated in this Prospectus by reference to the Annual Report on Form 10-K for the year ended November 30, 2000 have been so incorporated in reliance on the report of PricewaterhouseCoopers LLP, independent certified public accountants, given on the authority of said firm as experts in auditing and accounting.

LEGAL MATTERS

The validity of the offered debentures has been passed upon by Paul, Weiss, Rifkind, Wharton & Garrison, New York, New York. The validity of the shares of the offered common stock has been passed upon by Tapia Linares y Alfaro, Panama City, Republic of Panama.

James M. Dubin, a partner of Paul, Weiss, Rifkind, Wharton & Garrison and one of our directors, is the sole stockholder of three corporations which act as trustees or protectors of various trusts established for the benefit of members of the Arison family. In this capacity, Mr. Dubin has shared voting or dispositive rights for approximately 25.3% of our outstanding common stock. Paul, Weiss, Rifkind, Wharton & Garrison also serves as counsel to Micky Arison, our chairman and chief executive officer, Shari Arison, one of our directors, and other Arison family members and trusts.

PART II. INFORMATION NOT REQUIRED IN PROSPECTUS

ITEM 14. OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION.

The following table sets forth the various expenses payable in connection with the issuance and distribution of the debentures and underlying common stock being registered hereby, other than underwriting discounts and commissions (which will be described in the applicable prospectus supplement). All the amounts shown are estimates, except the SEC registration fee. All of such expenses are being borne by us.

SEC Registration Fee	\$150,000
New York Stock Exchange Listing Fee	*
Accounting Fees and Expenses	*
Legal Fees and Expenses	*
Printing and Engraving Expenses	*
Miscellaneous Fees and Expenses	*

Total	\$*

* To be filed by amendment.

ITEM 15. INDEMNIFICATION OF DIRECTORS AND OFFICERS.

Our second amended and restated articles of incorporation and by-laws provide, subject to the requirements set forth therein, that with respect to any person who was or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, we shall indemnify such person by reason of the fact that he is or was one of our director or an officer, and may indemnify such person by reason of the fact that he is or was one of our employees or agents or is or was serving at our request as a director, officer, employee or agent in another corporation, partnership, joint venture, trust or other enterprise, in either case against expenses (including attorney's fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to our best interests and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. We have entered into indemnity agreements with Shari Arison, Maks L. Birnbach, Richard G. Capen, Jr., Arnold W. Donald, James M. Dubin, Modesto Maidique, Stuart Subotnick, Sherwood M. Weiser, Meshulam Zonis and Uzi Zucker providing essentially the same indemnities as are described in the our second amended and restated articles of incorporation.

Under a registration rights agreement among us and certain irrevocable trusts (the "Trusts"), the Trusts have agreed to indemnify us, our directors and officers and each person who controls us within the meaning of the Exchange Act, against certain liabilities. Finally, under a registration agreement between us and the selling securityholders, the selling securityholders have agreed to indemnify us, our directors and officers and each person who controls us within the meaning of the Exchange Act against certain liabilities.

ITEM 16. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES.

- 4.1 Second Amended and Restated Articles of Incorporation of the Registrant (incorporated by reference to Exhibit No. 3 to the Registrant's registration statement on Form S-3, File No. 333-68999, filed with the Securities and Exchange Commission).
- 4.2 Amendment to Second Amended and Restated Articles of Incorporation of the Registrant (incorporated by reference to Exhibit 3.1 to the Registrant's quarterly report on Form 10-Q for the quarter ended May 31, 1999, filed with the Securities and Exchange Commission).
- 4.3 Certificate of Amendment of Articles of Incorporation of the Registrant (incorporated by reference to Exhibit 3.1 to the Registrant's quarterly report on Form 10-Q for the quarter ended May 31, 2000, filed with the Securities and Exchange Commission).
- 4.4 Form of By-laws of the Registrant (incorporated by reference to Exhibit 3.2 to the Registrant's registration statement on Form S-1, File No. 33-14844, filed with the Securities and Exchange Commission).
- 4.5 Indenture, dated as of April 25, 2001, between Carnival Corporation and U.S. Bank Trust National Association, as trustee, relating to unsecured and unsubordinated debt securities.
- 4.6 First Supplemental Indenture, dated as of April 25, 2001, between Carnival Corporation and U.S. Bank Trust National Association, as trustee, creating a series of securities designated 2% Convertible Senior Debentures due 2021.
- 4.7 Registration Rights Agreement, dated as of April 25, 2001, between Carnival Corporation and Merrill Lynch & Co., Merrill Lynch, Pierce, Fenner & Smith Incorporated.
- 5.1* Opinion of Paul, Weiss, Rifkind, Wharton & Garrison.
- 5.2* Opinion of Tapia Linares y Alfaro.
- 12.1 Ratios of Earnings to Fixed Charges (incorporated by reference to Exhibit 12 to the Registrant's quarterly report on Form 10-Q for the quarter ended February 28, 2001, filed with the Securities and Exchange Commission).
- 12.2 Ratios of Earnings to Fixed Charges (incorporated by reference to Exhibit 12 to the Registrant's annual report on Form 10-K for the fiscal year ended November 30, 2000, filed with the Securities and Exchange Commission).
- 23.1 Consent of PricewaterhouseCoopers LLP.
- 23.2* Consent of Paul, Weiss, Rifkind, Wharton & Garrison (included in Exhibit 5.1).
- 23.3* Consent of Tapia Linares y Alfaro (included in Exhibit 5.2).
- 24 Power of Attorney (See signature page).
- 25.1 Statement of Eligibility under the Trust Indenture Act of 1939 on Form T-1 of U.S Bank Trust National Association to act as Trustee under the Indenture, dated as of April 25, 2001, as supplemented by the First Supplemental Indenture, dated as of April 25, 2001.

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* To be filed by amendment.

ITEM 17. UNDERTAKINGS

The Registrant hereby undertakes:

- (1) To file, during any period in which offers or sales are being made, a post-effective amendment to this Registration Statement:
 - (i) to include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;
 - (ii) to reflect in the prospectus any facts or events arising after the effective date of the Registration Statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the Registration Statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of a prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement; and
 - (iii) to include any material information with respect to the plan of distribution not previously disclosed in this Registration Statement or any material change to such information in this Registration Statement; provided, however, that paragraphs (1)(i) and (1)(ii) do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed by the registrant pursuant to Section 13 or Section 15(d) of the Exchange Act that are incorporated by reference in this Registration Statement;
- (2) That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof;
- (3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering;
- (4) That, for purposes of determining any liability under the Securities Act of 1933, each filing of the Registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934 that is incorporated by reference in this Registration Statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof; and
- (5) To file an application for the purpose of determining the eligibility of the trustee to act under subsection (a) of Section 310 of the Trust Indenture Act of 1939 in accordance with the rules and regulations prescribed by the Commission under Section 305(b)(2) of the Trust Indenture Act of 1939.

Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers, and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that in the opinion of the Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer, or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer, or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be filed on its behalf by the undersigned, thereunto duly authorized, in the City of Miami, State of Florida, on the 8th day of June, 2001.

CARNIVAL CORPORATION

By: /s/ Micky Arison

Name: Micky Arison
Title: Chairman of the Board of Directors
and Chief Executive Officer

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Micky Arison, Howard S. Frank and Gerald R. Cahill, such person's true and lawful attorney-in-fact and agents, with full power of substitution and revocation, for such person and in such person's name, place and stead, in any and all capacities to sign any and all amendments (including post-effective amendments) to this Registration Statement or any Registration Statement filed pursuant to Rule 462 under the Securities Act of 1933, and to file the same with all exhibits thereto, and the other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorney-in-fact and agents, and each of them, full power and authority to do and perform each and every act and things requisite and necessary to be done, as fully to all intents and purposes as such person might or could do in person, hereby ratifying and confirming all that said attorney-in-fact and agents, or any of them, or their or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

SIGNATURE	TITLE	DATE
/s/ Micky Arison ----- Micky Arison	Chairman of the Board, Chief Executive Officer and Director (Principal Executive Officer)	June 8, 2001
----- Howard S. Frank	Vice Chairman of the Board, Chief Operating Officer and Director	June 8, 2001
/s/ Gerald R. Cahill ----- Gerald R. Cahill	Senior Vice President-Finance and Chief Financial and Accounting Officer	June 8, 2001
/s/ Shari Arison ----- Shari Arison	Director	June 8, 2001
----- Marks L. Birnbach	Director	June 8, 2001
/s/ Richard G. Capen, Jr. ----- Richard G. Capen, Jr.	Director	June 8, 2001
----- Robert H. Dickinson	Director	June 8, 2001
/s/ Arnold W. Donald ----- Arnold W. Donald	Director	June 8, 2001

SIGNATURE	TITLE	DATE
/s/ James M. Dubin ----- James M. Dubin	Director	June 8, 2001
/s/ A. Kirk Lanterman ----- A. Kirk Lanterman	Director	June 8, 2001
/s/ Modesto A. Maidique ----- Modesto A. Maidique	Director	June 8, 2001
/s/ Stuart Subotnick ----- Stuart Subotnick	Director	June 8, 2001
/s/ Sherwood M. Weiser ----- Sherwood M. Weiser	Director	June 8, 2001
----- Meshulam Zonis	Director	June 8, 2001
/s/ Uzi Zucker ----- Uzi Zucker	Director	June 8, 2001

EXHIBIT INDEX

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- 4.4 Form of By-laws of the Registrant (incorporated by reference to Exhibit 3.2 to the Registrant's registration statement on Form S-1, File No. 33-14844, filed with the Securities and Exchange Commission).
- 4.5 Indenture, dated as of April 25, 2001, between Carnival Corporation and U.S. Bank Trust National Association, as trustee, relating to unsecured and unsubordinated debt securities.
- 4.6 First Supplemental Indenture, dated as of April 25, 2001, between Carnival Corporation and U.S. Bank Trust National Association, as trustee, creating a series of securities designated 2% Convertible Senior Debentures due 2021.
- 4.7 Registration Rights Agreement, dated as of April 25, 2001, between Carnival Corporation and Merrill Lynch & Co., Merrill Lynch, Pierce, Fenner & Smith Incorporated.
- 5.1* Opinion of Paul, Weiss, Rifkind, Wharton & Garrison.
- 5.2* Opinion of Tapia Linares y Alfaro.
- 12.1 Ratios of Earnings to Fixed Charges (incorporated by reference to Exhibit 12 to the Registrant's quarterly report on Form 10-Q for the quarter ended February 28, 2001, filed with the Securities and Exchange Commission).
- 12.2 Ratios of Earnings to Fixed Charges (incorporated by reference to Exhibit 12 to the Registrant's annual report on Form 10-K for the fiscal year ended November 30, 2000, filed with the Securities and Exchange Commission).
- 23.1 Consent of PricewaterhouseCoopers LLP.
- 23.2* Consent of Paul, Weiss, Rifkind, Wharton & Garrison (included in Exhibit 5.1).
- 23.3* Consent of Tapia Linares y Alfaro (included in Exhibit 5.2).
- 24 Power of Attorney (See signature page).
- 25.1 Statement of Eligibility under the Trust Indenture Act of 1939 on Form T-1 of U.S Bank Trust National Association to act as Trustee under the Indenture, dated as of April 25, 2001, as supplemented by the First Supplemental Indenture, dated as of April 25, 2001.

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* To be filed by amendment.

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CARNIVAL CORPORATION

AND

U.S. BANK TRUST NATIONAL ASSOCIATION,
TRUSTEE

INDENTURE

DATED AS OF APRIL 25, 2001

UNSECURED AND UNSUBORDINATED DEBT SECURITIES

=====

CARNIVAL CORPORATION
CROSS REFERENCE SHEET*

THIS CROSS REFERENCE SHEET SHOWS THE LOCATION IN THE INDENTURE OF THE PROVISIONS INSERTED PURSUANT TO SECTION 310-318(A), INCLUSIVE, OF THE TRUST INDENTURE ACT OF 1939.

TRUST INDENTURE ACT -----	SECTIONS OF INDENTURE -----
310(a)(1)(2).....	6.9
(3)(4).....	Inapplicable
(5).....	6.9
310(b).....	6.8 and 6.10
(b)(1)(A)(C).....	Inapplicable
310(c).....	Inapplicable
310(a)(b).....	6.13 and 7.3
(c).....	Inapplicable
313(a)(1)(2)(3)(4)(5)(7).....	7.3
(6).....	Inapplicable
(b)(1).....	Inapplicable
(2).....	7.3
(c)(d).....	7.3
314(a).....	7.4
(b).....	Inapplicable
(c)(1)(2).....	1.2
(3).....	Inapplicable
(d).....	Inapplicable
(e).....	1.2
315(a)(c)(d).....	6.1
(b).....	6.2
(e).....	5.14
316(a)(1).....	5.12 and 5.13
(2).....	Inapplicable
(b).....	5.8
(c).....	5.15
317(a).....	5.3 and 5.4
(b).....	10.3
318(a)(c).....	1.5
(b).....	Inapplicable

* The Cross Reference Sheet is not part of the Indenture.

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INDENTURE, dated as of the 25th day of April, 2001, between CARNIVAL CORPORATION, a corporation duly organized and existing under the laws of the Republic of Panama (hereinafter sometimes called the "Company"), party of the first part, and U.S. BANK TRUST NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States of America (hereinafter sometimes called the "Trustee"), party of the second part.

WHEREAS, for its lawful corporate purposes, the Company deems it necessary to issue its securities and has duly authorized the execution and delivery of this Indenture to provide for the issuance from time to time of its unsecured and unsubordinated debentures, notes or other evidences of indebtedness (herein called the "Securities"), to be issued in one or more series as in this Indenture provided.

WHEREAS, all things necessary to constitute these presents a valid indenture and agreement according to its terms have been done and performed by the Company, and the execution of this Indenture has in all respects been duly authorized by the Company, and the Company, in the exercise of legal right and power in it vested, executes this Indenture.

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

That in order to declare the terms and conditions upon which the Securities are made, executed, authenticated, issued and delivered, and in consideration of the premises, of the purchase and acceptance of Securities by the Holders thereof and of the sum of One Dollar to it duly paid by the Trustee at the execution of these presents, the receipt whereof is hereby acknowledged, the Company and the Trustee covenant and agree with each other, for the equal and proportionate benefit of the respective Holders from time to time of the Securities or of series thereof, as follows:

ARTICLE I.

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

SECTION 1.1 CERTAIN TERMS DEFINED. The terms defined in this Section 1.1 (except as herein otherwise expressly provided or unless the context otherwise requires) for all purposes of this Indenture and of any indenture supplemental hereto shall have the respective meanings specified in this Section 1.1. All other terms used in this Indenture which are defined in the Trust Indenture Act of 1939 or which are by reference therein defined in the Securities Act of 1933, as amended (except as herein otherwise expressly provided or unless the context otherwise requires), shall have the meanings assigned to such terms in said Trust Indenture Act and in said Securities Act as in force at the date of this Indenture as originally executed.

Certain terms, used principally in Article 6, are defined in that Article.

ACT

The term "Act", when used with respect to any Holder, shall have the meaning specified in Section 1.4.

AFFILIATE; CONTROL

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

AUTHORIZED NEWSPAPER

The term "Authorized Newspaper" shall mean a newspaper printed in the English language and customarily published at least once a day on each business day in each calendar week and of general circulation in the Borough of Manhattan, the City and State of New York, whether or not such newspaper is published on Saturdays, Sundays and legal holidays.

BOARD OF DIRECTORS

The term "Board of Directors" or "Board", when used with reference to the Company, shall mean the Board of Directors of the Company or any duly authorized committee of such Board.

BOARD RESOLUTION

The term "Board Resolution" shall mean a copy of a resolution certified by the Secretary or an Assistant Secretary of the Company to have been duly adopted by the Board of Directors and to be in full force and effect on the date of such certification, and delivered to the Trustee.

BUSINESS DAY

The term "business day", when used with respect to any Place of Payment, shall mean any day other than a Saturday or a Sunday or a day on which banking institutions in the Place of Payment are authorized or obligated by law or regulation to close.

COMMISSION

The term "Commission" shall mean the Securities and Exchange Commission, as from time to time constituted, created under the Securities Exchange Act of 1934, as amended, or, if at any time after the execution of this instrument such Commission is not existing and performing the duties now assigned to it under the Trust Indenture Act of 1939, then the body performing such duties at such time.

COMPANY

The term "Company" shall mean Carnival Corporation, a Panama corporation, and, subject to the provisions of Article 8, shall also include its successors and assigns.

COMPANY REQUEST; COMPANY ORDER

The term "Company Request" or "Company Order" shall mean a written request or order signed in the name of the Company by its Chairman or Vice Chairman of the Board, its President, an Executive Vice President or a Vice President, and by its Treasurer, an Assistant Treasurer, its Controller, an Assistant Controller, its Secretary or an Assistant Secretary, and delivered to the Trustee.

CORPORATE TRUST OFFICE

The term "Corporate Trust Office" or other similar term shall mean the principal office of the Trustee in the City of St. Paul, the State of Minnesota, at which at any particular time its corporate trust business shall be administered, which office at the date of this Indenture is located at 180 East Fifth Street, St. Paul, Minnesota 55101.

CORPORATION

The term "corporation" includes corporations, associations, companies and business trusts.

DEFAULTED INTEREST

The term "Defaulted Interest" shall have the meaning specified in Section 3.7.

DEPOSITORY

The term "Depository" shall mean, with respect to Securities of any series for which the Company shall determine that such Securities will be issued as a Global Security, The Depository Trust Company, another clearing agency or any successor registered under the Securities and Exchange Act of 1934, as amended, or other applicable statute or regulation, which in each case, shall be designated by the Company pursuant to either Section 2.5 or 3.1.

EVENT OF DEFAULT

The term "Event of Default" shall have the meaning specified in Section 5.1.

GLOBAL SECURITY

The term "Global Security" shall mean, with respect to any series of Securities, a Security executed by the Company and authenticated and delivered by the Trustee to the Depository or pursuant to the Depository's instruction, all in accordance with this Indenture and pursuant to a Company Order, which (i) shall be registered in the name of the Depository or its

nominee and (ii) shall represent, and shall be denominated in an amount equal to the aggregate principal amount of, all of the Outstanding Securities of such series.

HOLDER

The term "Holder" shall mean a Person in whose name a Security is registered in the Security Register.

INDENTURE

The term "Indenture" shall mean this instrument as originally executed or as it may from time to time be supplemented or amended by one or more indentures supplemental hereto entered into pursuant to the applicable provisions hereof and shall include the terms of the or those particular series of Securities established as contemplated by Section 3.1; provided, however, that if at any time more than one Person is acting as Trustee under this instrument, "Indenture" shall mean, with respect to any one or more series of Securities for which one Person is Trustee, this instrument as originally executed or as it may from time to time be supplemented or amended by one or more indentures supplemental hereto entered into pursuant to the applicable provisions hereof and shall include the terms of the or those particular series of Securities for which such Person is Trustee established as contemplated by Section 3.1, exclusive, however, of any provisions or tenor which relate solely to other series of Securities for which such Person is not Trustee, regardless of when such terms or provisions were adopted, and exclusive of any provisions or terms adopted by means of one or more indentures supplemental hereto executed and delivered after such Person had become such Trustee but to which such Person, as such Trustee, was not a party.

INTEREST

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

INTEREST PAYMENT DATE

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

MATURITY

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

NATIONAL BANKRUPTCY ACT

The term "National Bankruptcy Act" shall mean the Bankruptcy Act or title 11 of the United States Code.

OFFICERS' CERTIFICATE

The term "Officers' Certificate" shall mean a certificate signed by the Chairman or Vice Chairman of the Board, the President, an Executive Vice President or a Vice President, and by the Treasurer, an Assistant Treasurer, the Controller, an Assistant Controller, the Secretary or an Assistant Secretary, of the Company, and delivered to the Trustee. Each such certificate shall include (except as otherwise provided in this Indenture) the statements provided for in Section 1.2, if and to the extent required by the provisions thereof.

OPINION OF COUNSEL

The term "Opinion of Counsel" shall mean an opinion in writing signed by legal counsel, who may be an employee of or of counsel to the Company, and delivered to the Trustee. Each such opinion shall include the statements provided for in Section 1.2, if and to the extent required by the provisions thereof.

ORIGINAL ISSUE DISCOUNT SECURITY

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

OUTSTANDING

The term "Outstanding", when used with respect to Securities, shall mean, as of the date of determination, all Securities theretofore authenticated and delivered under this Indenture, except

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

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

(iii) Securities which have been paid pursuant to Section 3.6 or in exchange for or in lieu of which other Securities have been authenticated and delivered pursuant to this Indenture;

PROVIDED, HOWEVER, that in determining whether the Holders of the requisite principal amount of the Outstanding Securities have given any request, demand, authorization, direction, notice, consent or waiver under this Indenture, (i) the principal amount of an Original Issue Discount Security that shall be deemed to be Outstanding shall be the amount of the principal thereof that

would be due and payable as of the date of such determination upon acceleration of the Maturity thereof pursuant to Section 5.2, (ii) the principal amount of a Security denominated in one or more foreign currencies or currency units shall be the U.S. dollar equivalent, determined in the manner provided as contemplated by Section 3.1 on the date of original issuance of such Security of the principal amount (or, in the case of an Original Issue Discount Security, the U.S. dollar equivalent on the date of original issuance of such Security of the amount determined as provided in (i) above) of such Security, and (iii) Securities owned by the Company or any other obligor on the Securities or any Affiliate of the Company or of such other obligor shall be disregarded and deemed not to be Outstanding for the purposes of such determination, except that, in determining whether the Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Securities which the Trustee knows are so owned shall be so disregarded. Securities so owned which have been pledged in good faith may be regarded as Outstanding if the pledgee establishes to the satisfaction of the Trustee the pledgee's right so to act with respect to such Securities and that the pledgee is not the Company or any other obligor on the Securities or any Affiliate of the Company or of such other obligor.

PAYING AGENT

The term "Paying Agent" shall mean any Person authorized by the Company to pay the principal of (and premium, if any, on) or interest on any Securities on behalf of the Company.

PERSON

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

PLACE OF PAYMENT

The term "Place of Payment", when used with respect to the Securities of any series, shall mean the place or places where the principal of (and premium, if any, on) and interest on the Securities of that series are payable as specified as contemplated by Section 3.1.

PREDECESSOR SECURITY

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

REDEMPTION DATE

The term "Redemption Date" shall mean, when used with respect to any Security to be redeemed, in whole or in part, the date fixed for such redemption by or pursuant to this Indenture.

REDEMPTION PRICE

The term "Redemption Price" shall mean, when used with respect to any Security to be redeemed, the price at which it is to be redeemed by or pursuant to this Indenture.

REGULAR RECORD DATE

The term "Regular Record Date" for the interest payable on any Interest Payment Date on the Securities of any series shall mean the date specified for that purpose as contemplated by Section 3.1.

REPAYMENT DATE

The term "Repayment Date" shall mean, when used with respect to any Security to be repaid at the option of the Holder, the date fixed for such repayment by or pursuant to this Indenture.

REPAYMENT PRICE

The term "Repayment Price" shall mean, when used with respect to any Security to be repaid at the option of the Holder, the price at which it is to be repaid by or pursuant to this Indenture.

RESPONSIBLE OFFICER

The term "responsible officer" when used with respect to the Trustee shall mean the Chairman or Vice Chairman of the Board of Directors, the Chairman or Vice Chairman of the Executive Committee of the Board of Directors, the President, any Vice President, any Second Vice President, any Cashier, the Secretary, any Assistant Secretary, the Treasurer, any Assistant Treasurer, any Corporate Trust Officer, any Assistant Trust Officer, or any other officer or assistant officer of the Trustee customarily performing functions similar to those performed by the persons who at the time shall be such officers, respectively, or to whom any corporate trust matter is referred because of his knowledge of and familiarity with the particular subject.

SECURITIES

The term "Securities" shall have the meaning stated in the first recital of this Indenture and more particularly means any Securities authenticated and delivered under this Indenture; . PROVIDED, HOWEVER, that if at any time there is more than one Person acting as Trustee under this Indenture, "Securities" with respect to the series as to which such Person is Trustee shall have the meaning stated in the first recital of this Indenture and shall more particularly mean Securities authenticated and delivered under this Indenture, exclusive, however, of Securities of any series as to which such Person is not Trustee.

SECURITY REGISTER; SECURITY REGISTRAR

The terms "Security Register" and "Security Registrar" shall have the respective meanings set forth in Section 3.5.

SPECIAL RECORD DATE

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

STATED MATURITY

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

SUBSIDIARY OF THE COMPANY

The term "subsidiary of the Company" shall mean a corporation a majority of the outstanding voting stock of which is owned, directly or indirectly, by the Company or by one or more subsidiaries of the Company, or by the Company and one or more subsidiaries of the Company.

As used under this heading, the term "voting stock" means stock having ordinary voting power to elect a majority of the directors irrespective of whether or not stock of any other class or classes shall have or might have voting power by reason of the happening of any contingency.

TRUSTEE

The term "Trustee" shall mean U.S. Bank Trust National Association and, subject to the provisions of Article 6, shall also include its successors and assigns, and, if at any time there is more than one Person acting as Trustee hereunder, "Trustee" as used with respect to the Securities of any series shall mean the Trustee with respect to Securities of that series.

TRUST INDENTURE ACT OF 1939

The term "Trust Indenture Act of 1939" (except as herein otherwise expressly provided) shall mean the Trust Indenture Act of 1939, as amended, as in force at the date of this Indenture as originally executed.

SECTION 1.2 COMPLIANCE CERTIFICATES AND OPINIONS. Upon any application or request by the Company to the Trustee to take any action under any provision of this Indenture, the Company shall furnish to the Trustee an Officers' Certificate stating that all conditions precedent, if any, provided for in this Indenture relating to the proposed action have been complied with and an Opinion of Counsel stating that in the opinion of such counsel all such conditions precedent, if any, have been complied with, except that in the case of any such application or request as to which the furnishing of such documents is specifically required by

any provision of this Indenture relating to such particular application or request, no additional certificate or opinion need be furnished.

Every certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture (other than certificates provided pursuant to Section 7.4(d)) shall include:

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

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

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

(4) a statement as to whether or not, in the opinion of each such individual, such condition or covenant has been complied with.

SECTION 1.3 FORM OF DOCUMENTS DELIVERED TO TRUSTEE. In any case where several matters are required to be certified by, or covered by an opinion of, any specified Person, it is not necessary that all such matters be certified by, or covered by the opinion of, only one such Person, or that they be so certified or covered by only one document, but one such Person may certify or give an opinion with respect to some matters and one or more other such Persons as to other matters, and any such Person may certify or give an opinion as to such matters in one or several documents.

Any certificate or opinion of an officer of the Company may be based, insofar as it relates to legal matters, upon a certificate or opinion of, or representations by, counsel, unless such officer actually knows that the certificate or opinion or representations with respect to the matters upon which his certificate or opinion is based are erroneous. Any such certificate or Opinion of Counsel may be based, insofar as it relates to factual matters, upon a certificate or opinion of, or representations by, an officer or officers of the Company stating that the information with respect to such factual matters is in the possession of the Company, unless such counsel knows, or in the exercise of reasonable care (but without having made an investigation specifically for the purpose of rendering such opinion) should know, that the certificate or opinion or representations with respect to such matters are erroneous.

Where any Person is required to make, give or execute two or more applications, requests, consents, certificates, statements, opinions or other instruments under this Indenture, they may, but need not, be consolidated and form one instrument.

SECTION 1.4 ACTS OF HOLDERS. (a) Any request, demand, authorization, direction, notice, consent, waiver or other action provided by this Indenture to be given or taken by Holders of the Outstanding Securities of all series or one or more series, as the case may be, may be embodied in and evidenced by one or more instruments of substantially similar tenor signed by such Holders in person or by an agent duly appointed in writing; and, except as herein otherwise

expressly provided, such action shall become effective when such instrument or instruments are delivered to the Trustee and, where it is hereby expressly required, to the Company. Such instrument or instruments (and the action embodied therein and evidenced thereby) are herein sometimes referred to as the "Act" of the Holders signing such instrument or instruments. Proof of execution of any such instrument or of a writing appointing any such agent shall be sufficient for any purpose of this Indenture and (subject to Section 6.1) conclusive in favor of the Trustee and the Company, if made in the manner provided in this Section 1.4.

(b) The fact and date of the execution by any Person of any such instrument or writing may be proved by the affidavit of a witness of such execution or by a certificate of a notary public or other officer authorized by law to take acknowledgments of deeds, certifying that the individual signing such instrument or writing acknowledged to him the execution thereof. Where such execution is by a signer acting in a capacity other than his individual capacity, such certificate or affidavit shall also constitute sufficient proof of his authority. The fact and date of the execution of any such instrument or writing, or the authority of the Person executing the same, may also be proved in any other manner which the Trustee deems sufficient and in accordance with such reasonable rules as the Trustee may determine.

(c) The Company may, in the circumstances permitted by the Trust Indenture Act of 1939, fix any date as the record date for the purpose of determining the Holders of Securities of any series entitled to give or take any request, demand, authorization, direction, notice, consent, waiver or other action, or to vote on any action, authorized or permitted to be given or taken by Holders of Securities of such series. If not set by the Company prior to the first solicitation of a Holder of Securities of such series made by any person with respect of any such action, or, in the case of any such vote, prior to such vote, the record date for any such action or vote shall be the 30th day (or, if later, the date of the most recent list of Holders required to be provided pursuant to Section 7.1) prior to such first solicitation or vote, as the case may be. With regard to any record date, only the Holders of Securities of such series on such date (or their duly designated proxies) shall be entitled to give or take, or vote on, the relevant action.

(d) The ownership of Securities shall be proved by the Security Register.

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

SECTION 1.5 CONFLICT WITH TRUST INDENTURE ACT OF 1939. If any provision hereof limits, qualifies or conflicts with a provision of the Trust Indenture Act of 1939 that is required under such Act to be part of and govern this Indenture, the latter provision shall control. If any provision of this Indenture modifies or excludes any provision of the Trust Indenture Act of 1939 that may be so modified or excluded, the latter provision shall be deemed either to apply to this Indenture so modified or to be excluded, as the case may be.

SECTION 1.6 EFFECT OF HEADINGS AND TABLE OF CONTENTS. The Article and Section headings herein and the Table of Contents are for convenience only and shall not affect the construction hereof.

SECTION 1.7 SEPARABILITY CLAUSE. In case any provision in this Indenture or in any Security shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

SECTION 1.8 BENEFITS OF INDENTURE. Nothing in this Indenture or in the Securities, express or implied, shall give to any Person, other than the parties hereto and their successors hereunder and the Holders, any benefit or any legal or equitable right, remedy or claim under this Indenture.

SECTION 1.9 LEGAL HOLIDAYS. In any case where any Interest Payment Date, Redemption Date or Stated Maturity of any Security shall not be a Business Day at any Place of Payment, then (notwithstanding any other provision of this Indenture or of the Securities) payment of interest or principal (and premium, if any) need not be made at such Place of Payment on such date, but may be made on the next succeeding Business Day at such Place of Payment with the same force and effect as if made on the Interest Payment Date or Redemption Date, or at the Stated Maturity; provided that no interest shall accrue for the period from and after such Interest Payment Date, Redemption Date or Stated Maturity, as the case may be.

ARTICLE II.

SECURITY FORMS

SECTION 2.1 FORMS GENERALLY. The Securities of each series shall be in substantially the form set forth in this Article, or in such other form or forms as shall be established by or pursuant to a Board Resolution or in one or more indentures supplemental hereto, in each case with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Indenture, and may have such letters, numbers or other marks of identification and such legends or endorsements placed thereon as may be required to comply with the rules of any securities exchange or as may, consistently herewith, be determined by the officers executing such Securities, as evidenced by their execution of the Securities. If the form or forms of Securities of any series are established by action taken pursuant to a Board Resolution, a copy of an appropriate record of such action shall be certified by the Secretary or an Assistant Secretary of the Company and delivered to the Trustee at or prior to the delivery of the Company Order contemplated by Section 3.3 for the authentication and delivery of such Securities.

The Trustee's certificates of authentication shall be in substantially the form set forth in this Article.

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

CARNIVAL CORPORATION

\$

No.

CARNIVAL CORPORATION, a corporation duly organized and existing under the laws of the Republic of Panama (herein called the "Company", which term includes any successor corporation under the Indenture hereinafter referred to), for value received, hereby promises to pay to _____, or registered assigns, the principal sum of _____ Dollars on _____ [IF THE SECURITY IS TO BEAR INTEREST PRIOR TO MATURITY, INSERT --, and to pay _____ interest thereon from _____ or from the most recent Interest Payment Date on which interest has been paid or duly provided for, semi-annually on _____ and _____ in each year, commencing _____, at the rate of _____ % per annum, until the principal hereof is paid or made available for payment [IF APPLICABLE, INSERT --, and (to the extent that the payment of such interest shall be legally enforceable) at the rate of _____ % per annum on any overdue principal and premium and on any overdue installment of interest]. The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in such Indenture, be paid to the Person in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest, which shall be the _____ or _____ (whether or not a Business Day), as the case may be, next preceding such Interest Payment Date. Any such interest not so punctually paid or duly provided for will forthwith cease to be payable to the Holder on such Regular Record Date and may either be paid to the Person in whose name this Security (or, one or more Predecessor Securities) is registered at the close of business on a Special Record Date for the payment of such Defaulted Interest to be fixed by the Trustee, notice thereof shall be given to Holders of Securities of this series not less than 10 days prior to such Special Record Date, or be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Securities of this series may be listed, and upon such notice as may be required by such exchange, all as more fully provided in said Indenture].

[IF THE SECURITY IS NOT TO BEAR INTEREST PRIOR TO MATURITY, INSERT --. The principal of this Security shall not bear interest except in the case of a default in payment of principal upon acceleration, upon redemption, upon repayment at the option of the Holder or at Stated Maturity and in such case the overdue principal of this Security shall bear interest at the rate of _____ % per annum (to the extent that the payment of such interest shall be legally enforceable), which shall accrue from the date of such default in payment to the date payment of such principal has been made or duly provided for. Interest on any overdue principal shall be payable on demand. Any

(1) All legends should be reviewed by a tax lawyer.

such interest on any overdue principal that is not so paid on demand shall bear interest at the rate of % per annum (to the extent that the payment of such interest shall be legally enforceable), which shall accrue from the date of such demand for payment to the date payment of such interest has been made or duly provided for, and such interest shall also be payable on demand.]

Payment of the principal of (and premium, if any, on) and [IF APPLICABLE, INSERT -- any such] Interest on this Security will be made at the office or agency of the Company maintained for that purpose in either the City of _____, the State of _____, or the City of St. Paul, the State of Minnesota, in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts [IF APPLICABLE, INSERT --; PROVIDED, HOWEVER, that at the option of the Company payment of interest may be made by check mailed to the address of the Person entitled thereto as such address shall appear in the Security Register].

Reference is hereby made to the further provisions of this Security set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

Unless the certificate of authentication hereon has been executed by the Trustee referred to on the reverse hereof by manual signature, this Security shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, Carnival Corporation has caused this Instrument to be signed by its Chairman of the Board, or its President, or one of its Vice Presidents, and by its Treasurer or one of its Assistant Treasurers, manually or in facsimile.

Dated:

CARNIVAL CORPORATION

By _____

By _____

SECTION 2.3 FORM OF REVERSE OF SECURITY. This Security is one of a duly authorized issue of securities of the Company (herein called the "Securities"), issued and to be issued in one or more series under an Indenture, dated as of ____ (herein called the "Indenture"), between the Company and U.S. Bank Trust National Association, as Trustee (herein called the "Trustee", which term includes any successor trustee under the Indenture with respect to the series of which this Security is a part), to which Indenture and all indentures supplemental thereto reference is hereby made for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Trustee and the Holders of the Securities and of the same upon which the Securities are, and are to be, authenticated and delivered. This Security is one of the Series designated on the face hereof [, limited in aggregate principal amount to \$].

[The Company will pay to the Holders such Additional Amounts in respect of Panamanian taxes as may become payable under Section 10.5 of the Indenture.]

[IF APPLICABLE-INSERT-The Securities may be converted pursuant to the terms herein into [] if:[detail terms of conversion]. The Securities in respect of which a Holder has delivered [form of conversion notice] exercising the option of such Holder to require the Company to purchase such Security.]

[IF APPLICABLE, INSERT -- The Securities of this series are subject to redemption upon not less than 30 days' notice by mail, [IF APPLICABLE, INSERT -- (1) on in any year commencing with the year and ending with the year at a Redemption Price equal to % of the principal amount, and (2)] at any time [on or after , 20], as a whole or in part, at the election of the Company, at the following Redemption Prices (expressed as percentages of the principal amount): If redeemed [on or before , %, and if redeemed] during the 12-month period beginning of the years indicated,

YEAR	REDEMPTION PRICE	YEAR	REDEMPTION PRICE
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and thereafter at a Redemption Price equal to % of the principal amount, together in the case of any such redemption with accrued interest to the Redemption Date, but interest installments whose Stated Maturity is on or prior so such Redemption Date will be payable to the Holders of such Securities, or one or more Predecessor Securities, of record at the close of business on the relevant Regular Record Dates referred to on the face hereof, all as provided in the Indenture.]

[The Securities will also be subject to redemption as a whole, but not in part, at the option of the Company at any time at 100% of the principal amount, together with accrued interest thereon to the Redemption Date, in the event the Company has become or would become obligated to pay, on the next date on which any amount would be payable with respect to the Securities, any Additional Amounts as a result of certain changes affecting Panamanian withholding taxes which are specified in the Indenture.]

[IF APPLICABLE - INSERT - The Securities may be converted pursuant to the terms herein into [] if: [detail terms of conversion]. The Securities in respect of which a Holder has delivered [form of conversion notice] exercising the option of such Holder to require the Company to purchase such Security.]

[IF APPLICABLE, INSERT -- The Securities of this series are subject to redemption upon not less than 30 days' notice by mail, (1) on in any year commencing with the year and ending with the year through operation of the sinking fund for this series at the Redemption Prices for redemption through operation of the sinking fund (expressed as pages of the principal amount) set forth in the table below, and (2) at any time [on or after], as a

whole or in part, at the election of the Company, at the Redemption Prices for redemption otherwise than through operation of the sinking fund (expressed as percentages of the principal amount) set forth in the table below: If redeemed during the 12-month period beginning _____ of the years indicated,

YEAR	REDEMPTION PRICE FOR REDEMPTION THROUGH OPERATION OF THE SINKING FUND	REDEMPTION PRICE FOR REDEMPTION OTHERWISE THAN THROUGH OPERATION OF THE SINKING FUND
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and thereafter at a Redemption Price equal to % of the principal amount, together is the case of any such redemption (whether through operation of the sinking fund or otherwise) with accrued interest to the Redemption Date, but interest installments whose Stated Maturity is on or prior to such Redemption Date will be payable to the Holders of such Securities, or one or more Predecessor Securities, of record at the close of business on the relevant Regular Record Dates referred to on the face hereof, all as provided in the Indenture.]

[Notwithstanding the foregoing, the Company may not, prior to , redeem any Securities of this series as contemplated by [Clause (2) of] the preceding paragraph as a part of, or in anticipation of, any refunding operation by the application, directly or indirectly, of moneys borrowed having an interest cost to the Company (calculated in accordance with generally accepted financial practice) of less than % per annum.]

[The sinking fund for this series provides for the redemption on in each year beginning with the year and ending with the year of [not less than] \$ [("mandatory sinking fund") and not more than \$] aggregate principal amount of Securities of this series. Securities of this series acquired or redeemed by the Company otherwise than through [mandatory] sinking fund payments may be credited against subsequent [mandatory] sinking fund payments otherwise required to be made in the [describe order] order in which they became due.]

[In the event of redemption or repayment of this Security in part only, a new Security or Securities of this series for the unredeemed portion hereof will be issued in the name of the Holder hereof upon the cancellation hereof.]

[IF APPLICABLE, INSERT -- The Securities of this series are subject to repayment in whole [or in part] [but not in part], in integral multiples of \$, on [and] at the option of the Holder hereof at a Repayment Price equal to % of the principal amount thereof [to be repaid], together with interest thereon accrued to the Repayment Date, all as provided in

the Indenture [; PROVIDED, HOWEVER, that the principal amount of this Security may not be repaid in part if, following such repayment, the unpaid principal amount of this Security would be less than [\$] [the minimum authorized denomination for Securities of this series]]. To be repaid at the option of the Holder, this Security, with the "Option to Elect Repayment" form duly completed by the Holder hereof, must be received by the Company at its office or agency maintained for that purpose in either the City of _____, the State of _____, or the City of St. Paul, the State of Minnesota [, which will be located initially at the office of the Trustee at _____], not earlier than 30 days nor later than 15 days prior to the Repayment Date. Exercise of such option by the Holder of this Security shall be irrevocable unless waived by the Company.]

[IF THE SECURITY IS NOT AN ORIGINAL ISSUE DISCOUNT SECURITY -- If an Event of Default with respect to Securities of this series shall occur and be continuing, the principal of the Securities of this series may be declared due and payable in the manner and with the effect provided in the Indenture.]

[IF THE SECURITY IS AN ORIGINAL ISSUE DISCOUNT SECURITY -- If an Event of Default with respect to Securities of this series shall occur and be continuing, an amount of principal of the Securities of this series may be declared due and payable in the manner and with the effect provided in the Indenture. Such amount shall be equal to -- INSERT FORMULA FOR DETERMINING THE AMOUNT. Upon payment (i) of the amount of principal so declared due and payable and (ii) of interest on any overdue principal; and overdue interest (in each case to the extent that the payment of such interest shall be legally enforceable), all of the Company's obligations in respect of the payment of the principal of and interest, if any, on the Securities of this series shall terminate.]

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders of the Securities of each series to be affected under the Indenture at any time by the Company and the Trustee with the consent of the holders of a majority in principal amount of the Outstanding Securities of each series to be affected. The Indenture also contains provisions permitting the Holders of specified percentages in principal amount of the Outstanding Securities of each series, on behalf of the Holders of all Outstanding Securities of such series, to waive compliance by the Company with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this Security shall be conclusive and binding upon such Holder and upon all future Holders of this Security and of any Security issued upon the registration of transfer hereof or in exchange or in lieu hereof, whether or not notation of such consent or waiver is made upon this Security.

No reference herein to the Indenture and no provision of this Security or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the amount of principal of (and premium, if any, on) and interest on this Security herein provided, and at the times, place and rate, and in the coin or currency, herein prescribed.

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Security is registrable in the Security Register, upon surrender of this Security for registration of transfer at the office or agency of the Company in any place where the principal of

(and premium, if any, on) and interest on this Security are payable, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company and the Security Registrar duly executed by, the Holder hereof or his attorney duly authorized in writing, and thereupon one or more new Securities of this series of like tenor, of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees.

The Securities of this series are issuable only in registered form without coupons in denominations of \$ and any integral multiple thereof. As provided in the Indenture and subject to certain limitations therein set forth, Securities of this series are exchangeable for a like aggregate principal amount of Securities of this series of like tenor of different authorized denominations as requested by the Holder surrendering the same.

No service charge shall be made for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Prior to due presentment of this Security for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this Security is registered as the owner hereof for all purposes, whether or not this Security be overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary.

All terms used in this Security which are defined in the Indenture shall have the meanings assigned to them in the Indenture.

[IF APPLICABLE, INSERT--

OPTION TO ELECT REPAYMENT

The undersigned hereby irrevocably requests and instructs the Company to repay the within Security [(or the portion thereof specified below)], pursuant to its terms, on the "Repayment Date" first occurring after the date of receipt of the within Security as specified below, at a Repayment Price equal to ___% of the principal amount thereof, together with interest thereon accrued to the Repayment Date, to the undersigned at:

(Please Print or Type Name and Address of the Undersigned.)

FOR THIS OPTION TO ELECT REPAYMENT TO BE EFFECTIVE, THIS SECURITY WITH THE OPTION TO ELECT REPAYMENT DULY COMPLETED MUST BE RECEIVED NOT EARLIER THAN 30 DAYS PRIOR TO THE REPAYMENT DATE AND NOT LATER THAN 15 DAYS PRIOR TO THE REPAYMENT DATE BY THE COMPANY AT ITS OFFICE OR AGENCY EITHER IN THE CITY OF _____, THE STATE OF _____, OR THE CITY OF ST. PAUL, THE STATE OF MINNESOTA [, WHICH WILL BE LOCATED INITIALLY AT THE OFFICE OF THE TRUSTEE AT _____].

(If less than the entire principal amount of the within Security is to be repaid, specify the portion thereof (which shall be \$ or an integral multiple thereof) which is to be repaid: \$. The principal amount of this Security may not be repaid in part if, following such repayment, the unpaid principal amount of this Security would be less than [\$ [the minimum authorized denomination for Securities of this series].]

[If less than the entire principal amount of the within Security is to be repaid, specify the denomination(s) of the Security(ies) to be issued for the unpaid amount: (\$ or any integral multiple of \$): \$.]

Dated:

Note: The signature to this Option to Elect Repayment must correspond with the name as written upon the face of the within Security in every particular without alterations or enlargement or any change whatsoever.]

SECTION 2.4 FORM OF TRUSTEE'S CERTIFICATE OF AUTHENTICATION. This is one of the Securities of the series designated therein referred to in the within-mentioned Indenture.

As Trustee

By -----
AUTHORIZED OFFICER

SECTION 2.5 SECURITIES ISSUABLE IN THE FORM OF A GLOBAL SECURITY. (a) If the Company shall establish pursuant to Section 3.1 that the Securities of a particular series are to be issued as a Global Security, then the Company shall execute and the Trustee shall, in accordance with Section 3.3 and the Company Order delivered to the Trustee thereunder, authenticate and deliver, a Global Security which (i) shall represent, and shall be denominated in an amount equal to the aggregate principal amount of, all of the Outstanding Securities of such series, (ii) shall be registered in the name of the Depository or its nominee, (iii) shall be delivered by the Trustee to the Depository or pursuant to the Depository's instruction and (iv) shall bear a legend substantially to the following effect: "Except as otherwise provided in Section 2.5 of the Indenture, this Security may be transferred, in whole but not in part, only to another nominee of the Depository or to a successor Depository or to a nominee of such successor Depository."

(b) Notwithstanding any other provision of this Section 2.5 or of Section 3.5, but subject to the provisions of paragraph (c) below, the Global Security of a series may be transferred, in whole but not in part and in the manner provided in Section 3.5, only to another nominee of the Depository for such series, or to a successor Depository for such series selected or approved by the Company or to a nominee of such successor Depository.

(c) If at any time the Depository for a series of Securities notifies the Company that it is unwilling or unable to continue as Depository for such series or if at any time the Depository for such series shall no longer be registered or in good standing under the Securities Exchange Act of 1934, as amended, or other applicable statute or regulation and a successor Depository for such series is not appointed by the Company within 90 days after the Company receives such notice or becomes aware of such condition, as the case may be, this Section 2.5 shall no longer be applicable to the Securities of such series and the Company will execute, and the Trustee will authenticate and deliver, Securities of such series in definitive registered form without coupons, in authorized denominations, and in an aggregate principal amount equal to the principal amount of the Global Security of such series in exchange for such Global Security. In addition, the Company may at any time determine that the Securities of any series shall no longer be represented by a Global Security and that the provisions of this Section 2.5 shall no longer apply to the Securities of such series. In such event the Company will execute and the Trustee, upon receipt of an Officers' Certificate evidencing such determination by the Company, will authenticate and deliver Securities of such series in definitive registered form without coupons, in authorized denominations, and in an aggregate principal amount equal to the principal amount of the Global Security of such series in exchange for such Global Security. Upon the exchange

of the Global Security for such Securities in definitive registered form without coupons, in authorized denominations, the Global Security shall be canceled by the Trustee. Such Securities in definitive registered form issued in exchange for the Global Security pursuant to this Section 2.5(c) shall be registered in such names and in such authorized denominations as the Depository, pursuant to instructions from its direct or indirect participants or otherwise, shall instruct the Trustee. The Trustee shall deliver such Securities to the Persons in whose names such Securities are so registered, but without any liability on the part of the Company or the Trustee for the accuracy of the Depository's instructions.

ARTICLE III.

THE SECURITIES

SECTION 3.1 AMOUNT UNLIMITED; ISSUABLE IN SERIES. The aggregate principal amount of Securities which may be authenticated and delivered under this Indenture is not limited.

The Securities may be issued in one or more series. There shall be established in or pursuant to a Board Resolution and set forth in an Officers' Certificate, or established in one or more indentures supplemental hereto, prior to the issuance of Securities of any series, any or all of the following as applicable:

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

(2) the limit upon the aggregate principal amount of the Securities of the series which may be authenticated and delivered under this Indenture (except for Securities authenticated and delivered upon registration of transfer of, or in exchange for, or in lieu of, other Securities of the series pursuant to Sections 2.5, 3.4, 3.5, 3.6, 9.5, 11.7 or 12.5, and except for any Securities which, pursuant to Section 3.3, are deemed never to have been authenticated and delivered hereunder);

(3) the date or dates on which the principal of the Securities of the series is payable or the manner in which such dates are determined;

(4) the rate or rates at which the Securities of the series shall bear interest, or the manner in which such rates are determined, the date or dates from which such interest shall accrue, or the manner in which such dates are determined, the Interest Payment Dates on which such interest shall be payable and the Regular Record Dates, if any, for the interest payable on any Interest Payment Date;

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

(6) the period or periods within which, the price or prices at which and the terms and conditions upon which Securities of the series may be redeemed, in whole or in part, at the option of the Company;

(7) the obligation of the Company to redeem, purchase or repay Securities of the series pursuant to any sinking fund or analogous provisions or at the option of a Holder thereof and the period or periods within which or the date or dates on which, the price or prices at which and the terms and conditions upon which Securities of the series shall be redeemed, purchased or repaid, in whole or in part, pursuant to such obligation;

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

(9) if other than the Trustee, the identity of the Security Registrar and/or Paying Agent;

(10) if other than the principal amount thereof, the portion of the principal amount of Securities of the series which shall be payable upon declaration of acceleration of the Maturity thereof pursuant to Section 5.2;

(11) if other than such coin or currency of the United States of America as at the time of payment is legal tender for payment of public or private debts, the coin or currency or currency unit in which payment of the principal of (and premium, if any) or interest on the Securities of the series shall be payable;

(12) if the amount of payment of principal of (and premium, if any) or interest on the Securities of the series may be determined with reference to an index, formula or other method based on a coin currency or currency unit other than that in which the Securities are stated to be payable, the manner in which such amounts shall be determined;

(13) if the principal of (and premium, if any) or interest on the Securities of the series are to be payable, at the election of the Company or a Holder thereof, in a coin or currency or currency unit other than that in which the Securities are stated to be payable, the period or periods within which, and the terms and conditions upon which, such election may be made;

(14) whether the Securities of the series are issuable as a Global Security and, in such case, the identity of the Depository for such series; and

(15) any other terms, conditions, rights and preferences (or limitations on such rights and preferences) relating to the series (which terms shall not be inconsistent with the provisions of this Indenture).

All Securities of any one series shall be substantially identical except as to denomination and except as may otherwise be provided in or pursuant to such Board Resolution and set forth in such Officers' Certificate or in any indenture supplemental hereto. Not all Securities of any one series need be issued at the same time, and, unless otherwise provided, a series may be reopened for issuances of additional Securities of such series.

If any of the terms of the series are established by action taken pursuant to a Board Resolution, such Board Resolution and the Officers' Certificate setting forth the terms of the

series shall be delivered to the Trustee at or prior to the delivery of the Company Order for authentication and delivery of Securities of such series.

SECTION 3.2 DENOMINATIONS. The Securities of each series shall be issuable in definitive registered form without coupons and, except for any Global Security, in such denominations as shall be specified as contemplated by Section 3.1. In the absence of any such provisions with respect to the Securities of any series, the Securities of such series, other than a Global Security, shall be issuable in denominations of \$1,000 and any integral multiple thereof.

SECTION 3.3 EXECUTION, AUTHENTICATION, DELIVERY AND DATING. The Securities shall be signed on behalf of the Company by its Chairman of the Board, its President or one of its Vice Presidents and its Treasurer or one of its Assistant Treasurers. Such signatures upon the Securities may be the manual or facsimile signatures of the present or any future such authorized officers and may be imprinted or otherwise reproduced on the Securities.

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

(a) At any time and from time to time after the execution and delivery of this Indenture, the Company may deliver Securities of any series executed by the Company to the Trustee for authentication, together with a Company Order for the authentication and delivery of such Securities, and the Trustee in accordance with the Company Order shall authenticate and deliver such Securities. If not all the Securities of any series are to be issued at one time and if the Board Resolution or supplemental indenture establishing such series shall so permit, such Company Order may set forth procedures acceptable to the Trustee for the issuance of such Securities and determining terms of particular Securities of such series such as interest rate, maturity date, date of issuance and date from which interest shall accrue. In authenticating such Securities, and accepting the additional responsibilities under this Indenture in relation to such Securities, the Trustee shall be entitled to receive, and (subject to Section 6.1) shall be fully protected in relying upon, an Opinion of Counsel stating that all conditions precedent of the Indenture to the authentication and delivery of such Securities have been complied with and that such Securities, when completed by appropriate insertions and executed and delivered by the Company to the Trustee for authentication in accordance with this Indenture, authenticated and delivered by the Trustee in accordance with this Indenture and issued by the Company in the manner and subject to any conditions specified in such Opinion of Counsel, will constitute the legal, valid and binding obligations of the Company, enforceable in accordance with their terms, subject to applicable bankruptcy, insolvency, reorganization and other similar laws of general applicability relating to or affecting the enforcement of creditors' rights, to general equitable principles and to such other qualifications as such counsel shall conclude do not materially affect the rights of Holders of such Securities.

Notwithstanding the provisions of Section 3.1 and of the preceding paragraph, if not all the Securities of any series are to be issued at one time, it shall not be necessary to deliver an Opinion of Counsel at the time of issuance of each Security, but such opinion with appropriate modifications shall be delivered at or before the time of issuance of the first Security of such series.

The Trustee shall not be required to authenticate and deliver any such Securities if the Trustee, being advised by counsel, determines that such action (i) may not lawfully be taken or (ii) would expose the Trustee to personal liability to existing Holders of Securities.

Each Security shall be dated the date of its authentication.

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

SECTION 3.4 TEMPORARY SECURITIES. Pending the preparation of definitive Securities of any series, the Company may execute, and upon Company Order the Trustee shall authenticate and deliver, temporary Securities which are printed, lithographed, typewritten, mimeographed or otherwise produced, in any authorized denomination, substantially of the tenor of the definitive Securities in lieu of which they are issued and with such appropriate insertions, omissions, substitutions and other variations as the officers executing such Securities may determine, as evidenced by their execution of such Securities.

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

SECTION 3.5 REGISTRATION; REGISTRATION OF TRANSFER AND EXCHANGE. The Company shall cause to be kept at the office or agency of the Company maintained pursuant to Section 10.2 a register (the register maintained in such office and in any other office or agency of the Company in a Place of Payment being herein sometimes collectively referred to as the "Security Register") in which, subject to such reasonable regulations as it may prescribe, the Company shall, subject to the provisions of Section 2.5, provide for the registration of Securities and transfers of Securities. The Trustee is hereby appointed "Security Registrar" for the purpose of registering Securities and transfers of Securities as herein provided.

Subject to the provisions of Section 2.5, upon surrender for registration of transfer of any definitive Security of any series at the office or agency in a Place of Payment for that series, the Company shall execute, and the Trustee shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new definitive Securities of the same series of any authorized denominations and of a like aggregate principal amount.

Subject to the provisions of Section 2.5, at the option of the Holder, definitive Securities of any series may be exchanged for other definitive Securities of the same series, of any authorized denominations and of a like aggregate principal amount, upon surrender of the definitive Securities to be exchanged at such office or agency. Whenever any definitive Securities are so surrendered for exchange, the Company shall execute, and the Trustee shall authenticate and deliver, the definitive Securities which the Holder making the exchange is entitled to receive.

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

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

No service charge shall be made for any registration of transfer or exchange of Securities, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto.

The Company shall not be required (i) issue or register the transfer of or exchange Securities of any series during a period beginning at the opening of business 15 days before the day of the selection for redemption of Securities of that series under Section 11.3 and ending at the close of business on the day of the mailing of notice of redemption, (ii) to register the transfer of or exchange any Security so selected for redemption in whole or in part, except the unredeemed portion of any Security being redeemed in part, or (iii) to issue or register the transfer of or exchange any Security which has been surrendered for repayment at the option of the Holder, except the portion, if any, of such Security not to be so repaid.

SECTION 3.6 MUTILATED, DESTROYED, LOST OR STOLEN SECURITIES. If any mutilated Security is surrendered to the Trustee, the Company shall execute and the Trustee shall authenticate and deliver in exchange therefor a new Security of the same series and of like tenor and principal amount and bearing a number not contemporaneously outstanding, or, in case any such mutilated Security has become or is about to become due and payable, the Company in its discretion may, instead of issuing a new Security, pay such Security.

If there shall be delivered to the Company and the Trustee (i) evidence to their satisfaction of the destruction, loss or theft of any Security and (ii) such security or indemnity as may be required by them to save each of them and any agent of either of them harmless, then, in the absence of notice to the Company or the Trustee that such Security has been acquired by a

bona fide purchaser, the Company shall execute and upon its request the Trustee shall authenticate and deliver, in lieu of any such destroyed, lost or stolen Security, a new Security of the same series and of like tenor and principal amount and bearing a number not contemporaneously outstanding or, in case any such destroyed, lost or stolen Security has become or is about to become due and payable, the Company in its discretion may, instead of issuing a new Security, pay such Security.

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

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

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

SECTION 3.7 PAYMENT OF INTEREST; INTEREST RIGHTS PRESERVED. Interest on any Security which is payable, and is punctually paid or duly provided for, on any Interest Payment Date shall be paid to the Person in whose name that Security (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest at the office or agency of the Company maintained for such purpose pursuant to Section 10.2; PROVIDED, HOWEVER, that each installment of interest on any Security may at the Company's option be paid by mailing a check for such interest, payable to or upon the written order of the Person entitled thereto pursuant to Section 3.8, to the address of such Person as it appears on the Security Register.

Any interest on any Security of any series which is payable but is not punctually paid or duly provided for on any Interest Payment Date (herein called "Defaulted Interest") shall forthwith cease to be payable to the Holder on the relevant Regular Record Date by virtue of having been such Holder, and such Defaulted Interest may be paid by the Company, at its election in each case, as provided in clause (1) or (2) below:

(1) The Company may elect to make payment of any Defaulted Interest to the Persons in whose names the Securities of such series (or their respective Predecessor Securities) are registered at the close of business on a Special Record Date for the payment of such Defaulted Interest, which shall be fixed in the following manner. The Company shall notify the Trustee in writing of the amount of Defaulted Interest proposed to be paid on each Security of such series and the date of the proposed payment, and at the same time the Company shall deposit with the Trustee an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Trustee for such deposit on or prior to the

date of the proposed payment, such money when deposited to be held in trust for the benefit of the Persons entitled to such Defaulted Interest as in this clause provided. Thereupon the Trustee shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 days and not less than 10 days prior to the date of the proposed payment and not less than 10 days after the receipt by the Trustee of the notice of the proposed payment. The Trustee shall promptly notify the Company of such Special Record Date and, in the name and at the expense of the Company, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first-class postage prepaid, to each Holder of Securities of such series at his address as it appears in the Security Register, not less than 10 days prior to such Special Record Date. Notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor having been so mailed, such Defaulted Interest shall be paid to the Persons in whose names the Securities of such series (or their respective Predecessor Securities) are registered at the close of business on such Special Record Date and shall no longer be payable pursuant to the following clause (2).

(2) The Company may make payment of any Defaulted Interest on the Securities of any series in any other lawful manner not inconsistent with the requirements of any securities exchange on which such Securities may be listed, and upon such notice as may be required by such exchange, if, after notice given by the Company to the Trustee of the proposed payment pursuant to this clause, such manner of payment shall be deemed practicable by the Trustee.

Subject to the foregoing provisions of this Section, each Security delivered under this Indenture upon registration of transfer of or in exchange for or in lieu of any other Security shall carry the rights to interest accrued and unpaid, and to accrue, which were carried by such other Security.

SECTION 3.8 PERSONS DEEMED OWNERS. Prior to due presentment of a Security for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name such Security is registered as the owner of such Security for the purpose of receiving payment of principal of (and premium, if any, on) and (subject to Section 3.7) interest on such Security and for all other purposes whatsoever, whether or not such Security be overdue, and neither the Company, the Trustee nor any agent of the Company or the Trustee shall be affected by notice to the contrary.

SECTION 3.9 CANCELLATION. All Securities surrendered for payment, redemption, repayment at the option of the Holder, registration of transfer or exchange or for credit against any sinking fund payment shall, if surrendered to any Person other than the Trustee, be delivered to the Trustee and shall be promptly canceled by it. The Company may at any time deliver to the Trustee for cancellation any Securities previously authenticated and delivered hereunder which the Company may have acquired in any manner whatsoever, and all Securities so delivered shall be promptly canceled by the Trustee. No Securities shall be authenticated in lieu of or in exchange for any Securities canceled as provided in this Section, except as expressly permitted by this Indenture. All canceled Securities held by the Trustee shall be destroyed by it and the Trustee shall deliver its certificate of such destruction to the Company, unless by a Company Order the Company directs their return to it.

SECTION 3.10 COMPUTATION OF INTEREST. Except as otherwise specified as contemplated by Section 3.1 for Securities of any series, interest on the Securities of each series shall be computed on the basis of a 360-day year of twelve 30-day months.

ARTICLE IV.

SATISFACTION AND DISCHARGE

SECTION 4.1 SATISFACTION AND DISCHARGE OF INDENTURE. This Indenture shall upon Company Request cease to be of further effect (except as to any surviving rights of registration of transfer or exchange of Securities herein expressly provided for), and the Trustee, at the expense of the Company, shall execute proper instruments acknowledging satisfaction and discharge of this Indenture, when

(1) either

(A) all Securities theretofore authenticated and delivered (other than (i) Securities which have been destroyed, lost or stolen and which have been replaced or paid as provided in Section 3.6 and (ii) Securities for whose payment money has theretofore been deposited in trust or segregated and held in trust by the Company and thereafter repaid to the Company or discharged from such trust, as provided in Section 10.3) have been delivered to the Trustee for cancellation; or

(B) all such Securities not theretofore delivered to the Trustee for cancellation

(i) have become due and payable, or

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

(iii) are to be called for redemption within one year under arrangements satisfactory to the Trustee for the giving of notice of redemption by the Trustee in the name, and at the expense, of the Company, and the Company, in the case of (i), (ii) or (iii) above, has deposited or caused to be deposited with the Trustee as trust funds in trust for the purpose an amount sufficient to pay and discharge the entire indebtedness on such Securities not theretofore delivered to the Trustee for cancellation, for principal (and premium, if any) and interest to the date of such deposit (in the case of Securities which have become due and payable) or to the Stated Maturity or Redemption Date, as the case may be;

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

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

In the event there are Securities of two or more series hereunder, the Trustee shall be required to execute an instrument acknowledging satisfaction and discharge of this Indenture only if requested to do so with respect to Securities of all series as to which it is Trustee and if the other conditions thereto are met. In the event there are two or more Trustees hereunder, then the effectiveness of any such instrument shall be conditioned upon receipt of such instruments from all Trustees hereunder.

Notwithstanding the satisfaction and discharge of this Indenture, the obligations of the Company to the Trustee under Section 6.7 and, if money shall have been deposited with the Trustee pursuant to subclause (B) of clause (1) of this Section, the obligations of the Trustee under Section 4.2 and the last paragraph of Section 10.3 shall survive.

SECTION 4.2 APPLICATION OF TRUST MONEY. Subject to the provisions of the last paragraph of Section 10.3, all money deposited with the Trustee pursuant to Section 4.1 shall be held in trust and applied by it, in accordance with the provisions of the Securities and this Indenture, to the payment, either directly or through any Paying Agent (including the Company acting as its own Paying Agent) as the Trustee may determine, to the Persons entitled thereto, of the principal (and premium, if any) and interest for whose payment such money has been deposited with the Trustee; but such money need not be segregated from other funds except to the extent required by law.

SECTION 4.3 REPAYMENT OF MONEYS HELD BY PAYING AGENT. In connection with the satisfaction and discharge of this Indenture all moneys then held by any Paying Agent (other than the Trustee, if the Trustee be a Paying Agent) under the provisions of this Indenture shall, upon demand of the Company, be repaid to it or paid to the Trustee and thereupon such Paying Agent shall be released from all further liability with respect to such moneys.

SECTION 4.4 REPAYMENT OF MONEYS HELD BY TRUSTEE. Any moneys deposited with the Trustee or any Paying Agent for the payment of the principal of (or premium, if any, on) or interest on any Security of any series and not applied but remaining unclaimed by the Holders for two years after the date upon which the principal of (or premium, if any, on) or interest on such Security shall have become due and payable, shall be repaid to the Company by the Trustee or such Paying Agent on demand; and the Holder of any of the Securities entitled to receive such payment shall thereafter look only to the Company for the payment thereof and all liability of the Trustee or such Paying Agent with respect to such moneys shall thereupon cease; PROVIDED, HOWEVER, that the Trustee or such Paying Agent, before being required to make any such repayment, may at the expense of the Company cause to be mailed to each such Holder or published once a week for two successive weeks (in each case on any day of the week) in an Authorized Newspaper, or both, a notice that said moneys have not been so applied and that after a date named therein any unclaimed balance of said moneys then remaining will be returned to the Company. It shall not be necessary for more than one such publication to be made in the same newspaper.

ARTICLE V.

REMEDIES

SECTION 5.1 EVENTS OF DEFAULT. "Event of Default," wherever used herein with respect to Securities of any series, shall mean any one of the following events (whatever the reason for such Event of Default and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

(1) default in the payment of any interest upon any Security of that series when it becomes due and payable, and continuance of such default for a period of 30 days; or

(2) default in the payment of the principal of (or premium, if any, on) any Security of that series at its Maturity; or

(3) default in the deposit of any sinking fund payment, when and as due by the terms of a Security of that series, and continuance of such default for five business days; or

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

(5) a default under any bond, debenture, note or other evidence of indebtedness for money borrowed by the Company or under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any indebtedness for money borrowed by the Company, whether such indebtedness now exists or shall hereafter be created, which default shall constitute a failure to pay the principal of indebtedness in excess of \$20,000,000 when due and payable after the expiration of any applicable grace period with respect thereto or shall have resulted in indebtedness in excess of \$20,000,000 becoming or being declared due and payable prior to the date on which it would otherwise have become due and payable, without such indebtedness having been discharged, or such acceleration having been rescinded or annulled, within a period of 30 days after there shall have been given, by registered or certified mail, to the Company by the Trustee or to the Company and the Trustee by the Holders of at least 25% in an principal amount of the Outstanding Securities a written notice specifying such default and requiring the Company to cause such indebtedness to be discharged or cause such acceleration to be rescinded or annulled and stating that such notice is a "Notice of Default" hereunder; PROVIDED, HOWEVER, that, subject to the

provisions of Sections 6.1 and 6.2, the Trustee shall not be deemed to have knowledge of such default unless either (A) a Responsible Officer of the Trustee shall have actual knowledge of such default or (B) the Trustee shall have received written notice thereof from the Company, from any Holder, from the holder of any such indebtedness or from the trustee under any such mortgage, indenture or other instrument; or

(6) the entry by a court having jurisdiction in the premises of (A) a decree or order for relief in respect of the Company in an involuntary case or proceeding under the National Bankruptcy Act or any other similar Federal or State law or (B) a decree or order adjudging the Company a bankrupt or insolvent, or approving as properly filed a petition seeking reorganization, arrangement, adjustment or composition of or in respect of the Company under any applicable Federal or State law, or appointing a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official of the Company or of any substantial part of its property, or ordering the winding up or liquidation of its affairs, and the continuance of any such decree or order for relief or any such other decree or order unstayed and in effect for a period of 60 consecutive days; or

(7) the commencement by the Company of a voluntary case or proceeding under the National Bankruptcy Act or any other similar Federal or State law or of any other case or proceeding to be adjudicated a bankrupt or insolvent, or the consent by it to the entry of a decree or order for relief in respect of the Company is an involuntary case or proceeding under the National Bankruptcy Act or any other similar Federal or State law or to the commencement of any bankruptcy or insolvency case or proceeding against it, or the filing by it of a petition or answer or consent seeking reorganization or relief under any applicable Federal or State law, or the consent by it to the filing of such petition or to the appointment of or taking possession by a custodian, receiver, liquidator, assignee, trustee, sequestrator or similar official of the Company or of any substantial part of its property, or the making by it of an assignment for the benefit of creditors, or the admission by it in writing of its inability to pay its debts generally as they become due; or

(8) any other Event of Default provided with respect to Securities of that series.

SECTION 5.2 ACCELERATION OF MATURITY; RESCISSION AND ANNULMENT. If an Event of Default with respect to Securities of any series at the time Outstanding occurs and is continuing, then in every such case the Trustee or the Holders of not less than 25% in principal amount of the Outstanding Securities of that series may declare the principal amount (or, if the Securities of that series are Original Issue Discount Securities, such portion of the principal amount as may be specified in the terms of that series) of all of the Securities of that series to be due and payable immediately, by a notice in writing to the Company (and to the Trustee if given by Holders), and upon any such declaration such principal amount (or specified amount) shall become immediately due and payable.

At any time after such a declaration of acceleration with respect to Securities of any series has been made and before a judgment or decree for payment of the money due has been obtained by the Trustee as hereinafter in this Article provided, the Holders of a majority in principal amount of the Outstanding Securities of that series, by written notice to the Company and the Trustee, may rescind and annul such declaration and its consequences if

(1) the Company has paid or deposited with the Trustee a sum sufficient to pay

(A) all overdue interest on all Securities of that series,

(B) the principal of (and premium, if any, on) and any sinking fund payments with respect to any Securities of that series which have become due otherwise than by such declaration of acceleration and interest thereon at the rate or rates prescribed therefor in such Securities,

(C) to the extent that payment of such interest is enforceable under applicable law, interest upon overdue interest to the date of such payment or deposit at the rate or rates prescribed therefor in such Securities or, if no such rate or rates are so prescribed, at the rate borne by the Securities during the period of such default, and

(D) all sums paid or advanced by the Trustee hereunder and the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel;

and

(2) all Events of Default with respect to Securities of that series, other than the non-payment of the principal of Securities of that series which have become due solely by such declaration of acceleration, have been cured or waived as provided in Section 5.13.

No such waiver or rescission and annulment shall affect any subsequent default or impair any right consequent thereon.

SECTION 5.3 COLLECTION OF INDEBTEDNESS AND SUITS FOR ENFORCEMENT BY TRUSTEE. The Company covenants that (1) in case default shall be made in the payment of any installment of interest on any Security of any series, as and when the same shall become due and payable, and such default shall have continued for a period of 30 days, or (2) in case default shall be made in the payment of the principal of (and premium, if any, on) any Security of any series on its Maturity and such default shall have continued for a period of five business days then, upon demand of the Trustee, the Company will pay to the Trustee, for the benefit of the Holders of such Securities of such series, the whole amount that then shall have become due and payable on all such Securities for principal (and premium, if any) or interest, or both, as the case may be, with interest upon the overdue principal and (to the extent that payment of such interest is enforceable under applicable law) upon overdue installments of interest at the rate borne by the Securities during the period of such default; and, in addition thereto, such further amount as shall be sufficient to cover reasonable compensation to the Trustee, its agents, attorneys and counsel, and all other expenses and liabilities incurred, and all advances made, by the Trustee except as a result of its negligence or bad faith.

If an Event of Default with respect to Securities of any series occurs and is continuing, the Trustee may in its discretion proceed to protect and enforce its rights and the rights of the Holders of Securities of such series by such appropriate judicial proceedings as the Trustee shall

deem most effectual to protect and enforce any such rights, whether for the specific enforcement of any covenant or agreement in this Indenture or in aid of the exercise of any power granted herein, or to enforce any other proper remedy.

SECTION 5.4 TRUSTEE MAY FILE PROOFS OF CLAIM. In case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceeding relative to the Company or any other obligor upon the Securities or the property of the Company or of such other obligor or their creditors, the Trustee, irrespective of whether the principal of the Securities shall then be due and payable as therein expressed or by declaration or otherwise and irrespective of whether the Trustee shall have made any demand on the Company for the payment of overdue principal or interest, shall be emitted and empowered, by intervention in such proceeding or otherwise,

(i) to file and prove a claim for the whole amount of principal (and premium, if any) and interest owing and unpaid in respect of the Securities and to file such other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel) and of the Holders allowed in such judicial proceeding and

(ii) to collect and receive any moneys or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Holder to make such payments to the Trustee and, in the event that the Trustee shall consent to the making of such payments directly to the Holders, to pay to the Trustee any amount due it for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under Section 6.7.

Nothing herein contained shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Holder any plan of reorganization, arrangement, adjustment or composition affecting the Securities or the rights of any Holder thereof or to authorize the Trustee to vote in respect of the claim of any Holder in any such proceeding.

SECTION 5.5 TRUSTEE MAY ENFORCE CLAIMS WITHOUT POSSESSION OF SECURITIES. All rights of action and claims under this Indenture or the Securities may be prosecuted and enforced by the Trustee without the possession of any of the Securities or the production thereof in any proceeding relating thereto, and any such proceeding instituted by the Trustee shall be brought in its own name as trustee of an express trust, and any recovery of judgment shall, after provision for the payment of the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, be for the ratable benefit of the Holders of the Securities in respect of which such judgment has been recovered.

SECTION 5.6 APPLICATION OF MONEY COLLECTED. Any money collected by the Trustee pursuant to this Article shall be applied in the following order, at the date or dates fixed by the Trustee and, in case of the distribution of such money on account of principal (or premium, if

any) or interest, upon presentation of the Securities and the notation thereon of the payment if only partially paid and upon surrender thereof if fully paid:

FIRST: To the payment of all amounts due the Trustee under Section 6.7;

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

THIRD: To the payment of the remainder, if any, to the Company, its successors or assigns or to whosoever may be lawfully entitled to receive the same, or as a court of competent jurisdiction may direct.

SECTION 5.7 LIMITATION ON SUITS. No Holder of any Security of any series shall have any right to institute any proceeding, judicial or otherwise, with respect to this Indenture, or for the appointment of a receiver or trustee, or for any other remedy hereunder, unless

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

(2) the Holders of not less than 25% in principal amount of the Outstanding Securities of that series shall have made written request to the Trustee to institute proceedings in respect of such Event of Default in its own name as Trustee hereunder;

(3) such Holder or Holders shall have offered to the Trustee reasonable indemnity as it may require against the costs, expenses and liabilities to be incurred in compliance with such request;

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

(5) no direction inconsistent with such written request shall have been given to the Trustee pursuant to Section 5.12 during such 60-day period by the Holders of a majority in principal amount of the Outstanding Securities of that series;

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

SECTION 5.8 UNCONDITIONAL RIGHT OF HOLDERS TO RECEIVE PRINCIPAL, PREMIUM AND INTEREST. Notwithstanding any other provision in this Indenture, the Holder of any Security shall have the right, which is absolute and unconditional, to receive payment of the principal of (and premium, if any, on) and (subject to Section 3.7) interest on such Security on the Stated Maturity

or Maturities expressed in such Security (or, in the case of redemption or repayment at the option of the Holder, on the Redemption Date or Repayment Date, as the case may be) and to institute suit for the enforcement of any such payment, and such rights shall not be impaired without the consent of such Holder.

SECTION 5.9 RESTORATION OF RIGHT AND REMEDIES. If the Trustee or any Holder has instituted any proceeding to enforce any right or remedy under this Indenture and such proceeding has been discontinued or abandoned for any reason, or has been determined adversely to the Trustee or to such Holder, then and in every such case, subject to any determination in such proceeding, the Company, the Trustee and the Holders shall be restored severally and respectively to their former positions hereunder and thereafter all rights and remedies of the Trustee and the Holders shall continue as though no such proceeding had been instituted.

SECTION 5.10 RIGHTS AND REMEDIES CUMULATIVE. Except as otherwise provided with respect to the replacement or payment of mutilated, destroyed, lost or stolen Securities in the last paragraph of Section 3.6, no right or remedy herein conferred upon or reserved to the Trustee or to the Holders is intended to be exclusive of any other right or remedy, and every right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

SECTION 5.11 DELAY OR OMISSION NOT WAIVER. No delay or omission of the Trustee or of any Holder of any Securities to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right and remedy given by this Article or by law to the Trustee or to the Holders may be exercised from time to time, and as often as may be deemed expedient, by the Trustee or by the Holders, as the case may be.

SECTION 5.12 CONTROL BY HOLDERS. The Holders of a majority in aggregate principal amount of the Outstanding Securities of any series shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred on the Trustee, with respect to the Securities of such series; PROVIDED, HOWEVER, that

(1) such direction shall not be in conflict with any rule of law or with this Indenture,

(2) the Trustee may take any other action deemed proper by the Trustee which is not inconsistent with such direction,

(3) such direction is not unduly prejudicial to the rights of Holders not taking part in such direction, and

(4) such direction would not involve the Trustee in personal liability, as the Trustee, upon being advised by counsel, shall reasonably determine.

SECTION 5.13 WAIVER OF PAST DEFAULTS. The Holders of not less than a majority in aggregate principal amount of the Outstanding Securities of any series may on behalf of the holders of all the Securities of such series waive any past default hereunder with respect to such series and its consequences, except a default

(1) in the payment of the principal of (or premium, if any, on) or interest on any Security of such series, or

(2) in respect of a covenant or provision hereof which under Article 9 cannot be modified or amended without the consent of the Holder of each Outstanding Security of such series affected.

Upon any such waiver, such default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured, for every purpose of this Indenture, and the Company, the Trustee and Holders shall be restored to their former positions and rights hereunder, respectively; but no such waiver shall extend to any subsequent or other default or impair any right consequent thereon.

SECTION 5.14 UNDERTAKING FOR COSTS. All parties to this Indenture agree, and each Holder of any Security by his acceptance thereof shall be deemed to have agreed, that any court may in its discretion require, in any suit for the enforcement of any right or remedy under this Indenture, or in any suit against the Trustee for any action taken, suffered or omitted by it as Trustee, the filing by any party litigant in such suit of an undertaking to pay the costs of such suit, and that such court may in its discretion assess reasonable costs, including reasonable attorneys' fees, against any party litigant in such suit, having due regard to the merits and good faith of the claims or defenses made by such party litigant; but the provisions of this Section shall not apply to any suit instituted by the Company, to any suit instituted by the Trustee, to any suit instituted by any Holder, or group of Holders, holding in the aggregate more than 10% in principal amount of the Outstanding Securities of any series, or to any suit instituted by any Holder for the enforcement of the payment of the principal of (or premium, if any, on) or interest on any Security on or after the Stated Maturity or Maturities expressed in such Security (or, in the case of redemption, on or after the Redemption Date).

SECTION 5.15 WAIVER OF STAY OR EXTENSION LAWS. The Company covenants (to the extent that it may lawfully do so) that it will not at any time insist upon, or plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay or extension law wherever enacted, now or at any time hereafter in force, which may affect the covenants or the performance of this Indenture; and the Company (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law and covenants that it will not hinder, delay or impede the execution of any power herein granted to the Trustee, but will suffer and permit the execution of every such power as though no such law had been enacted.

ARTICLE VI.

THE TRUSTEE

SECTION 6.1 CERTAIN DUTIES AND RESPONSIBILITIES. (a) Except during the continuance of an Event of Default,

(1) the Trustee undertakes to perform such duties and only such duties as are specifically set forth in this Indenture, and no implied covenants or obligations shall be read into this Indenture against the Trustee; and

(2) in the absence of bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture; but in the case of any such certificates or opinions which by any provision hereof are specifically required to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Indenture.

(b) In case an Event of Default has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.

(c) No provision of this Indenture shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, or its own wilful misconduct, except that

(1) this Subsection shall not be construed to limit the effect of Subsection (a) of this Section;

(2) the Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts;

(3) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Holders of not less than a majority in aggregate principal amount of the Outstanding Securities of any series, determined as provided in Section 5.12, relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Indenture with respect to the Securities of such series; and

(4) no provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any personal financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if there shall be reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

(d) Whether or not therein expressly so provided, every provision of this Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Section.

SECTION 6.2 NOTICE OF DEFAULTS. Within 90 days after the occurrence of any default hereunder with respect to the Securities of any series, the Trustee shall transmit by mail to all Holders of Securities of such series, as their names and addresses appear in the Security Register, notice of such default hereunder known to the Trustee, unless such default shall have been cured or waived; PROVIDED, HOWEVER, that, except in the case of a default in the payment of the principal of (or premium, if any, on) or interest on any Security of such series or in the payment of any sinking fund installment with respect to Securities of such series, the Trustee shall be protected in withholding such notice if and so long as the board of directors, the executive committee, or a trust committee of directors and/or Responsible Officers of the Trustee in good faith determine that the withholding of such notice is in the interest of the Holders of Securities of such series; and PROVIDED, FURTHER, that in the case of any default of the character specified in Section 5.1(4) with respect to Securities of such series, no such notice to Holders shall be given until at least 30 days after the occurrence thereof. For the purpose of this Section, the term "default" means any event which is, or after notice or lapse of time or both would become, an Event of Default (not including periods of grace, if any) with respect to Securities of such series.

SECTION 6.3 CERTAIN RIGHTS OF TRUSTEE. Subject to the provisions of Section 6.1:

(a) the Trustee may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, other evidence of indebtedness, approval or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties;

(b) any request or direction of the Company mentioned herein shall be sufficiently evidenced by a Company Request or Company Order and any resolution of the Board of Directors may be sufficiently evidenced by a Board Resolution;

(c) whenever in the administration of this Indenture the Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Trustee (unless other evidence be herein specifically prescribed) may, in the absence of bad faith on its part, rely upon an Officers' Certificate;

(d) the Trustee may consult with counsel and the written advice of such counsel or any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon and in accordance therewith;

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

(f) except during the continuance of an Event of Default, the Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, other evidence of indebtedness or other paper or document, but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit; and

(g) the Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys and the Trustee shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder.

SECTION 6.4 TRUSTEE NOT RESPONSIBLE FOR RECITALS IN INDENTURE OR IN SECURITIES. The recitals contained herein and in the Securities, except the Trustee's certificates of authentication, shall be taken as the statements of the Company, and the Trustee assumes no responsibility for their correctness. The Trustee makes no representations as to the validity or sufficiency of this Indenture or of the Securities, except that the Trustee represents that it is duly authorized to execute and deliver this Indenture, authenticate the Securities and perform its obligations hereunder and that the statements made by it in a Statement of Eligibility on Form T-1 supplied to the Company are true and accurate, subject to the qualifications set forth therein. The Trustee shall not be accountable for the use or application by the Company of Securities or the proceeds thereof.

SECTION 6.5 MAY HOLD SECURITIES. The Trustee, any Paying Agent, any Security Registrar or any other agent of the Company, in its individual or any other capacity, may become the owner or pledgee of Securities and, subject to Sections 6.8 and 6.13, may otherwise deal with the Company with the same rights it would have if it were not Trustee, Paying Agent, Security Registrar or such other agent.

SECTION 6.6 MONEY HELD IN TRUST. Subject to the provisions of Section 4.4, all moneys received by the Trustee shall, until used or applied as herein provided, be held in trust for the purposes for which they were received, but need not be segregated from other funds except to the extent required by law. The Trustee shall pay such interest on any moneys received by it hereunder as it may agree with the Company to pay thereon. So long as no Event of Default shall have occurred and be continuing, all interest allowed on any such moneys shall be paid from time to time upon the receipt of a Company Order with respect thereto.

SECTION 6.7 COMPENSATION AND REIMBURSEMENT. The Company covenants and agrees to pay to the Trustee from time to time, and the Trustee shall be entitled to, reasonable compensation for all services rendered by it hereunder (which shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust), and, except as otherwise expressly provided, the Company will pay or reimburse the Trustee upon its request for all reasonable expenses, disbursements and advances incurred or made by the Trustee in accordance with any of the provisions of this Indenture (including the reasonable compensation and the expenses and disbursements of its agents, attorneys and counsel and of all persons not regularly in its employ) except any such expense, disbursement or advance as may arise from its negligence or bad faith. The Company also covenants to indemnify the Trustee for, and to hold

it harmless against, any loss, liability or expense incurred without negligence or bad faith on the part of the Trustee, arising out of or in connection with the acceptance or administration of this trust, including the costs and expenses of defending itself against any claim or liability in connection with the exercise or performance of any of its powers or duties hereunder.

SECTION 6.8 DISQUALIFICATION; CONFLICTING INTEREST. (a) If the Trustee has or shall acquire any conflicting interest, as defined in this Section, with respect to the Securities of any series:

(1) then, within 90 days after ascertaining that it has such conflicting interest, and if the Event of Default to which such conflicting interest relates has not been cured or duly waived or otherwise eliminated before the end of such 90-day period, the Trustee shall either eliminate such conflicting interest or, except as otherwise provided below in this Section, resign, and the Company shall take prompt steps to have a successor appointed in the manner provided in Section 6.10;

(2) in the event that the Trustee shall fail to comply with the provisions of clause (i) of this Subsection, the Trustee shall, within 10 days after the expiration of such 90-day period, transmit notice of such failure to the Holders of the Securities of the applicable series in the manner and to the extent provided in Section 7.3(c); and

(3) subject to the provisions of Section 5.14, unless the Trustee's duty to resign is stayed as provided below in this Section, any Holder of the Securities of the applicable series who has been a bona fide Holder of such Securities for at least six months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the removal of the Trustee, and the appointment of a successor, if the Trustee fails, after written request thereof by such Holder to comply with the provisions of clause (1) of this Subsection.

(b) For the purposes of this Section, a Trustee shall be deemed to have a conflicting interest if an Event of Default exists with respect to the Securities of the applicable series and:

(1) the Trustee is trustee under this Indenture with respect to the Outstanding Securities of any series other than the applicable series or is trustee under another indenture under which any other securities, or certificates of interest or participation in any other securities, of the Company are outstanding, unless such other indenture is a collateral trust indenture under which the only collateral consists of Securities issued under this Indenture; PROVIDED, HOWEVER, that there shall be excluded from the operation of this paragraph this Indenture with respect to the Securities of any series other than the applicable series and any indenture or indentures under which other securities, or certificates of interest or participation in other securities, of the Company are outstanding, if

(i) this Indenture and such other indenture or indentures are wholly unsecured and ranks equally, and such other indenture or indentures are hereafter qualified under the Trust Indenture Act of 1939, unless the Commission shall have found and declared by order pursuant to

Section 305(b) or Section 307(c) of the Trust Indenture Act of 1939 that differences exist between the provisions of this Indenture with respect to Securities of the applicable series and one or more other series or the provisions of such other indenture or indentures which are so likely to involve a material conflict of interest as to make it necessary in the public interest or for the protection of investors to disqualify the Trustee from acting as such under this Indenture with respect to the Securities of the applicable series and such other series or under such other indenture or indentures, or

(ii) the Company shall have sustained the burden of proving, on application to the Commission and after opportunity for hearing thereon, that trusteeship under this Indenture with respect to the Securities of the applicable series and such other series or such other indenture or indentures is not so likely to involve a material conflict of interest as to make it necessary in the public interest or for the protection of investors to disqualify the Trustee from acting as such under this Indenture with respect to the Securities of that series and such other series or under such other indenture or indentures;

(2) the Trustee or any of its directors or executive officers is an underwriter for the Company;

(3) the Trustee directly or indirectly controls or is directly or indirectly controlled by or is under direct or indirect common control with an underwriter for the Company;

(4) the Trustee or any of its directors or executive officers is a director, officer, partner, employee, appointee or representative of the Company, or of an underwriter (other than the Trustee itself) for the Company who is currently engaged in the business of underwriting, except that (i) one individual may be a director or an executive officer, or both, of the Trustee and a director or an executive officer, or both, of the Company, but may not be at the same time an executive officer of both the Trustee and the Company; (ii) if and so long as the number of directors of the Trustee in office is more than nine, one additional individual may be a director or an executive officer, or both, of the Trustee and a director of the Company; and (iii) the Trustee may be designated by the Company or by any underwriter for the Company to act in the capacity of transfer agent, registrar, custodian, paying agent, fiscal agent, escrow agent or depository, or in any other similar capacity, or, subject to the provisions of paragraph (1) of this Subsection, to act as trustee, whether under an indenture or otherwise;

(5) 10% or more of the voting securities of the Trustee is beneficially owned either by the Company or by any director, partner or executive officer thereof, or 20% or more of such voting securities is beneficially owned, collectively, by any two or more of such persons; or 10% or more of the voting securities of the Trustee is beneficially owned either by an underwriter for the Company or by any director, partner or executive officer thereof, or is beneficially owned, collectively, by any two or more such persons;

(6) the Trustee is the beneficial owner of, or holds as collateral security for an obligation which is in default (as hereinafter in this Subsection defined), (i) 5% or more of the voting securities, or 10% or more of any other class of security, of the Company not including the Securities issued under this Indenture and securities issued under any other indenture under which the Trustee is also trustee, or (ii) 10% or more of any class of security of an underwriter for the Company;

(7) the Trustee is the beneficial owner of, or holds as collateral security for an obligation which is in default (as hereinafter in this Subsection defined), 5% or more of the voting securities of any person who, to the knowledge of the Trustee, owns 10% or more of the voting securities of, or controls directly or indirectly or is under direct or indirect common control with, the Company;

(8) the Trustee is the beneficial owner of, or holds as collateral security for an obligation which is in default (as hereinafter in this Subsection defined), 10% or more of any class of security of any person who, to the knowledge of the Trustee, owns 50% or more of the voting securities of the Company;

(9) the Trustee owns, on the date of an Event of Default with respect to the Securities of the applicable series or any anniversary of such Event of Default while such Event of Default remains outstanding, in the capacity of executor, administrator, testamentary or inter vivos trustee, guardian, committee or conservator, or in any other similar capacity, an aggregate of 25% or more of the voting securities, or of any class of security, of any person, the beneficial ownership of a specified percentage of which would have constituted a conflicting interest under paragraph (6), (7) or (8) of this Subsection. As to any such securities of which the Trustee acquired ownership through becoming executor, administrator or testamentary trustee of an estate which included them, the provisions of the preceding sentence shall not apply, for a period of two years from the date of such acquisition, to the extent that such securities included in such estate do not exceed 25% of such voting securities or 25% of any such class of security. Promptly after the dates of any such Event of Default with respect to the Securities of the applicable series and annually in each succeeding year that such Event of Default remains outstanding, the Trustee shall make a check of its holdings of such securities in any of the above-mentioned capacities as of such dates. If the Company fails to make payment in full of the principal of (or premium, if any, on) or interest on any of the Securities when and as the same becomes due and payable, and such failure continues for 30 days thereafter, the Trustee shall make a prompt check of its holdings of such securities in any of the above-mentioned capacities as of the date of the expiration of such 30-day period, and after such date, notwithstanding the foregoing provisions of this paragraph, all such securities so held by the Trustee, with sole or joint control over such securities vested in it, shall, but only so long as such failure shall continue, be considered as though beneficially owned by the Trustee for the purposes of paragraphs (6), (7) and (8) of this Subsection; or

(10) except under the circumstances described in paragraphs (1), (3), (4), (5) or (6) of Section 6.13(b), the Trustee shall become a creditor of the Company.

For purposes of paragraph (1) of this Subsection, and of Sections 5.12 and 5.13, the term "series of securities" and "series" means a series, class or group of securities issuable under an indenture pursuant to whose terms holders of one such series may vote to direct the indenture trustee, or otherwise take action pursuant to a vote of such holders, separately from holders of another such series; provided, HOWEVER, that "series of securities" or "series" shall not include any series of securities issuable under an indenture if all such series rank equally and are wholly unsecured.

The specification of percentages in paragraphs (5) to (9), inclusive, of this Subsection shall not be construed as indicating that the ownership of such percentages of the securities of a person is or is not necessary or sufficient to constitute direct or indirect control for the purposes of paragraph (3) or (7) of this Subsection.

For the purposes of paragraphs (6), (7), (8) and (9) of this Subsection only, (i) the terms "security" and "securities" shall include only such securities as are generally known as corporate securities, but shall not include any note or other evidence of indebtedness issued to evidence an obligation to repay moneys lent to a person by one or more banks, trust companies or banking firms, or any certificate of interest or participation in any such note or evidence of indebtedness; (ii) except as expressly provided in paragraph (9) of this Subsection, an obligation shall be deemed to be "in default" when a default in payment of principal shall have continued for 30 days or more and shall not have been cured; and (iii) the Trustee shall not be deemed to be the owner or holder of (A) any security which it holds as collateral security, as trustee or otherwise, for an obligation which is not in default as defined in clause (ii) above, or (B) security which it holds as collateral security under this Indenture, irrespective of any default hereunder, or (C) any security which it holds as agent for collection, or as custodian, escrow agent or depositary, or in any similar representative capacity.

Except as provided in the next preceding paragraph, the word "security" or "securities" as used in this Indenture shall mean any note, stock, treasury stock, bond, debenture, evidence of indebtedness, certificate of interest or participation in any profit-sharing agreement, collateral-trust certificate, pre-organization certificate or subscription, transferable share, investment contract, voting-trust certificate, certificate of deposit for a security, fractional undivided interest in oil, gas or other mineral rights, or, in general, any interest or instrument commonly known as a "security", or any certificate of interest or participation in, temporary or interim certificate for, receipt for, guarantee of, or warrant or right to subscribe to or purchase, any of the foregoing.

(c) For the purposes of this Section:

(1) The term "underwriter", when used with reference to the Company, shall mean every person who, within one year prior to the time as of which the determination is made, has purchased from the Company with a view to, or has offered or sold for the Company in connection with, the distribution of any security of the Company outstanding at such time, or has participated or has had a direct or indirect participation in any such undertaking, or has participated or has had a participation in the direct or indirect underwriting of any such undertaking, but such term shall not include a person whose interest was limited to a commission from an underwriter or dealer not in excess of the usual and customary distributors' or sellers' commission.

(2) The term "director" shall mean any director of a corporation or any individual performing similar functions with respect to any organization, whether incorporated or unincorporated.

(3) The term "person" shall mean an individual, a corporation, a partnership, an association, a joint-stock company, a trust, an unincorporated organization or a government or political subdivision thereof. As used in this paragraph, the term "trust" shall include only a trust where the interest or interests of the beneficiary or beneficiaries are evidenced by a security.

(4) The term "voting security" shall mean any security presently entitling the owner or holder thereof to vote in the direction or management of the affairs of a person, or any security issued under or pursuant to any trust, agreement or arrangement whereby a trustee or trustees or agent or agents for the owner or holder of such security are presently entitled to vote in the direction or management of the affairs of a person.

(5) The term "Company" shall mean any obligor upon the Securities.

(6) The term "Event of Default" shall mean an Event of Default pursuant to Section 5.1, but exclusive of any period of grace or requirement of notice.

(7) The term "executive officer" shall mean the president, every vice president, every trust officer, the cashier, the secretary and the treasurer of a corporation, and any individual customarily performing similar functions with respect to any organization whether incorporated or unincorporated, but shall not include the chairman of the board of directors.

(d) The percentages of voting securities and other securities specified in this Section shall be calculated in accordance with the following provisions:

(1) A specified percentage of the voting securities of the Trustee, the Company or any other person referred to in this Section (each of whom is referred to as a "person" in this paragraph) means such amount of the outstanding voting securities of such person as entitles the holder or holders thereof to cast such specified percentage of the aggregate votes which the holders of all the outstanding voting securities of such person are entitled to cast in the direction or management of the affairs of such person.

(2) A specified percentage of a class of securities of a person means such percentage of the aggregate amount of securities of the class outstanding.

(3) The term "amount", when used in regard to securities, means the principal amount if relating to evidences of indebtedness, the number of shares if relating to capital shares and the number of units if relating to any other kind of security.

(4) The term "outstanding" means issued and not held by or for the account of the issuer. The following securities shall not be deemed outstanding within the meaning of this definition:

(i) securities of an issuer held in a sinking fund relating to securities of the issuer of the same class;

(ii) securities of an issuer held in a sinking fund relating to another class of securities of the issuer, if the obligation evidenced by such other class of securities is not in default as to principal or interest or otherwise;

(iii) securities pledged by the issuer thereof as security for an obligation of the issuer not in default as to principal or interest or otherwise; and

(iv) securities held in escrow if placed in escrow by the issuer thereof;

PROVIDED, HOWEVER, that any voting securities of an issuer shall be deemed outstanding if any person other than the issuer is entitled to exercise the voting rights thereof.

(5) A security shall be deemed to be of the same class as another security if both securities confer upon the holder or holders thereof substantially the same rights and privileges; PROVIDED, HOWEVER, that, in the case of secured evidences of indebtedness, all of which are issued under a single indenture, differences in the interest rates or maturity dates of various series thereof shall not be deemed sufficient to constitute such series different classes; and, PROVIDED, FURTHER, that, in the case of unsecured evidences of indebtedness, differences in the interest rates or maturity dates thereof shall not be deemed sufficient to constitute them securities of different classes, whether or not they are issued under a single indenture.

SECTION 6.9 CORPORATE TRUSTEE REQUIRED; ELIGIBILITY. There shall at all times be a Trustee hereunder which shall be a corporation organized and doing business under the laws of the United States of America, any State thereof or the District of Columbia or a corporation or other person permitted to act as Trustee by the Commission, authorized under such laws to exercise corporate trust powers, having a combined capital and surplus of at least \$5,000,000, and subject to supervision or examination by Federal, State or District of Columbia authority. If such corporation publishes reports of condition at least annually, pursuant to law or to the requirements of said supervising or examining authority, then for the purposes of this Section, the combined capital and surplus of such corporation shall be deemed to be its combined-capital and surplus as set forth in its most recent report of condition so published. No obligor upon the Securities or Person directly or indirectly controlling by, or under common control with such obligor shall serve as Trustee hereunder. If at any time the Trustee shall cease to be eligible in accordance with the provisions of this Section, it shall resign immediately in the manner and with the effect hereinafter specified in Section 6.10.

SECTION 6.10 RESIGNATION AND REMOVAL; APPOINTMENT OF SUCCESSOR. (a) No resignation or removal of the Trustee and no appointment of a successor Trustee pursuant to this Article shall become effective until the acceptance of appointment by the successor Trustee in accordance with the applicable requirements of Section 6.11.

(b) The Trustee may resign at any time with respect to the Securities of one or more series by giving written notice thereof to the Company and by mailing notice thereof to the Holders of Securities of such one or more series, as their names and addresses appear in the Security Register. If the instrument of acceptance by a successor Trustee required by Section 6.11 shall not have been delivered to the Trustee within 30 days after the giving of such notice of resignation, the resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee with respect to the Securities of such one or more series or any Holder who has been a bona fide holder of a Security or Securities of such one or more series for at least six months may, subject to the provisions of Section 5.14, on behalf of himself and all others similarly situated, petition any such court for the appointment of a successor Trustee. Such court may thereupon, after such notice, if any, as it may deem proper and prescribe, appoint a successor Trustee.

(c) The Trustee may be removed and a successor Trustee appointed at any time with respect to the Securities of any series by Act of the Holders of a majority in principal amount of the Outstanding Securities of such series, delivered to the Trustee so removed, to the successor Trustee and to the Company.

(d) If at any time:

(1) the Trustee shall fail to comply with Section 6.8(a) after written request therefor by the Company or by any Holder who has been a bona fide holder of a Security for at least six months, or

(2) the Trustee shall cease to be eligible under Section 6.9 and shall fail to resign after written request therefor by the Company or by any such Holder, or

(3) the Trustee shall become incapable of acting or shall be adjudged a bankrupt or insolvent or a receiver of the Trustee or of its property shall be appointed or any public officer shall take charge or control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation,

then, in any such case, (i) the Company by a Board Resolution may remove the Trustee and appoint a successor Trustee with respect to all Securities, one copy of which Board Resolution shall be delivered to the Trustee so removed and one copy to the successor Trustee, or (ii) subject to Section 5.14, any Holder who has been a bona fide holder of a Security for at least six months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the removal of the Trustee with respect to all Securities and the appointment of a successor Trustee or Trustees. Such court may thereupon, after such notice, if any, as it may deem proper and prescribe, remove the Trustee and appoint a successor Trustee.

(e) If the Trustee shall resign, be removed or become incapable of acting, or if a vacancy shall occur in the office of Trustee for any cause, with respect to the Securities of one or more series, the Company, by a Board Resolution, shall promptly appoint a successor Trustee or Trustees with respect to the Securities of that or those series (it being understood that any such successor Trustee may be appointed with respect to the Securities of one or more or all of such series and that at any time there shall be only one Trustee with respect to the Securities of any

particular series) and shall comply with the applicable requirements of Section 6.11. If, within one year after such resignation, removal or incapability, or the occurrence of such vacancy, a successor Trustee with respect to the Securities of any series shall be appointed by Act of the Holders of a majority in principal amount of the Outstanding Securities of such series delivered to the Company and the retiring Trustee, the successor Trustee so appointed shall, forthwith upon its acceptance of such appointment in accordance with the applicable requirements of Section 6.11, become the successor Trustee with respect to the Securities of such series and to that extent supersede the successor Trustee appointed by the Company. If no successor Trustee with respect to the Securities of any series shall have been so appointed by the Company or the Holders and accepted appointment in the manner required by Section 6.11, any Holder who has been a bona fide holder of a Security of such series for at least six months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the appointment of a Successor Trustee with respect to the Securities of such series.

SECTION 6.11 ACCEPTANCE OF APPOINTMENT BY SUCCESSOR. (a) In case of the appointment hereunder of a successor Trustee with respect to all Securities, every such successor Trustee so appointed shall execute, acknowledge and deliver to the Company and to the retiring Trustee an instrument accepting such appointment, and thereupon the resignation or removal of the retiring Trustee shall become effective and such successor Trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts and duties of the retiring Trustee; but, on the request of the Company or the successor Trustee, such retiring Trustee shall, upon payment of its charges pursuant to Section 6.7, execute and deliver an instrument transferring to such successor Trustee all the rights, powers and trusts of the retiring Trustee and shall duly assign, transfer and deliver to such successor Trustee all property and money held by such retiring Trustee hereunder.

(b) In case of the appointment hereunder of a successor Trustee with respect to the Securities of one or more (but not all) series, the Company, the retiring Trustee and each successor Trustee with respect to the Securities of one or more series shall execute and deliver an indenture supplemental hereto wherein each successor Trustee shall accept such appointment and which (1) shall contain such provisions as shall be necessary or desirable to transfer and confirm to, and to vest in, each successor Trustee all the rights, powers, trusts and duties of the retiring Trustee with respect to the Securities of that or those series to which the appointment of such successor Trustee relates, (2) if the retiring Trustee is not retiring with respect to all Securities, shall contain such provisions as shall be deemed necessary or desirable to confirm that all the rights, powers, trusts and duties of the retiring Trustee with respect to the Securities of that or those series as to which the retiring Trustee is not retiring shall continue to be vested in the retiring Trustee, and (3) shall add to or change any of the provisions of this Indenture as shall be necessary to provide for or facilitate the administration of the trusts hereunder by more than one Trustee, it being understood that nothing herein or in such supplemental indenture shall constitute such Trustees co-trustees of the same trust and that each such Trustee shall be trustee of a trust or trusts hereunder separate and apart from any trust or trusts hereunder administered by any other such Trustee; and upon the execution and delivery of such supplemental indenture the resignation or removal of the retiring Trustee shall become effective to the extent provided therein and each such successor Trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts and duties of the retiring Trustee with respect to the Securities of that or those series to which the appointment of such successor Trustee relates;

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

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

(d) No successor Trustee shall accept its appointment unless at the time of such acceptance such successor Trustee shall be qualified and eligible under this Article.

(e) Upon acceptance of appointment by a successor Trustee as provided in this Section, the Company shall mail notice of the succession of such Trustee hereunder to the Holders of the Securities of one or more or all series, as the case may be, to which the appointment of such successor Trustee relates as their names and addresses appear on the Security Register. If the Company fails to mail such notice within 10 days after acceptance of appointment by the successor Trustee, the successor Trustee shall cause such notice to be mailed at the expense of the Company.

SECTION 6.12 MERGER, CONVERSION, CONSOLIDATION OR SUCCESSION TO BUSINESS. Any corporation into which the Trustee may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any corporation succeeding to all or substantially all the corporate trust business of the Trustee, shall be the successor of the Trustee hereunder, provided such corporation shall be otherwise qualified and eligible under this Article, without the execution or filing of any paper or any further act on the part of any of the parties hereto. In case any Securities shall have been authenticated, but not delivered, by the Trustee then in office, any successor by merger, conversion or consolidation to such authenticating Trustee may adopt such authentication and deliver the Securities so authenticated with the same effect as if such successor Trustee had itself authenticated such Securities; and in case at that time any of the Securities shall not have been authenticated, any successor Trustee may authenticate such Securities either in the name of any predecessor hereunder or in the name of the successor Trustee; and in all such cases such certificates shall have the full force which the Securities or this Indenture provide that the certificate of the Trustee shall have; PROVIDED, HOWEVER, that the right to adopt the certificate of authentication of any predecessor Trustee or to authenticate Securities in the name of any predecessor Trustee shall apply only to its successor or successors by merger, conversion or consolidation.

SECTION 6.13 PREFERENTIAL COLLECTION OF CLAIMS AGAINST COMPANY. (a) Subject to Subsection (b) of this Section, if the Trustee shall be or shall become a creditor, directly or indirectly, secured or unsecured, of the Company within three months prior to a default, as defined in Subsection (c) of this Section, or subsequent to such a default, then, unless and until such default shall be cured, the Trustee shall set apart and hold in a special account for the benefit of the Trustee individually, the Holders and the holders of other indenture securities, as defined in Subsection (c) of this Section:

(1) an amount equal to any and all reductions in the amount due and owing upon any claim as such creditor in respect of principal or interest, effected after the beginning of such three months' period and valid as against the Company and its other creditors, except any such reduction resulting from the receipt or disposition of any property described in paragraph (2) of this Subsection, or from the exercise of any right of set-off which the Trustee could have exercised if a petition in bankruptcy had been filed by or against the Company upon the date of such default; and

(2) all property received by the Trustee in respect of any claims as such creditor, either as security therefor, or in satisfaction or composition thereof, or otherwise, after the beginning of such three months' period, or an amount equal to the proceeds of any such property, if disposed of, SUBJECT, HOWEVER, to the rights, if any, of the Company and its other creditors in such property or such proceeds.

Nothing herein contained, however, shall affect the right of the Trustee:

(A) to retain for its own account (i) payments made on account of any such claim by any Person (other than the Company) who is liable thereon, and (ii) the proceeds of the bona fide sale of any such claim by the Trustee to a third Person, and (iii) distributions made in cash, securities or other property in respect of claims filed against the Company in bankruptcy or receivership or in proceedings for reorganization pursuant to the National Bankruptcy Act or any other similar applicable Federal or State law;

(B) to realize, for its own account, upon any property held by it as security for any such claim, if such property was so held prior to the beginning of such three months' period;

(C) to realize, for its own account, but only to the extent of the claim hereinafter mentioned, upon any property held by it as security for any such claim, if such claim was created after the beginning of such three months' period and such property was received as security therefor simultaneously with the creation thereof, and if the Trustee shall sustain the burden of proving that at the time such property was so received the Trustee had no reasonable cause to believe that a default, as defined in Subsection (c) of this Section, would occur within three months; or

(D) to receive payment on any claim referred to in paragraph (B) or (C), against the release of any property held as security for such claim as provided in paragraph (B) or (C), as the case may be, to the extent of the fair value of such property.

For the purposes of paragraphs (B), (C) and (D), property substituted after the beginning of such three months' period for property held as security at the time of such substitution shall, to the extent of the fair value of the property released, have the same status as the property released, and, to the extent that any claim referred to in any of such paragraphs is created in renewal of or

in substitution for or for the purpose of repaying or refunding any pre-existing claim of the Trustee as such creditor, such claim shall have the same status as such pre-existing claim.

If the Trustee shall be required to account, the funds and property held in such special account and the proceeds thereof shall be apportioned among the Trustee, the Holders and the holders of other indenture securities in such manner that the Trustee, the Holders and the holders of other indenture securities realize, as a result of payments from such special account and payments of dividends on claims filed against the Company in bankruptcy or receivership or in proceedings for reorganization pursuant to the National Bankruptcy Act or any other similar applicable Federal or State law, the same percentage of their respective claims, figured before crediting to the claim of the Trustee anything on account of the receipt by it from the Company of the funds and property in such special account, and before crediting to the respective claims of the Trustee, the Holders and the holders of other indenture securities dividends on claims filed against the Company in bankruptcy or receivership or in proceedings for reorganization pursuant to the National Bankruptcy Act or any other similar applicable Federal or State law, but after, crediting thereon receipts on account of the indebtedness represented by their respective claims from all sources other than from such dividends and from the funds and property so held in such special account. As used in this paragraph, with respect to any claim, the term "dividends" shall include any distribution with respect to such claim, in bankruptcy or receivership or proceedings for reorganization pursuant to the National Bankruptcy Act or any other similar applicable Federal or State law, whether such distribution is made in cash, securities or other property, but shall not include any such distribution with respect to the secured portion, if any, of such claim. The court in which such bankruptcy, receivership or proceedings for reorganization is pending shall have jurisdiction (i) to apportion among the Trustee, the Holders and the holders of other indenture securities, in accordance with the provisions of this paragraph, the funds and property held in such special account and proceeds thereof, or (ii) in lieu of such apportionment, in whole or in part, to give to the provisions of this paragraph due consideration in determining the fairness of the distributions to be made to the Trustee, the Holders and the holders of other indenture securities with respect to their respective claims, in which event it shall not be necessary to liquidate or to appraise the value of any securities or other property held in such special account or as security for any such claim, or to make a specific allocation of such distributions as between the secured and unsecured portions of such claims, or otherwise to apply the provisions of this paragraph as a mathematical formula.

Any Trustee which has resigned or been removed after the beginning of such three months' period shall be subject to the provisions of this Subsection as though such resignation or removal had not occurred. If any Trustee has resigned or been removed prior to the beginning of such three months' period, it shall be subject to the provisions of this Subsection if and only if the following conditions exist:

(i) the receipt of property or reduction of claim which would have given rise to the obligation to account, if such Trustee had continued as Trustee, occurred after the beginning of such three months' period; and

(ii) such receipt of property or reduction of claim occurred within three months after such resignation or removal.

(b) There shall be excluded from the operation of Subsection (a) of this Section a creditor relationship arising from:

(1) the ownership or acquisition of securities issued under any indenture, or any security or securities having a maturity of one year or more at the time of acquisition by the Trustee;

(2) advances authorized by a receivership or bankruptcy court of competent jurisdiction or by this Indenture, for the purpose of preserving any property which shall at any time be subject to the lien of this Indenture or of discharging tax liens or other prior liens or encumbrances thereon, if notice of such advances and of the circumstances surrounding the making thereof is given to the Holders at the time and in the manner provided in Section 7.3 of this indenture;

(3) disbursements made in the ordinary course of business in the capacity of trustee under an indenture, transfer agent, registrar, custodian, paying agent, fiscal agent or depositary, or other similar capacity;

(4) an indebtedness created as a result of services rendered or premises rented; or an indebtedness created as a result of goods or securities sold in a cash transaction, as defined in Subsection (c) of this Section;

(5) the ownership of stock or of other securities of a corporation organized under the provisions of Section 25(a) of the Federal Reserve Act, as amended, which is directly or indirectly a creditor of the Company; or

(6) the acquisition, ownership, acceptance or negotiation of any drafts, bills of exchange, acceptances or obligations which fall within the classification of self-liquidating paper, as defined in Subsection (c) of this Section.

(c) For the purposes of this Section only:

(1) the term "default" shall mean any failure to make payment in full of the principal of or interest on any of the Securities or upon the other indenture securities when and as such principal or interest becomes due and payable;

(2) the term "other indenture securities" shall mean securities upon which the Company is an obligor (as defined in the Trust Indenture Act of 1939) outstanding under any other indenture (i) under which the Trustee is also trustee, (ii) which contains provisions substantially similar to the provisions of Subsection (a) of this Section, and (iii) under which a default exists at the time of the apportionment of the funds and property held in such special account;

(3) the term "cash transaction" shall mean any transaction in which full payment for goods or securities sold is made within seven days after delivery of the goods or securities in currency or in checks or other orders drawn upon banks or bankers and payable upon demand;

(4) the term "self-liquidating paper" shall mean any draft, bill of exchange, acceptance or obligation which is made, drawn, negotiated or incurred by the Company for the purpose of financing the purchase processing, manufacturing shipment, storage or sale of goods, wares or merchandise and which is secured by documents evidencing title to, possession of, or a lien upon, the goods, wares or merchandise or the receivables or proceeds arising from the sale of the goods, wares or merchandise previously constituting the security, provided the security is received by the Trustee simultaneously with the creation of the creditor relationship with the Company arising from the making, drawing, negotiating or incurring of the draft, bill of exchange, acceptance or obligation; and

(5) the term "Company" shall mean any obligor upon the Securities.

ARTICLE VII.

HOLDERS' LISTS AND REPORTS BY TRUSTEE AND COMPANY

SECTION 7.1 COMPANY TO FURNISH TRUSTEE INFORMATION AS TO NAMES AND ADDRESSES OF HOLDERS. The Company covenants and agrees that it will furnish or cause to be furnished to the Trustee:

(a) Semi-annually, not later than April 1 and October 1 in each year, commencing October 1, 2001, a list, in such form as the Trustee may reasonably require, of the names and addresses of the Holders as of a date not more than 15 days prior to the time such list is furnished and

(b) at such other times as the Trustee may request in writing, within 30 days after the receipt by the Company of any such request, a list of similar form and content as of a date not more than 15 days prior to the time such list is furnished;

PROVIDED, HOWEVER, that so long as the Trustee is the Security Registrar, no such list shall be required to be furnished.

SECTION 7.2 PRESERVATION OF INFORMATION; COMMUNICATIONS TO HOLDERS. (a) The Trustee shall preserve, in as current a form as is reasonably practicable, all information as to the names and addresses of the Holders of Securities (1) contained in the most recent list furnished to it as provided in Section 7.1 and (2) received by it in the capacity of Paying Agent or Security Registrar (if so acting) hereunder.

The Trustee may destroy any list furnished to it as provided in Section 7.1 upon receipt of a new list so furnished.

(b) In case three or more Holders of Securities of any series (hereinafter called "applicants") apply in writing to the Trustee, and furnish to the Trustee reasonable proof that each such applicant has owned a Security of such series for a period of at least six months preceding the date of such application, and such application states that the applicants desire to communicate with other Holders of Securities of the same series or of all series, as the case may be, with respect to their rights under this Indenture or under the Securities of such series or of all

series, as the case may be, and is accompanied by a copy of the form of proxy or other communication which such applicants propose to transmit, then the Trustee shall, within five business days after the receipt of such application, at its election, either

(1) afford such applicants access to the information preserved at the time by the Trustee in accordance with the provisions of Subsection (a) of this Section 7.2, or

(2) inform such applicants as to the approximate number of Holders of Securities of such series or of all series, as the case may be, whose names and addresses appear in the information preserved at the time by the Trustee in accordance with the provisions of Subsection (a) of this Section 7.2, and as to the approximate cost of mailing to such Holders the form of proxy or other communication, if any, specified in such application.

If the Trustee shall elect not to afford such applicants access to such information, the Trustee shall, upon the written request of such applicants, mail to each Holder of Securities of such series or of all series, as the case may be, whose name and address appear in the information preserved at the time by the Trustee in accordance with the provisions of Subsection (a) of this Section 7.2, a copy of the form of proxy or other communication which is specified in such request, with reasonable promptness after a tender to the Trustee of the material to be mailed and of payment, or provision for the payment, of the reasonable expenses of mailing, unless within five days after such tender the Trustee shall mail to such applicants send file with the Commission, together with a copy of the material to be mailed, a written statement to the effect that, in the opinion of the Trustee, such mailing would be contrary to the best interests of the Holders of Securities of such series or of all series, as the case may be, or would be in violation of applicable law. Such written statement shall specify the basis of such opinion. If said Commission, after opportunity for a hearing upon the objections specified in the written statement so filed, shall enter an order refusing to sustain any of such objections or if, after the entry of an order sustaining one or more of such objections, said Commission shall find, after notice and opportunity for hearing, that all the objections so sustained have been met and shall enter an order so declaring, the Trustee shall mail copies of such material to all such Holders with reasonable promptness after the entry of such order and the renewal of such tender; otherwise the Trustee shall be relieved of any obligation or duty to such applicants respecting their application.

(c) Each and every Holder of Securities, by receiving and holding the same, agrees with the Company and the Trustee that neither the Company nor the Trustee nor any Security Registrar nor any Paying Agent shall be held accountable by reason of the disclosure of any such information as to the names and addresses of the Holders in accordance with the provisions of Subsection (b) of this Section 7.2, regardless of the source from which such information was derived, and that the Trustee shall not be held accountable by reason of mailing any material pursuant to a request made under said Subsection (b).

SECTION 7.3 REPORTS BY TRUSTEE. (a) On or before October 1, 2001, and on or before October 1 in every year thereafter, so long as required by the Trust Indenture Act of 1939, as then amended, and so long as any Securities are Outstanding hereunder, the Trustee shall transmit to the Holders as hereinafter in this Section 7.3 provided and to the Company a brief

report, dated as of the preceding April 1, with respect to any of the following events which may have occurred within the 12 months prior to the date of such report (but if no such event has occurred within such period no report need be transmitted):

(1) any change to its eligibility under Section 6.9, and its qualification under Section 6.8;

(2) the creation of or any material change to a relationship specified in paragraphs (1) through (10) of Subsection (b) of Section 6.8;

(3) the character and amount of any advances (and if the Trustee elects so to state, the circumstances surrounding the making thereof) made by the Trustee (as such) which remain unpaid on the date of such report, and for the reimbursement of which it claims or may claim a lien or charge, prior to that of the Securities, on any property or funds held or collected by it as Trustee, except the Trustee shall not be required (but may elect) to report such advances if such advances so remaining unpaid aggregate not more than one-half of one per cent of the aggregate principal amount of the Outstanding Securities on the date of such report;

(4) the amount, interest rate, and maturity date of all other indebtedness owing by the Company (or by any other obligor on the Securities) to the Trustee in its individual capacity, on the date of such report, with a brief description of any property held as collateral security therefor, except an indebtedness based upon a creditor relationship arising in any manner described in paragraph (2), (3), (4) or (5) of Subsection (b) of Section 6.13;

(5) any change to the property and funds, if any, physically in the possession of the Trustee (as such) on the date of such report;

(6) any additional issue of Securities which it has not previously reported; and

(7) any action taken by the Trustee in the performance of its duties under this Indenture which it has not previously reported and which in its opinion materially affects the Securities, except action in respect of a default, notice of which has been or is to be withheld by it in accordance with the provisions of Section 6.2.

(b) The Trustee shall transmit to the Holders, as hereinafter provided, and to the Company a brief report with respect to the character and amount of any advances (and if the Trustee elects so to state, the circumstances surrounding the making thereof) made by the Trustee (as such) since the date of the last report transmitted pursuant to the provisions of Subsection (a) of this Section 7.3 (or if no such report has yet been so transmitted, since the date of execution of this Indenture) for the reimbursement of which it claims or may claim a lien or charge prior to that of the Securities on property or funds held or collected by it as Trustee and which it has not previously reported pursuant to this Subsection, except that the Trustee shall not be required (but may elect) to report such advances if such advances remaining unpaid at any time aggregate ten per cent or less of the aggregate principal amount of the Outstanding Securities not such time, such report to be transmitted within 90 days after such time.

(c) Reports pursuant to this Section 7.3 shall be transmitted by mail to all Holders, as the names and addresses of such Holders appear upon the Security Register.

(d) A copy of each such report shall, at the time of such transmission to Holders, be filed by the Trustee with each stock exchange upon which any of the Securities are listed and also with the Commission. The Company agrees to notify the Trustee when and as any of the Securities become listed on any stock exchange.

SECTION 7.4 REPORTS BY COMPANY. (a) The Company covenants and agrees to file with the Trustee, within 15 days after the Company is required to file the same with the Commission, copies of the annual reports and of the information, documents and other reports (or copies of such portions of any of the foregoing as said Commission may from time to time by rules and regulations prescribe) which the Company may be required to file with said Commission pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934; or, if the Company is not required to file information, documents or reports pursuant to either of such Sections, then to file with the Trustee and said Commission, in accordance with rules and regulations prescribed from time to time by said Commission, such of the supplementary and periodic information, documents and reports which may be required pursuant to Section 13 of the Securities Exchange Act of 1934 in respect of a security listed and registered on a national securities exchange as may be prescribed from time to time in such rules and regulations.

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

(c) The Company covenants and agrees to transmit to the Holders within 30 days after the filing thereof with the Trustee, in the manner and to the extent provided in Subsection (c) of Section 7.3, such summaries of any information, documents and reports required to be filed by the Company pursuant to Subsections (a) and (b) of this Section as may be required by rules and regulations prescribed from time to time by the Commission.

(d) The Company covenants and agrees to furnish to the Trustee, on or within 15 days before October 1, 2001, and on or within 15 days before October 1 in every year thereafter, a brief certificate from the chief executive officer, the chief financial officer or the chief accounting officer as to his or her knowledge of the Company's compliance with all conditions and covenants under this Indenture. For purposes of this Subsection, such compliance shall be determined without regard to any period of grace or requirement of notice provided under this Indenture.

ARTICLE VIII.

CONSOLIDATION, MERGER, SALE OR CONVEYANCE

SECTION 8.1 CONSOLIDATIONS AND MERGERS OF COMPANY PERMITTED SUBJECT TO CERTAIN CONDITIONS. The Company shall not consolidate with or merge into any other Person or convey,

transfer or lease its properties and assets substantially as an entirety to any Person, and the Company shall not permit any Person to consolidate with or merge into the Company or convey, transfer or lease its properties and assets substantially as an entirety to the Company, unless:

(a) in case the Company shall consolidate with or merge into another Person or convey, transfer or lease its properties and assets substantially as an entirety to any Person, the Person formed by such consolidation or into which the Company is merged or the Person which acquires by conveyance or transfer, or which leases, the properties and assets of the Company substantially as an entirety shall expressly assume, by an indenture supplemental hereto, executed and delivered to the Trustee, in form reasonably satisfactory to the Trustee, the due and punctual payment of the principal of (and premium, if any) and interest on all the Securities and the performance or observance of every covenant of this Indenture on the part of the Company to be performed or observed and shall have provided for conversion rights in any supplemental indenture hereto;

(b) immediately after giving effect to such transaction, no Event of Default, and no event which, after notice or lapse of time or both, would become an Event of Default, shall have happened and be continuing; and

(c) the Company has delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that such consolidation, merger, conveyance, transfer or lease and, if a supplemental indenture is required in connection with such transaction, such supplemental indenture comply with this Article and that all conditions precedent herein provided for relating to such transaction have been complied with.

SECTION 8.2 RIGHTS AND DUTIES OF SUCCESSOR CORPORATION. Upon any consolidation of the Company with, or merger of the Company into, any other Person or any conveyance, transfer or lease of the properties and assets of the Company substantially as an entirety in accordance with Section 8.1, the successor Person formed by such consolidation or into which the Company is merged or to which such conveyance, transfer or lease is made shall succeed to, and be substituted for, and may exercise every right and power of, the Company under this Indenture with the same effect as if such successor Person had been named as the Company herein, and thereafter, except in the case of a lease, the predecessor Person shall be relieved of all obligations and covenants under this Indenture and the Securities.

ARTICLE IX.

SUPPLEMENTAL INDENTURES

SECTION 9.1 SUPPLEMENTAL INDENTURES WITHOUT CONSENT OF HOLDERS. The Company, when authorized by a Board Resolution, and the Trustee may from time to time and at any time enter into an indenture or indentures supplemental hereto (which shall conform to the provisions of the Trust Indenture Act of 1939 as in force at the date of the execution thereof) for one or more of the following purposes:

(1) to evidence the succession of another corporation or entity to the Company, or successive successions, and the assumption by the successor corporation or

entity of the covenants, agreements and obligations of the Company pursuant to Article Eight hereof;

(2) to add to the covenants of the Company or to add additional rights for the benefit of the Holders of all or any series of Securities (and if such covenants or rights are to be for the benefit of less than all series of Securities, stating that such covenants or rights are expressly being included solely for the benefit of such series) or to surrender any right or power herein conferred upon the Company;

(3) to add any additional Events of Default for the benefit of the Holders of all or any series of Securities (and if such Events of Default are to be for the benefit of less than all series of Securities, stating that such Events of Default are expressly being included solely for the benefit of such series); PROVIDED, HOWEVER, that in respect of any such additional Events of Default such supplemental indenture may provide for a particular period of grace after default (which period may be shorter or longer than that allowed in the case of other defaults) or may provide for an immediate enforcement upon such default or may limit the remedies available to the Trustee upon such default or may limit the right of the Holders of a majority in aggregate principal amount of that or those series of Securities to which such additional Events of Default apply to waive such default;

(4) to add to or change any of the provisions of this Indenture to such extent as shall be necessary to permit or facilitate the issuance of Securities in coupon form, registrable or not registrable as to principal, and to provide for exchangeability of such Securities with Securities issued hereunder in fully registered form;

(5) to change or eliminate any of the provisions of this Indenture, provided that any such change or elimination shall become effective only when there is no Outstanding Security of any series created prior to the execution of such supplemental indenture which is entitled to the benefit of such provision;

(6) to secure the Securities;

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

(8) to evidence and provide for the acceptance of appointment hereunder by a successor Trustee with respect to the Securities of one or more series and to add to or change any of the provisions of this Indenture as shall be necessary to provide for or facilitate the administration of the trusts hereunder by more than one Trustee, pursuant to the requirements of Section 6.11(b);

(9) to cure any ambiguity, to correct or supplement any provision herein or in any supplemental indenture which may be defective or inconsistent with any other provision herein or in any supplemental indenture, or to make such other provisions with respect to matters or questions arising under this Indenture, provided such action shall not adversely affect the interests of the Holders of Securities of any series in any material respect;

(10) to comply with any requirement of the Commission in connection with the qualification of the Indenture under the Trust Indenture Act of 1939;

(11) to make provision with respect to the conversion rights, if any, to holders of the Securities issued pursuant to the requirements any such supplemental indenture.

The Trustee is hereby authorized to join with the Company in the execution of any such supplemental indenture, to make any further appropriate agreements and stipulations which may be therein contained and to accept the conveyance, transfer, assignment, mortgage or pledge of any property thereunder.

Any supplemental indenture authorized by the provisions of this Section 9.1 may be executed by the Company and the Trustee without the consent of the Holders of any of the Outstanding Securities, notwithstanding any of the provisions of Section 9.2.

SECTION 9.2 SUPPLEMENTAL INDENTURES WITH CONSENT OF HOLDERS. With the consent of the Holders of not less than a majority in principal amount of the Outstanding Securities of each series affected by such supplement indenture, by Act of said Holders delivered to the Company and the Trustee, the Company, when authorized by a Board Resolution, and the Trustee may from time to time and at any time enter into an indenture or indentures supplemental hereto (which shall conform to the provisions of the Trust Indenture Act of 1939 as in force at the date of execution thereof) for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Indenture or of any supplemental indenture or of modifying in any manner the rights of the Holders of Securities of such series under this Indenture; PROVIDED, HOWEVER, that no such supplemental indenture shall (i) change the Stated Maturity of the principal of (or premium, if any, on), or any installment of principal of or interest on, any Security, or reduce the principal amount thereof or the rate of interest thereon, or reduce the amount of principal of an Original Issue Discount Security that would be due and payable upon a declaration of acceleration of the Maturity thereof or impair the right to institute suit for the enforcement of any such payment on or after the Stated Maturity thereof (or, in the case of redemption or repayment at the option of the Holder, on or after the Redemption Date or Repayment Date, as the case away be), without the consent of the Holder of each Outstanding Security so affected, (ii) reduce the aforesaid percentage in principal amount of the Outstanding Securities of any series, the consent of whose Holders is required for any such supplemental indenture, without the consent of the Holders of all the Outstanding Securities of such aeries or (iii) adversely effect the right to convert any Securities as provider in any supplemental indenture, or adversely affect the right of the Company to repurchase any Securities as provided in any supplemental indenture hereto.

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

Upon the request of the Company accompanied by a copy of a Board Resolution authorizing the execution of any such supplemental indenture, and upon the filing with the

Trustee of evidence of the consent of Holders as aforesaid, the Trustee shall join with the Company in the execution of such supplemental indenture.

It shall not be necessary for any Act of Holders under this Section to approve the particular form of any proposed supplemental indenture, but it shall be sufficient if such Act shall approve the substance thereof.

SECTION 9.3 EXECUTION OF SUPPLEMENTAL INDENTURES. In executing, or accepting the additional trusts created by, any supplemental indenture permitted by this Article or the modifications thereby of the trusts created by this Indenture, the Trustee shall be entitled to receive, and (subject to Section 6.1) shall be fully protected in relying upon, an Opinion of Counsel stating that the execution of such supplemental indenture is authorized or permitted by this Indenture. The Trustee may, but shall not be obligated to enter into any such supplemental indenture which affects the Trustee's own rights, duties or immunities under this Indenture or otherwise.

SECTION 9.4 EFFECT OF SUPPLEMENTAL INDENTURES. Upon the execution of any supplemental indenture pursuant to the provisions of this Article, this Indenture shall be and be deemed to be modified and amended in accordance therewith, and the respective rights, limitations of rights, obligations, duties and immunities under this Indenture of the Trustee, the Company and the Holders shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modifications and amendments, and all the terms and conditions of any such supplemental indenture shall be and be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

SECTION 9.5 REFERENCE IN SECURITIES TO SUPPLEMENTAL INDENTURES. Securities of any series authenticated and delivered after the execution of any supplemental indenture pursuant to this Article may, and shall if required by the Trustee, bear a notation in form approved by the Trustee as to any matter provided for in such supplemental indenture. If the Company shall so determine, new Securities of any series so modified as to conform, in the opinion of the Trustee and the Company, to any such supplemental indenture may be prepared and executed by the Company and authenticated and delivered by the Trustee in exchange for Outstanding Securities of such series.

ARTICLE X.

PARTICULAR COVENANTS OF THE COMPANY

SECTION 10.1 PAYMENT OF PRINCIPAL, PREMIUM AND INTEREST. The Company covenants and agrees for the benefit of each series of Securities that it will duly and punctually pay or cause to be paid the principal of (and premium, if any, on) and interest on the Securities of that series in accordance with the terms of the Securities and this Indenture. Each installment of interest on any Security may at the Company's option be paid by mailing a check for such interest, payable to or upon the written order of the Person entitled thereto pursuant to Section 3.7, to the address of such Person as it appears on the Security Register. At the option of the Company, all

payments of principal may be paid by official bank check to the registered Holder of the Security or other person entitled thereto against surrender of such Security.

SECTION 10.2 MAINTENANCE OF OFFICE OR AGENCY. The Company will maintain in each Place of Payment for any series of Securities an office or agency where Securities of that series may be presented or surrendered for payment, where Securities of that series may be surrendered for registration of transfer or exchange as in this Indenture provided and where notices and demands to or upon the Company in respect of the Securities of that series and this Indenture may be served. The Company will give notice to the Trustee of the location, and any change in the location, of each such office or agency. In case the Company shall fail to maintain any such required office or agency or shall fail to give notice of the location or of any change thereof, presentations, surrenders, notices and demands may be made or served at the Corporate Trust Office of the Trustee. The Company hereby initially appoints the Trustee as its office or agency for such purpose.

The Company may also from time to time designate one or more other offices or agencies in any location where the Securities of one or more series may be presented or surrendered for any or all such purposes and may from time to time rescind such designations; PROVIDED, HOWEVER, that no such designation or rescission shall in any manner relieve the Company of its obligation to maintain an office or agency in each Place of Payment for Securities of any series for such purposes. The Company will give prompt written notice to the Trustee of any such designation or rescission and of any change in the location of any such other office or agency.

SECTION 10.3 MONEY FOR SECURITIES PAYMENTS TO BE HELD IN TRUST. If the Company shall at any time act as its own Paying Agent with respect to any series of Securities, it will, on or before each due date of the principal of (or premium, if any, on) or interest on any of the Securities of that series, segregate and hold in trust for the benefit of the Persons entitled thereto a sum sufficient to pay the principal (or premium, if any) or interest so becoming due until such sums shall be paid no such Persons or otherwise disposed of as herein provided. The Company will promptly notify the Trustee of any failure by the Company to take such action or failure so to act.

Whenever the Company shall have one or more Paying Agents for any series of Securities, it will, on or prior to each due date of the principal of (or premium, if any, on) or interest on any Securities of that series, deposit with a Paying Agent a sum sufficient to pay the principal (or premium, if any) or interest so becoming due, such sum to be held in trust for the benefit of the Persons entitled to such principal, premium or interest, and (unless such Paying Agent is the Trustee) the Company will promptly notify the Trustee of its action or failure so to act.

The Company will cause each Paying Agent for any series of Securities, other than the Trustee, to execute and deliver to the Trustee an instrument in which such Paying Agent shall agree with the Trustee, subject to the provisions of this Section, that such Paying Agent will:

(1) hold all sums held by it for the payment of the principal of (or premium, if any, on) or interest on Securities of that series (whether such sums have been paid to it by

the Company or by any other obligor on the Securities) in trust for the benefit of the Persons entitled thereto;

(2) give the Trustee notice of any failure by the Company (or any other obligor upon the Securities of that series) to make any payment of principal of (or premium, if any, on) or interest on the Securities of that series when the same shall be due and payable; and

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

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

SECTION 10.4 STATEMENT BY OFFICERS AS TO DEFAULT. The Company will deliver to the Trustee, on or before a date not more than 120 days after the end of each fiscal year ending after the date hereof, an Officers' Certificate stating, as to each officer signing such certificate, whether or not to the best of his knowledge the Company is in default in the performance and observance of any of the terms, provisions and conditions hereof, and, if the Company shall be in default, specifying all such defaults and the nature thereof of which he may have knowledge.

SECTION 10.5 ADDITIONAL AMOUNTS. The Company hereby agrees that any amounts to be paid by the Company with respect to each Security shall be paid without deduction or withholding for any and all present and future taxes, levies, imposts or other governmental charges whatsoever imposed, assessed, levied or collected by or for the account of the Republic of Panama (or by or for the account of the jurisdiction of incorporation (other than the United States) of a successor corporation to the Company pursuant to Section 8.1, to the extent that such taxes first become applicable as a result of the successor corporation becoming the obligor on the Debt Securities) or any political subdivision or taxing authority thereof or therein ("Panamanian Taxes") or, if deduction or withholding of any Panamanian Taxes shall at any time be required by the Republic of Panama (or the jurisdiction of incorporation (other than the United States) of a successor corporation to the Company pursuant to Section 8.1) or any such subdivision or authority, the Company shall (subject to compliance by the Holder or beneficial owner of the Security with any relevant administrative requirements) pay such additional amounts ("Additional Amounts") in respect of principal, premium, if any, interest, if any, and sinking fund or analogous payments, if any, as may be necessary in order that the net amount paid to the Holder of such Security or the Trustee under this Indenture, as the case may be, after such deduction or withholding, shall equal the respective amounts of principal, premium, if any, interest, if any, and sinking fund or analogous payments, if any, as specified in the Security to which such Holder or the Trustee is entitled; provided, however, that the foregoing shall not apply to (i) any present or future Panamanian Taxes which would not have been so imposed,

assessed, levied or collected but for the fact that the Holder or beneficial owner of such Security being or having been a domiciliary, national or resident of, or engaging or having been engaged in business or maintaining or having maintained a permanent establishment or being or having been physically present in, the Republic of Panama (or the jurisdiction of incorporation of a successor corporation to the Company pursuant to Section 8.1) or such political subdivision or otherwise having or having had some connection with the Republic of Panama (or the jurisdiction of incorporation of a successor corporation to the Company pursuant to Section 8.1) or such political subdivision other than the holding or ownership of a Security, or the collection of principal of and interest, if any, on, or the enforcement of, a Security, (ii) any present or future Panamanian Taxes which would not have been so imposed, assessed, levied or collected but for the fact that, where presentation is required, such Security was presented more than thirty days after the date such payment became due or was provided for, whichever is later, or (iii) any present or future Panamanian Taxes which would not have been so imposed, assessed, levied or collected but for the failure to comply with any certification, identification or other reporting requirements concerning the nationality, residence, identity or connection with the Republic of Panama (or the jurisdiction of incorporation of a successor corporation to the Company pursuant to Section 8.1) or any political subdivision thereof of the Holder or beneficial owner of such Security, if compliance is required by statute or by rules or regulations of the Republic of Panama (or the jurisdiction of incorporation of a successor corporation to the Company pursuant to Section 8.1) or such political subdivision as a condition to relief or exemption from Panamanian Taxes. The provisions described in (i) through (iii) above are referred to herein as "Excluded Taxes." The Company or any successor to the Company, as the case may be, shall indemnify and hold harmless each Holder of the Securities and upon written request reimburse each Holder for the amount of (i) any Panamanian Taxes levied or imposed and paid by such Holder of the Securities (other than Excluded Taxes) as a result of payments made with respect to the Securities, (ii) any liability (including penalties, interest and expenses) arising therefrom or with respect thereto, and (iii) any Panamanian Taxes with respect to payment of Additional Amounts or any reimbursement pursuant to this sentence. The Company or any successor to the Company, as the case may be, shall also (1) make such withholding or deduction and (2) remit the full amount deducted or withheld to the relevant authority in accordance with applicable law. The Company or any successor to the Company, as the case may be, shall furnish the Trustee within 30 days after the date the payment of any Panamanian Taxes is due pursuant to applicable law, certified copies of tax receipts evidencing such payment by the Company or any successor to the Company, as the case may be, which the Trustee shall forward to the Holders of the Securities.

At least 30 days prior to each date on which any payment under or with respect to the Securities is due and payable, if the Company will be obligated to pay Additional Amounts with respect to such payments, the Company will deliver to the Trustee an Officers' Certificate stating the fact that such Additional Amounts will be payable, stating the amounts so payable and setting forth such other information as may be necessary to enable the Trustee to pay such Additional Amounts to Holders of the Securities on the payment date.

Whenever in this Indenture or any Security there is mentioned, in any context, the payment of the principal, premium, if any, or interest, or sinking fund or analogous payment, if any, in respect of such Security or overdue principal or overdue interest or overdue sinking fund or analogous payment, such mention shall be deemed to include mention of the payment of

Additional Amounts provided for herein to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof pursuant to the provisions of this Section and express mention thereof in any provisions hereof shall not be construed as excluding Additional Amounts in those provisions hereof where such express mention is not made (if applicable).

The obligations of the Company (and any successor corporation to the Company pursuant to Section 8.1) under this Section 10.5 shall survive the termination of this Indenture and the payment of all amounts under or with respect to the Securities.

ARTICLE XI.

REDEMPTION OF SECURITIES

SECTION 11.1 APPLICABILITY OF ARTICLE. Securities of any series which are redeemable before their Stated Maturity shall be redeemable in accordance with their term and (except as otherwise specified as contemplated by Section 3.1 for Securities of any series) in accordance with this Article.

SECTION 11.2 ELECTION TO REDEEM; NOTICE TO TRUSTEE. The right of the Company to elect to redeem any Securities of any series shall be set forth in the terms of such Securities of such series established in accordance with Section 3.1. The election of the Company to redeem any Securities shall be evidenced by a Board Resolution. In case of any redemption at the election of the Company of less than all the Securities of any series, the Company shall, at least 45 days prior to the Redemption Date fixed by the Company (unless a shorter notice shall be satisfactory to the Trustee), notify the Trustee of such Redemption Date and of the principal amount of Securities of such series to be redeemed and shall deliver to the Trustee such documentation and records as shall enable the Trustee to select the Securities to be redeemed pursuant to Section 11.3. In the case of any redemption of Securities prior to the expiration of any restriction on such redemption provided in the terms of such Securities or elsewhere in this Indenture, the Company shall furnish the Trustee with an Officers' Certificate evidencing compliance with such restriction.

SECTION 11.3 SELECTION BY TRUSTEE OF SECURITIES TO BE REDEEMED. If less than all the Securities of any series are to be redeemed, the particular Securities to be redeemed shall be selected not more than 45 days prior to the Redemption Date by the Trustee, from the Outstanding Securities of such series not previously called for redemption, by such method as may be specified by the terms of such Securities or, if no such method is so specified, by such method as the Trustee shall deem fair and appropriate and which may provide for the selection for redemption of portions of the principal amount of Securities of such series; PROVIDED, HOWEVER, that no such partial redemption shall reduce the portion of the principal amount of such Security not redeemed to less than the minimum authorized denomination for Securities of that series.

The Trustee shall promptly notify the Company in writing of the Securities selected for redemption and, in the case of any Securities selected for partial redemption, the principal amount thereof to be redeemed.

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

SECTION 11.4 NOTICE OF REDEMPTION. Notice of redemption shall be given by the Company or, at the Company's request, by the Trustee, in the name and at the expense of the Company, to the Holders of the Securities to be redeemed, by first-class mail, postage prepaid, mailed not less than 30 nor more than 60 days prior to the Redemption Date, to each Holder of Securities to be redeemed, at his address appearing in the Security Register.

All notices of redemption shall state:

- (1) the Redemption Date,
- (2) the Redemption Price,
- (3) if less than all the Outstanding Securities of any series are to be redeemed, the identification (and, in the case of partial redemption, the principal amounts) of the particular Securities to be redeemed,
- (4) that on the Redemption Date the Redemption Price will become due and payable upon each such Security to be redeemed and, if applicable, that interest thereon will cease to accrue on and after said date,
- (5) the place or places where such Securities are to be surrendered for payment of the Redemption Price, and
- (6) that the redemption is for a sinking fund, if such is the case.

SECTION 11.5 DEPOSIT OF REDEMPTION PRICE. On or before any Redemption Date, the Company shall deposit with the Trustee or with a Paying Agent (or, if the Company is acting as its own Paying Agent, segregate and hold in trust as provided in Section 10.3) an amount of money sufficient to pay the Redemption Price of, and (except if the Redemption Date shall be an Interest Payment Date) accrued interest on, all the Securities which are to be redeemed on that date.

SECTION 11.6 SECURITIES PAYABLE ON REDEMPTION DATE. Notice of redemption having been given as aforesaid, the Securities so to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price therein specified, and from and after such date (unless the Company shall default in the payment of the Redemption Price and accrued interest) such Securities shall cease to bear interest. Upon surrender of any such Security for redemption in accordance with said notice, such Security shall be paid by the Company at the Redemption Price, together with accrued interest to the Redemption Date; PROVIDED, HOWEVER, that unless otherwise specified as contemplated by Section 3.1, installment of interest whose Stated Maturity is on or prior to the Redemption Date shall be payable to the Holders of such Securities, or one or more Predecessor Securities, registered as such at the close of business on the relevant Regular Record Dates according to their terms and the provisions of Section 3.7.

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

SECTION 11.7 SECURITIES REDEEMED IN PART. Any Security which is to be redeemed only in part shall be surrendered at a Place of Payment therefor (with, if the Company or the Trustee so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the Company and the Trustee duly executed by, the Holder thereof or his attorney duly authorized in writing), and the Company shall execute, and the Trustee shall authenticate and deliver to the Holder of such Security without service charge, a new Security or Securities of the same series, of any authorized denomination as requested by such Holder, in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Security so surrendered.

SECTION 11.8 OPTIONAL REDEMPTION OR ASSUMPTION OF SECURITIES UNDER CERTAIN CIRCUMSTANCES. (a) Unless otherwise specified with respect to the Securities of any series, if as the result of any change in or any amendment to the laws, including any regulations thereunder and any applicable double taxation treaty or convention, of the Republic of Panama (or the jurisdiction of incorporation (other than the United States) of a successor corporation to the Company pursuant to Section 8.1), or of any political subdivision or taxing authority thereof or therein affecting taxation, or any change in an application or interpretation of such laws, including any applicable double, taxation treaty or convention, which change, amendment, application or interpretation ("Change") becomes effective on or after the original issuance date of such series (or, if such Change is imposed with respect to tax imposed with respect to payments from the jurisdiction in which a successor corporation to the Company pursuant to Section 8.1 is incorporated, such later date on which such successor corporation becomes a successor corporation to the Company pursuant to Section 8.1), it is determined by the Company based upon an opinion of independent counsel of recognized standing that (i) the Company would be required to pay Additional Amounts (as defined in Section 10.5 herein) in aspect of principal, premium, if any, interest, if any, or sinking fund or analogous payments, if any, on the next succeeding date for the payment thereof, or (ii) any taxes would be imposed (whether by way of deduction, withholding or otherwise) by the Republic of Panama (or the jurisdiction of incorporation (other than the United States) of a successor corporation to the Company pursuant to Section 8.1) or by any political subdivision or taxing authority thereof or therein, upon or with respect to any principal, premium, if any, interest, if any, or sinking fund or analogous payments, if any, then the Company may, at its option, on giving not less than 30 nor more than 60 days' notice (which shall be irrevocable) redeem such series of Securities in whole, but not in part, at any time (except in the case of Securities of a series having a variable rate of interest, which may be redeemed only on an Interest Payment Date) at a Redemption Price equal to 100 percent of the principal amount thereof plus accrued interest to the Redemption Date (except in the case of outstanding Original Issue Discount Securities which may be redeemed at the Redemption Price specified by the terms of each series of such Securities); provided, however, that (i) no notice of redemption may be given more than 90 days prior to the earliest date on which the Company would be obligated to pay such Additional Amounts or such tax would be imposed, as the case may be, and (ii) at the time that such notice of redemption is given, such obligation to pay Additional Amounts or such tax, as the case may be, remains in effect.

(b) Prior to any redemption of a series of Securities pursuant to paragraph (a) above, the Company shall provide the Trustee with an opinion of independent counsel of recognized standing which states that the conditions precedent to the right of the Company to redeem such Securities pursuant to this Section shall have occurred. Each such opinion of independent counsel of recognized standing shall be based on the laws in effect on the date of such opinion or to become effective on or before the next succeeding date of payment of principal, premium, if any, interest, if any, and sinking fund or analogous payments, if any. For purposes of this Section, all references to the Company in this paragraph shall include any successor corporation thereto pursuant to Section 8.1.

ARTICLE XII.

REPAYMENT AT OPTION OF HOLDERS

SECTION 12.1 APPLICABILITY OF ARTICLE. Repayment of Securities of any series before their Stated Maturity at the option of Holders thereof shall be made in accordance with the terms of such Securities and (except as otherwise specified as contemplated by Section 3.1 for Securities of any series) in accordance with this Article.

SECTION 12.2 REPAYMENT OF SECURITIES. Securities of any series subject to repayment in whole or in part at the option of the Holders thereof will, unless otherwise provided in the terms of such Securities, be repaid at a price equal to the principal amount thereof, together with interest thereon accrued to the Repayment Date specified in the terms of such Securities. The Company covenants that on or before the Repayment Date it will deposit with the Trustee or with a Paying Agent (or, if the Company is acting as its own Paying Agent, segregate and hold in trust as provided in Section 10.3) an amount of money sufficient to pay the principal (or, if so provided by the terms of the Securities of any series, a percentage of the principal) of, and (except if the Repayment Date shall be an Interest Payment Date) accrued interest on, all the Securities or portions thereof, as the case may be, to be repaid on such date.

SECTION 12.3 EXERCISE OF OPTION. Securities of any series subject to repayment at the option of the Holders thereof will contain an "Option to Elect Repayment" form on the reverse of such Securities. To be repaid at the option of the Holder, any Security so providing for such repayment, with the "Option to Elect Repayment" form on the reverse of such Security duly completed by the Holder, must be received by the Company at the Place of Payment therefor specified in the terms of such Security (or at such other place or places of which the Company shall from time to time notify the Holders of such Securities) not earlier than 30 days nor later than 15 days prior to the Repayment Date. If less than the entire principal amount of such Security is to be repaid in accordance with the terms of such Security, the principal amount of such Security to be repaid, in increments of \$1,000 unless otherwise specified in the terms of such Security, and the denomination or denominations of the Security or Securities to be issued to the Holder for the portion of the principal amount of such Security surrendered that is not to be repaid must be specified. The principal amount of any Security providing for repayment at the option of the Holder thereof may not be repaid in part if, following such repayment, the unpaid principal amount of such Security would be less than the minimum authorized denomination of Securities of the series of which such Security to be repaid is a part. Except as otherwise may be

provided by the terms of any Security providing for repayment at the option of the Holder thereof, exercise of the repayment option by the Holder shall be irrevocable unless waived by the Company.

SECTION 12.4 WHEN SECURITIES PRESENTED FOR REPAYMENT BECOME DUE AND PAYABLE. If Securities of any series providing for repayment at the option of the Holders thereof shall have been surrendered as provided in this Article and as provided by the terms of such Securities, such Securities or the portions thereof, as the case may be, to be repaid shall become due and payable and shall be paid by the Company on the Repayment Date therein specified, and on and after such Repayment Date (unless the Company shall default in the payment of such Securities on such Repayment Date) interest on such Securities or the portions thereof, as the case may be, shall cease to accrue.

SECTION 12.5 SECURITIES REPAYED IN PART. Upon surrender of any Security which is to be repaid in part only, the Company shall execute and the Trustee shall authenticate and deliver to the Holder of such Security, without service charge and at the expense of the Company, a new Security or Securities of the same series, of any authorized denomination specified by the Holder, in an aggregate principal amount equal to and in exchange for the portion of the principal of such Security so surrendered which is not to be repaid.

ARTICLE XIII.

SINKING FUNDS

SECTION 13.1 APPLICABILITY OF ARTICLE. The provisions of this Article shall be applicable to any sinking fund for the retirement of Securities of a series except as otherwise specified as contemplated by Section 3.1 for Securities of such series.

The minimum amount of any sinking fund payment provided for by the terms of Securities of any series is herein referred to as a "mandatory sinking fund payment," and any payment in excess of such minimum amount provided for by the terms of Securities of any series is herein referred to as an "optional sinking fund payment." If provided for by the terms of Securities of any series, the cash amount of any sinking fund payment may be subject to reduction as provided in Section 13.2. Each sinking fund payment shall be applied to the redemption of Securities of any series as provided for by the terms of Securities of such series.

SECTION 13.2 SATISFACTION OF SINKING FUND PAYMENTS WITH SECURITIES. The Company may (1) deliver to the Trustee Outstanding Securities of a series (other than any previously called for redemption) theretofore purchased or otherwise acquired by the Company and (2) receive credit for Securities of a series which have been previously delivered to the Trustee by the Company or for Securities of a series which have been redeemed either at the election of the Company pursuant to the terms of such Securities or through the application of permitted optional sinking fund payments pursuant to the terms of such Securities, in each case in satisfaction of all or any part of any sinking fund payment with respect to the Securities of the same series required to be made pursuant to the terms of such Securities as provided for by the terms of such Series, provided that such Securities have not been previously so credited. Such

Securities shall be received and credited for such purpose by the Trustee at the Redemption Price specified in such Securities for redemption through operation of the sinking fund and the amount of such sinking fund payment shall be reduced accordingly.

SECTION 13.3 REDEMPTION OF SECURITIES FOR SINKING FUND. Not less than 60 days prior to each sinking fund payment date for any series of Securities, the Company will deliver to the Trustee an Officers' Certificate specifying the amount of the next ensuing sinking fund payment for that series pursuant to the terms of that series, the portion thereof, if any, which is to be satisfied by payment of cash and the portion thereof, if any, which is to be satisfied by delivering or crediting Securities of that series pursuant to Section 13.2 (which Securities will, if not previously delivered, accompany such certificate) and whether the Company intends to exercise its right to make a permitted optional sinking fund payment with respect to such series. Such certificate shall be irrevocable and upon its delivery the Company shall be obligated to make the cash payment or payments therein referred to, if any, on or before the next succeeding sinking fund payment date. In the case of the failure of the Company to deliver such certificate, the sinking fund payment due on the next succeeding sinking fund payment date for that series shall be paid entirely in cash and shall be sufficient to redeem the principal amount of such Securities subject to a mandatory sinking fund payment without the option to deliver or credit Securities as provided in Section 13.2 and without the right to make any optional sinking fund payment, if any, with respect to such series.

Not more than 60 days before each such sinking fund payment date, the Trustee shall select the Securities to be redeemed upon such sinking fund payment date in the manner specified in Section 11.3 and cause notice of the redemption thereof to be given in the name of and at the expense of the Company in the manner provided in Section 11.4. Such notice having been duly given, the redemption of such Securities shall be made upon the terms and in the manner stated in Sections 11.6 and 11.7.

Prior to any sinking fund payment date, the Company shall pay to the Trustee in cash a sum equal to any interest accrued to the date fixed for redemption of Securities or portions thereof to be redeemed on such sinking fund payment date pursuant to this Section 13.3.

ARTICLE XIV.

IMMUNITY OF INCORPORATORS, SHAREHOLDERS, OFFICERS, DIRECTORS AND EMPLOYEES

SECTION 14.1 EXEMPTION FROM INDIVIDUAL LIABILITY. No recourse under or upon any obligation, covenant or agreement of this Indenture, or of any Security, or for any claim based thereon or otherwise in respect thereof, shall be had against any incorporator, shareholder, officer, director or employee, as such, past, present or future, of the Company or of any successor corporation, either directly or through the Company, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise; it being expressly understood that this Indenture and the obligations issued hereunder are solely corporate obligations of the Company, and that no such personal liability whatever shall attach to, or is or shall be incurred by, the incorporators, shareholders, officers, directors or

employees, as such, of the Company or of any successor corporation, or any of them, because of the creation of the indebtedness hereby authorized, or under or by reason of the obligations, covenants or agreements contained in this Indenture or in any of the Securities or implied therefrom; and that any and all such personal liability, either at common law or in equity or by constitution or statute, of, and any and all such rights and claims against, every such incorporator, shareholders, officer, director or employee, as such, because of the creation of the indebtedness hereby authorized, or under or by reason of the obligations, covenants or agreements contained in this Indenture or in any of the Securities or implied therefrom, are hereby expressly waived and released as a condition of, and as a consideration for, the execution of this Indenture and the issue of such Securities.

ARTICLE XV.

MISCELLANEOUS PROVISIONS

SECTION 15.1 SUCCESSORS AND ASSIGNS OF COMPANY BOUND BY INDENTURE. All the covenants, stipulations, promises and agreements in this Indenture contained by or in behalf of the Company shall bind its successors and assigns, whether so expressed or not.

SECTION 15.2 ACTS OF BOARD, COMMITTEE OR OFFICER OF SUCCESSOR CORPORATION VALID. Any act or proceeding by any provision of this Indenture authorized or required to be done or performed by any board, committee or officer of the Company shall and may be done and performed with like force and effect by the like board, committee or officer of any corporation that shall at that time be the successor of the Company.

SECTION 15.3 REQUIRED NOTICES OR DEMANDS. Any notice or demand which by any provision of this Indenture is required or permitted to be given or served by the Trustee or by the Holders to or on the Company may, except as otherwise provided in Section 5.1(4), be given or served by being deposited postage prepaid in a post office letter box in the United States addressed (until another address is filed by the Company with the Trustee), as follows: Carnival Corporation, 3655 N.W. 87th Avenue, Miami, Florida 33178-2428, Attention: Treasurer. Any notice, direction, request or demand by the Company or by any Holder to or upon the Trustee may be given or made, for all purposes, by being deposited postage prepaid in a post office letter box in the United States addressed to the Corporate Trust Office of the Trustee. Any notice required or permitted to be mailed to a Holder by the Company or the Trustee pursuant to the provisions of this Indenture shall be deemed to be properly mailed by being deposited postage prepaid in a post office letter box in the United States addressed to such Holder at the address of such Holder as shown on the Security Register. In any case, where notice to Holders is given by mail, neither the failure to mail such notice, nor any defect in any notice so mailed, to any particular Holder shall affect the sufficiency of such notice with respect to other Holders.

Where this Indenture provides for notice in any manner, such notice may be waived in writing by the Person entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by Holders shall be filed with the Trustee. but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

In case, by reason of the suspension of or irregularities in regular mail service, it shall be impractical to mail notice of any event to Holders when such notice is required to be given pursuant to any provision of this Indenture, then any manner of giving such notice as shall be satisfactory to the Trustee shall be deemed to be a sufficient giving of such notice.

SECTION 15.4 INDENTURE AND SECURITIES TO BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK. THIS INDENTURE AND EACH SECURITY SHALL BE DEEMED TO BE A CONTRACT MADE UNDER THE LAWS OF THE STATE OF NEW YORK, AND FOR ALL PURPOSES SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF SAID STATE.

SECTION 15.5 INDENTURE MAY BE EXECUTED IN COUNTERPARTS. This Indenture may be exacted in any number of counterparts, each of which shall be an original, but all of which shall together constitute one and the same instrument.

U.S. BANK TRUST NATIONAL ASSOCIATION, the party of the second part, hereby accepts the trusts in this Indenture declared and provided, upon the terms and conditions hereinabove set forth.

IN WITNESS WHEREOF, CARNIVAL CORPORATION, the party of the first part, has caused this Indenture to be duly signed and acknowledged by its Chairman of the Board or its President or an Executive Vice President or a Vice President or its Treasurer or its Secretary or its Assistant Secretary thereunto duly authorized; and U.S. BANK TRUST NATIONAL ASSOCIATION, the party of the second part, has caused this Indenture to be duly signed and acknowledged by one of its Vice Presidents or Assistant Vice Presidents thereunto duly authorized and the same to be attested by one of its Trust Officers.

CARNIVAL CORPORATION

By: _____
Name:
Title:

U.S. BANK TRUST NATIONAL ASSOCIATION

By: _____
Name: Lori-Ann Rosenberg
Title: Assistant Vice President

CARNIVAL CORPORATION

and

U.S. BANK TRUST NATIONAL ASSOCIATION,

As Trustee

FIRST SUPPLEMENTAL INDENTURE

DATED AS OF APRIL 25, 2001

Supplemental to Indenture

DATED AS OF APRIL 25, 2001

Creating a series of Securities
designated
2% Convertible Senior Debentures due 2021

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CARNIVAL CORPORATION

FIRST SUPPLEMENTAL INDENTURE

THIS FIRST SUPPLEMENTAL INDENTURE, dated as of April 25, 2001, between Carnival Corporation, a corporation organized and existing under the laws of the Republic of Panama (the "Company"), and U.S. Bank Trust National Association, a national banking association organized and existing under the laws of the United States of America (the "Trustee").

WITNESSETH

WHEREAS, the Company has heretofore executed and delivered to the Trustee an Indenture, dated as of April 25, 2001 (the "Indenture"), providing for the issuance from time to time of its debentures, notes, bonds or other evidences of indebtedness (hereinafter called "Securities") in one or more fully registered series;

WHEREAS, Section 9.1(7) of the Indenture provides that the Company and the Trustee may from time to time enter into one or more indentures supplemental thereto to establish the form or terms of Securities of a new series;

WHEREAS, Section 3.1 of the Indenture provides that the Company may enter into supplemental indentures to establish the terms and provisions of a series of Securities issued pursuant to the Indenture;

WHEREAS, the Company desires to issue 2% Convertible Senior Debentures due 2021 (the "2021 Debentures"), a new series of Security, the issuance of which was authorized by resolution of the Board of Directors of the Company, dated April 20, 2001;

WHEREAS, the Company, pursuant to the foregoing authority, proposes in and by this First Supplemental Indenture (the "Supplemental Indenture") to supplement and amend in certain respects the Indenture insofar as it will apply only to the 2021 Debentures (and not to any other series); and

WHEREAS, all things necessary have been done to make the 2021 Debentures, when executed by the Company and authenticated and delivered hereunder and duly issued by the Company, the valid obligations of the Company, and to make this Supplemental Indenture a valid agreement of the Company, in accordance with their and its terms.

NOW THEREFORE:

In consideration of the premises provided for herein, the Company and the Trustee mutually covenant and agree for the equal and proportionate benefit of all Holders of the 2021 Debentures as follows:

ARTICLE ONE

DEFINITIONS AND OTHER
PROVISIONS OF GENERAL APPLICATION

Section 101 DEFINITIONS. For all purposes of the Indenture and this Supplemental Indenture relating to the series of Securities (consisting of Debentures) created hereby, except as otherwise expressly provided or unless the context otherwise requires, the terms defined in this Article have the meanings assigned to them in this Article. Each capitalized term that is used in this Supplemental Indenture but not defined herein shall have the meaning specified in the Indenture.

"AGENT MEMBERS" has the meaning specified in Section 201.

"APPLICABLE PROCEDURES" means, with respect to any transfer or exchange of beneficial ownership interests in a Global Security, the rules and procedures of the Depository that are applicable to such transfer or exchange.

"BENEFICIAL OWNER" has the meaning specified in Section 701(a).

"CAPITAL STOCK" or "CAPITAL STOCK" of any Person means any and all shares, interests, partnership interests, participations, rights or other equivalents (however designated) of equity interests (however designated) issued by that Person.

"CERTIFICATED SECURITY" means a Security that is in substantially the form attached hereto as ANNEX A.

"CHANGE IN CONTROL" has the meaning specified in Section 701.

"CHANGE IN CONTROL PURCHASE DATE" has the meaning specified in Section 701.

"CHANGE IN CONTROL PURCHASE NOTICE" has the meaning specified in Section 701.

"CHANGE IN CONTROL PURCHASE PRICE" has the meaning specified in Section 701.

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

"COMMON STOCK" means the common stock, par value \$0.01 per share, of the Company as it exists on the date of this Supplemental Indenture or any other shares of Capital Stock of the Company into which such common stock is reclassified or changed.

"COMPANY NOTICE DATE" has the meaning specified in Section 603.

"CONSOLIDATED NET WORTH" means, at any time, the Net Worth of the Company and its Subsidiaries on a consolidated basis determined in accordance with GAAP.

"CONVERSION AGENT" shall be the agent specified in Section 201.

"CONVERSION DATE" has the meaning specified in Section 405.

"CONVERSION RATE" has the meaning specified in Section 401.

"DEPOSITARY" has the meaning specified in Section 201(a).

"DETERMINATION DATE" has the meaning specified in Section 409(d)(1).

"DTC" has the meaning specified in Section 201(a).

"EXCHANGE ACT" means the Securities Exchange Act of 1934, as amended, or any successor statute.

"EXPIRATION DATE" has the meaning specified in Section 409(d)(2).

"EXPIRATION TIME" has the meaning specified in Section 409(d)(2).

"EXCESS 2021 DEBENTURES" has the meaning specified in Section 214.

"GAAP" means generally accepted accounting principles as in effect on the date of this Supplemental Indenture in the United States.

"GLOBAL SECURITY" means a permanent Global Security that is in substantially the form attached hereto as ANNEX A and that includes the information and schedule called for by footnotes 1, 3 and 4 thereof and which is deposited with the Depositary or the Securities Custodian and registered in the name of the Depositary or its nominee.

"INDENTURE" has the meaning specified in the recitals.

"INSTITUTIONAL ACCREDITED INVESTORS" has the meaning specified in Section 201(b).

"ISSUE DATE" of any 2021 Debenture means the date on which the 2021 Debenture was originally issued or deemed issued as set forth on the face of the 2021 Debenture.

"LIQUIDATED DAMAGES" shall have the meaning set forth in the Registration Rights Agreement.

"MARKET PRICE" has the meaning specified in Section 604.

"NET WORTH" means, at any time with respect to the Company or a Subsidiary thereof, the net worth of the Company or such Subsidiary, as the case may be, determined in accordance with GAAP.

"NYSE" has the meaning specified in Section 409(e).

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

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

(2) Securities for whose payment, repurchase or redemption money or Common Stock in the necessary amount has been theretofore deposited with the Trustee or any Paying Agent (other than the Company) in trust or set aside and segregated in trust by the Company (if the Company shall act as its own Paying Agent) for the Holders of such Securities; provided that, if such Securities are to be redeemed, notice of such redemption has been duly given pursuant to this Indenture or provision therefor satisfactory to the Trustee has been made;

(3) Securities which have been cancelled pursuant to Section 3.9 of the Indenture or in exchange for or in lieu of which other Securities have been authenticated and delivered pursuant to this Indenture, other than any such Securities in respect of which there shall have been presented to the Trustee proof satisfactory to it that such Securities are held by a bona fide purchaser in whose hands such Securities are valid obligations of the Company; and

(4) Securities converted into Common Stock pursuant to the terms of the Indenture or such Securities;

PROVIDED, HOWEVER, that in determining whether the Holders of the requisite principal amount of the Outstanding Securities have given any request, demand, authorization, direction, notice, consent or waiver hereunder, Securities owned by the Company or any other obligor upon the Securities or any Affiliate of the Company or of such other obligor shall be disregarded and deemed not to be Outstanding, except that, in determining whether the Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Securities which the Trustee knows to be so owned shall be so disregarded. Securities so owned which have been pledged in good faith may be regarded as Outstanding if the pledgee establishes to the satisfaction of the Trustee the pledgee's right so to act with respect to such Securities and that the pledgee is not the Company or any other obligor upon the Securities or any Affiliate of the Company or of such other obligor.

"PERMITTED HOLDERS" has the meaning specified in Section 701(a).

"PURCHASED SHARES" has the meaning specified in Section 409(d)(2).

"purchases" has the meaning specified in Section 409(d)(3).

"QIB" has the meaning specified in Section 201(a).

"REGISTRATION RIGHTS AGREEMENT" means the Registration Rights Agreement, dated as of April 25, 2001, between the Company and Merrill Lynch & Co., Merrill Lynch, Pierce, Fenner & Smith Incorporated.

"REPURCHASE DATE" has the meaning specified in Section 601.

"REPURCHASE NOTICE" has the meaning specified in Section 601.

"REPURCHASE PRICE" has the meaning specified in Section 601.

"RESTRICTED CERTIFICATED SECURITY" means a Certificated Security which is a Transfer Restricted Security.

"RESTRICTED GLOBAL SECURITY" means a Global Security that is a Transfer Restricted Security.

"RULE 144" means Rule 144 under the Securities Act or any successor to such Rule.

"RULE 144A" means Rule 144A under the Securities Act or any successor to such Rule.

"SALE PRICE" has the meaning specified in Section 604.

"SECURITIES" has the meaning specified in the preamble of this Supplemental Indenture.

"SECURITIES ACT" means the Securities Act of 1933, as amended, or any successor statute.

"SECURITIES CUSTODIAN" means the Trustee, as custodian with respect to the Securities in global form, or any successor thereto.

"SIGNIFICANT SUBSIDIARY" means any Subsidiary, the Net Worth of which represents more than 10% of the Consolidated Net Worth of the Company and its Subsidiaries.

"SUPPLEMENTAL INDENTURE" has the meanings specified in the recitals.

"TENDER OFFER" has the meaning specified in Section 409(d)(3).

"TENDERED SHARES" has the meaning specified in Section 409(d)(3).

"TRADING DAY" means a day during which trading in securities generally occurs on the New York Stock Exchange or, if the Common Stock is not listed on the New York Stock Exchange, on the principal other national or regional securities exchange on which the Common Stock is then listed or, if the Common Stock is not listed on a national or regional securities exchange, on the National Association of Securities Dealers Automated Quotation System or, if the Common Stock is not quoted on the National Association of Securities Dealers Automated Quotation System, on the other principal market on which the Common Stock is then traded.

"TRANSFER CERTIFICATE" has the meaning specified in Section 202(b)(1).

"TRANSFER RESTRICTED SECURITIES" has the meaning specified in Section 202(f)(1).

"TRIGGER EVENT" has the meaning specified in Section 409(c).

"TRIGGERING DISTRIBUTION" has the meaning specified in Section 409(d)(1).

"2021 DEBENTURES" has the meaning specified in the recitals.

"UNRESTRICTED CERTIFICATED SECURITY" means a Certificated Security which is not a Transfer Restricted Security.

"UNRESTRICTED GLOBAL SECURITY" means a Global Security which is not a Transfer Restricted Security.

"VOTING STOCK" means any class or classes of Capital Stock pursuant to which the holders thereof under ordinary circumstances have the power to vote in the election of the board of directors, managers or trustees of any Person (or other Persons performing similar functions), irrespective of whether or not, at the time, Capital Stock of any other class or classes shall have, or might have, voting power by reason of the happening of any contingency.

ARTICLE TWO

THE 2021 DEBENTURES

Section 201 DESIGNATION OF 2021 DEBENTURES; ESTABLISHMENT OF FORM.

There shall be a series of Securities designated "2% Convertible Senior Debentures due 2021" of the Company, and the form thereof shall be substantially as set forth in ANNEX A hereto, which is incorporated into and shall be deemed a part of this Supplemental Indenture, with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by the Indenture, and may have such letters, numbers or other marks of identification and such legends or endorsements placed thereon as may be required to comply with the rules of any securities exchange or as may, consistently herewith, be determined by the officers of the Company executing such 2021 Debentures, as evidenced by their execution of the 2021 Debentures.

(a) RESTRICTED GLOBAL SECURITIES. All of the 2021 Debentures are initially being offered and sold to qualified institutional buyers as defined in Rule 144A (collectively, "QIBs" or individually a "QIB") in reliance on Rule 144A under the Securities Act and shall be issued initially in the form of one or more Restricted Global Securities, which shall be deposited on behalf of the purchasers of the 2021 Debentures represented thereby with the Trustee, at its Corporate Trust Office, as Securities Custodian for the depositary, The Depository Trust Company ("DTC") (such depositary, or any successor thereto, being hereinafter referred to as the "Depositary"), and registered in the name of its nominee, Cede & Co., duly executed by the Company and authenticated by the Trustee as hereinafter provided. The aggregate principal amount of a Restricted Global Security may from time to time be increased or decreased by adjustments made on the records of the Securities Custodian as hereinafter provided, subject in each case to compliance with the Applicable Procedures.

(b) INSTITUTIONAL ACCREDITED INVESTOR SECURITIES. Except as provided in this Section 201 or Section 202, owners of beneficial interests in Global Securities will not be entitled to receive physical delivery of Certificated Securities. Securities offered and sold within the United States to institutional accredited investors as defined in Rule 501(a)(1), (2), (3) and (7) under the Securities Act ("Institutional Accredited Investors") shall be issued, initially in the form of Certificated Securities, duly executed by the Company and authenticated by the Trustee as hereinafter provided.

(c) GLOBAL SECURITIES IN GENERAL. Each Global Security shall represent such of the Outstanding 2021 Debentures as shall be specified therein and each shall provide that it shall represent the aggregate principal amount of Outstanding 2021 Debentures from time to time endorsed thereon and that the aggregate principal amount of Outstanding 2021 Debentures represented thereby may from time to time be reduced or increased, as appropriate, to reflect exchanges, redemptions, purchases or conversions of such 2021 Debentures. Any endorsement of a Global Security to reflect the amount of any increase or decrease in the principal amount of Outstanding 2021 Debentures represented thereby shall be made by the Securities Custodian in accordance with the standing instructions and procedures existing between the Depository and the Securities Custodian.

Neither any members of, or participants in, the Depository ("Agent Members") nor any other Persons on whose behalf Agent Members may act shall have rights under this Indenture with respect to any Global Security held in the name of the Depository or any nominee thereof, or under the Global Security, and the Depository (including, for this purpose, its nominee) may be treated by the Company, the Trustee and any agent of the Company or the Trustee as the absolute owner and Holder of such Global Security for all purposes whatsoever. Notwithstanding the foregoing, nothing herein shall (A) prevent the Company, the Trustee or any agent of the Company or the Trustee from giving effect to any written certification, proxy or other authorization furnished by the Depository or (B) impair, as between the Depository, its Agent Members and any other Person on whose behalf an Agent Member may act, the operation of customary practices governing the exercise of the rights of a Holder of any 2021 Debenture.

(d) CERTIFICATED SECURITIES. Certificated Securities shall be issued only under the limited circumstances provided in Sections 201(b), 202(a)(1) and 202(b) hereof.

(e) PAYING AGENT AND CONVERSION AGENT. The Company shall maintain an office or agency where 2021 Debentures may be presented for purchase or payment ("Paying Agent") and an office or agency where 2021 Debentures may be presented for conversion ("Conversion Agent"). The Company may have one or more additional paying agents and one or more additional conversion agents.

The Company shall enter into an appropriate agency agreement with any Paying Agent or Conversion Agent (other than the Trustee). The agreement shall implement the provisions of this Indenture that relate to such agent. The Company shall notify the Trustee of the name and address of any such agent. If the Company fails to maintain a Paying Agent or Conversion Agent, the Trustee shall act as such and shall be entitled to appropriate compensation therefor pursuant to Section 6.7 of the Indenture. The Company or any Subsidiary or an Affiliate of either of them may act as Paying Agent or Conversion Agent.

The Company initially appoints the Trustee as Conversion Agent and Paying Agent in connection with the 2021 Debentures.

(a) TRANSFER AND EXCHANGE OF GLOBAL SECURITIES.

(1) Except as provided in Section 202(b), Certificated Securities shall be issued in exchange for interests in the Global Securities only if (x) the Depository notifies the Company that it is unwilling or unable to continue as depository for the Global Securities or if it at any time ceases to be a "clearing agency" registered under the Exchange Act if so required by applicable law or regulation and a successor depository is not appointed by the Company within 90 days, or (y) an Event of Default has occurred and is continuing. In either case, the Company shall execute, and the Trustee shall, upon receipt of a Company Order (which the Company agrees to deliver promptly), authenticate and deliver Certificated Securities in an aggregate principal amount equal to the principal amount of such Global Securities in exchange therefor. Only Restricted Certificated Securities shall be issued in exchange for beneficial interests in Restricted Global Securities, and only Unrestricted Certificated Securities shall be issued in exchange for beneficial interests in Unrestricted Global Securities. Certificated Securities issued in exchange for beneficial interests in Global Securities shall be registered in such names and shall be in such authorized denominations as the Depository, pursuant to instructions from its direct or indirect participants or otherwise, shall instruct the Trustee. The Trustee shall deliver or cause to be delivered such Certificated Securities to the persons in whose names such Securities are so registered. Such exchange shall be effected in accordance with the Applicable Procedures. Nothing herein shall require the Trustee to communicate directly with beneficial owners, and the Trustee shall in connection with any transfers hereunder be entitled to rely on instructions received through the registered Holder.

In the event that Certificated Securities are issued in exchange for beneficial interests in Global Securities in accordance with the foregoing paragraph and, thereafter, the events or conditions specified in this Section 202(a)(1) which required such exchange shall have ceased to exist, the Company shall mail notice to the Trustee and to the Holders stating that Holders may exchange Certificated Securities for interests in Global Securities by complying with the procedures set forth in this Indenture and briefly describing such procedures and the events or circumstances requiring that such notice be given.

(2) Notwithstanding any other provisions of this Supplemental Indenture other than the provisions set forth in Section 202(a)(1) hereof, a Global Security may not be transferred, except as a whole by the Depository to a nominee of the Depository or by a nominee of the Depository to the Depository or another nominee of the Depository or by the Depository or any such nominee to a successor Depository or a nominee of such successor Depository. Nothing in this Section 202(a)(2) shall prohibit or render ineffective any transfer of a beneficial interest in a Global Security effected in accordance with the other provisions of this Section 202.

(b) RESTRICTIONS ON TRANSFER OF A BENEFICIAL INTEREST IN A GLOBAL SECURITY FOR A CERTIFICATED SECURITY. A beneficial interest in a Global Security may not be exchanged for a

Certificated Security except upon satisfaction of the requirements set forth below. Upon receipt by the Trustee of a request in the form satisfactory to the Trustee from the Depository or its nominee on behalf of a person having a beneficial interest in a Global Security to register the transfer of all or a portion of such beneficial interest in accordance with Applicable Procedures for a Certificated Security, together with:

(1) in the case of a request to register the transfer of a beneficial interest in a Restricted Global Security, a certificate (a "TRANSFER CERTIFICATE"), in substantially the form set forth in Exhibit B-1, and a certification in substantially the form set forth in Exhibit B-2, that such beneficial interest in the Restricted Global Security is being transferred to an Institutional Accredited Investor;

(2) written instructions to the Trustee to make, or direct the Security Registrar to make, an adjustment on its books and records with respect to such Global Security to reflect a decrease in the aggregate principal amount of the 2021 Debentures represented by the Global Security, such instructions to contain information regarding the Depository account to be credited with such decrease; and

(3) if the Company or the Trustee so requests, a customary opinion of counsel, certificates and other information reasonably acceptable to them as to the compliance with the restrictions set forth in the legend described in Section 202(f)(1),

then the Trustee shall cause, or direct the Security Registrar to cause, in accordance with the standing instructions and procedures existing between the Depository and the Security Registrar, the aggregate principal amount of 2021 Debentures represented by the Global Security to be decreased by the aggregate principal amount of the Certificated Security to be issued, shall authenticate and deliver such Certificated Security and shall debit or cause to be debited to the account of the Person specified in such instructions a beneficial interest in the Global Security equal to the principal amount of the Certificated Security so issued.

(c) TRANSFER AND EXCHANGE OF CERTIFICATED SECURITIES. When Certificated Securities are presented by a Holder to a Security Registrar with a request:

(1) to register the transfer of the Certificated Securities to a person who will take delivery thereof in the form of Certificated Securities only; or

(2) to exchange such Certificated Securities for an equal principal amount of Certificated Securities of other authorized denominations,

such Security Registrar shall register the transfer or make the exchange as requested; PROVIDED, HOWEVER, that the Certificated Securities presented or surrendered for register of transfer or exchange:

(1) shall be duly endorsed or accompanied by a written instrument of transfer in accordance with the fifth paragraph of Section 3.5 of the Indenture; and

(2) in the case of a Restricted Certificated Security, such request shall be accompanied by the following additional information and documents, as applicable:

(A) if such Restricted Certificated Security is being delivered to the Security Registrar by a Holder for registration in the name of such Holder, without transfer, or such Restricted Certificated Security is being transferred to the Company or a Subsidiary of the Company, a certification to that effect from such Holder (in substantially the form set forth in the Transfer Certificate)

(B) if such Restricted Certificated Security is being transferred to a person the Holder reasonably believes is a QIB in accordance with Rule 144A or pursuant to an effective registration statement under the Securities Act, a certification to that effect from such Holder (in substantially the form set forth in the Transfer Certificate); or

(C) if such Restricted Certificated Security is being transferred to an Institutional Accredited Investor, a certification to that effect from such Holder (in substantially the form set forth in the Transfer Certificate), a certification from the Institutional Accredited Investor to whom such Restricted Certificated Security is being transferred in substantially the form set forth in Exhibit B-2, and, if the Company or such Security Registrar so requests, a customary opinion of counsel, certificates and other information reasonably acceptable to them as to the compliance with the restrictions set forth in the legend described in Section 202(f)(1).

(D) if such Restricted Certificated Security is being transferred (i) pursuant to an exemption from the registration requirements of the Securities Act in accordance with Rule 144 or (ii) pursuant to an exemption from the registration requirements of the Securities Act (other than pursuant to Rule 144A or Rule 144) and as a result of which, in the case of a Security transferred pursuant to this clause (ii), such Security shall cease to be a "restricted security" within the meaning of Rule 144, a certification to that effect from the Holder (in substantially the form set forth in the Transfer Certificate) and, if the Company or such Security Registrar so requests, a customary opinion of counsel, certificates and other information reasonably acceptable to the Company and such Security Registrar to the effect that such transfer is in compliance with the Securities Act.

(d) TRANSFER OF A BENEFICIAL INTEREST IN A RESTRICTED GLOBAL SECURITY FOR A BENEFICIAL INTEREST IN AN UNRESTRICTED GLOBAL SECURITY. Any person having a beneficial interest in a Restricted Global Security may upon request, subject to the Applicable Procedures, transfer such beneficial interest to a person who is required or permitted to take delivery thereof in the form of an Unrestricted Global Security. Upon receipt by the Trustee of written instructions or such other form of instructions as is customary for the Depositary, from the Depositary or its nominee on behalf of any person having a beneficial interest in a Restricted Global Security and the following additional information and documents in such form as is customary for the Depositary from the Depositary or its nominee on behalf of the person having such beneficial

interest in the Restricted Global Security (all of which may be submitted by facsimile or electronically):

(1) if such beneficial interest is being transferred pursuant to an effective registration statement under the Securities Act, a certification to that effect from the transferor (in substantially the form set forth in the Transfer Certificate); or

(2) if such beneficial interest is being transferred (i) pursuant to an exemption from the registration requirements of the Securities Act in accordance with Rule 144 or (ii) pursuant to an exemption from the registration requirements of the Securities Act (other than pursuant to Rule 144A or Rule 144) and as a result of which, in the case of a Security transferred pursuant to this clause (ii), such Security shall cease to be a "restricted security" within the meaning of Rule 144, a certification to that effect from the transferor (in substantially the form set forth in the Transfer Certificate) and, if the Company or the Trustee so requests, a customary opinion of counsel, certificates and other information reasonably acceptable to the Company and the Trustee to the effect that such transfer is in compliance with the Securities Act,

the Trustee, as a Security Registrar and Securities Custodian, shall reduce or cause to be reduced the aggregate principal amount of the Restricted Global Security by the appropriate principal amount and shall increase or cause to be increased the aggregate principal amount of the Unrestricted Global Security by a like principal amount. Such transfer shall otherwise be effected in accordance with the Applicable Procedures. If no Unrestricted Global Security is then outstanding, the Company shall execute and the Trustee shall, upon receipt of a Company Order (which the Company agrees to deliver promptly), authenticate and deliver an Unrestricted Global Security.

(e) TRANSFERS OF CERTIFICATED SECURITIES FOR BENEFICIAL INTEREST IN GLOBAL SECURITIES. If Certificated Securities are presented by a Holder to a Security Registrar with a request:

(1) to register the transfer of such Certificated Securities to a person who will take delivery thereof in the form of a beneficial interest in a Global Security, which request shall specify whether such Global Security will be a Restricted Global Security or an Unrestricted Global Security; or

(2) to exchange such Certificated Securities for an equal principal amount of beneficial interests in a Global Security, which beneficial interests will be owned by the Holder transferring such Certificated Securities (provided that in the case of such an exchange, Restricted Certificated Securities may be exchanged only for Restricted Global Securities and Unrestricted Certificated Securities may be exchanged only for Unrestricted Global Securities),

the Security Registrar shall register the transfer or make the exchange as requested by canceling such Certificated Security and causing, or directing the Securities Custodian to cause, the aggregate principal amount of the applicable Global Security to be increased accordingly and, if no such Global Security is then outstanding, the Company shall issue and the Trustee shall

authenticate and deliver a new Global Security; provided, however, that the Certificated Securities presented or surrendered for registration of transfer or exchange:

(1) shall be duly endorsed or accompanied by a written instrument of transfer in accordance with the fifth paragraph of Section 3.5 of the Indenture;

(2) in the case of a Restricted Certificated Security to be transferred for a beneficial interest in an Unrestricted Global Security, such request shall be accompanied by the following additional information and documents, as applicable:

(A) if such Restricted Certificated Security is being transferred pursuant to an effective registration statement under the Securities Act, a certification to that effect from such Holder (in substantially the form set forth in the Transfer Certificate); or

(B) if such Restricted Certificated Security is being transferred pursuant to (i) an exemption from the registration requirements of the Securities Act in accordance with Rule 144 or (ii) pursuant to an exemption from the registration requirements of the Securities Act (other than pursuant to Rule 144A or Rule 144) and as a result of which, in the case of a Security transferred pursuant to this clause (ii), such Security shall cease to be a "restricted security" within the meaning of Rule 144, a certification to that effect from such Holder (in substantially the form set forth in the Transfer Certificate), and, if the Company or the Security Registrar so requests, a customary opinion of counsel, certificates and other information reasonably acceptable to the Company and the Trustee to the effect that such transfer is in compliance with the Securities Act;

(3) in the case of a Restricted Certificated Security to be transferred or exchanged for a beneficial interest in a Restricted Global Security, such request shall be accompanied by a certification from such Holder (in substantially the form set forth in the Transfer Certificate) to the effect that such Restricted Certificated Security is being transferred to a person the Holder reasonably believes is a QIB (which, in the case of an exchange, shall be such Holder) in accordance with Rule 144A; and

(4) in the case of an Unrestricted Certificated Security to be transferred or exchanged for a beneficial interest in an Unrestricted Global Security, such request need not be accompanied by any additional information or documents.

(f) LEGENDS.

(1) Except as permitted by the following paragraphs (2) and (3), each Global Security and Certificated Security (and all Securities issued in exchange therefor or upon registration of transfer or replacement thereof and any Common Stock issuable upon conversion thereof) shall bear a legend in substantially the form called for by footnote 2 to ANNEX A hereto (each a "TRANSFER RESTRICTED SECURITY" for so long as such Security or Common Stock issuable upon conversion thereof is required by this Indenture to bear such legend). Each Transfer Restricted Security shall have attached thereto a Transfer Certificate in substantially the form set forth in EXHIBIT B-1 hereto.

(2) Upon any sale or transfer of a Transfer Restricted Security (x) pursuant to Rule 144, (y) pursuant to an effective registration statement under the Securities Act or (z) pursuant to any other available exemption (other than Rule 144A) from the registration requirements of the Securities Act and as a result of which, in the case of a Security transferred pursuant to this clause (z), such Security shall cease to be a "restricted security" within the meaning of Rule 144:

(A) in the case of any Restricted Certificated Security, any Security Registrar shall permit the Holder thereof to exchange such Restricted Certificated Security for an Unrestricted Certificated Security, or (under the circumstances described in Section 202(e) hereof) to transfer such Restricted Certificated Security to a transferee who shall take such Security in the form of a beneficial interest in an Unrestricted Global Security, and in each case shall rescind any restriction on the transfer of such Security; PROVIDED, HOWEVER, that the Holder of such Restricted Certificated Security shall, in connection with such exchange or transfer, comply with the other applicable provisions of this Section 202; and

(B) in the case of any beneficial interest in a Restricted Global Security, the Trustee shall permit the beneficial owner thereof to transfer such beneficial interest to a transferee who shall take such interest in the form of a beneficial interest in an Unrestricted Global Security and shall rescind any restriction on transfer of such beneficial interest; PROVIDED, HOWEVER, that such Unrestricted Global Security shall continue to be subject to the provisions of Section 202(a)(2) hereof, and PROVIDED FURTHER, HOWEVER, that the owner of such beneficial interest shall, in connection with such transfer, comply with the other applicable provisions of this Section 202.

(3) Upon the exchange, registration of transfer or replacement of Securities not bearing the legend described in paragraph (1) above, the Company shall execute, the Trustee shall authenticate and deliver Securities that do not bear such legend and which do not have a Transfer Certificate attached thereto.

(g) TRANSFERS TO THE COMPANY. Nothing in this Supplemental Indenture or in the Securities shall prohibit the sale or other transfer of any Securities (including beneficial interests in Global Securities) to the Company or any of its Subsidiaries, which Securities shall thereupon be canceled in accordance Section 3.9 of the Indenture.

Section 203 AMOUNT.

(a) The Trustee shall authenticate and deliver 2021 Debentures for original issue in an aggregate principal amount of up to \$600,000,000 upon a Company Order for the authentication and delivery of 2021 Debentures, without any further action by the Company. The aggregate principal amount of 2021 Debentures that may be authenticated and delivered under the Indenture may not exceed the amount set forth in the foregoing sentence, except for 2021 Debentures authenticated and delivered upon registration of transfer of, or in exchange for, or in lieu of, other 2021 Debentures pursuant to Section 202 of this Supplemental Indenture or Section 2.4, 3.4, 3.5, 3.6 or 11.7 of the Indenture.

(b) The Company may not issue new 2021 Debentures to replace 2021 Debentures that it has paid or delivered to the Trustee for cancellation or that any Holder has converted pursuant to Article Four.

Section 204 INTEREST.

The principal of the 2021 Debentures shall bear interest at the rate of 2% per annum from April 25, 2001 or from the most recent Interest Payment Date to which interest has been paid or duly provided for, payable semiannually in arrears on April 15 and October 15 of each year, commencing October 15, 2001, to the Persons in whose names the 2021 Debentures are registered at the close of business on the April 1 or October 1 (whether or not a Business Day), as the case may be, next preceding such Interest Payment Date. Interest on the 2021 Debentures will be computed on the basis of a 360-day year comprised of twelve 30-day months.

Section 205 LIQUIDATED DAMAGES.

Liquidated Damages with respect to the 2021 Debentures shall be payable in accordance with the provisions and in the amounts set forth in the Registration Rights Agreement.

Section 206 DENOMINATIONS.

The 2021 Debentures shall be in fully registered form without coupons in denominations of \$1,000 of principal amount or any integral multiple thereof.

Section 207 PLACE OF PAYMENT.

The Place of Payment for the 2021 Debentures and the place or places where the 2021 Debentures may be surrendered for registration of transfer, exchange, repurchase, redemption or conversion and where notices may be given to the Company in respect of the 2021 Debentures is at the office of the Trustee in New York, New York and at the agency of the Trustee maintained for that purpose at the office of the Trustee; PROVIDED, HOWEVER, that payment of interest may be made at the option of the Company by check mailed to the address of the Person entitled thereto as such address shall appear in the Security Register (as defined in the Indenture).

Section 208 REDEMPTION.

(a) There shall be no sinking fund for the retirement of the 2021 Debentures.

(b) The Company, at its option, may redeem the 2021 Debentures on or after April 15, 2008 in accordance with the provisions and at the Redemption Price set forth under the captions "Optional Redemption" and "Notice of Redemption" in the 2021 Debentures and in accordance with the provisions of the Indenture and this Supplemental Indenture, including, without limitation, Article Five.

Section 209 CONVERSION.

The 2021 Debentures shall be convertible in accordance with the provisions and at the Conversion Rate set forth under the caption "Conversion" in the 2021 Debentures and in

accordance with the provisions of the Indenture and this Supplemental Indenture, including, without limitation, Article Four.

Section 210 STATED MATURITY.

The date on which the principal of the 2021 Debentures is due and payable, unless earlier converted, accelerated, redeemed or repurchased pursuant to the Indenture or this Supplemental Indenture, shall be April 15, 2021.

Section 211 REPURCHASE.

(a) The 2021 Debentures shall be repurchased by the Company, at the option of the Holder in accordance with the provisions and at the Repurchase Price set forth under the caption "Repurchase by the Company at the Option of the Holder" in the 2021 Debentures and in accordance with the provisions of the Indenture and this Supplemental Indenture, including, without limitation, Article Six.

(b) The 2021 Debentures shall be purchased by the Company in accordance with the provisions and at the Change in Control Purchase Price set forth under the caption "Purchase of Securities at Option of Holder Upon a Change in Control" in the 2021 Debentures and in accordance with the provisions of this Supplemental Indenture, including, without limitation, Article Seven.

Section 212 DISCHARGE OF LIABILITY ON 2021 DEBENTURES.

The 2021 Debentures may be discharged by the Company in accordance with the provisions of Article Four of the Indenture, as amended by Section 305 hereof.

Section 213 OTHER TERMS OF 2021 DEBENTURES.

Without limiting the foregoing provisions of this Article, the terms of the 2021 Debentures shall be as set forth in the form of the 2021 Debentures set forth in ANNEX A hereto and as provided in the Indenture.

Section 214 OWNERSHIP LIMITATION ON 2021 DEBENTURES

The 2021 Debentures shall have the following ownership limitations, as set forth more fully in Annex B.

No Holder of 2021 Debentures shall effect a transfer of a 2021 Debenture which would result in the ownership, whether direct, indirect or by construction, by any one Person or group of related Persons by virtue of the attribution provisions of the Code, other than Arison holders, of more than 4.9% of the Company's Common Stock, whether measured by vote, value or number of shares. For purposes of calculating a holder's Common Stock holdings, the conversion of the 2021 Debentures and other convertible securities issued by the Company held by such Person or group of Persons shall be deemed effected. If any Person attempts to acquire 2021 Debentures in violation of the 4.9% ownership limitation, the putative transfer to such Person shall be void, and the intended transferee shall acquire no rights to the 2021 Debentures.

For purposes of this 4.9% limitation, a "transfer" will include any sale, transfer, gift, assignment, devise or other disposition, whether voluntary or involuntary, whether of record, constructively or beneficially, and whether by operation of law or otherwise.

Upon any prohibited transfer of 2021 Debentures resulting in the ownership of 2021 Debentures and shares of Common Stock by any person in violation of the 4.9% limit or causing the Company to be subject to United States federal shipping or aircraft income taxation, those debentures the ownership of which is in excess of the 4.9% limit or would cause the Company to be subject to United States federal shipping or aircraft income tax shall automatically be designated as "Excess 2021 Debentures."

The Company may waive such 4.9% limit and related transfer restrictions if evidence satisfactory to the Company's board of directors and tax counsel is presented that such ownership will not jeopardize the Company's exemption from United States income taxation on gross income from the international operation of a ship or ships, within the meaning of Section 883 of the Code. The board of directors may also terminate the 4.9% limit and transfer restrictions generally at any time for any reason.

Excess 2021 Debentures shall be transferred to a trust. The trustee of such trust shall be appointed by the Company and shall be independent of the Company and the purported holder of the Excess 2021 Debentures. The beneficiary of such trust shall be one or more charitable organizations selected by the trustee of such trust. The trust shall be deemed to own the 2021 Debentures on behalf of the beneficiary of such trust on the day prior to the date of the putative violative transfer.

At the direction of the Company's board of the directors, the trustee of such trust shall transfer the Excess 2021 Debentures held in trust to a person or persons (including the Company) whose ownership of such Excess 2021 Debentures shall not violate the 4.9% limit or otherwise cause the Company to become subject to United States shipping income tax within 180 days after the later of the transfer or other event that resulted in such Excess 2021 Debentures or the Company becomes aware of such transfer or event. If such a transfer is made, the interest of the charitable beneficiary will terminate, the designation of 2021 Debentures shares as Excess 2021 Debentures will cease and the holder of the Excess 2021 Debentures will receive the payment that reflects a price per debenture for such Excess 2021 Debentures equal to the lesser of (i) the price received by the trustee of such trust for the sale or other disposition of the 2021 Debentures held in trust, and (ii) the price paid by the prohibited transferee for the 2021 Debentures, or, if the prohibited transferee did not give value for such 2021 Debentures, the market price of the 2021 Debentures on the date of the event that resulted in the Excess 2021 Debentures. A prohibited transferee or holder of the Excess 2021 Debentures will not be permitted to receive an amount that reflects any appreciation in the Excess 2021 Debentures during the period that such Excess 2021 Debentures were outstanding. Any amount received in excess of the amount permitted to be received by the prohibited transferee or holder of the Excess 2021 Debentures shall be turned over to the charitable beneficiary of the trust.

In the event that the foregoing restrictions are determined to be void or invalid by virtue of any legal decision, statute, rule or regulation, then the intended transferee or holder of any Excess 2021 Debentures may be deemed, at the Company's option, to have acted as an agent on

the Company's behalf in acquiring or holding such Excess 2021 Debentures and to hold such Excess 2021 Debentures on the Company's behalf.

The Company shall have the right to purchase any Excess 2021 Debentures held by the trust for a period of 90 days from the later of (i) the date the transfer or other event resulting in Excess 2021 Debentures has occurred and (ii) the date the Company determines in good faith that a transfer or other event resulting in Excess 2021 Debentures has occurred. The price per Excess 2021 Debenture to be paid by the Company shall be equal to the lesser of (i) the price per debenture paid in the transaction that created such Excess 2021 Debentures (or, in the case of certain other events, the market price per debenture for the Excess 2021 Debentures on the date of such event), or (ii) the lowest market price for the Excess 2021 Debentures at any time after their designation as Excess 2021 Debentures and prior to the date the Company accepts such offer.

The Trustee shall have no responsibility to monitor the ownership of the 2021 Debentures.

Section 215 PAYMENTS OF ADDITIONAL AMOUNTS.

Sections 10.5 and 11.8 of the Indenture shall apply to the 2021 Debentures.

ARTICLE THREE

AMENDMENTS TO THE INDENTURE

Section 301 PROVISIONS APPLICABLE ONLY TO 2021 DEBENTURES.

The Provisions contained herein shall apply to the 2021 Debentures only and not to any other series of Security issued under the Indenture and any covenants provided herein are expressly being included solely for the benefit of the 2021 Debentures and not for the benefit of any other series of Security issued under the Indenture. These amendments shall be effective for so long as there remain any 2021 Debentures Outstanding.

Section 302 REGISTRATION, REGISTRATION OF TRANSFER AND EXCHANGE.

The Indenture is hereby amended, subject to Section 301 hereof and with respect to the 2021 Debentures only, by replacing the seventh paragraph of Section 3.5 with the following paragraph:

The Company shall not be required (i) to issue, register the transfer of or exchange the Securities of any series during a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of Securities of that series selected for redemption and ending at the close of business on the day of such mailing, (ii) to register the transfer of or exchange any 2021 Debenture so selected for redemption in whole or in part, except the unredeemed portion of any 2021 Debenture being redeemed in part, or (iii) to exchange or register a transfer of any 2021 Debenture or portions thereof in respect of which a Change in Control Purchase Notice or Repurchase Notice has been delivered and not withdrawn by the

Holder thereof (except, in the case of the purchase of a 2021 Debenture in part, the portion not to be purchased).

Section 303 RESERVED.

Section 304 PAYMENT OF INTEREST; INTEREST RIGHTS PRESERVED.

The Indenture is hereby amended, subject to Section 301 hereof and with respect to the 2021 Debentures only, by inserting the following paragraph before the final paragraph in Section 3.7 of the Indenture:

On conversion of a Holder's 2021 Debentures, such Holder shall not receive any cash payment of interest (unless such 2021 Debentures or portions thereof have been called for redemption in accordance with Article 5 hereof on a Redemption Date that occurs between a Regular Record Date and the third business day after the Interest Payment Date to which it relates). The Company's delivery to a Holder of the full number of shares of Common Stock into which a 2021 Debenture is convertible, together with any cash payment for such Holder's fractional shares, or cash or a combination of cash and Common Stock in lieu thereof, shall be deemed to satisfy the Company's obligation to pay the principal amount at maturity of the 2021 Debenture and to satisfy the Company's obligation to pay accrued interest attributable to the period from the most recent Interest Payment Date through the Conversion Date.

Notwithstanding the above, if any 2021 Debentures are converted after a Regular Record Date but prior to the next succeeding Interest Payment Date, Holders of such 2021 Debentures at the close of business on such Regular Record Date shall receive the interest payable on such 2021 Debentures on the corresponding Interest Payment Date notwithstanding the conversion. Such 2021 Debentures, upon surrender for conversion, must be accompanied by funds equal to the amount of interest payable on the principal amount of the 2021 Debentures so converted, unless such 2021 Debentures have been called for redemption on a Redemption Date that occurs between a Regular Record Date and the third business day after the Interest Payment Date to which it relates, in which case no such payment shall be required.

Section 305 DISCHARGE OF LIABILITY ON SECURITIES.

When (i) the Company delivers to the Trustee or any Paying Agent all Outstanding 2021 Debentures (other than 2021 Debentures replaced pursuant to Section 3.6 of the Indenture) for cancellation or (ii) all Outstanding 2021 Debentures have become due and payable and the Company deposits with the Trustee or any Paying Agent cash or, if expressly permitted by the terms of the 2021 Debentures, Common Stock sufficient to pay all amounts due and owing on all Outstanding 2021 Debentures (other than 2021 Debentures replaced pursuant to Section 3.6), and if in either case the Company pays all other sums payable hereunder by the Company, then this Supplemental Indenture shall, subject to Section 6.7 of the Indenture, cease to be of further effect, except for the indemnification of the Trustee, which shall survive. The Trustee shall join in the execution of a document prepared by the Company acknowledging satisfaction and discharge of this Supplemental Indenture on demand of the Company accompanied by an Officers' Certificate and Opinion of Counsel and at the reasonable cost and expense of the Company.

Section 306 REPAYMENT TO THE COMPANY.

The Trustee and the Paying Agent shall return to the Company upon written request any money or securities held by them for the payment of any amount with respect to the 2021 Debentures that remains unclaimed for two years, subject to applicable unclaimed property law. After return to the Company, Holders entitled to the money or securities must look to the Company for payment as general creditors unless an applicable abandoned property law designates another person and the Trustee and the Paying Agent shall have no further liability to the Holders of 2021 Debentures with respect to such money or securities for that period commencing after the return thereof.

Section 307 EVENTS OF DEFAULT.

The Indenture is hereby amended, subject to Section 301 hereof and with respect to the 2021 Debentures only, by replacing Section 5.1 with the following paragraph:

"Event of Default", wherever used herein, means with respect to the 2021 Debentures any one of the following events (whatever the reason for such Event of Default and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

(1) default in the payment of any interest upon any 2021 Debenture when it becomes due and payable or in the payment of any Liquidated Damages pursuant to the Registration Rights Agreement, and continuance of such default for a period of 30 days; or

(2) default in the payment of the principal amount at its Maturity on the 2021 Debentures (or upon declaration of acceleration thereof), the Repurchase Price, when due, or the Change in Control Purchase Price, when due; or

(3) a default under any bonds, debentures, notes or other evidences of indebtedness for money borrowed by the Company or a Subsidiary or under any mortgages, indentures or instruments under which there may be issued or by which there may be secured or evidenced any indebtedness for money borrowed by the Company or a Subsidiary, whether such indebtedness now exists or shall hereafter be created, which indebtedness, individually or in the aggregate, is in excess of \$30,000,000 principal amount (excluding any such indebtedness of any Subsidiary other than a Significant Subsidiary, all the indebtedness of which Subsidiary is nonrecourse to the Company or any other Subsidiary), which default shall constitute a failure to pay any portion of the principal of or interest on such indebtedness when due and payable after the expiration of any applicable grace or cure period with respect thereto or shall have resulted in such indebtedness becoming or being declared due and payable prior to the date on which it would otherwise have become due and payable, without such indebtedness having been discharged, or such acceleration having been rescinded or annulled, within a period of 30 days after there shall have been given, by registered or certified mail, to the Company by the Trustee or to the Company and the Trustee by the Holders of at least 25% in principal

amount of the Outstanding 2021 Debentures a written notice specifying such default and requiring the Company to cause such indebtedness to be discharged or cause such acceleration to be rescinded or annulled and stating that such notice is a "Notice of Default" hereunder; or

(4) default by the Company in the performance, or breach, of any covenant or warranty of the Company in the Indenture or this Supplemental Indenture for the benefit of the 2021 Debentures (other than a covenant or warranty a default in whose performance or whose breach is elsewhere in this Section 501 specifically dealt with), and continuance of such default or breach for a period of 60 days after there has been given, by registered or certified mail, to the Company by the Trustee or to the Company and the Trustee by the Holders of at least 25% in principal amount of the Outstanding 2021 Debentures a written notice specifying such default or breach and requiring it to be remedied and stating that such notice is a "Notice of Default" hereunder; or

(5) the entry by a court having jurisdiction in the premises of (A) a decree or order for relief in respect of the Company or a Significant Subsidiary in an involuntary case or proceeding under any applicable Federal, State or foreign bankruptcy, insolvency, reorganization or other similar law or (B) a decree or order adjudging the Company or a Significant Subsidiary a bankrupt or insolvent, or approving as properly filed a petition seeking reorganization, arrangement, adjustment or composition of or in respect of the Company or a Significant Subsidiary under any applicable Federal, State or foreign law, or appointing a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official of the Company or a Significant Subsidiary or of any substantial part of their respective properties, or ordering the winding up or liquidation of the affairs of the Company or a Significant Subsidiary, and the continuance of any such decree or order for relief or any such other decree or order unstayed and in effect for a period of 60 consecutive days; or

(6) the commencement by the Company or a Significant Subsidiary of a voluntary case or proceeding under any applicable Federal, State or foreign bankruptcy, insolvency, reorganization or other similar law or of any other case or proceeding to be adjudicated a bankrupt or insolvent, or the consent by either the Company or a Significant Subsidiary to the entry of a decree or order for relief in respect of the Company or a Significant Subsidiary in an involuntary case or proceeding under any applicable Federal, State or foreign bankruptcy, insolvency, reorganization or other similar law or to the commencement of any bankruptcy or insolvency case or proceeding against either the Company or a Significant Subsidiary, or the filing by either the Company or a Significant Subsidiary of a petition or answer or consent seeking reorganization or relief under any applicable Federal, State or foreign law, or the consent by either the Company or a Significant Subsidiary to the filing of such petition or to the appointment of or taking possession by a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official of the Company or a Significant Subsidiary or of any substantial part of their respective properties, or the making by either the Company or a Significant Subsidiary of an assignment for the benefit of creditors, or the admission by either the Company or a Significant Subsidiary in writing of an inability to pay the debts of either the Company or a Significant Subsidiary generally as they become due, or the

taking of corporate action by the Company or a Significant Subsidiary in furtherance of any such action.

Section 308 UNCONDITIONAL RIGHT OF HOLDERS TO RECEIVE PRINCIPAL, PREMIUM AND INTEREST.

Notwithstanding any other provision in this Supplemental Indenture, the Holder of any Security shall have the right, which is absolute and unconditional, to receive payment of the principal of (and premium, if any) and (subject to Section 3.7 of the Indenture) interest on such Security on the Stated Maturity or Maturities expressed in such Security (or in the case of redemption, to receive the Redemption Price on the Redemption Date, in the case of a repurchase, to receive the Repurchase Price on the Repurchase Date, or in the case of a Change in Control, to receive the Change in Control Purchase Price on the Change in Control Purchase Date) and to institute suit for the enforcement of any such payment on or after such respective dates, and such rights shall not be impaired without the consent of such Holder.

Section 309 REPORTS BY COMPANY.

The Company shall (1) provide to the Trustee, within 15 days after the Company is required to file the same with the Commission, copies of the annual reports and of the information, documents and other reports (or copies of such portions of any of the foregoing as the Commission may from time to time by rules and regulations prescribe) which the Company may be required to file with the Commission pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934; or, if the Company is not required to file information, documents or reports pursuant to either of said Sections, then it shall provide to the Trustee and file with the Commission, in accordance with rules and regulations prescribed from time to time by the Commission, such of the supplementary and periodic information, documents and reports which may be required pursuant to Section 13 of the Securities Exchange Act of 1934 in respect of a security listed and registered on a national securities exchange as may be prescribed from time to time in such rules and regulations;

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

(3) transmit by mail to all Securityholders, as their names and addresses appear in the Security Register, within 30 days after the filing thereof with the Trustee, such summaries of any information, documents and reports required to be filed by the Company pursuant to paragraphs (1) and (2) of this Section as may be required by rules and regulations prescribed from time to time by the Commission.

If at any time while any of the Securities are "restricted securities" within the meaning of Rule 144, the Company is no longer subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act, the Company will prepare and will furnish to any Holder, any beneficial owner of Securities and any prospective purchaser of Securities designated by a Holder or a beneficial owner of Securities, promptly upon request, the

information required pursuant to Rule 144A(d)(4) (or any successor thereto) under the Securities Act in connection with the offer, sale or transfer of Securities.

Section 310 CONSOLIDATION, MERGER AND SALE.

Section 8.1 of the Indenture is, with respect to the 2021 Debentures only, hereby amended and restated in its entirety to read as follows:

The Company shall not consolidate with or merge into any other entity or convey or transfer its properties and assets substantially as an entirety to any entity, unless:

(a) the successor or transferee entity is a corporation, limited liability company trust or partnership organized under the laws of the United States or any State of the United States or the District of Columbia or the Republic of Panama or any other country recognized by the United States and all political subdivisions of such countries;

(b) the successor or transferee entity, if other than the Company, expressly assumes by a supplemental indenture executed and delivered to the Trustee, in form reasonably satisfactory to the Trustee, the due and punctual payment of the principal of, any premium on and any interest on, all the outstanding 2021 Debentures and the performance of every covenant in the Indenture (as supplemented by this Supplemental Indenture) to be performed or observed by the Company and provides for conversion rights in accordance with applicable provisions of the Indenture and this Supplemental Indenture;

(c) immediately after giving the effect to the transaction, no Event of Default and no event which, after notice or lapse of time or both, would become an Event of Default, has occurred and is continuing; and

(d) the Company has delivered to the Trustee an officers' certificate and an opinion of counsel, each in the form required by the Indenture and this Supplemental Indenture, stating that such consolidation, merger, conveyance or transfer and such supplemental indenture comply with the foregoing provisions relating to such transaction.

Section 311 SUPPLEMENTAL INDENTURES WITHOUT CONSENT OF HOLDERS.

Section 9.1 of the Indenture is hereby amended, subject to Section 301 hereof and with respect to the 2021 Debentures only, by inserting the following paragraph:

(12) to add any rights for the benefit of Holders of 2001 Debentures; and

(13) to provide any additional events of default.

Section 312 Supplemental Indenture with Consent of Holder.

Section 9.2 of the Indenture is, with respect to the 2021 Debentures only, hereby amended and restated in its entirety to read as follows:

With the consent of the Holders of not less than a majority in principal amount of the Outstanding 2021 Debentures, by Act of said Holders delivered to the Company and the Trustee, the Company, when authorized by a Board Resolution, and the Trustee may from time to time and at any time enter into an indenture or indentures supplemental hereto (which shall conform to the provisions of the Trust Indenture Act of 1939 as in force at the date of execution thereof) for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Indenture or of any supplemental indenture or of modifying in any manner the rights of the Holders of 2021 Debentures; provided, however, that no such supplemental indenture shall (i) change the Maturity of any payment of principal of, or any premium on, or any installment of interest on any 2021 Debenture, or reduce the principal amount thereof or the rate of interest or any premium thereon, or change the place of payment where, or the coin or currency in which any 2021 Debenture or any premium or interest thereon is payable, or impair the right to institute suit for the enforcement of any such payment on or after the Maturity thereof (or, in the case of redemption or repayment, on or after the redemption date or the repayment date, as the case may be), (ii) adversely affect the conversion rights of the Holders under Article Four of the Supplemental Indenture or the right of Holders to require the Company to repurchase the 2021 Debentures under Articles Six and Seven of the Supplemental Indenture, (iii) reduce the percentage in aggregate principal amount of the Outstanding 2021 Debentures, the consent of whose holders is required for any such modification, or the consent of whose holders is required for any waiver of compliance with the provisions of the Indenture or the Supplemental Indenture or for any waiver of an Event of Default; or (iv) modify this Section 9.2, except to increase any percentages required for approval or to provide that certain other provisions of the Indenture or the Supplemental Indenture cannot be modified or waived without the consent of the Holder of each Outstanding 2021 Debenture affected thereby.

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

Upon the request of the Company accompanied by a copy of a Board Resolution authorizing the execution of any such supplemental indenture, and upon the filing with the Trustee of evidence of the consent of Holders as aforesaid, the Trustee shall join with the Company in the execution of such supplemental indenture. It shall not be necessary for any Act of Holders under this Section to approve the particular form of any proposed supplemental indenture, but it shall be sufficient if such Act shall approve the substance thereof.

Section 313 MAINTENANCE OF OFFICE OR AGENCY.

The first paragraph of Section 10.2 of the Indenture is hereby amended, subject to Section 301 hereof and with respect to the 2021 Debentures only, by changing the first sentence thereof to read in its entirety as follows:

The Company shall maintain in each Place of Payment for the 2021 Debentures an office or agency where the 2021 Debentures may be presented or surrendered for payment, where the 2021 Debentures may be surrendered for registration of transfer or exchange, where the 2021

Debentures may be surrendered for conversion and where notices and demands to or upon the Company in respect of the 2021 Debentures and this Indenture may be served. The Company will give prompt written notice to the Trustee of the location, and any change in the location, of such office or agency. If at any time the Company shall fail to maintain any such required office or agency or shall fail to furnish the Trustee with the address thereof, such presentations, surrenders, notices and demands may be made or served at the Corporate Trust Office of the Trustee, and the Company hereby appoints the Trustee as its agent to receive all such presentations, surrenders, notices and demands.

Section 314 REDEMPTION.

(a) Section 11.4 of the Indenture is hereby amended, subject to Section 301 hereof and with respect to the 2021 Debentures only, by deleting the word "and" at the end of paragraph (5) thereof, replacing the period at the end of paragraph (6) thereof with ", and" and by inserting the following paragraph:

(7) the election of the Company (which, subject to the provisions of Article Four of the Supplemental Indenture, shall be irrevocable) to deliver shares of Common Stock or to pay cash or a combination of cash and Common Stock in lieu of delivery of such shares with respect to any 2021 Debentures.

Section 315 CONVERSION ARRANGEMENT ON CALL FOR REDEMPTION.

In connection with 2021 Debentures, the Company may arrange for the purchase and conversion of any 2021 Debentures called for redemption by an agreement with one or more investment bankers or other purchasers to purchase such 2021 Debentures by paying to a Paying Agent (other than the Company or any of its Affiliates) in trust for the Holders, on or before 11:00 A.M. New York City time on the Redemption Date, an amount that, together with any amounts deposited with such Paying Agent by the Company for the redemption of such 2021 Debentures, is not less than the Redemption Price of such 2021 Debentures. Notwithstanding anything to the contrary contained in this Article, the obligation of the Company to pay the Redemption Price of such 2021 Debentures shall be deemed to be satisfied and discharged to the extent such amount is so paid by such purchasers; provided, however, that nothing in this Section 315 shall relieve the Company of its obligation to pay the Redemption Price of 2021 Debentures called for redemption. If such an agreement is entered into, any 2021 Debentures called for redemption and not surrendered for conversion by the Holders thereof prior to the relevant Redemption Date may, at the option of the Company upon written notice to the Trustee, be deemed, to the fullest extent permitted by law, acquired by such purchasers from such Holders and (notwithstanding anything to the contrary contained in Article Four) surrendered by such purchasers for conversion, all as of immediately prior to the close of business on the Business Day immediately prior to the Redemption Date, subject to payment of the above amount as aforesaid. The Paying Agent shall hold and pay to the Holders whose 2021 Debentures are selected for redemption any such amount paid to it for purchase in the same manner as it would money deposited with it by the Company for the redemption of 2021 Debentures. Without the Paying Agent's prior written consent, no arrangement between the Company and such purchasers for the purchase and conversion of any 2021 Debentures shall increase or otherwise affect any of the powers, duties, responsibilities or obligations of the

Paying Agent as set forth in this Indenture, and the Company agrees to indemnify the Paying Agent from, and hold it harmless against, any loss, liability or expense arising out of or in connection with any such arrangement for the purchase and conversion of any 2021 Debentures between the Company and such purchasers, including the costs and expenses incurred by the Paying Agent in the defense of any claim or liability reasonably incurred without negligence or bad faith on its part arising out of or in connection with the exercise or performance of any of its powers, duties, responsibilities or obligations under this Indenture, in accordance with the indemnity provisions applicable to the Trustee set forth herein.

Section 316 OPTIONAL REDEMPTION OR ASSUMPTION OF SECURITIES UNDER CERTAIN CIRCUMSTANCES.

The Debentures may be redeemed in accordance with Section 11.8 of the Indenture which is hereby amended, subject to Section 301 hereof and with respect to the 2021 Debentures only, by adding the following subsection:

(c) In the event that the 2021 Debentures are called for redemption pursuant to the terms of this Section, the Holders of 2021 Debentures shall have all rights, including rights to conversion and to the receipt of interest upon conversion, which such Holders would have had if the 2021 Debentures had been called for redemption by the Company pursuant to Article Five hereof.

ARTICLE FOUR

CONVERSION

Section 401 CONVERSION RIGHTS.

2021 Debentures shall be convertible in accordance with their terms and in accordance with this Article.

The initial conversion rate (the "Conversion Rate") is 25.5467 shares of Common Stock per \$1,000 principal amount of 2021 Debentures, subject to adjustment upon the occurrence of certain events described in this Article. A Holder of a 2021 Debenture otherwise entitled to a fractional share shall receive cash in an amount equal to the value of such fractional share based on the Sale Price on the trading day immediately preceding the Conversion Date. Upon a conversion, the Company may deliver cash or a combination of cash and Common Stock in lieu of Common Stock, as described in Section 405.

A Holder of 2021 Debentures is not entitled to any rights of a holder of Common Stock until such Holder has converted its 2021 Debentures to Common Stock, and only to the extent such 2021 Debentures are deemed to have been converted into Common Stock pursuant to this Article.

Section 402 CONVERSION RIGHTS BASED ON COMMON STOCK PRICE.

Commencing after May 31, 2001, a Holder of a 2021 Debenture may convert the principal amount of such 2021 Debentures into shares of Common Stock in any fiscal quarter

(and only during such fiscal quarter), if, as of the last day of the preceding fiscal quarter, the closing sale price of the Common Stock for at least 20 Trading Days in a period of 30 consecutive Trading Days ending on the last Trading Day of such preceding fiscal quarter is more than 110% of the Conversion Price (as defined below) per share of Common Stock that is in effect on such last day of such preceding fiscal quarter.

The "Conversion Price" per share of Common Stock shall initially equal \$39.14 and shall be adjusted as described in Section 409(g).

Section 403 CONVERSION RIGHTS UPON NOTICE OF REDEMPTION.

A Holder of a 2021 Debenture may surrender for conversion a 2021 Debenture called for redemption under Article Five hereof at any time prior to the close of business on the Redemption Date, even if it is not otherwise convertible at such time. A 2021 Debenture for which a Holder has delivered a Repurchase Notice as described in Section 601 or a Change in Control Purchase Notice as described in Section 701 requiring the Company to purchase such 2021 Debentures may be surrendered for conversion only if such notice is withdrawn in accordance with this Supplemental Indenture.

In case a 2021 Debenture or portion thereof is called for redemption pursuant to Article Eleven of the Indenture and/or Article Five hereof, such conversion right shall terminate at the close of business on the Business Day immediately preceding the Redemption Date for such 2021 Debenture or such earlier date as the Holder presents such 2021 Debenture for redemption (unless the Company shall default in making the payment of the Redemption Price when due, in which case the conversion right shall terminate at the close of business on the date such default is cured and such Redemption Price is paid).

Section 404 CONVERSION RIGHTS UPON OCCURRENCE OF CERTAIN CORPORATE TRANSACTIONS.

If the Corporation is a party to a consolidation, merger or binding share exchange pursuant to which the shares of Common Stock would be converted into cash, securities or other property, any 2021 Debenture may be surrendered for conversion at any time from and after the date which is 15 days prior to the anticipated effective date of the transaction until 15 days after the actual date of such transaction and, at the effective time of the transaction, the right to convert a 2021 Debenture into shares of Common Stock shall be changed into a right to convert such 2021 Debenture into the kind and amount of cash, securities or other property of the Company or another person which the Holder would have received if the Holder had converted such 2021 Debenture immediately prior to the transaction. Notwithstanding anything to the contrary, no 2021 Debentures may be surrendered for conversion pursuant to this Section 404 by reason of the completion of a merger, consolidation or other transaction effected with one of the Company's Affiliates for the purpose of (i) changing the Company's jurisdiction of organization or (ii) effecting a corporate reorganization, including, without limitation, the implementation of a holding company structure.

Section 405 CONVERSION PROCEDURES.

To convert a 2021 Debenture, a Holder must (a) complete and manually sign the conversion notice or a facsimile of the Conversion Notice on the back of the 2021 Debenture and

deliver such notice to a Conversion Agent, (b) surrender the 2021 Debenture to a Conversion Agent, (c) furnish appropriate endorsements and transfer documents if required by the Security Registrar or a Conversion Agent, and (d) pay any transfer or similar tax, if required. The date on which the Holder satisfies all of those requirements is the "Conversion Date." Within two Business Days following the Conversion Date, the Company shall deliver to the Holder, through the Conversion Agent, written notice of whether such 2021 Debentures shall be converted into Common Stock or paid in cash or a combination of cash and Common Stock, unless the Company shall have delivered to such Holder notice of redemption pursuant to Section 11.4 of the Indenture and the Conversion Date occurs before the Redemption Date set forth in such notice. If the Company shall have notified the Holder that all of such 2021 Debentures shall be converted into Common Stock, the Company shall deliver to the Holder through the Conversion Agent, as soon as practicable but in any event no later than the fifth Business Day following the Conversion Date, a certificate for the number of whole shares of Common Stock issuable upon the conversion and cash in lieu of any fractional shares pursuant to Section 406. Except as otherwise provided in this Article Four, if the Company shall have notified the Holder that all or a portion of such 2021 Debenture shall be paid in cash, the Company shall deliver to the Holder surrendering such 2021 Debenture the amount of cash payable with respect to such 2021 Debenture no later than the tenth Business Day following such Conversion Date, together with a certificate for the number of full shares of Common Stock deliverable upon the conversion and cash in lieu of any fractional share determined pursuant to Section 406 hereof. Except as otherwise provided in this Article Four, the Company may not change its election with respect to the consideration to be delivered upon conversion of a 2021 Debenture once the Company has notified the Holder in accordance with this paragraph. Anything herein to the contrary notwithstanding, in the case of Global Securities, conversion notices may be delivered and such 2021 Debentures may be surrendered for conversion in accordance with the Applicable Procedures of the Depository as in effect from time to time. The Person in whose name the Common Stock certificate is registered shall be deemed to be a shareholder of record on the Conversion Date; PROVIDED, HOWEVER, that no surrender of a 2021 Debenture on any date when the stock transfer books of the Company are closed shall be effective to constitute the Person or Persons entitled to receive the shares of Common Stock upon such conversion as the record holder or holders of such shares of Common Stock on such date, but such surrender shall be effective to constitute the Person or Persons entitled to receive such shares of Common Stock as the record holder or holders thereof for all purposes at the close of business on the next succeeding day on which such stock transfer books are open; PROVIDED FURTHER, HOWEVER, that such conversion shall be at the Conversion Rate in effect on the date that such 2021 Debenture shall have been surrendered for conversion, as if the stock transfer books of the Company had not been closed. Upon conversion of a 2021 Debenture, such Person shall no longer be a Holder of such 2021 Debenture.

No payment or adjustment shall be made for dividends on, or other distributions with respect to, any Common Stock except as provided in this Article. On conversion of a 2021 Debenture, except as provided below in the case of certain 2021 Debentures or portions thereof called for redemption described in Section 304 hereof, that portion of accrued and unpaid interest on the converted 2021 Debenture attributable to the period from the most recent Interest Payment Date (or, if no Interest Payment Date has occurred, from the Issue Date) through the Conversion Date attributable to the most recent accrual date with respect to the converted 2021 Debenture shall not be cancelled, extinguished or forfeited, but rather shall be deemed to be paid in full to

the Holder thereof through delivery of the Common Stock (together with the cash payment, if any, in lieu of fractional shares), or cash or a combination of cash and Common Stock in lieu thereof, in exchange for the 2021 Debenture being converted pursuant to the provisions hereof, and the fair market value of such shares of Common Stock (together with any such cash payment in lieu of fractional shares), or cash or a combination of cash and Common Stock in lieu thereof, shall be treated as issued, to the extent thereof, first in exchange for accrued and unpaid interest through the Conversion Date and the balance, if any, of such fair market value of such Common Stock (and any such cash payment), or cash in lieu thereof, shall be treated as issued in exchange for the principal amount of the 2021 Debenture being converted pursuant to the provisions hereof.

If a Holder converts more than one 2021 Debenture at the same time, the number of shares of Common Stock issuable upon the conversion shall be based on the aggregate principal amount of 2021 Debentures converted.

Upon surrender of a 2021 Debenture that is converted in part, the Company shall execute, and the Trustee shall authenticate and deliver to the Holder, a new 2021 Debenture equal in principal amount to the principal amount of the unconverted portion of the 2021 Debenture surrendered.

2021 Debentures or portions thereof surrendered for conversion during the period from the close of business on any Regular Record Date immediately preceding any Interest Payment Date to the opening of business on such Interest Payment Date shall (except for 2021 Debentures called for redemption pursuant to Article Five hereof on a Redemption Date that occurs during the period between a Regular Record Date and the third business day after the Interest Payment Date to which such Regular Record Date relates) be accompanied by payment to the Company or its order, in New York Clearing House funds or other funds acceptable to the Company, of an amount equal to the interest payable on such Interest Payment Date on the principal amount of 2021 Debentures or portions thereof being surrendered for conversion.

The Holders' rights to convert 2021 Debentures into Common Stock are subject to the Company's right to elect instead to pay each such Holder the amount of cash set forth in the next succeeding sentence (or an equivalent amount in a combination of cash and shares of Common Stock), in lieu of delivering such Common Stock; PROVIDED, HOWEVER, that if an Event of Default (other than a default in a cash payment upon conversion of the 2021 Debentures) shall have occurred and be continuing, the Company shall deliver Common Stock in accordance with this Article, whether or not the Company has delivered a notice pursuant to Section 11.4 of the Indenture or Section 405 hereof to the effect that the Debentures would be paid in cash or a combination of cash and Common Stock. The amount of cash to be paid pursuant to Section 405 hereof for each \$1,000 of principal amount of a 2021 Debenture (or portion thereof) upon conversion shall be equal to the average Sale Price of the Common Stock for the five consecutive trading days immediately following (i) the date of the Company's notice of its election to deliver cash upon conversion, if the Company shall not have given a notice of redemption pursuant to Section 11.4 of the Indenture, or (ii) the Conversion Date, in the case of a conversion following such a notice of redemption specifying an intent to deliver cash upon conversion, in either case multiplied by the Conversion Rate (or appropriate fraction of such Conversion Rate) in effect on such Conversion Date.

Section 406 FRACTIONAL SHARES.

The Company shall not issue a fractional share of Common Stock upon conversion of a Security. Instead, the Company will deliver cash for the current market value of the fractional share. The current market value of a fractional share of Common Stock shall be determined, to the nearest 1/1,000th of a share, by multiplying the Sale Price on the Trading Day immediately prior to the Conversion Date, of a full share of Common Stock by the fractional amount and rounding the product to the nearest whole cent.

Section 407 TAXES ON CONVERSION.

If a Holder converts a 2021 Debenture, the Company shall pay any documentary, stamp or similar issue or transfer tax due on the issue of shares of Common Stock upon such conversion. However, the Holder shall pay any such tax which is due because the Holder requests the shares to be issued in a name other than the Holder's name. The Conversion Agent may refuse to deliver the certificate representing the Common Stock being issued in a name other than the Holder's name until the Conversion Agent receives a sum sufficient to pay any tax which will be due because the shares are to be issued in a name other than the Holder's name. Nothing herein shall preclude any tax withholding required by law or regulation.

Section 408 COMPANY TO PROVIDE COMMON STOCK.

The Company shall, prior to issuance of any 2021 Debentures under this Article, and from time to time as may be necessary, reserve, out of its authorized but unissued Common Stock, a sufficient number of shares of Common Stock to permit the conversion of all 2021 Debentures Outstanding into shares of Common Stock. All shares of Common Stock delivered upon conversion of the 2021 Debentures shall be newly issued shares, shall be duly authorized, validly issued, fully paid and nonassessable and shall be free from preemptive rights and free of any Lien or adverse claim.

The Company will endeavor promptly to comply with all federal and state securities laws regulating the registration of the offer and delivery of shares of Common Stock to a converting Holder upon conversion of 2021 Debentures, if any, and will list or cause to have quoted such shares of Common Stock on each national securities exchange or on the NASDAQ National Market or other over-the-counter market or such other market on which the Common Stock are then listed or quoted.

Section 409 ADJUSTMENT OF CONVERSION RATE.

The Conversion Rate shall be adjusted from time to time by the Company as follows:

(a) In case the Company (i) pays a dividend on its Common Stock in shares of Common Stock, (ii) makes a distribution on its Common Stock in shares of Common Stock, (iii) subdivides its outstanding Common Stock into a greater number of shares, or (iv) combines its outstanding Common Stock into a smaller number of shares, the Conversion Rate in effect thereto shall be adjusted so that the Holder of any 2021 Debenture thereafter surrendered for conversion shall be entitled to receive that number of shares of Common Stock which it would have owned had such 2021 Debenture been converted immediately prior to the

happening of such event. An adjustment made pursuant to this subsection (a) shall become effective immediately after the record date in the case of a dividend or distribution and shall become effective immediately after the effective date in the case of subdivision or combination.

(b) In case the Company issues rights or warrants to all or substantially all holders of its Common Stock entitling them (for a period commencing no earlier than the record date described below and expiring not more than 60 days after such record date) to subscribe for or purchase shares of Common Stock (or securities convertible into Common Stock) at a price per share (or having a conversion price per share) less than the current market price per share of Common Stock (as determined in accordance with subsection (e) of this Section 409) on the record date for the determination of shareholders entitled to receive such rights or warrants, the Conversion Rate in effect immediately prior thereto shall be adjusted so that the same shall equal the rate determined by multiplying the Conversion Rate in effect immediately prior to such record date by a fraction of which the numerator shall be the number of shares of Common Stock outstanding on such record date plus the number of additional shares of Common Stock offered (or into which the convertible securities so offered are convertible), and of which the denominator shall be the number of shares of Common Stock outstanding on such record date plus the number of shares which the aggregate offering price of the total number of shares of Common Stock so offered (or the aggregate conversion price of the convertible securities so offered, which shall be determined by multiplying the number of shares of Common Stock issuable upon conversion of such convertible securities by the conversion price per share of Common Stock pursuant to the terms of such convertible securities) would purchase at the current market price per share (as determined in accordance with subsection (e) of this Section 409) of Common Stock on such record date. Such adjustment shall be made successively whenever any such rights or warrants are issued, and shall become effective immediately after such record date. If at the end of the period during which such rights or warrants are exercisable not all rights or warrants shall have been exercised, the adjusted Conversion Rate shall be immediately readjusted to what it would have been based upon the number of additional shares of Common Stock actually issued (or the number of shares of Common Stock issuable upon conversion of convertible securities actually issued).

(c) In case the Company distributes to all or substantially all holders of its Common Stock any shares of capital stock (other than dividends or distributions of Common Stock on Common Stock to which Section 409(a) applies) of the Company, evidences of indebtedness or other assets (including securities of any Person other than the Company, but excluding all-cash distributions or any rights or warrants referred to in Section 409(b)), then in each such case the Conversion Rate shall be adjusted so that the same shall equal the rate determined by multiplying the current Conversion Rate by a fraction of which the numerator shall be the current market price per share (as determined in accordance with subsection (e) of this Section 409) of the Common Stock on the record date mentioned below, and of which the denominator shall be the current market price per share (as determined in accordance with subsection (e) of this Section 409) of the Common Stock on such record date less the fair market value on such record date (as determined by the Board of Directors, whose determination shall be conclusive evidence of such fair market value and which shall be evidenced by an Officers' Certificate delivered to the Trustee) of the portion of the capital stock, evidences of indebtedness or other non-cash assets so distributed applicable to one share of Common Stock (determined on the basis of the number of shares of Common Stock outstanding on the record date). Such adjustment shall be

made successively whenever any such distribution is made and shall become effective immediately after the record date for the determination of shareholders entitled to receive such distribution.

In the event that the Company implements a shareholder rights plan, such rights plan shall provide, subject to customary exceptions and limitations, that upon conversion of the 2021 Debentures the Holders will receive, in addition to the Common Stock issuable upon such conversion, the rights issued under such rights plan (notwithstanding the occurrence of an event causing such rights to separate from the Common Stock at or prior to the time of conversion). Any distribution of rights or warrants pursuant to a shareholder rights plan complying with the requirements set forth in the immediately preceding sentence of this paragraph shall not constitute a distribution of rights or warrants for the purposes of this Section 409(c) or any other provision of this Section 409.

Rights or warrants distributed by the Company to all holders of Common Stock entitling the holders thereof to subscribe for or purchase shares of the Company's capital stock (either initially or under certain circumstances), which rights or warrants, until the occurrence of a specified event or events ("Trigger Event"): (i) are deemed to be transferred with such shares of Common Stock; (ii) are not exercisable; and (iii) are also issued in respect of future issuances of Common Stock, shall be deemed not to have been distributed for purposes of this Section 409(c) or any other provision of this Section 409(c) (and no adjustment to the Conversion Rate under this Section 409(c) or any other provision of this Section 409 will be required) until the occurrence of the earliest Trigger Event. If such right or warrant is subject to subsequent events, upon the occurrence of which such right or warrant shall become exercisable to purchase different securities, evidences of indebtedness or other assets or entitle the holder to purchase a different number or amount of the foregoing or to purchase any of the foregoing at a different purchase price, then the occurrence of each such event shall be deemed to be the date of issuance and record date with respect to a new right or warrant (and a termination or expiration of the existing right or warrant without exercise by the holder thereof). In addition, in the event of any distribution (or deemed distribution) of rights or warrants, or any Trigger Event or other event (of the type described in the preceding sentence) with respect thereto, that resulted in an adjustment to the Conversion Rate under this Section 409(c), (1) in the case of any such rights or warrants which shall all have been redeemed or repurchased without exercise by any holders thereof, the Conversion Rate shall be readjusted upon such final redemption or repurchase to give effect to such distribution or Trigger Event, as the case may be, as though it were a cash distribution, equal to the per share redemption or repurchase price received by a holder of Common Stock with respect to such rights or warrants (assuming such holder had retained such rights or warrants), made to all holders of Common Stock as of the date of such redemption or repurchase, and (2) in the case of such rights or warrants all of which shall have expired or been terminated without exercise, the Conversion Rate shall be readjusted as if such rights and warrants had never been issued.

(d)(1) In case the Company, by dividend or otherwise, at any time distributes (a "Triggering Distribution") to all or substantially all holders of its Common Stock all-cash distributions in an aggregate amount that, together with the aggregate amount of (A) any cash and the fair market value (as determined by the Board of Directors, whose determination shall be conclusive evidence thereof and which shall be evidenced by an Officers' Certificate delivered to

the Trustee) of any other consideration payable in respect of any tender offer by the Company or a Subsidiary of the Company for Common Stock consummated within the 12 months preceding the date of payment of the Triggering Distribution and in respect of which no Conversion Rate adjustment pursuant to this Section 409 has been made and (B) all other cash distributions to all or substantially all holders of its Common Stock made within the 12 months preceding the date of payment of the Triggering Distribution and in respect of which no Conversion Rate adjustment pursuant to this Section 409 has been made, exceeds an amount equal to 7.5% of the product of the current market price per share of Common Stock (as determined in accordance with subsection (e) of this Section 409) on the Business Day (the "Determination Date") immediately preceding the day on which such Triggering Distribution is declared by the Company multiplied by the number of shares of Common Stock outstanding on the Determination Date (excluding shares held in the treasury of the Company), the Conversion Rate shall be increased so that the same shall equal the rate determined by multiplying such Conversion Rate in effect immediately prior to the Determination Date by a fraction of which the numerator shall be such current market price per share of Common Stock (as determined in accordance with subsection (e) of this Section 409) on the Determination Date, and the denominator shall be the current market price per share of Common Stock (as determined in accordance with subsection (e) of this Section 409) on the Determination Date less the sum of the aggregate amount of cash and the aggregate fair market value (determined as aforesaid) of any such other consideration so distributed, paid or payable within such 12 months (including, without limitation, the Triggering Distribution) applicable to one share of Common Stock (determined on the basis of the number of shares of Common Stock outstanding on the Determination Date), such increase to become effective immediately prior to the opening of business on the day following the date on which the Triggering Distribution is paid.

(2) In case any tender offer made by the Company or any of its Subsidiaries for Common Stock expires and such tender offer (as amended upon the expiration thereof) involves the payment of aggregate consideration in an amount (determined as the sum of the aggregate amount of cash consideration and the aggregate fair market value (as determined by the Board of Directors, whose determination shall be conclusive evidence thereof and which shall be evidenced by an Officers' Certificate delivered to the Trustee thereof) of any other consideration) that, together with the aggregate amount of (A) any cash and the fair market value (as determined by the Board of Directors, whose determination shall be conclusive evidence thereof and which shall be evidenced by an Officers' Certificate delivered to the Trustee) of any other consideration payable in respect of any other tender offers by the Company or any Subsidiary of the Company for Common Stock consummated within the 12 months preceding the date of the Expiration Date (as defined below) and in respect of which no Conversion Rate adjustment pursuant to this Section 409 has been made and (B) all cash distributions to all or substantially all holders of its Common Stock made within the 12 months preceding the Expiration Date and in respect of which no Conversion Rate adjustment pursuant to this Section 409 has been made, exceeds an amount equal to 7.5% of the product of the current market price per share of Common Stock (as determined in accordance with subsection (e) of this Section 409) as of the last date (the "Expiration Date") tenders could have been made pursuant to such tender offer (as it may be amended) (the last time at which such tenders could have been made on the Expiration Date is hereinafter sometimes called the "Expiration Time") multiplied by the number of shares of Common Stock outstanding (including tendered shares but excluding any shares held in the treasury of the Company) at the Expiration Time, then,

immediately prior to the opening of business on the day after the Expiration Date, the Conversion Rate shall be increased so that the same shall equal the rate determined by multiplying the Conversion Rate in effect immediately prior to close of business on the Expiration Date by a fraction of which the numerator shall be the sum of (x) the aggregate consideration (determined as aforesaid) payable to stockholders based on the acceptance (up to any maximum specified in the terms of the tender offer) of all shares validly tendered and not withdrawn as of the Expiration Time (the shares deemed so accepted, up to any such maximum, being referred to as the "Purchased Shares") and (y) the product of the number of shares of Common Stock outstanding (less any Purchased Shares and excluding any shares held in the treasury of the Company) at the Expiration Time and the current market price per share of Common Stock (as determined in accordance with subsection (e) of this Section 409) on the Trading Day next succeeding the Expiration Date, and the denominator shall be the product of the number of shares of Common Stock outstanding (including tendered shares but excluding any shares held in the treasury of the Company) at the Expiration Time multiplied by the current market price per share of Common Stock (as determined in accordance with subsection (e) of this Section 409) on the Trading Day next succeeding the Expiration Date, such increase to become effective immediately prior to the opening of business on the day following the Expiration Date. In the event that the Company is obligated to purchase shares pursuant to any such tender offer, but the Company is permanently prevented by applicable law from effecting any or all such purchases or any or all such purchases are rescinded, the Conversion Rate shall again be adjusted to be the Conversion Rate which would have been in effect based upon the number of shares actually purchased. If the application of this Section 409(d)(2) to any tender offer would result in a decrease in the Conversion Rate, no adjustment shall be made for such tender offer under this Section 409(d)(2).

(3) For purposes of this Section 409(d), the term "tender offer" shall mean and include both tender offers and exchange offers, all references to "purchases" of shares in tender offers (and all similar references) shall mean and include both the purchase of shares in tender offers and the acquisition of shares pursuant to exchange offers, and all references to "tendered shares" (and all similar references) shall mean and include shares tendered in both tender offers and exchange offers.

(e) For the purpose of any computation under subsections (b), (c) and (d) of this Section 409 the current market price per share of Common Stock on any date shall be deemed to be the average of the daily closing prices for the 10 consecutive Trading Days commencing five Trading Days before (i) the Determination Date or the Expiration Date, as the case may be, with respect to distributions or tender offers under subsection (d) of this Section 409 or (ii) the record date with respect to distributions, issuances or other events requiring such computation under subsection (b) or (c) of this Section 409. The closing price for each day shall be the last reported sales price or, in case no such reported sale takes place on such date, the average of the reported closing bid and asked prices in either case on the New York Stock Exchange (the "NYSE") or, if the Common Stock is not listed or admitted to trading on the NYSE, on the principal national securities exchange on which the Common Stock are listed or admitted to trading or, if not listed or admitted to trading on any national securities exchange, the last reported sales price of the Common Stock as quoted on NASDAQ (the term "NASDAQ" shall include, without limitation, the NASDAQ National Market) or, in case no reported sales takes place, the average of the closing bid and asked prices as quoted on NASDAQ or any comparable system or, if the

Common Stock is not quoted on NASDAQ or any comparable system, the closing sales price or, in case no reported sale takes place, the average of the closing bid and asked prices, as furnished by any two members of the National Association of Securities Dealers, Inc. selected from time to time by the Company for that purpose. If no such prices are available, the current market price per share shall be the fair value of a share of Common Stock as determined by the Board of Directors (which shall be evidenced by an Officers' Certificate delivered to the Trustee).

(f) In any case in which this Section 409 requires that an adjustment be made following a record date or a Determination Date or Expiration Date, as the case may be, established for purposes of this Section 409, the Company may elect to defer (but only until five Business Days following the filing by the Company with the Trustee of the certificate described in Section 412) issuing to the Holder of any 2021 Debenture converted after such record date or Determination Date or Expiration Date the shares of Common Stock and other capital stock of the Company issuable upon such conversion over and above the shares of Common Stock and other capital stock of the Company issuable upon such conversion only on the basis of the Conversion Rate prior to adjustment; and, in lieu of the shares the issuance of which is so deferred, the Company shall issue or cause its transfer agents to issue due bills or other appropriate evidence prepared by the Company of the right to receive such shares. If any distribution in respect of which an adjustment to the Conversion Rate is required to be made as of the record date or Determination Date or Expiration Date therefor is not thereafter made or paid by the Company for any reason, the Conversion Rate shall be readjusted to the Conversion Rate which would then be in effect if such record date had not been fixed or such effective date or Determination Date or Expiration Date had not occurred.

(g) Upon adjustment of the Conversion Rate pursuant to this Section 409, the Conversion Price shall be adjusted to equal \$1,000 divided by the Conversion Rate and rounded to the nearest cent.

(h) Upon the election by the Company to make a distribution as described in paragraphs (b), (c) and (d) of this Section 409, which in the case of paragraph (d) has a per share value equal to more than 15% of the Sale Price of shares of Common Stock on the Trading Day preceding the declaration date for such distribution, the Company shall give notice to Holders of the 2021 Debentures not less than 20 days prior to the ex-dividend date for such distribution. Upon giving such notice, Holders may surrender the 2021 Debentures for conversion pursuant to this Article Four at any time until the close of business on the Business Day prior to the ex-dividend date or until the Company publicly announces that such distribution will not be given effect.

Section 410 NO ADJUSTMENT.

No adjustment in the Conversion Rate shall be required unless the adjustment would require an increase or decrease of at least 1% in the Conversion Rate as last adjusted; PROVIDED, HOWEVER, that any adjustments which by reason of this Section 410 are not required to be made shall be carried forward and taken into account in any subsequent adjustment. All calculations under this Article shall be made to the nearest cent or to the nearest 1/1000th of a share, as the case may be.

Except pursuant to Section 414, no adjustment in the Conversion Rate will be made by reason of the completion of a merger, consolidation or other transaction effected with one of the Company's Affiliates for the purpose of (1) changing the jurisdiction of organization of the Company or (2) effecting a corporate reorganization including, without limitation, the implementation of a holding company structure.

No adjustment need be made for issuances of Common Stock pursuant to a Company plan for reinvestment of dividends or interest or for a change in the par value or a change to no par value of the Common Stock.

To the extent that the 2021 Debentures become convertible into the right to receive cash, no adjustment need be made thereafter as to the cash. Interest will not accrue on the cash.

Section 411 ADJUSTMENT FOR TAX PURPOSES.

The Company shall be entitled to make such adjustments in the Conversion Rate, in addition to those required by Section 409, as in its discretion shall determine to be advisable in order that any stock dividends, subdivisions of shares, distributions of rights to purchase stock or securities or distributions of securities convertible into or exchangeable for stock hereafter made by the Company to its stockholders shall not be taxable.

Section 412 NOTICE OF ADJUSTMENT.

Whenever the Conversion Rate is adjusted, the Company shall promptly mail to Holders a notice of the adjustment and file with the Trustee an Officers' Certificate specifying the adjusted Conversion Rate, and briefly stating the facts requiring the adjustment and the manner of computing it.

Section 413 NOTICE OF CERTAIN TRANSACTIONS.

In the event that:

(1) the Company takes any action which would require an adjustment in the Conversion Rate,

(2) the Company takes any action that requires a supplemental indenture pursuant to Section 414, or

(3) there is a dissolution or liquidation of the Company,

the Company shall mail to Holders and file with the Trustee a notice stating the proposed record or effective date, as the case may be. The Company shall mail the notice at least fifteen days before such date. Failure to mail such notice or any defect therein shall not affect the validity of any transaction referred to in clause (1), (2) or (3) of this Section 413.

Section 414 EFFECT OF RECLASSIFICATION, CONSOLIDATION, MERGER
OR SALE ON CONVERSION PRIVILEGE.

If any of the following shall occur, namely: (a) any reclassification or change of shares of Common Stock issuable upon conversion of the 2021 Debentures (other than a change in par value, or from par value to no par value, or from no par value to par value, or as a result of a subdivision or combination); (b) any consolidation or merger in which the Company is a party consolidating with another entity or merging with or into another entity other than a merger in which the Company is the continuing corporation and which does not result in any reclassification of, or change (other than a change in par value, or from par value to no par value, or from no par value to par value, or as a result of a subdivision or combination) in, Outstanding shares of Common Stock; or (c) any sale or conveyance of all or substantially all of the property and assets of the Company to any Person, then the Company, or such successor, purchasing or transferee corporation, as the case may be, shall, as a condition precedent to such reclassification, change, consolidation, merger, sale or conveyance, execute and deliver to the Trustee a supplemental indenture providing that the Holder of each 2021 Debenture then Outstanding shall have the right to convert such 2021 Debenture into the kind and amount of shares of stock and other securities and property (including cash) receivable upon such reclassification, change, consolidation, merger, sale or conveyance by a holder of the number of shares of Common Stock deliverable upon conversion of such 2021 Debenture immediately prior to such reclassification, change, consolidation, merger, sale or conveyance. Such supplemental indenture shall provide for adjustments of the Conversion Rate which shall be as nearly equivalent as may be practicable to the adjustments of the Conversion Rate provided for in this Article. If, in the case of any such consolidation, merger, sale or conveyance, the stock or other securities and property (including cash) receivable thereupon by a holder of Common Stock include shares of stock or other securities and property of a Person other than the successor, purchasing or transferee corporation, as the case may be, in such consolidation, merger, sale or conveyance, then such supplemental indenture shall also be executed by such other Person and shall contain such additional provisions to protect the interests of the Holders of the 2021 Debentures as the Board of Directors shall reasonably consider necessary by reason of the foregoing. The provisions of this Section 414 shall similarly apply to successive reclassifications, changes, consolidations, mergers, sales or conveyances.

In the event the Company shall execute a supplemental indenture pursuant to this Section 414, the Company shall promptly file with the Trustee (x) an Officers' Certificate briefly stating the reasons therefor, the kind or amount of shares of stock or other securities or property (including cash) receivable by Holders of the 2021 Debentures upon the conversion of their 2021 Debentures after any such reclassification, change, consolidation, merger, sale or conveyance, any adjustment to be made with respect thereto and that all conditions precedent have been complied with and (y) an Opinion of Counsel that all conditions precedent have been complied with, and shall promptly mail notice thereof to all Holders.

Section 415 TRUSTEE'S DISCLAIMER.

The Trustee shall have no duty to determine when an adjustment under this Article should be made, how it should be made or what such adjustment should be, but may accept as conclusive evidence of that fact or the correctness of any such adjustment, and shall be protected

in relying upon, an Officers' Certificate including the Officers' Certificate with respect thereto which the Company is obligated to file with the Trustee pursuant to Section 412. The Trustee makes no representation as to the validity or value of any securities or assets issued upon conversion of 2021 Debentures, and the Trustee shall not be responsible for the Company's failure to comply with any provisions of this Article.

The Trustee shall not be under any responsibility to determine the correctness of any provisions contained in any supplemental indenture executed pursuant to Section 414, but may accept as conclusive evidence of the correctness thereof, and shall be fully protected in relying upon, the Officers' Certificate with respect thereto which the Company is obligated to file with the Trustee pursuant to Section 414.

Section 416 VOLUNTARY INCREASE.

The Company from time to time may increase the Conversion Rate by any amount for any period of time if the period is at least 20 days or such longer period as may be required by law and if the increase is irrevocable during the period.

ARTICLE FIVE

REDEMPTION OF DEBENTURES AT THE OPTION OF THE COMPANY

Section 501 GENERAL.

Beginning on April 15, 2008, the Company may redeem the 2021 Debentures for cash at any time as a whole, or from time to time in part, at a price equal to 100% of the principal amount of the 2021 Debentures to be redeemed plus accrued and unpaid interest to, but excluding, the Redemption Date in accordance with Article 11 of the Indenture and Section 318 of this Supplemental Indenture.

ARTICLE SIX

REPURCHASE OF 2021 DEBENTURES AT OPTION OF THE HOLDER

Section 601 GENERAL.

The Company shall be required to repurchase 2021 Debentures in accordance with this Article Six.

2021 Debentures shall be purchased by the Company pursuant to the terms and conditions under the caption "Repurchase by the Company at the Option of the Holder" in the 2021 Debentures on any April 15 occurring in the years 2005, 2008 and 2011 (each, a "Repurchase Date"), at the repurchase price specified therein (each, a "Repurchase Price"), at the option of the Holder thereof, upon:

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

(A) if Certificated Security has been issued, the certificate number of the 2021 Debenture which the Holder will deliver to be repurchased or if not, such information as may be required under appropriate DTC Procedures,

(B) the portion of the principal amount of the 2021 Debenture which the Holder will deliver to be repurchased, which portion must be \$ 1,000 or an integral multiple thereof,

(C) that such 2021 Debenture shall be purchased as of the Repurchase Date pursuant to the terms and conditions specified under the paragraph "Repurchase by the Company at the Option of the Holder" of the 2021 Debentures and in the Indenture as supplemented by this Supplemental Indenture,

(D) in the event that the Company elects, pursuant to Section 602 hereof, to pay the Repurchase Price to be paid as of such Repurchase Date, in whole or in part, in Common Stock but such portion of the Repurchase Price shall ultimately be payable to such Holder entirely in cash because any of the conditions to payment of the Repurchase Price in Common Stock is not satisfied prior to the close of business on such Repurchase Date, as set forth in Section 603 hereof, whether such Holder elects (i) to withdraw such Repurchase Notice as to some or all of the 2021 Debentures to which such Repurchase Notice relates (stating the principal amount and certificate numbers of the 2021 Debentures as to which such withdrawal shall relate), or (ii) to receive cash in respect of the entire Repurchase Price for all 2021 Debentures (or portions thereof) to which such Repurchase Price relates, and

(2) delivery of such 2021 Debenture to the Paying Agent prior to, on or after the Repurchase Date (together with all necessary endorsements) at the offices of the Paying Agent, such delivery being a condition to receipt by the Holder of the Repurchase Price therefor; PROVIDED, HOWEVER, that such Repurchase Price shall be so paid pursuant to this Article only if the 2021 Debenture so delivered to the Paying Agent shall conform in all respects to the description thereof in the related Repurchase Notice.

If a Holder, in such Holder's Repurchase Notice and in any written notice of withdrawal delivered by such Holder pursuant to the terms of Section 609 hereof, fails to indicate such Holder's choice with respect to the election set forth in clause (D) of Section 601(1), such Holder shall be deemed to have elected to receive cash in respect of the Repurchase Price for all 2021 Debentures subject to the Repurchase Notice in the circumstances set forth in such clause (D).

The Company shall purchase from the Holder thereof, pursuant to this Article, a portion of a 2021 Debenture if the principal amount of such portion is \$1,000 or an integral multiple of \$1,000. Provisions of this Indenture that apply to the purchase of all of a 2021 Debenture also apply to the purchase of such portion of such 2021 Debenture.

Any purchase by the Company contemplated pursuant to the provisions of this Article shall be consummated by the delivery of the consideration to be received by the Holder (if any) promptly following the later of the Repurchase Date and the time of delivery of the 2021 Debenture.

Notwithstanding anything herein to the contrary, any Holder delivering to the Paying Agent the Repurchase Notice contemplated by this Section 601 shall have the right to withdraw such Repurchase Notice at any time prior to the close of business on the Repurchase Date by delivery of a written notice of withdrawal to the Paying Agent in accordance with Section 609.

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

The Company may, at its option, specify additional dates on which Holders will have the right to require it to repurchase 2021 Debentures upon written notice to the Trustee and the Holders. Such notice shall specify the additional dates upon which the Company shall be required to repurchase the 2021 Debentures at the option of the Holders and shall be delivered to the Trustee and the Holders no less than 25 Business Days prior to the earliest repurchase date specified in such notice.

Section 602 THE COMPANY'S RIGHT TO ELECT MANNER OF PAYMENT OF REPURCHASE PRICE.

(a) The Repurchase Price of 2021 Debentures in respect of which a Repurchase Notice pursuant to Section 601 has been given, or a specified percentage thereof, will be paid by the Company, at the election of the Company, with cash or Common Stock or in any combination of cash and Common Stock, subject to the conditions set forth in Section 602 and 603 hereof. The Company shall designate, in the Company Notice delivered pursuant to Section 605 hereof, whether the Company will purchase the 2021 Debentures for cash or Common Stock, or, if a combination thereof, the percentages of the Repurchase Price of 2021 Debentures in respect of which it will pay in cash and Common Stock; provided, however, that the Company will pay cash for fractional interests in Common Stock. For purposes of determining the existence of potential fractional interests, all 2021 Debentures subject to purchase by the Company held by a Holder shall be considered together (no matter how many separate certificates are to be presented). Each Holder whose 2021 Debentures are purchased pursuant to this Article shall receive the same percentage of cash or Common Stock in payment of the Repurchase Price for such 2021 Debentures, except (i) as provided in Section 604 with regard to the payment of cash in lieu of fractional Common Stock and (ii) in the event that the Company is unable to purchase the 2021 Debentures of a Holder or Holders for Common Stock because any necessary qualifications or registrations of the Common Stock under applicable state securities laws cannot be obtained, the Company may purchase the 2021 Debentures of such Holder or Holders for cash. The Company may not change its election with respect to the consideration (or components or percentages of components thereof) to be paid once the Company has given its Company Notice to Holders except pursuant to this Section 602 or pursuant to Section 604 in the event of a failure to satisfy, prior to the close of business on the Repurchase Date, any condition to the payment of the Repurchase Price, in whole or in part, in Common Stock.

At least three Business Days before the Company Notice Date (as defined in Section 604 of this Supplemental Indenture), the Company shall deliver an Officers' Certificate to the Trustee specifying:

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

(ii) the information required by Section 605,

(iii) if the Company elects to pay the Repurchase Price, or a specified percentage thereof, in Common Stock, that the conditions to such manner of payment set forth in Section 604 have been or will be complied with, and

(iv) whether the Company desires the Trustee to give the Company Notice required by Section 605.

Section 603 PURCHASE WITH CASH.

On each Repurchase Date, at the option of the Company, the Repurchase Price of 2021 Debentures in respect of which a Repurchase Notice pursuant to Section 601 has been given, or a specified percentage thereof, may be paid by the Company with cash equal to the aggregate Repurchase Price of such 2021 Debentures. If the Company elects to purchase 2021 Debentures with cash, the Company Notice, as provided in Section 605, shall be sent to Holders (and to beneficial owners as required by applicable law) not less than 20 Business Days prior to such Purchase Date (the "Company Notice Date").

Section 604 PAYMENT BY ISSUANCE OF COMMON STOCK.

On each Repurchase Date, at the option of the Company, the Repurchase Price of 2021 Debentures in respect of which a Repurchase Notice pursuant to Section 601 has been given, or a specified percentage thereof, may be paid by the Company by the issuance of a number of shares of Common Stock equal to the quotient obtained by dividing (i) the amount of cash to which the Holders would have been entitled had the Company elected to pay all or such specified percentage, as the case may be, of the Repurchase Price of such 2021 Debentures in cash by (ii) the Market Price of a share of Common Stock, subject to the next succeeding paragraph.

The Company will not issue a fractional share of Common Stock in payment of the Repurchase Price. Instead the Company will pay cash for the current market value of the fractional share. The current market value of a fraction of a share of Common Stock shall be determined by multiplying the Market Price by such fraction and rounding the product to the nearest whole cent with one half cent being rounded upwards. It is understood that if a Holder elects to have more than one 2021 Debenture repurchased, the number of shares of Common Stock shall be based on the aggregate amount of 2021 Debentures to be repurchased.

If the Company elects to purchase the 2021 Debentures by the issuance of Common Stock, the Company Notice, as provided in Section 605, shall be sent to the Holders (and to beneficial owners as required by applicable law) not later than the Company Notice Date.

The Company's right to exercise its election to purchase the 2021 Debentures pursuant to this Article through the issuance of Common Stock shall be conditioned upon:

(i) the Company's not having given its Company Notice of an election to pay entirely in cash and its giving of timely Company Notice of election to purchase all or a specified percentage of the 2021 Debentures with Common Stock as provided herein;

(ii) the listing of shares of Common Stock to be issued in respect of the payment of the Repurchase Price on the principal United States securities exchange on which the Common Stock is then listed or, if not so listed, the quotation of such shares on NASDAQ;

(iii) the registration of the shares of Common Stock to be issued in respect of the payment of the Repurchase Price under the Securities Act or the Exchange Act, in each case, if required for the initial issuance thereof;

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

(v) the receipt by the Trustee of an Officers' Certificate and an Opinion of Counsel each stating that (A) the terms of the issuance of the Common Stock are in conformity in all material respects with this Supplemental Indenture and (B) the Common Stock to be issued by the Company in payment of the Repurchase Price in respect of 2021 Debentures have been duly authorized and, when issued and delivered pursuant to the terms of this Supplemental Indenture in payment of the Repurchase Price in respect of the 2021 Debentures, will be validly issued, fully paid and non-assessable and, to the best of such counsel's knowledge, free from preemptive rights, and, in the case of such Officer's Certificate, stating that conditions (i), (ii) (iii) and (iv) above and the condition set forth in the second succeeding sentence have been satisfied and, in the case of such Opinion of Counsel, stating that conditions (ii) and (iii) above have been satisfied.

Such Officers' Certificate shall also set forth the number of shares of Common Stock to be issued for each \$1,000 principal amount of 2021 Debentures and the Sale Price of a share of Common Stock on each trading day during the period commencing on the first trading day of the period during which the Market Price is calculated and ending three Business Days prior to the applicable Repurchase Date. The Company shall pay the Repurchase Price (or any portion thereof) in Common Stock only if the information necessary to calculate the Market Price is published in THE WALL STREET JOURNAL or another daily newspaper of national circulation or is otherwise readily publicly available. If the foregoing conditions are not satisfied with respect to a Holder or Holders prior to the close of business on the Repurchase Date and the Company has elected to repurchase the 2021 Debentures pursuant to this Article through the issuance of Common Stock, the Company shall pay, without further notice, the entire Repurchase Price of the 2021 Debentures of such Holder or Holders in cash.

The "Market Price" means the average of the Sale Prices of the Common Stock for the five Trading Day period ending on the third Business Day (if the third Business Day prior to the applicable Repurchase Date is a Trading Day, or if not, then on the last Trading Day prior to the third Business Day), prior to the applicable Repurchase Date appropriately adjusted to take into account the occurrence, during the period commencing on the first of such Trading Days during such five Trading Day period and ending on such Repurchase Date, of any event described in Section 409; subject, however, to the conditions set forth in Sections 409(f) and 410.

The "Sale Price" of the Common Stock on any date means the closing per share sale price (or, if no closing sale price is reported, the average of the bid and ask prices or, if more than one in either case, the average of the average bid and average ask prices) on such date as reported in the composite transactions for the principal United States securities exchange on which the Common Stock is traded or, if the Common Stock is not listed on a United States national or regional securities exchange, as reported by the National Association of Securities Dealers Automated Quotation System or by the National Quotation Bureau Incorporated.

Section 605 NOTICE OF ELECTION.

The Company's notice of election to repurchase with cash or Common Stock or any combination thereof shall be sent to the Holders in the manner provided in Section 206 of the Indenture at the time specified in Section 603 or 604, as applicable (the "Company Notice"). Such Company Notice shall state the manner of payment elected and shall contain the following information:

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

(1) state that each Holder will receive Common Stock with a Market Price equal to such specified percentage of the Repurchase Price of the 2021 Debentures held by such Holder (except any cash amount to be paid in lieu of fractional shares);

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

(3) state that because the Market Price of Common Stock will be determined prior to the Repurchase Date, Holders will bear the market risk with respect to the value of the Common Stock to be received from the date such Market Price is determined to the Repurchase Date.

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

(A) the Repurchase Price, the Conversion Rate and, to the extent known at the time of such notice the amount of interest that will be accrued and payable with respect to the 2021 Debentures as of the Repurchase Date;

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

(C) that 2021 Debentures as to which a Repurchase Notice has been given may be converted pursuant to Article Four hereof only if the applicable Repurchase Notice has been withdrawn in accordance with the terms of this Indenture;

(D) that 2021 Debentures must be surrendered to the Paying Agent to collect payment of the Purchase Price;

(E) that the Repurchase Price for any 2021 Debenture as to which a Repurchase Notice has been given and not withdrawn will be paid promptly following the later of the Repurchase Date and the time of surrender of such 2021 Debenture as described in (D);

(F) the procedures the Holder must follow to exercise repurchase rights under this Article and a brief description of those rights;

(G) briefly, the conversion rights of the 2021 Debentures; and

(H) the procedures for withdrawing a Repurchase Notice (including, without limitation, for a conditional withdrawal pursuant to the terms of Section 601 or 609).

If any of the 2021 Debentures is in the form of a Global Security, then the Company shall modify the Company Notice to the extent necessary to accord with the procedures of the Depositary applicable to the repurchase of Global Securities.

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

Upon determination of the actual number of shares of Common Stock to be issued for each \$1,000 principal amount of 2021 Debentures, the Company will publish such determination at the Company's Web site on the World Wide Web or through such other public medium as the Company may use at that time.

Section 606 COVENANTS OF THE COMPANY.

All Common Stock delivered upon purchase of the 2021 Debentures shall be newly issued shares or treasury shares, shall be duly authorized, validly issued, fully paid and nonassessable and shall be free from preemptive rights and free of any Lien or adverse claim.

Section 607 PROCEDURE UPON REPURCHASE.

As soon as practicable after the Repurchase Date, the Company shall deliver to each Holder entitled to receive Common Stock through the Paying Agent, a certificate for the number of full shares of Common Stock issuable in payment of the Repurchase Price and cash in lieu of any fractional shares of Common Stock. The Person in whose name the certificate for Common Stock is registered shall be treated as a holder of record of Common Stock on the Business Day following the Repurchase Date. Subject to Section 604, no payment or adjustment will be made for dividends on the Common Stock the record date for which occurred on or prior to the Repurchase Date.

Section 608 TAXES.

If a Holder of a 2021 Debenture is paid in Common Stock, the Company shall pay any documentary, stamp or similar issue or transfer tax due on such issue of Common Stock. However, the Holder shall pay any such tax which is due because the Holder requests the Common Stock to be issued in a name other than the Holder's name. The Paying Agent may refuse to deliver the certificates representing the shares of Common Stock being issued in a name other than the Holder's name until the Paying Agent receives a sum sufficient to pay any tax which will be due because the shares of Common Stock are to be issued in a name other than the Holder's name.

Upon receipt by the Paying Agent of the Repurchase Notice specified in Section 605, the Holder of the 2021 Debenture in respect of which such Repurchase Notice was given shall (unless such Repurchase Notice is withdrawn as specified in the following two paragraphs) thereafter be entitled to receive solely the Repurchase Price with respect to such 2021 Debenture. Such Repurchase Price shall be paid to such Holder, subject to receipt of funds and/or Common Stock by the Paying Agent, promptly following the later of (x) the Repurchase Date with respect to such 2021 Debenture (provided the conditions in Section 601 have been satisfied) and (y) the time of delivery of such 2021 Debenture to the Paying Agent by the Holder thereof in the manner required by Section 601. 2021 Debentures in respect of which a Repurchase Notice has been given by the Holder thereof may not be converted pursuant to Article Four hereof on or after the date of the delivery of such Repurchase Notice unless such Repurchase Notice has first been validly withdrawn as specified in the following two paragraphs.

A Repurchase Notice may be withdrawn by means of a written notice of withdrawal delivered to the office of the Paying Agent in accordance with the Repurchase Notice at any time prior to the close of business on the applicable Repurchase Date specifying:

(1) if Certificated Securities have been issued, the certificate number of the 2021 Debenture in respect of which such notice of withdrawal is being submitted, or if not, such information as may be required under appropriate procedures of the Depository;

(2) the principal amount of the 2021 Debenture with respect to which such notice of withdrawal is being submitted; and

(3) the principal amount, if any, of such 2021 Debenture which remains subject to the original Repurchase Notice and which has been or will be delivered for purchase by the Company.

A written notice of withdrawal of a Repurchase Notice may be in the form set forth in the preceding paragraph or may be in the form of (i) a conditional withdrawal contained in a Repurchase Notice pursuant to the terms of Section 601(1)(D) or (ii) a conditional withdrawal containing the information set forth in Section 601(1)(D) and the preceding paragraph and contained in a written notice of withdrawal delivered to the Paying Agent as set forth in the preceding paragraph.

There shall be no purchase of any 2021 Debentures pursuant to this Article (other than through the issuance of Common Stock in payment of the Repurchase Price, including cash in lieu of fractional shares) if there has occurred (prior to, on or after, as the case may be, the giving, by the Holders of such 2021 Debentures, of the required Repurchase Notice) and is continuing an Event of Default (other than a default in the payment of the Repurchase Price with respect to such 2021 Debentures). The Paying Agent will promptly return to the respective Holders thereof any 2021 Debentures (x) with respect to which a Repurchase Notice has been withdrawn in compliance with this Indenture, or (y) held by it during the continuance of an Event of Default (other than a default in the payment of the Repurchase Price with respect to

such 2021 Debentures) in which case, upon such return, the Repurchase Notice with respect thereto shall be deemed to have been withdrawn.

Section 610 DEPOSIT OF REPURCHASE PRICE.

Prior to 11:00 a.m. (New York City time) on the Business Day following the Repurchase Date, the Company shall deposit with the Trustee or with the Paying Agent an amount of money (in immediately available funds if deposited on such Business Day) and/or Common Stock, if permitted hereunder, sufficient to pay the aggregate Repurchase Price of all of the 2021 Debentures or portions thereof which are to be purchased as of the Repurchase Date. The manner in which the deposit required by this Section 610 is made by the Company shall be at the option of the Company, provided, however, that such deposit shall be made in a manner such that the Trustee or a Paying Agent shall have immediately available funds on the Repurchase Date.

If a Paying Agent holds, in accordance with the terms hereof, money and/or Common Stock sufficient to pay the Repurchase Price of any 2021 Debenture for which a Repurchase Notice has been tendered and not withdrawn in accordance with this Indenture then, immediately after Repurchase Date, such 2021 Debenture will cease to be Outstanding and the rights of the Holder in respect thereof shall terminate (other than the right to receive the Repurchase Price as aforesaid).

Section 611 SECURITIES REPURCHASED IN PART.

Any 2021 Debenture which is to be purchased only in part shall be surrendered at the office of the Paying Agent (with, if the Company or the Trustee so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the Company or the Trustee duly executed by, the Holder thereof or such Holder's attorney duly authorized in writing) and the Company shall execute and the Trustee shall authenticate and deliver to the Holder of such 2021 Debenture, without service charge except for any taxes to be paid by the Holder in the event a 2021 Debenture is registered under a new name, a new 2021 Debenture or 2021 Debentures, of any authorized denomination as requested by such Holder in aggregate principal amount equal to, and in exchange for, the portion of the principal amount of the 2021 Debenture so surrendered which is not purchased.

Section 612 COMPLIANCE WITH SECURITIES LAWS UPON PURCHASE OF SECURITIES.

In connection with any offer to purchase or purchase of 2021 Debentures under this Article (provided that such offer or purchase constitutes an "issuer tender offer" for purposes of Rule 13e-4 (which term, as used herein, includes any successor provision thereto) under the Exchange Act at the time of such offer or purchase), the Company shall (i) comply with Rule 13e-4 under the Exchange Act, (ii) file the related Schedule TO (or any successor schedule, form or report), if required, under the Exchange Act, and (iii) otherwise comply with all applicable Federal and state securities laws so as to permit the rights and obligations under Article Six to be exercised in the time and in the manner specified in this Article.

Section 613 REPAYMENT TO THE COMPANY.

The Trustee and the Paying Agent shall return to the Company any cash or Common Stock that remain unclaimed for two years, subject to applicable unclaimed property law, together with interest or dividends, if any, thereon held by them for the payment of the Repurchase Price, PROVIDED, HOWEVER, that to the extent that the aggregate amount of cash or Common Stock deposited by the Company pursuant to Section 610 exceeds the aggregate Repurchase Price of the 2021 Debentures or portions thereof which the Company is obligated to purchase as of the Repurchase Date, then promptly after the Business Day following the Repurchase Date, the Trustee shall return any such excess to the Company together with interest or dividends, if any, thereon. Thereafter, any Holder entitled to payment must look to the Company for payment as general creditors, unless an applicable abandoned property law designates another Person.

Section 614 CONVERSION ARRANGEMENT ON REPURCHASE.

Any 2021 Debentures required to be repurchased under this Article, unless surrendered for conversion before the close of business on the Repurchase Date, may be deemed to be purchased from the Holders of such 2021 Debentures for an amount in cash not less than the Repurchase Price, by one or more investment bankers or other purchasers who may agree with the Company to purchase such 2021 Debentures from the Holders, to convert them into Common Stock of the Company and to make payment for such 2021 Debentures to the Trustee in trust for such Holders.

ARTICLE SEVEN

PURCHASE OF 2021 DEBENTURES AT OPTION OF
THE HOLDER UPON CHANGE IN CONTROL

Section 701 RIGHT TO REQUIRE REPURCHASE.

(a) If at any time on or before April 15, 2008 that 2021 Debentures remain Outstanding there shall occur a Change in Control, 2021 Debentures shall be purchased by the Company in integral multiples of \$1,000 principal amount at the option of the Holders thereof as of the date that is 35 Business Days after the occurrence of the Change in Control (the "Change in Control Purchase Date") subject to satisfaction by or on behalf of any Holder of the requirements set forth in subsection (c) of this Section 701. The purchase price of such 2021 Debentures (the "Change in Control Purchase Price") shall be equal to 100% of the principal amount of the 2001 Debentures to be purchased plus accrued and unpaid interest to, but excluding, the Change in Control Purchase Date.

A "Change in Control" shall be deemed to have occurred at such time after the date hereof as (a) any Person or any Persons acting together in a manner which would constitute a "group" for purposes of Section 13(d) of the Exchange Act, or any successor provision thereto, together with any Affiliates thereof (but in each case excluding Subsidiaries, any employee benefit plans of the Company or its Subsidiaries or any Permitted Holders), after the first issuance of 2021 Debentures files a Schedule TO or a Schedule 13D (or any successors to those

forms) stating that it or they has or have become and actually is or are Beneficial Owners, directly or indirectly, of Capital Stock of the Company, entitling such Person or Persons and its or their Affiliates to exercise more than 50% of the total voting power of all classes of the Company's Capital Stock entitled to vote generally in the election of the Company's directors or (b) any of the Permitted Holders, after the first issuance of 2021 Debentures, file a Schedule T0 or a Schedule 13D (or any successors to those forms) stating that they have become and actually are Beneficial Owners of the Company's Capital Stock representing more than 80%, in the aggregate, of the voting power entitled to vote generally in the election of the Company's directors or (c) the Company shall consolidate with or merge into any other Person (other than a Subsidiary), or any other Person (other than a Subsidiary) shall consolidate with or merge into the Company, or the Company shall sell, convey, transfer or lease its properties and assets substantially as an entirety to any Person other than a Subsidiary, and, in the case of any such transaction the outstanding Common Stock is reclassified into, exchanged for or converted into the right to receive any other property or security, unless the stockholders of the Company immediately before such transaction, own, directly or indirectly, immediately following such transaction, at least a majority of the combined voting power of the outstanding voting securities of the Person resulting from such transaction or the Person acquiring such properties and assets, entitled to vote generally on the election of such resulting or acquiring Person's directors, in substantially the same proportion as their ownership of the Common Stock immediately before such transaction, PROVIDED, HOWEVER, that a Change in Control shall not be deemed to have occurred upon the completion of a merger, consolidation or other transaction effected with any Affiliates of the Company for the purpose of (x) changing the Company's jurisdiction of organization, or (y) effecting a corporate reorganization of the Company, including, without limitation, the implementation of a holding company structure.

The term "Beneficial Owner" shall be determined in accordance with Rules 13d-3 and 13d-5 promulgated by the Securities and Exchange Commission under the Exchange Act or any successor provision thereto, except that a Person shall be deemed to have "beneficial ownership" of all shares that such Person has the right to acquire, whether such right is exercisable immediately or only after the passage of time.

The term "Permitted Holder" shall mean each of Marilyn B. Arison, Micky Meir Arison, Shari Arison, Michael Arison or their spouses, children or lineal descendants of Marilyn B. Arison, Micky Meir Arison, Shari Arison, Michael Arison or their spouses, any trust established for the benefit of any Arison family member mentioned in this paragraph, or any "person" (as such term is used in Section 13(d) or 14(d) of the Exchange Act), directly or indirectly, controlling, controlled by or under common control with any Arison family member mentioned in this paragraph or any trust established for the benefit of any such Arison family member or any charitable trust or non-profit entity established by a Permitted Holder.

(b) Within 15 Business Days after the occurrence of a Change in Control, the Company shall mail a written notice of the Change in Control to the Trustee and to each Holder. The notice shall include the form of a Change in Control Purchase Notice to be completed by the Holder and shall state:

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

(2) the date by which the Change in Control Purchase Notice pursuant to this Section 701 must be given;

(3) the Change in Control Purchase Date;

(4) the Change in Control Purchase Price that will be accrued and payable with respect to the 2021 Debentures as of the Change in Control Purchase Date;

(5) briefly, the conversion rights of the 2021 Debentures;

(6) the name and address of each Paying Agent and Conversion Agent;

(7) the Conversion Rate and any adjustments thereto;

(8) that 2021 Debentures as to which a Change in Control Purchase Notice has been given may be converted into Common Stock pursuant to Article Four only to the extent that the Change in Control Purchase Notice has been withdrawn in accordance with the terms of this Indenture;

(9) the procedures that the Holder must follow to exercise rights under this Section 701;

(10) the procedures for withdrawing a Change in Control Purchase Notice, including a form of notice of withdrawal; and

(11) that the Holder must satisfy the requirements set forth in the 2021 Debentures in order to convert the 2021 Debentures.

If any of the 2021 Debentures is in the form of a Global Security, then the Company shall modify such notice to the extent necessary to accord with the procedures of the Depository applicable to the repurchase of Global Securities.

(c) A Holder may exercise its rights specified in subsection (a) of this Section 701 upon delivery of a written notice (which shall be in substantially the form included as an attachment to the 2021 Debentures and which may be delivered by letter, overnight courier, hand delivery, facsimile transmission or in any other written form and, in the case of Global Securities, may be delivered electronically or by other means in accordance with the Depository's customary procedures) of the exercise of such rights (a "Change in Control Purchase Notice") to any Paying Agent at any time prior to the close of business on the Business Day next preceding the Change in Control Purchase Date.

The delivery of such 2021 Debenture to any Paying Agent (together with all necessary endorsements) at the office of such Paying Agent shall be a condition to the receipt by the Holder of the Change in Control Purchase Price.

The Company shall purchase from the Holder thereof, pursuant to this Section 701, a portion of a 2021 Debenture if the principal amount of such portion is \$1,000 or an integral multiple of \$1,000. Provisions of this Indenture that apply to the purchase of all of a 2021 Debenture pursuant to Sections 701 through 706 also apply to the purchase of such portion of such 2021 Debenture.

Any purchase by the Company contemplated pursuant to the provisions of this Section 701 shall be consummated by the delivery of the consideration to be received by the Holder promptly following the later of the Change in Control Purchase Date and the time of delivery of the 2021 Debenture to the Paying Agent in accordance with this Section 701.

Notwithstanding anything herein to the contrary, any Holder delivering to a Paying Agent the Change in Control Purchase Notice contemplated by this subsection (c) shall have the right to withdraw such Change in Control Purchase Notice in whole or as to a portion thereof that is a principal amount of \$1,000 or an integral multiple thereof at any time prior to the close of business on the Business Day next preceding the Change in Control Purchase Date by delivery of a written notice of withdrawal to the Paying Agent in accordance with Section 702.

A Paying Agent shall promptly notify the Company of the receipt by it of any Change in Control Purchase Notice or written withdrawal thereof.

Anything herein to the contrary notwithstanding, in the case of Global Securities, any Change in Control Purchase Notice may be delivered or withdrawn and such 2021 Debentures may be surrendered or delivered for purchase in accordance with the applicable procedures of the Depository as in effect from time to time.

Section 702 EFFECT OF CHANGE IN CONTROL PURCHASE NOTICE.

Upon receipt by any Paying Agent of the Change in Control Purchase Notice specified in Section 701(c), the Holder of the 2021 Debenture in respect of which such Change in Control Purchase Notice was given shall (unless such Change in Control Purchase Notice is withdrawn as specified below) thereafter be entitled to receive the Change in Control Purchase Price with respect to such 2021 Debenture. Such Change in Control Purchase Price shall be paid to such Holder promptly following the later of (a) the Change in Control Purchase Date with respect to such 2021 Debenture (provided the conditions in Section 701(c) have been satisfied) and (b) the time of delivery of such 2021 Debenture to a Paying Agent by the Holder thereof in the manner required by Section 701(c). 2021 Debentures in respect of which a Change in Control Purchase Notice has been given by the Holder thereof may not be converted into Common Stock on or after the date of the delivery of such Change in Control Purchase Notice unless such Change in Control Purchase Notice has first been validly withdrawn as specified in the following paragraph.

A Change in Control Purchase Notice may be withdrawn by means of a written notice of withdrawal delivered to the office of the Paying Agent in accordance with the Change in Control Purchase Notice at any time prior to the close of business on the applicable Change in Control Purchase Date specifying:

(1) if a Certificated Security has been issued, the certificate number of the 2021 Debentures in respect of which such notice of withdrawal is being submitted, or if not, such information as required by the Depositary;

(2) the principal amount, in integral multiples of \$1,000, of the 2021 Debentures with respect to which such notice of withdrawal is being submitted; and

(3) the principal amount, if any, of such 2021 Debentures which remain subject to the original Change in Control Purchase Notice and which has been or will be delivered for purchase by the Company.

There shall be no purchase of any 2021 Debentures pursuant to this Article if there has occurred (prior to, on or after, as the case may be, the giving, by the Holders of such 2021 Debentures, of the required Change in Control Purchase Notice) and is continuing an Event of Default (other than a default in the payment of the Change in Control Purchase Price with respect to such 2021 Debentures). The Paying Agent will promptly return to the respective Holders thereof any 2021 Debentures (x) with respect to which a Change in Control Purchase Notice has been withdrawn in compliance with this Indenture, or (y) held by it during the continuance of an Event of Default (other than a default in the payment of the Change in Control Purchase Price with respect to such 2021 Debentures) in which case, upon such return, the Change in Control Purchase Notice with respect thereto shall be deemed to have been withdrawn.

Section 703 DEPOSIT OF CHANGE IN CONTROL PURCHASE PRICE.

On or before 11:00 a.m. New York City time on the Change in Control Purchase Date, the Company shall deposit with the Trustee or with a Paying Agent (other than the Company or an Affiliate of the Company) an amount of money (in immediately available funds if deposited on such Business Day) sufficient to pay the aggregate Change in Control Purchase Price of all the 2021 Debentures or portions thereof that are to be purchased as of such Change in Control Purchase Date. The manner in which the deposit required by this Section 703 is made by the Company shall be at the option of the Company, PROVIDED, HOWEVER, that such deposit shall be made in a manner such that the Trustee or a Paying Agent shall have immediately available funds on the Change in Control Purchase Date.

If a Paying Agent holds, in accordance with the terms hereof, money sufficient to pay the Change in Control Purchase Price of any 2021 Debenture for which a Change in Control Purchase Notice has been tendered and not withdrawn in accordance with this Indenture then, on the Change in Control Purchase Date, such 2021 Debenture will cease to be Outstanding and the rights of the Holder in respect thereof shall terminate (other than the right to receive the interest thereon). The Company shall publicly announce the principal amount of 2021 Debentures purchased as a result of such Change in Control on or as soon as practicable after the Change in Control Purchase Date.

Section 704 SECURITIES PURCHASED IN PART.

Any 2021 Debenture that is to be purchased only in part shall be surrendered at the office of a Paying Agent and promptly after the Change in Control Purchase Date the Company shall execute and the Trustee shall authenticate and deliver to the Holder of such 2021 Debenture,

without service charge (other than amounts to be paid in respect of applicable transfer taxes), a new 2021 Debenture or 2021 Debentures, of such authorized denomination or denominations in integral multiples of \$1,000 as may be requested by such Holder, in aggregate principal amount equal to, and in exchange for, the portion of the principal amount of the 2021 Debenture so surrendered that is not purchased.

Section 705 COMPLIANCE WITH SECURITIES LAWS UPON PURCHASE OF SECURITIES.

In connection with any offer to purchase or purchase of 2021 Debentures under this Article (provided that such offer or purchase constitutes an "issuer tender offer" for purposes of Rule 13e-4 (which term, as used herein, includes any successor provision thereto) under the Exchange Act at the time of such offer or purchase), the Company shall (i) comply with Rule 13e-4 under the Exchange Act, (ii) file the related Schedule T0 (or any successor schedule, form or report), if required, under the Exchange Act, and (iii) otherwise comply with all applicable Federal and state securities laws so as to permit the rights and obligations under this Article to be exercised in the time and in the manner specified in this Article.

Section 706 REPAYMENT TO THE COMPANY.

The Trustee and the Paying Agent shall return to the Company any cash or Common Stock that remains unclaimed for two years, subject to applicable unclaimed property law, together with interest or dividends, if any, thereon held by them for the payment of the Change in Control Purchase Price; PROVIDED, HOWEVER, that to the extent that the aggregate amount of cash or Common Stock deposited by the Company pursuant to Section 703 exceeds the aggregate Change in Control Purchase Price of the 2021 Debentures or portions thereof which the Company is obligated to purchase as of the Change in Control Purchase Date, then on the Business Day following the Repurchase Date, the Trustee shall return any such excess to the Company together with interest or dividends, if any, thereon. Thereafter, any Holder entitled to payment must look to the Company for payment as general creditors, unless an applicable abandoned property law designates another Person.

ARTICLE EIGHT

MISCELLANEOUS PROVISIONS

Section 801 INTEGRAL PART.

This Supplemental Indenture constitutes an integral part of the Indenture with respect to the 2021 Debentures only.

Section 802 GENERAL DEFINITIONS.

For all purposes of this Supplemental Indenture:

(a) capitalized terms used herein without definition shall have the meanings specified in the Indenture; and

(b) the terms "herein", "hereof", "hereunder" and other words of similar import refer to this Supplemental Indenture.

Section 803 ADOPTION, RATIFICATION AND CONFIRMATION.

The Indenture, as supplemented and amended by this Supplemental Indenture, is in all respects hereby adopted, ratified and confirmed, and this Supplemental Indenture shall be deemed part of the Indenture in the manner and to the extent herein and therein provided. The provisions of this Supplemental Indenture shall, subject to the terms hereof, supersede the provisions of the Indenture to the extent the Indenture is inconsistent herewith.

Section 804 COUNTERPARTS.

This Supplemental Indenture may be executed in any number of counterparts, each of which when so executed shall be deemed an original; and all such counterparts shall together constitute but one and the same instrument.

Section 805 GOVERNING LAW.

THIS SUPPLEMENTAL INDENTURE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO THE CONFLICTS OF LAW RULES OF SAID STATE.

Section 806 CONFLICT OF ANY PROVISION OF INDENTURE WITH TRUST INDENTURE ACT OF 1939.

If and to the extent that any provision of this Supplemental Indenture limits, qualifies or conflicts with a provision required under the terms of the Trust Indenture Act of 1939, as amended, such Trust Indenture Act provision shall control.

Section 807 EFFECT OF HEADINGS.

The Article and Section headings herein are for convenience only and shall not affect the construction hereof.

Section 808 SEVERABILITY OF PROVISIONS.

In case any provision in this Supplemental Indenture or in the 2021 Debentures shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 809 SUCCESSORS AND ASSIGNS.

All covenants and agreements in this Supplemental Indenture by the parties hereto shall bind their respective successors and assigns and inure to the benefit of their respective successors and assigns, whether so expressed or not.

Section 810 BENEFIT OF SUPPLEMENTAL INDENTURE.

Nothing in this Supplemental Indenture, express or implied, shall give to any Person, other than the parties hereto, any Security Registrar, any Paying Agent, any Conversion Agent and their successors hereunder, and the Holders of the 2021 Debentures, any benefit or any legal or equitable right, remedy or claim under this Supplemental Indenture.

Section 811 ACCEPTANCE BY TRUSTEE.

The Trustee accepts the amendments to the Indenture effected by this Supplemental Indenture and agrees to execute the trusts created by the Indenture as hereby amended, but only upon the terms and conditions set forth in this Supplemental Indenture and the Indenture. Without limiting the generality of the foregoing, the Trustee assumes no responsibility for the correctness of the recitals contained herein, which shall be taken as the statements of the Company and except as provided in the Indenture the Trustee shall not be responsible or accountable in any way whatsoever for or with respect to the validity or execution or sufficiency of this Supplemental Indenture and the Trustee makes no representation with respect thereto.

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture to be duly executed and attested as of the day and year first written above.

CARNIVAL CORPORATION

By:

U.S. BANK TRUST NATIONAL ASSOCIATION

By:

GLOBAL SECURITY

[FORM OF FACE OF SECURITY]

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

THIS SECURITY IS A GLOBAL SECURITY WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF A DEPOSITARY OR A NOMINEE THEREOF. THIS SECURITY IS EXCHANGEABLE FOR SECURITIES REGISTERED IN THE NAME OF A PERSON OTHER THAN THE DEPOSITARY OR ITS NOMINEE ONLY IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE AND, UNLESS AND UNTIL IT IS EXCHANGED IN WHOLE OR IN PART FOR SECURITIES IN DEFINITIVE FORM, THIS SECURITY MAY NOT BE TRANSFERRED EXCEPT AS A WHOLE BY THE DEPOSITARY TO A NOMINEE OF THE DEPOSITARY OR BY A NOMINEE OF THE DEPOSITARY TO THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY OR BY THE DEPOSITARY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITARY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITARY.](1)

THIS SECURITY AND THE SHARES OF COMMON STOCK ISSUABLE UPON CONVERSION OF THIS SECURITY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY STATE SECURITIES LAWS. NEITHER THIS SECURITY, THE SHARES OF COMMON STOCK ISSUABLE UPON CONVERSION OF THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN OR THEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, REGISTRATION. EACH PURCHASER OF THIS SECURITY IS HEREBY NOTIFIED THAT THE SELLER OF THIS SECURITY MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A ("RULE 144A") THEREUNDER.

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 (1) These paragraphs should be included only if the Security is a Global Security.

THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, AGREES TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY PRIOR TO THE DATE (THE "RESALE RESTRICTION TERMINATION DATE") ON WHICH THIS SECURITY IS SALEABLE PURSUANT TO RULE 144(K) UNDER THE SECURITIES ACT ONLY (A) TO CARNIVAL CORPORATION (THE "COMPANY", OR THE "ISSUER") OR ANY SUBSIDIARY THEREOF, (B) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A, TO A PERSON IT REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHICH NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (C) TO AN INSTITUTIONAL "ACCREDITED INVESTOR" WITHIN THE MEANING OF SUBPARAGRAPH (A)(1), (2), (3) OR (7) OF RULE 501 UNDER THE SECURITIES ACT THAT IS ACQUIRING THE SECURITY FOR ITS OWN ACCOUNT, OR FOR THE ACCOUNT OF SUCH AN INSTITUTIONAL "ACCREDITED INVESTOR," FOR INVESTMENT PURPOSES AND NOT WITH A VIEW TO, OR FOR OFFER OR SALE IN CONNECTION WITH, ANY DISTRIBUTION IN VIOLATION OF THE SECURITIES ACT, (D) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, OR (E) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT TO THE COMPANY'S AND THE TRUSTEE'S RIGHT PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSE (C) OR (E) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM, AND IN EACH OF THE FOREGOING CASES, A CERTIFICATE OF TRANSFER IN THE FORM APPEARING ON THE OTHER SIDE OF THIS SECURITY IS COMPLETED AND DELIVERED BY THE TRANSFEROR TO THE TRUSTEE AND IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES, AND THE HOLDER WILL, AND EACH SUBSEQUENT HOLDER IS REQUIRED TO, NOTIFY ANY PURCHASER OF THIS DEBENTURE FROM IT OF THE RESALE RESTRICTIONS REFERRED TO ABOVE. THIS LEGEND WILL BE REMOVED UPON THE REQUEST OF THE HOLDER AFTER THE RESALE RESTRICTION TERMINATION DATE.(2)

THIS SECURITY IS SUBJECT TO LIMITATIONS ON OWNERSHIP CONTAINED IN THE INDENTURE, IN ORDER TO PERMIT THE COMPANY TO RETAIN ITS STATUS AS A PUBLICLY TRADED CORPORATION UNDER PROPOSED TREASURY REGULATIONS UNDER SECTION 883 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED.

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(2) [These paragraphs to be included only if the Security is a Transfer Restricted Security.]

[FORM OF FACE OF SECURITY]

CARNIVAL CORPORATION

2% CONVERTIBLE SENIOR DEBENTURES DUE 2021

Issue Date: April 25, 2001

Principal Amount: \$ _____

CUSIP: _____

Registered: No. R-

Carnival Corporation, a corporation organized and existing under the laws of the Republic of Panama (herein called the "Company", which term includes any successor corporation under the Indenture hereinafter referred to), for value received, hereby promises to pay to Cede & Co., or registered assigns, the principal sum of _____ DOLLARS (\$ _____) on April 15, 2021, [or such greater or lesser amount as is indicated in the Schedule of Exchanges of Securities on the other side of this 2021 Debenture](3) and to pay interest thereon from April 25, 2001 or from the most recent date to which interest has been paid or duly provided for, semiannually on April 15 and October 15 in each year (each, an "Interest Payment Date"), commencing October 15, 2001, at the rate of 2% per annum, until the principal hereof is paid or duly made available for payment. Interest on this 2021 Debenture shall be calculated on the basis of a 360-day year consisting of twelve 30-day months. The interest so payable and punctually paid or duly provided for on any Interest Payment Date will, as provided in such Indenture, be paid to the Person in whose name this 2021 Debenture (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest, which shall be the April 1 or October 1 (whether or not a Business Day), as the case may be, next preceding such Interest Payment Date. Any interest which is payable, but is not punctually paid or duly provided for, on any Interest Payment Date shall forthwith cease to be payable to the registered Holder hereof on the relevant Regular Record Date by virtue of having been such Holder, and may be paid to the Person in whose name this 2021 Debenture (or one or more Predecessor Securities) is registered at the close of business on a Special Record Date for the payment of such Defaulted Interest to be fixed by the Company, notice whereof shall be given to the Holders of 2021 Debentures not less than 10 days prior to such Special Record Date, or may be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the 2021 Debentures may be listed, and upon such notice as may be required by such exchange, all as more fully provided in such Indenture. This 2021 Debenture is convertible as specified on the other side on this 2021 Debenture.

Payment of the principal of and interest, if any, on this 2021 Debenture will be made at the office or agency of the Company maintained for that purpose in The City of New York, in such coin or currency of the United States of America as at the time of payment is legal tender

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(3) [To be included only if the Security is a Global Security.]

for payment of public and private debts; PROVIDED, HOWEVER, that at the option of the Company, payment of interest, if any, may be made by check mailed to the address of the Person entitled thereto as such address shall appear in the Security Register.

Reference is hereby made to the further provisions of this 2021 Debenture set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

Unless the certificate of authentication hereon has been executed by the Trustee referred to on the reverse hereof by manual signature, this 2021 Debenture shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed.

Dated: _____

CARNIVAL CORPORATION

By: _____
Name: _____
Title: _____

Corporate Secretary

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Securities of the series designated therein referred to in the within-mentioned Indenture.

U.S. BANK TRUST NATIONAL ASSOCIATION, as
Trustee

Authorized Signature

Date of Authentication: _____

CARNIVAL CORPORATION

2% CONVERTIBLE SENIOR DEBENTURE DUE 2021

This Security is one of a duly authorized issue of senior securities of the Company (herein called the "Securities"), issued and to be issued in one or more series under an Indenture, dated as of April 25, 2001, as amended by the Supplemental Indenture thereto, dated as of April 25, 2001 (as so amended, herein called the "Indenture"), between the Company and U.S. Bank Trust National Association, as Trustee (herein called the "Trustee", which term includes any successor trustee under the Indenture), to which Indenture and all indentures supplemental thereto reference is hereby made for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Trustee and the Holders of the Securities and of the terms upon which the Securities are, and are to be, authenticated and delivered. This Security is one of the series designated on the face hereof (herein called the "2021 Debentures"), limited in aggregate principal amount to \$600,000,000 created pursuant to the Indenture as supplemented by the Supplemental Indenture. Capitalized terms used and not otherwise defined in this 2021 Debenture are used as defined in the Indenture.

The 2021 Debentures are general unsecured and unsubordinated obligations of the Company. The Indenture does not limit other indebtedness of the Company, secured or unsecured.

INTEREST ON OVERDUE AMOUNTS

If the principal amount hereof or any portion of such principal amount is not paid when due (whether upon acceleration pursuant to Section 5.2 of the Indenture, upon the date set for payment of the Redemption Price as described under "Optional Redemption", upon the date set for payment of the Change in Control Purchase Price pursuant to "Purchase of 2021 Debentures at Option of Holder Upon a Change in Control", upon the date set for payment of the Repurchase Price under "Repurchase by the Company at the Option of the Holder" or upon the Stated Maturity of this 2021 Debenture) or if interest due hereon, if any (or any portion of such interest), is not paid when due, then in each such case the overdue amount shall, to the extent permitted by law, bear interest at the rate of 2% per annum, compounded semiannually, which interest shall accrue from the date such overdue amount was originally due to the date payment of such amount, including interest thereon, has been made or duly provided for. All such interest shall be payable as set forth in the Indenture.

METHOD OF PAYMENT

Payments in respect of principal of and interest, if any, on the 2021 Debentures shall be made by the Company in immediately available funds.

PAYING AGENT, CONVERSION AGENT AND SECURITY REGISTRAR.

Initially, the Trustee will act as Paying Agent, Conversion Agent and Security Registrar. The Company may appoint and change any Paying Agent, Conversion Agent, Security Registrar or co-registrar without notice, other than notice to the Trustee, except that the Company will maintain at least one Paying Agent in the State of New York, City of New York, Borough of

Manhattan, which shall initially be an office or agency of the Trustee. The Company or any of its Subsidiaries or any of their Affiliates may act as Paying Agent, Conversion Agent, Security Registrar or co-registrar.

OPTIONAL REDEMPTION

No sinking fund is provided for the 2021 Debentures. At any time on or after April 15, 2008, the 2021 Debentures are redeemable as a whole at any time, or in part from time to time, at the option of the Company in accordance with the Indenture at a redemption price (the "Redemption Price") equal to 100% of the principal amount of the Debentures to be redeemed plus accrued and unpaid interest to, but excluding, the Redemption Date.

If the Company redeems less than all of the outstanding 2021 Debentures, the Trustee will select the 2021 Debentures to be redeemed (i) by lot; (ii) pro rata; or (iii) by another method the Trustee considers fair and appropriate. If the Trustee selects a portion of a Holder's 2021 Debentures for partial redemption and the Holder converts a portion of the same 2021 Debentures, the converted portion shall be deemed to be from the portion selected for redemption.

NOTICE OF REDEMPTION

Notice of optional redemption by the Company will be mailed by first-class mail at least 30 days but not more than 60 days before the Redemption Date to each Holder of 2021 Debentures to be redeemed at its registered address. 2021 Debentures in denominations larger than \$1,000 principal amount may be redeemed in part, but only in whole multiples of \$1,000. On and after the Redemption Date, subject to the deposit with the Paying Agent of funds sufficient to pay the Redemption Price for such 2021 Debentures, all interest shall cease to accrue on such 2021 Debentures or portions thereof called for redemption in such notice.

PURCHASE OF 2021 DEBENTURES AT OPTION OF HOLDER UPON A CHANGE IN CONTROL

At the option of the Holder and subject to the terms and conditions of the Indenture, the Company shall purchase all or any part specified by the Holder in such Holder's Change in Control Purchase Notice (so long as the principal amount of such part is \$1,000 or an integral multiple of \$1,000 in excess thereof) of the 2021 Debentures held by such Holder on the date that is 35 Business Days after the occurrence of a Change in Control, at a purchase price (the "Change in Control Purchase Price") equal to the 100% of the principal amount of the 2021 Debentures to be purchased plus accrued and unpaid interest to, but excluding, the Change in Control Purchase Date.

The Holder shall have the right to withdraw any Change in Control Purchase Notice (in whole or in a portion thereof that is \$1,000 principal amount or an integral multiple of \$1,000 in excess thereof) at any time prior to the close of business on the Business Day prior to the Change in Control Purchase Date by delivering a written notice of withdrawal to the Paying Agent in accordance with the terms of the Indenture.

If cash sufficient to pay the Change in Control Purchase Price of all 2021 Debentures or portions thereof to be purchased as of the Change in Control Purchase Date, is deposited with the Paying Agent on the Business Day following the Change in Control Purchase Date, all interest shall cease to accrue on such 2021 Debentures (or portions thereof) immediately after such

Change in Control Purchase Date, and the Holder thereof shall have no other rights as such (other than the right to receive the Change in Control Purchase Price upon surrender of such 2021 Debenture).

CONVERSION

Subject to the terms of the Indenture, the Holder of a 2021 Debenture may convert the 2021 Debenture into shares of Common Stock: (1) if, as of the last day of the preceding fiscal quarter, the closing sale price of Common Stock for at least 20 Trading Days in a period of 30 consecutive Trading Days ending on the last trading day of that preceding fiscal quarter is more than 110% of the Conversion Price (as adjusted in accordance with the Indenture), (2) if the 2021 Debentures have been called for redemption or (3) upon the occurrence of certain corporate transactions or distributions described in the Indenture. A 2021 Debenture in respect of which a Holder has delivered a Repurchase Notice or a Change in Control Purchase Notice exercising the option of such Holder to require the Company to purchase such 2021 Debenture may be converted only if such notice of exercise is withdrawn in accordance with the terms of the Indenture. The initial Conversion Rate is 25.5467 shares of Common Stock per \$1,000 principal amount, subject to adjustment upon the occurrence of certain events described in the Indenture. The Company shall deliver cash or a check in lieu of any fractional share of Common Stock.

A Holder's right to convert the 2021 Debentures into Common Stock of the Company is also subject to the Company's right to elect to pay such Holder the amount of cash set forth in the next succeeding sentence in lieu of delivering all or part of such Common Stock; provided, however, that if such payment of cash is not permitted pursuant to the provisions of the Indenture, the Company shall deliver Common Stock (and cash in lieu of fractional shares of Common Stock) in accordance with the Indenture, whether or not the Company has delivered a notice pursuant to the Indenture to the effect that the 2021 Debentures will be paid in cash. The amount of cash to be paid for each \$1,000 principal amount of a 2021 Debenture shall be equal to the average Sale Price of a share of Common Stock of the Company for the five consecutive Trading Days immediately following (i) the date of the Company's notice of its election to deliver cash upon conversion, if the Company shall not have given a notice of redemption pursuant to the Indenture, or (ii) the Conversion Date, in the case of a conversion following such a notice of redemption specifying an intent to deliver cash or a combination of cash and Common Stock upon conversion, in either case multiplied by the Conversion Rate in effect on such Conversion Date. If the Company shall elect to make such payment wholly in shares of Common Stock, then such shares shall be delivered through the Conversion Agent to Holders surrendering 2021 Debentures as promptly as practicable but in any event no later than the fifth Business Day following the Conversion Date. If, however, the Company shall elect to make any portion of such payment in cash, then the payment, including any delivery of shares of Common Stock, shall be made to Holders surrendering 2021 Debentures no later than the tenth Business Day following the Conversion Date.

The Company may not pay cash in lieu of delivering all or part of such shares of Common Stock upon the conversion of any 2021 Debenture pursuant to the terms of the Indenture (other than cash in lieu of fractional shares) if there has occurred (prior to, on or after, as the case may be, the Conversion Date or the date on which the Company delivers its notice specifying whether each Conversion shall be converted into shares of Common Stock or cash) and is continuing an Event of Default (other than a default in such payment on such 2021 Debentures).

A Holder may convert a portion of a 2021 Debenture if the principal amount of such portion is \$1,000 or an integral multiple of \$1,000. No payment or adjustment shall be made for dividends on the Common Stock except as provided in the Indenture. On conversion of a 2021 Debenture, except as otherwise provided in the Supplemental Indenture, that portion of accrued and unpaid interest on the converted 2021 Debenture attributable to the period from the most recent Interest Payment Date (or, if no Interest Payment Date has occurred, from the Issue Date) through the Conversion Date with respect to the converted 2021 Debenture shall not be cancelled, extinguished or forfeited, but rather shall be deemed to be paid in full to the Holder thereof through delivery of the Common Stock (together with the cash payment, if any, in lieu of fractional shares), or cash in lieu thereof, in exchange for the 2021 Debenture being converted pursuant to the provisions hereof, and the fair market value of such shares of Common Stock (together with any such cash payment in lieu of fractional shares), or cash in lieu thereof, shall be treated as issued in exchange for the principal amount of the 2021 Debenture being converted pursuant to the provisions hereof.

2021 Debentures or portions thereof surrendered for conversion during the period from the close of business on any Regular Record Date immediately preceding any Interest Payment Date to the opening of business on such Interest Payment Date shall (except for 2021 Debentures called for redemption pursuant to Article Five of the Supplemental Indenture on a Redemption Date that occurs during the period between the close of business on a Regular Record Date and the opening of business on the fourth business day after the Interest Payment Date to which such Regular Record Date relates) be accompanied by payment to the Company or its order, in New York Clearing House funds or other funds acceptable to the Company, of an amount equal to the interest payable on such Interest Payment Date on the principal amount of 2021 Debentures or portions thereof being surrendered for conversion.

No fractional shares will be issued upon conversion; in lieu thereof, an amount will be paid in cash based upon the Sale Price of the Common Stock on the Trading Day immediately prior to the Conversion Date.

To convert a 2021 Debenture, a Holder must (a) complete and manually sign the conversion notice set forth below and deliver such notice to a Conversion Agent, (b) surrender the 2021 Debenture to the Conversion Agent, (c) furnish appropriate endorsements and transfer documents (including any certification that may be required under applicable law) if required by the Conversion Agent, and (d) pay any transfer or similar tax, if required.

REPURCHASE BY THE COMPANY AT THE OPTION OF THE HOLDER

Subject to the terms and conditions of the Indenture, the Company shall become obligated to purchase, at the option of the Holder, the 2021 Debentures held by such Holder on any April 15 in the years 2005, 2008 and 2011 at a Repurchase Price equal to 100% of the principal amount thereof plus accrued and unpaid interest to, but excluding, the Repurchase Date, upon delivery of a Repurchase Notice containing the information set forth in the Indenture, at any time from the opening of business on the date that is 20 Business Days prior to such Repurchase Date until the close of business on such Repurchase Date and upon delivery of the 2021 Debentures to the Paying Agent by the Holder as set forth in the Indenture.

The Repurchase Price may be paid, at the option of the Company, in cash or by the issuance of Common Stock (as provided in the Indenture), or in any combination thereof.

Holders have the right to withdraw any Repurchase Notice by delivering to the Paying Agent a written notice of withdrawal prior to the close of business on the Repurchase Date in accordance with the provisions of the Indenture.

If cash (and/or securities if permitted under the Indenture) sufficient to pay the Repurchase Price of all 2021 Debentures or portions thereof to be purchased as of the Repurchase Date, is deposited with the Paying Agent on the Business Day following the Repurchase Date, all interest shall cease to accrue on such 2021 Debentures (or portions thereof) immediately after such Repurchase Date, and the Holder thereof shall have no other rights as such (other than the right to receive the Repurchase Price upon surrender of such 2021 Debenture).

CONVERSION ARRANGEMENT ON CALL FOR REDEMPTION

Any 2021 Debentures called for redemption, unless surrendered for conversion before the close of business on the Redemption Date, may be deemed to be purchased from the Holders of such 2021 Debentures at an amount not less than the Redemption Price by one or more investment bankers or other purchasers who may agree with the Company to purchase such 2021 Debentures from the Holders, to convert them into Common Stock of the Company and to make payment for such 2021 Debentures to the Paying Agent in trust for such Holders.

TRANSFER

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this 2021 Debenture is registrable in the Security Register, upon surrender of this 2021 Debenture for registration or transfer at the office or agency in a Place of Payment for the 2021 Debentures, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company and the Security Registrar duly executed by, the Holder hereof or his attorney duly authorized in writing, and thereupon one or more new 2021 Debentures, of any authorized denominations and for the same aggregate principal amount, executed by the Company and authenticated and delivered by the Trustee, will be issued to the designated transferee or transferees.

The Securities are issuable only in registered form without coupons in denominations of \$1,000 and any integral multiple thereof. As provided in the Indenture and subject to certain limitations set forth therein and on the face of this 2021 Debenture, 2021 Debentures are exchangeable for a like aggregate principal amount of 2021 Debentures of a different authorized denomination as requested by the Holder surrendering the same.

No service charge shall be made for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Prior to due presentment of this 2021 Debenture for registration of transfer, the Company, the Trustee or any agent of the Company or the Trustee may treat the Person in whose name this 2021 Debenture is registered as the owner hereof for all purposes, whether or not this 2021 Debenture be overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary.

OWNERSHIP LIMITATION ON 2021 DEBENTURES

In order to permit the Company to retain its status as a publicly traded corporation under the proposed Treasury regulations to Section 883 of the Internal Revenue Code of 1986, as amended (the "Code"), 2021 Debentures generally may not be transferred if the transfer would result in the ownership, including 2021 Debentures and other convertible securities of the Company on an as-converted basis, by one Person or a group of related Persons by virtue of the attribution provisions of the Code, of more than 4.9% of the outstanding Common Stock of the Company.

AMENDMENT, SUPPLEMENT AND WAIVER

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders of the 2021 Debentures under the Indenture at any time by the Company and the Trustee with the consent of the Holders of a majority in principal amount of the 2021 Debentures at the time Outstanding. The Indenture also contains provisions permitting the Holders of specified percentages in principal amount of the 2021 Debentures at the time Outstanding, on behalf of the Holders of all 2021 Debentures, to waive compliance by the Company with certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this 2021 Debenture shall be conclusive and binding upon such Holder and upon all future Holders of this 2021 Debenture and of any 2021 Debenture issued upon the registration of transfer hereof or in exchange hereof or in lieu hereof, whether or not notation of such consent or waiver is made upon this 2021 Debenture.

SUCCESSOR CORPORATION

When a successor corporation assumes all the obligations of its predecessor under the 2021 Debentures and the Indenture in accordance with the terms and conditions of the Indenture, the predecessor corporation will (except in certain circumstances specified in the Indenture) be released from those obligations.

DEFAULTS AND REMEDIES

Under the Indenture, Events of Default include (i) default in the payment of interest when it becomes due and payable or in the payment of any Liquidated Damages which default in either case continues for a period of 30 days; (ii) default in payment of the principal amount, Redemption Price, Repurchase Price or Change in Control Purchase Price, as the case may be, in respect of the Securities when the same becomes due and payable; (iii) failure by the Company to comply with other agreements in the Indenture or the Securities, subject to notice and lapse of time; (iv) default under any bond, debenture, note or other evidence of indebtedness for money borrowed of the Company or any Subsidiary having an aggregate outstanding principal amount of in excess of \$30,000,000 (excluding such indebtedness of any Subsidiary other than a Significant Subsidiary, all the indebtedness of which is nonrecourse to the Company or any other Subsidiary), which default shall be with respect to payment or shall have resulted in such indebtedness being accelerated, without such indebtedness being discharged or such acceleration having been rescinded or annulled, subject to notice and passage of time; and (v) certain events of bankruptcy, insolvency or reorganization of the Company or any Significant Subsidiary. If an Event of Default with respect to Securities of this series shall occur and be continuing, the

principal amount through the acceleration date of and accrued and unpaid interest on the Securities of this series may be declared due and payable in the manner and with the effect provided in the Indenture. If an Event of Default occurs as a result of certain events of bankruptcy, insolvency or reorganization of the Company, the principal amount of and accrued and unpaid interest on the Securities Outstanding shall become due and payable immediately without any declaration or other act on the part of the Trustee or any Holder, all as and to the extent provided in the Indenture.

INDENTURE

The Company issued the Securities under an Indenture dated as of April 25, 2001, as supplemented and amended by a Supplemental Indenture dated as of April 25, 2001 (as amended, the "Indenture"), among the Company and the Trustee. The terms of the Securities include those stated in the Indenture and those made part of the Indenture by reference to the Securities themselves and the Trust Indenture Act of 1939, as in effect from time to time (the "TIA"). Capitalized terms used herein and not defined herein have the meanings ascribed thereto in the Indenture. The Securities are subject to all such terms, and Holders are referred to the Indenture and the TIA for a statement of those terms.

NO RECOURSE AGAINST OTHERS

No recourse shall be had for the payment of the principal of or the interest, if any, on this 2021 Debenture, for any claim based hereon, or otherwise in respect hereof, or based on or in respect of the Indenture or any indenture supplemental thereto, against any incorporator, shareholder, officer or director, as such, past, present or future, of the Company or of any successor corporation, whether by virtue of any constitution, statute or rule of law or by the enforcement of any assessment of penalty or otherwise, all such liability being, by acceptance hereof and as part of the consideration for the issue hereof, expressly waived and released.

AUTHENTICATION

This 2021 Debenture shall not be valid until the Trustee or an authenticating agent manually signs the certificate of authentication on the other side of this 2021 Debenture.

INDENTURE TO CONTROL; GOVERNING LAW

In the case of any conflict between the provisions of this 2021 Debenture and the Indenture, the provisions of the Indenture shall control.

THE INDENTURE AND THE SECURITIES SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO THE CONFLICTS OF LAW RULES OF SAID STATE.

ABBREVIATIONS AND DEFINITIONS

Customary abbreviations may be used in the name of the Holder or an assignee, such as: TEN COM (= tenants in common), TEN ENT (= tenants by the entireties), JT TEN (= joint tenants with right of survivorship and not as tenants in common), CUST (= Custodian) and U/G/M/A (= Uniform Gifts to Minors Act).

All terms defined in the Indenture and used in this 2021 Debenture but not specifically defined herein are defined in the Indenture and are used herein as so defined.

CONVERSION NOTICE

To convert this 2021 Debenture into Common Stock of the Company, check the box: / /

To convert only part of this 2021 Debenture, state the principal amount to be converted (must be \$1,000 or a multiple of \$1,000): \$_____.

If you want the stock certificate made out in another person's name, fill in the form below:

(Insert other person's soc. sec. or tax I.D. no.)

(Print or type other person's name, address and zip code)

Your Signature: _____ Date: _____
(Sign exactly as your name appears on the other side of this 2021 Debenture)

(3) Signature guaranteed by: _____

By: _____

(3) The Signature must be guaranteed by an institution which is a member of one of the following recognized signature guaranty programs: (i) the Securities Transfer Agent Medallion Program (STAMP); (ii) the New York Stock Exchange Medallion Program (MSP); (iii) the Stock Exchange Medallion Program (SEMP); or (iv) such other guaranty program acceptable to the Trustee.

OPTION OF HOLDER TO ELECT PURCHASE ON CHANGE IN
CONTROL

If you want to elect to have this 2021 Debenture purchased, in whole or in part, by the Company pursuant to Section 701 of the Indenture, check the following box: / /

If you want to have only part of this 2021 Debenture purchased by the Company pursuant to Section 701 of the Indenture, state the principal amount you want to be purchased (must be \$1,000 or a multiple of \$1,000): \$_____.

(3)Signature guaranteed by:_____

By:_____

- - - - -
(3) The Signature must be guaranteed by an institution which is a member of one of the following recognized signature guaranty programs: (i) the Securities Transfer Agent Medallion Program (STAMP); (ii) the New York Stock Exchange Medallion Program (MSP); (iii) the Stock Exchange Medallion Program (SEMP); or (iv) such other guaranty program acceptable to the Trustee.

SCHEDULE OF EXCHANGES OF SECURITIES(4)

The following exchanges, redemptions, repurchases or conversions of a part of this Global Security have been made:

DATE OF TRANSACTION	AMOUNT OF DECREASE IN PRINCIPAL AMOUNT OF THIS GLOBAL SECURITY	AMOUNT OF INCREASE IN PRINCIPAL AMOUNT OF THE GLOBAL SECURITY

(4) This schedule should be included only if the Security is a Global Security.

TRANSFER RESTRICTIONS
RELATING TO PROPOSED TAX REGULATIONS

(a) For purposes of this Annex B, the following terms shall have the following meanings:

"BENEFICIAL OWNERSHIP" shall mean ownership of Shares (including Shares deemed to be held as a result of ownership of the 2021 Debentures) by a Person who would be treated as an owner of such Shares directly, indirectly or constructively through the application of Section 267(b) of the Code, as modified in any way by Section 883 of the Code and the regulations promulgated thereunder. The terms "Beneficial Owner", "Beneficially Owns" and "Beneficially Owned" shall have correlative meanings.

"CHARITABLE BENEFICIARY" shall mean the organization or organizations described in Section 170(c)(2) and 501(c)(3) of the Code selected by the Excess Debentures Trustee.

"CODE" shall mean the United States Internal Revenue Code of 1986, as amended from time to time.

"EXCESS DEBENTURES" shall mean 2021 Debentures resulting from an event described in subsection (c) hereof.

"EXCESS DEBENTURES TRUST" shall mean the trust created pursuant to this Annex B.

"EXCESS DEBENTURES TRUSTEE" shall mean a Person, who shall be unaffiliated with the Company, any Purported Beneficial Transferee and any Purported Record Transferee, appointed by the Company as the trustee of the Excess Debentures Trust.

"EXISTING HOLDERS" shall mean (i) any member of the group of Persons that jointly filed Amendment No. 2 to the Third Amended and Restated Schedule 13D with the United States Securities and Exchange Commission on January 19, 2001 with respect to the beneficial ownership of shares of Common Stock; and (ii) any Permitted Transferee.

"MARKET PRICE" of the 2021 Debentures on any date shall mean the average of the Closing Price for the five (5) consecutive trading days ending on such date, or if such date is not a trading date, the five consecutive trading days preceding such date. The "Closing Price" on any date shall mean (i) the last sale price, regular way, or, in case no such sale takes place on such day, the average of the closing bid and asked prices, regular way, in either case as reported in the principal consolidated transaction reporting system if the 2021 Debentures are listed or admitted to trading on the New York Stock Exchange, or (ii) if the 2021 Debentures are not listed or admitted to trading on the New York Stock Exchange, the last sale price, regular way, or in case no such sale takes place on such day, the average of the closing bid and asked prices, as reported in the principal consolidated transaction reporting system with respect to securities listed on the principal national securities exchange on which the 2021 Debentures are listed or admitted to trading, or (iii) if the 2021 Debentures are not listed or admitted to trading on any national securities exchange, the last quoted price, or if not so quoted, the average of the high bid and low asked prices in the over-the-counter market, as reported by the National Association of

Securities Dealers, Inc. Automated Quotation System or, if such system is no longer in use, the principal other automated quotations system that may then be in use, or (iv) if the 2021 Debentures are not quoted by any such organization, the average of the closing bid and asked prices as furnished by a professional market maker making a market in the 2021 Debentures selected by the Company. Such Market Price shall be expressed as a percentage price per \$1,000 of principal amount of the 2021 Debentures.

"OWNERSHIP LIMIT" shall mean, in the case of a Person other than an Existing Holder, Beneficial Ownership of more than four and nine-tenths percent (4.9%), by value, vote or number, of the Shares. The Ownership Limit shall not apply to any Existing Holder.

"PERMITTED TRANSFER" shall mean a Transfer by an Existing Holder to any Person which does not result in the Company losing its exemption from taxation on gross income derived from the international operation of a ship or ships within the meaning of Section 883 of the Code. Any such transferee is herein referred to as a "Permitted Transferee."

"PERSON" shall mean a person as defined by Section 7701(a) of the Code.

"PURPORTED BENEFICIAL HOLDER" shall mean, with respect to any event (other than a purported Transfer, but including holding Shares or 2021 Debentures in excess of the Ownership Limitation) which results in Excess Debentures, the Person for whom the Purported Record Holder held 2021 Debentures that, pursuant to subsection (c) hereof, became Excess Debentures upon the occurrence of such event.

"PURPORTED BENEFICIAL TRANSFEREE" shall mean, with respect to any purported Transfer which results in Excess Debentures, the purported beneficial transferee for whom the Purported Record Transferee would have acquired 2021 Debentures if such Transfer had been valid under subsection (b) hereof.

"PURPORTED RECORD HOLDER" shall mean, with respect to any event (other than a purported Transfer, but including holding Shares or 2021 Debentures in excess of the Ownership Limitation) which results in Excess Debentures, the record holder of the 2021 Debentures that, pursuant to subsection (c) hereof, became Excess Debentures upon the occurrence of such event.

"PURPORTED RECORD TRANSFEREE" shall mean, with respect to any purported Transfer which results in Excess Debentures, the record holder of the 2021 Debentures if such Transfer had been valid under subsection (b) hereof.

"RESTRICTION TERMINATION DATE" shall mean such date as may be determined by the Company in its sole discretion (and for any reason) as the date on which the ownership and transfer restrictions set forth in this Annex B should cease to apply.

"SHARES" shall mean shares of the Company as may be authorized and issued from time to time pursuant to its Articles of Incorporation. For purposes of determining a Person's Beneficial Ownership of any Shares, the conversion of the 2021 Debentures and any other convertible securities held by such Person shall be deemed effected and any option, warrant or similar instrument held by such Person shall be deemed exercised.

"TRANSFER" shall mean any sale, transfer, gift, hypothecation, pledge, assignment, devise or other disposition of the Shares or the 2021 Debentures (including (i) the granting of any

option or interest similar to an option (including an option to acquire an option or any series of such options) or entering into any agreement for the sale, transfer or other disposition of the 2021 Debentures or (ii) the sale, transfer, assignment or other disposition of any securities or rights convertible into or exchangeable for the 2021 Debentures or Shares, whether voluntary or involuntary, whether of record, constructively or beneficially and whether by operation of law or otherwise. For purposes of this definition, whether securities or rights are convertible or exchangeable for the 2021 Debentures or Shares shall be determined in accordance with Sections 267(b) and 883 of the Code.

Terms used in this Annex B, but not defined herein, shall have the meaning set forth in the Supplemental Indenture.

(b) Except as provided in subsection (i) hereof, until the Restriction Termination Date: (1) no Person (other than an Existing Holder) shall Beneficially Own Shares and/or 2021 Debentures representing Shares in excess of the Ownership Limit; (2) any Transfer that, if effective, would result in any Person (other than an Existing Holder) Beneficially Owning Shares and/or 2021 Debentures representing Shares in excess of the Ownership Limit shall be void ab initio as to the Transfer of that amount of the 2021 Debentures representing Shares which would be otherwise Beneficially Owned by such Person in excess of the Ownership Limit, and the intended transferee shall acquire no rights in such 2021 Debentures in excess of the Ownership Limit; and (3) any Transfer of the 2021 Debentures that, if effective, would result in the Company being "closely held" within the meaning of Section 883 of the Code and the regulations promulgated thereunder shall be void ab initio as to the Transfer of that amount of such 2021 Debentures which would cause the Company to be "closely held" within the meaning of Section 883 of the Code and the regulations promulgated thereunder and the intended transferee shall acquire no rights in such 2021 Debentures.

(c) (1) If, notwithstanding the other provisions contained in this Supplemental Indenture, at any time until the Restriction Termination Date, there is a purported Transfer or other event such that any Person (other than an Existing Holder) would Beneficially Own Shares and/or 2021 Debentures representing Shares in excess of the Ownership Limit, then, except as otherwise provided in subsection (i) hereof, such 2021 Debentures representing Shares which would be in excess of the Ownership Limit, shall automatically be designated as Excess Debentures, as further described below. The designation of such 2021 Debentures as Excess Debentures shall be effective as of the close of business on the business day prior to the date of the Transfer or other event. If, after designation of such 2021 Debentures owned directly by a Person as Excess Debentures, such Person still owns 2021 Debentures representing Shares in excess of the applicable Ownership Limit, 2021 Debentures representing Shares Beneficially Owned by such Person constructively in excess of the Ownership Limit shall be designated as Excess Debentures until such Person does not Beneficially Own Shares and/or 2021 Debentures representing Shares in excess of the applicable Ownership Limit. Where such Person owns 2021 Debentures constructively through one or more Persons and the 2021 Debentures as held by such other Persons must be designated as Excess Debentures, the designation of 2021 Debentures held by such other Persons as Excess Debentures shall be pro rata.

(2) If, notwithstanding the other provisions contained in this Supplemental Indenture, at any time until the Restriction Termination Date, there is a purported Transfer or other event which, if effective, would cause the Company to become "closely held" within the meaning of Section 883 of the Code and regulations promulgated thereunder, then, except as

otherwise provided in subsection (i) hereof, the 2021 Debentures being Transferred or which are otherwise affected by such event and which, in either case, would cause, when taken together with all 2021 Debentures and Shares, the Company to be "closely held" within the meaning of Section 883 of the Code and the regulations promulgated thereunder shall automatically be designated as Excess Debentures. The designation of such 2021 Debentures as Excess Debentures shall be effective as of the close of business on the business day prior to the date of the Transfer or other event. If, after designation of such 2021 Debentures owned directly by a Person as Excess Debentures, such Person still owns 2021 Debentures representing Shares in excess of the applicable Ownership Limit, 2021 Debentures representing Shares Beneficially Owned by such Person constructively in excess of the Ownership Limit shall be designated as Excess Debentures until such Person does not own Shares and/or 2021 Debentures or in excess of the applicable Ownership Limit. Where such Person owns 2021 Debentures constructively through one or more Persons and the 2021 Debentures held by such other Persons must be designated as Excess Debentures, the designation of 2021 Debentures held by such other Persons as Excess Debentures shall be pro rata.

(d) If the Company shall at any time determine in good faith that a purported Transfer or other event has taken place in violation of subsection (b) hereof or that a Person intends to acquire or has attempted to acquire 2021 Debentures representing Beneficial Ownership of Shares in violation of subsection (b) hereof, the Company may take such action as it deems advisable to refuse to give effect to or to prevent such Transfer or other event, including, but not limited to, refusing to give effect to such Transfer or other event on the books of the Company and the Trustee, instituting proceedings to enjoin such Transfer or other event or transaction, provided, however, that any Transfers or attempted Transfers (or, in the case of events other than a Transfer, Beneficial Ownership) in violation of subsection (b) hereof shall be void ab initio and automatically result in the designation and treatment described in subsection (c) hereof, irrespective of any action (or non-action) by the Company.

(e) Any Person who acquires or attempts to acquire 2021 Debentures in violation of subsection (b) hereof, or any Person who is a purported transferee such that Excess Debentures result under subsection (c) hereof, shall immediately give written notice to the Company of such Transfer, attempted Transfer or other event and shall provide to the Company such other information as the Company may request in order to determine the effect, if any, of such Transfer or attempted Transfer or other event on the Company's status as qualifying for exemption from taxation on gross income from the international operation of a ship or ships within the meaning of Section 883 of the Code.

(f) Prior to the Restriction Termination Date: (1) every Person who holds 2021 Debentures and/or Shares representing Beneficial Ownership of three percent (3%) or more, by vote, value or number, or such lower percentages as required pursuant to regulations under the Code, of the outstanding Shares (including any 2021 Debentures deemed to be converted into Shares) shall promptly after becoming such a three percent (3%) Beneficial Owner, give written notice to the Company stating the name and address of such Beneficial Owner, the general ownership structure of such Beneficial Owner, the number of shares of each class of Shares and/or the amount of 2021 Debentures Beneficially Owned, and a description of how such Shares or 2021 Debentures are held and (2) each Person who is a Beneficial Owner of Shares (including 2021 Debentures deemed to be converted into Shares) or 2021 Debentures and each Person (including the holder of record) who is holding Shares or 2021 Debentures for a Beneficial Owner shall provide on demand to the Company such information as the Company

may request from time to time in order to determine the Company's status as exempt from taxation on gross income from the international operation of a ship or ships within the meaning of Section 883 of the Code and to ensure compliance with the Ownership Limit.

(g) Nothing contained in this Supplemental Indenture shall limit the ability of the Company to take such other action as it deems necessary or advisable to protect the interests of the Company by preservation of the Company's status as exempt from taxation on gross income from the international operation of a ship or ships within the meaning of Section 883 of the Code and to ensure compliance with the Ownership Limit.

(h) Reserved.

(i) The Company upon receipt of a ruling from the Internal Revenue Service or an opinion of tax counsel, satisfactory to it in its sole and absolute discretion, in each case to the effect that the Company's status as exempt from taxation on gross income from the international operation of a ship or ships within the meaning of Section 883 of the Code will not be jeopardized, may exempt a Person (or may generally exempt any class of Persons) from the Ownership Limit if the Company, in its sole discretion, ascertains that such Person's (or Persons') Beneficial Ownership of Shares and/or 2021 Debentures will not jeopardize the Company's status as exempt from taxation on gross income from the international operation of a ship or ships within the meaning of Section 883 of the Code. The Company may require representations and undertakings from such Person or Persons as are necessary to make such determination.

(j) Prior to the Restriction Termination Date, each certificate for the 2021 Debentures shall bear the following legend:

THIS SECURITY IS SUBJECT TO LIMITATIONS ON OWNERSHIP CONTAINED IN THE INDENTURE, IN ORDER TO PERMIT THE COMPANY TO RETAIN ITS STATUS AS A PUBLICLY TRADED CORPORATION UNDER PROPOSED TREASURY REGULATIONS UNDER SECTION 883 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED.

(k) Upon any purported Transfer or other event that results in Excess Debentures pursuant to subsection (b) or (c) hereof, such Excess Debentures shall be deemed to have been transferred to the Excess Debentures Trustee, as trustee of the Excess Debentures Trust, for the benefit of the Charitable Beneficiary effective as of the close of business on the business day prior to the date of the Transfer or other event. The Purported Record Transferee or Purported Record Holder shall have no rights in such Excess Debentures. The Purported Beneficial Transferee or Purported Beneficial Holder shall have no rights in such Excess Debentures except as provided in subsection (m). The Excess Debentures Trustee may resign at any time so long as the Company shall have appointed a successor trustee. The Excess Debentures Trustee shall, from time to time, designate one or more charitable organization or organizations as the Charitable Beneficiary.

(l) Excess Debentures shall be entitled to the same interest or distributions as determined as if the designation of Excess Debentures had not occurred. Any interest or distributions paid prior to the discovery by the Company that the 2021 Debentures have been designated as Excess Debentures shall be repaid to the Excess Debentures Trust upon demand.

Otherwise, any interest or distributions on the Excess Debentures shall be paid to the Excess Debentures Trust. All interest or distributions received or other income earned by the Excess Debentures Trust shall be paid over to the Charitable Beneficiary.

(m) Excess Debentures shall be transferable only as provided in this subsection (m). At the direction of the Company, the Excess Debentures Trustee shall transfer the Excess Debentures held in the Excess Debentures Trust to a Person or Persons (including, without limitation, the Company under subsection (n) below) whose ownership of such 2021 Debentures shall not violate the Ownership Limit or otherwise cause the Company to become "closely held" within the meaning of Section 883 of the Code within 180 days after the later of (i) the date of the Transfer or other event which resulted in Excess Debentures and (ii) the date the Company determines in good faith that a Transfer or other event resulting in Excess Debentures has occurred, if the Company does not receive a notice of such Transfer or other event pursuant to subsection (e) hereof. If such a transfer is made, the interest of the Charitable Beneficiary shall terminate, the designation of such 2021 Debentures as Excess Debentures shall thereupon cease and a payment shall be made to the Purported Beneficial Transferee, Purported Beneficial Holder and/or the Charitable Beneficiary as described below. If the Excess Debentures resulted from a purported Transfer, the Purported Beneficial Transferee shall receive a payment from the Excess Debentures Trustee that reflects a price for such Excess Debentures equal to the lesser of (A) the price received by the Excess Debentures Trustee and (B)(x) the price such Purported Beneficial Transferee paid for the 2021 Debentures in the purported Transfer that resulted in the Excess Debentures, or (y) if the Purported Beneficial Transferee did not give value for such Excess Debentures (through a gift, devise or other similar event) a price equal to the product of (1) the Market Price of such 2021 Debentures on the date of the purported Transfer that resulted in the Excess Debentures and (2) the aggregate principal amount of such Excess Debentures. If the Excess Debentures resulted from an event other than a purported Transfer, the Purported Beneficial Holder shall receive a payment from the Excess Debentures Trustee that reflects a price for Excess Debentures equal to the lesser of (A) the price received by the Excess Debentures Trustee and (B) the product of (1) the Market Price of such 2021 Debentures on the date of the event that resulted in Excess Debentures and (2) the aggregate principal amount of such Excess Debentures. Prior to any transfer of any interest in the Excess Debenture Trust, the Company must have waived in writing its purchase rights, if any, under subsection (n) hereof. Any funds received by the Excess Debentures Trustee in excess of the funds payable to the Purported Beneficial Holder or the Purported Beneficial Transferor shall be paid to the Charitable Beneficiary. The Company shall pay the costs and expenses of the Excess Debentures Trustee.

Notwithstanding the foregoing, if the provisions of this subsection (m) are determined to be void or invalid by virtue of any legal decision, statute, rule or regulation, then the Purported Beneficial Transferee or Purported Beneficial Holder of Excess Debentures may be deemed, at the option of the Company, to have acted as an agent on behalf of the Company, in acquiring or holding such Excess Debentures and to hold such Excess Debentures on behalf of the Company.

(n) Excess Debentures shall be deemed to have been offered for sale by the Excess Debentures Trustee to the Company, or its designee, at a price equal to (i) in the case of Excess Debentures resulting from a purported Transfer, the lesser of (A) the price of the 2021 Debentures in the transaction that created such Excess Debentures (or, in the case of devise, gift or other similar event, the Market Price of the 2021 Debentures on the date of such devise, gift or other similar event), or (B) the product of (1) the lowest Market Price of the 2021 Debentures

which resulted in the Excess Debentures at any time after the date such 2021 Debentures were designated as Excess Debentures and prior to the date the Company, or its designee, accepts such offer and (2) the aggregate principal amount of such Excess Debentures or (ii) in the case of Excess Debentures resulting from an event other than a purported Transfer, the lesser of (A) the product of (1) the Market Price of the 2021 Debentures on the date of such event and (2) the aggregate principal amount of such Excess Debentures or (B) the product of (1) the lowest Market Price for 2021 Debentures at any time from the date of the event resulting in such Excess Debentures and prior to the date the Company, or its designee, accepts such offer and (2) the aggregate principal amount of such Excess Debentures. The Company shall have the right to accept such offer for a period of ninety (90) days after the later of (i) the date of the Transfer or other event which resulted in such Excess Debentures and (ii) the date the Company determines in good faith that a Transfer or other event resulting in Excess Debentures has occurred, if the Company does not receive a notice of such Transfer or other event pursuant to subsection (e) hereof.

(o) The Company is authorized specifically to seek equitable relief, including injunctive relief, to enforce the provisions of this Annex B. No delay or failure on the part of the Company in exercising any right hereunder shall operate as a waiver of any right of the Company, except to the extent specifically waived in writing.

(p) The Trustee of the 2021 Debentures shall have no responsibility to monitor the ownership of the 2021 Debentures.

EXHIBIT B-1

CERTIFICATE TO BE DELIVERED UPON EXCHANGE OR
REGISTRATION OF TRANSFER OF RESTRICTED SECURITIES(5)

Re: 2% Convertible Senior Debentures due 2021 (the "Securities") of
Carnival Corporation

This certificate relates to \$_____ principal amount of Securities
owned in (check applicable box)

/ / book-entry or

/ / definitive form

by _____ (the
"Transferor").

The Transferor has requested a Security Registrar or the Trustee to
exchange or register the transfer of such Securities.

In connection with such request and in respect of each such Security, the
Transferor does hereby certify that the Transferor is familiar with transfer
restrictions relating to the Securities as provided in Section 202 of the
Supplemental Indenture dated as of April 25, 2001 (the "Indenture"), between
Carnival Corporation and US Bank Trust National Association, as trustee.

In connection with any transfer of any of the Securities evidenced by this
certificate occurring prior to the expiration of the period referred to in Rule
144(k) under the Securities Act after the later of the date of original issuance
of the Securities and the last date, if any, on which such Securities were owned
by the Company or any Affiliate of the Company, the undersigned confirms that
such Securities are being transferred in accordance with its terms:

CHECK ONE BOX BELOW

- (1) / / to the Company or a subsidiary of the Company; or
- (2) / / pursuant to an effective registration statement under
the Securities Act of 1933; or
- (3) / / to a "qualified institutional buyer" (as defined in Rule
144A under the Securities Act of 1933) that purchases for
its own account or for the account of a qualified
institutional buyer to whom notice is given that such
transfer is being made in reliance on Rule 144A, in each
case pursuant to and in compliance with Rule 144A under
the Securities Act of 1933; or

(5) This certificate should only be included if this Security is a Transfer
Restricted Security.

(4) / / to an institutional accredited investor, defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act; or

(5) / / pursuant to another available exemption from registration under the Securities Act of 1933.

Unless one of the boxes is checked, the Trustee will refuse to register any of the Securities evidenced by this certificate in the name of any person other than the registered holder thereof, PROVIDED, HOWEVER, that if box (4) or (5) is checked, the Trustee may require, prior to registering any such transfer of the Securities, such legal opinions, certifications and other information as the Company has reasonably requested to confirm that such transfer is being made pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act of 1933, such as the exemption provided by Rule 144 under such Act.

Signature

Signature Guarantee:

Signature must be guaranteed

Signature

TO BE COMPLETED BY PURCHASER IF (3) ABOVE IS CHECKED

The undersigned represents and warrants that it is purchasing this Security for its own account or an account with respect to which it exercises sole investment discretion and that it and any such account is a "qualified institutional buyer" within the meaning of Rule 144A under the Securities Act of 1933, and is aware that the sale to it is being made in reliance on Rule 144A and acknowledges that it has received such information regarding the Company as the undersigned has requested pursuant to Rule 144A or has determined not to request such information and that it is aware that the transferor is relying upon the undersigned's foregoing representations in order to claim the exemption from registration provided by Rule 144A.

Dated: _____

NOTICE: To be executed by an executive officer

EXHIBIT B-2

FORM OF LETTER TO BE DELIVERED BY ACCREDITED INVESTORS

Carnival Corporation
3655 N.W. 87th Avenue,
Miami, Florida 33178-2428
Attention: Corporate Secretary

US Bank Trust National Association, as Security Registrar
100 Wall Street, 16th floor
New York, NY 10005
Attention: Corporate Trust Administration

Dear Sirs:

We are delivering this letter in connection with the proposed transfer of \$_____ principal amount of the 2% Convertible Senior Debentures due 2021 (the "Debentures") of Carnival Corporation (the "Company"), which are convertible into shares of Common Stock of the Company.

We hereby confirm that:

(i) we are an "accredited investor" within the meaning of Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act of 1933, as amended (the "Securities Act"), or an entity in which all of the equity owners are "accredited investors" within the meaning of Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act (an "Institutional Accredited Investor");

(ii) the purchase of Debentures by us is for our own account or for the account of one or more other Institutional Accredited Investors or as fiduciary for the account of one or more trusts, each of which is an "accredited investor" within the meaning of Rule 501(a)(7) under the Securities Act and for each of which we exercise sole investment discretion or (B) we are a "bank," within the meaning of Section 3(a)(2) of the Securities Act, or a "savings and loan association" or other institution described in Section 3(a)(5)(A) of the Securities Act that is acquiring Debentures as fiduciary for the account of one or more institutions for which we exercise sole investment discretion;

(iii) we will acquire Debentures having a minimum aggregate principal amount of not less than \$100,000 for our own account or for any separate account for which we are acting;

(iv) we have such knowledge and experience in financial and business matters that we are capable of evaluating the merits and risks of purchasing Debentures; and

(v) we are not acquiring Debentures with a view to distribution thereof or with any present intention of offering or selling Debentures or the Common Stock deliverable upon conversion thereof, except as permitted below; provided that the disposition of our

property and property of any accounts for which we are acting as fiduciary shall remain at all times within our control.

We understand that the Debentures were originally offered and sold in a transaction not involving any public offering within the United States within the meaning of the Securities Act and that the Debentures and the shares of Common Stock (the "Securities") issuable upon conversion thereof have not been registered under the Securities Act, and we agree, on our own behalf and on behalf of each account for which we acquire any Debentures, that if in the future we decide to resell or otherwise transfer such Securities prior to the date on which the Securities are transferable pursuant to Rule 144(k) under the Securities Act, such Securities may be resold or otherwise transferred only (i) to the Company or any subsidiary thereof, or (ii) for as long as the Debentures are eligible for resale pursuant to Rule 144A, to a person we reasonably believe to be a "qualified institutional buyer" (as defined in Rule 144A under the Securities Act) that purchases for its own account or for the account of such a qualified institutional buyer to which notice is given that the transfer is being made in reliance on Rule 144A, or (iii) to an Institutional Accredited Investor that is acquiring the Security for its own account, or for the account of such an Institutional Accredited Investor for investment purposes and not with a view to, or for offer or sale in connection with, any distribution in violation of the Securities Act, or (iv) pursuant to another available exemption from registration under the Securities Act (if applicable), or (v) pursuant to a registration statement which has been declared effective under the Securities Act and, in each case, in accordance with any applicable securities laws of any State of the United States or any other applicable jurisdiction and in accordance with the legends set forth on the Securities. We further agree to provide any person purchasing any of the Securities other than pursuant to clause (v) above from us a notice advising such purchaser that resales of such securities are restricted as stated herein. We understand that the trustee or the transfer agent, as the case may be, for the Securities will not be required to accept for registration of transfer any Securities pursuant to (iii) or (iv) above except upon presentation of evidence satisfactory to the Company and the trustee that the foregoing restrictions on transfer have been complied with. We further understand that any Securities will be in the form of definitive physical certificates and that such certificates will bear a legend reflecting the substance of this paragraph other than certificates representing Securities transferred pursuant to clause (v) above.

We acknowledge that the Company, others, the Trustee, the Security Registrar and you will rely upon our confirmations, acknowledgments and agreements set forth herein, and we agree to notify you promptly in writing if any of our representations or warranties herein ceases to be accurate and complete.

THIS LETTER SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE
INTERNAL LAWS OF THE STATE OF NEW YORK.

(Name of Purchaser)

By: _____
Name:
Title:
Address:

B-2-3

REGISTRATION RIGHTS AGREEMENT

THIS REGISTRATION RIGHTS AGREEMENT (this "Agreement") is made and entered into as of April 25, 2001, by and between CARNIVAL CORPORATION, a corporation organized and existing pursuant to the laws of the Republic of Panama (the "Company") and MERRILL LYNCH & CO., MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED (the "Initial Purchaser").

This Agreement is made pursuant to the Purchase Agreement, dated April 20, 2001 (the "Purchase Agreement"), between the Company, as issuer of the 2% Convertible Senior Debentures due 2021 (the "Debentures"), and the Initial Purchaser, which provides for, among other things, the sale by the Company to the Initial Purchaser of the aggregate principal amount at maturity of Debentures specified therein. In order to induce the Initial Purchaser to enter into the Purchase Agreement, the Company has agreed to provide the registration rights set forth in this Agreement. The execution of this Agreement is a condition to the closing under the Purchase Agreement.

The Company agrees with the Initial Purchaser, (i) for its benefit as Initial Purchaser and (ii) for the benefit of the beneficial owners (including the Initial Purchaser) from time to time of the Debentures, and the beneficial owners from time to time of the Underlying Common Stock (as defined herein) issued upon conversion of, if any, (each of the foregoing a "Holder" and together the "Holders"), as follows:

SECTION 1. DEFINITIONS. Capitalized terms used herein without definition shall have their respective meanings set forth in the Purchase Agreement. As used in this Agreement, the following terms shall have the following meanings:

"Affiliate" With respect to any specified person, an "affiliate," as defined in Rule 144, of such person.

"Applicable Conversion Price" The Applicable Conversion Price as of any date of determination means per \$1,000 principal amount at maturity of Debentures as of such date of determination divided by the Conversion Rate in effect as of such date of determination or, if no Debentures are then outstanding, the Conversion Rate that would be in effect were Debentures then outstanding.

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

"Common Stock" The Common Stock, \$0.01 par value, of the Company and any other shares of common stock as may constitute "Common Stock" for purposes of the Indenture, including the Underlying Common Stock.

"Company" See the first paragraph hereof.

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

"Damages Accrual Period" See Section 2(e) hereof.

"Damages Payment Date" Each April 15 and October 15.

"Debentures" See the second paragraph hereof.

"Deferral Notice" See Section 3(h) hereof.

"Deferral Period" See Section 3(h) hereof.

"Effectiveness Deadline Date" See Section 2(a) hereof.

"Effectiveness Period" The period of two years from the Issue Date or such shorter period ending on the date that all Registrable Securities have ceased to be Registrable Securities.

"Event" See Section 2(e) hereof.

"Event Date" See Section 2(e) hereof.

"Event Termination Date" See Section 2(e) hereof.

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

"Filing Deadline Date" See Section 2(a) hereof.

"Holder" See the third paragraph hereof.

"Indenture" The Indenture, dated as of the date hereof, between the Company and U.S. Bank Trust National Association, as trustee, as amended and supplemented by the First Supplemental Indenture, dated as of April 25, 2001, pursuant to which the Debentures are being issued.

"Initial Purchaser" See the first paragraph of this Agreement.

"Initial Shelf Registration Statement" See Section 2(a) hereof.

"Issue Date" means April 25, 2001.

"Liquidated Damages Amount" See Section 2(e) hereof.

"Material Event" See Section 3(h) hereof.

"Notice and Questionnaire" A written notice delivered to the Company containing substantially the information called for by the Selling Securityholder Notice and Questionnaire attached as Annex A to the Offering Memorandum of the Company, dated April 20, 2001, relating to the Debentures.

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

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

"Purchase Agreement" See the second paragraph of hereof.

"Record Date" With respect to any Damages Payment Date relating to any Debenture or Underlying Common Stock as to which any Liquidated Damages Amount has accrued, (i) the 15th day immediately preceding such Damages Payment Date if the Damages Accrual Period has not ended, or (ii) the date of the end Damages Accrual Period.

"Record Holder" With respect to any Damages Payment Date relating to any Debenture or Underlying Common Stock as to which any Liquidated Damages Amount has accrued, the registered holder of such Debenture or Underlying Common Stock, as the case may be, on the Record Date.

"Registrable Securities" The Securities, until such securities have been converted or exchanged and, at all times subsequent to any such conversion or exchange, any securities into or for which such securities have been converted or exchanged, and any security issued with respect thereto upon any stock dividend, split, merger or similar event until, in the case of any such security, the earliest of (i) its effective registration under the Securities Act and resale in accordance with the Registration Statement covering it, (ii) expiration of the holding period that would be applicable thereto under Rule 144(k) were it not held by an Affiliate of the Company or (iii) its sale to the public pursuant to Rule 144.

"Registration Expenses" See Section 5 hereof.

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

"Restricted Securities" As this term is defined in Rule 144.

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

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

"SEC" The Securities and Exchange Commission.

"Securities" Collectively means the Debentures and the Underlying Common Stock.

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

"Shelf Registration Statement" See Section 2(a) hereof.

"Subsequent Shelf Registration Statement" See Section 2(b) hereof.

"TIA" The Trust Indenture Act of 1939, as amended.

"Trustee" U.S. Bank Trust Company (or any successor entity), the Trustee under the Indenture.

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

SECTION 2. SHELF REGISTRATION.

(a) The Company shall prepare and file or cause to be prepared and filed with the SEC no later than a date which is ninety (90) days after the Issue Date (the "Filing Deadline Date") a Registration Statement for an offering to be made on a delayed or continuous basis pursuant to Rule 415 of the Securities Act (a "Shelf Registration Statement") registering the resale from time to time by Holders thereof of all of the Registrable Securities (the "Initial Shelf Registration Statement"). The Initial Shelf Registration Statement shall be on Form S-3 or another appropriate form permitting registration of such Registrable Securities for resale by such Holders in accordance with the methods of distribution reasonably elected by the Holders and set forth in the Initial Shelf Registration Statement; provided, that in no event will such method(s) of distribution take the form of an underwritten offering of the Registrable Securities without the prior agreement of the Company. The Company shall use commercially reasonable efforts to cause the Initial Shelf Registration Statement to be declared effective under the Securities Act by the date (the "Effectiveness Deadline Date") that is one hundred and eighty (180) days after the Issue Date, and to keep the Initial Shelf Registration Statement (or any Subsequent Shelf Registration Statement) continuously effective under the Securities Act until the expiration of the Effectiveness Period subject to the rights of the Company under Section 3(h) to create a Deferral Period. At the time the Initial Shelf Registration Statement is declared effective, each Holder that became a Notice Holder on or prior to the date 10 Business Days prior to such time of effectiveness shall be named as a selling securityholder in the Initial Shelf Registration Statement and the related Prospectus in such a manner as to permit such Holder to deliver such Prospectus to purchasers of Registrable Securities in accordance with applicable law under ordinary circumstances, subject to compliance with blue sky laws. The Company shall not permit any of its securityholders (other than the Holders of Registrable Securities) to include any of the Company's securities in the Shelf Registration Statement.

(b) If the Initial Shelf Registration Statement or any Subsequent Shelf Registration Statement ceases to be effective other than during a Deferral Period for any reason at any time during the Effectiveness Period, the Company shall use reasonable efforts to obtain

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

(c) The Company shall supplement and amend the Shelf Registration Statement if required by the rules, regulations or instructions applicable to the registration form used by the Company for such Shelf Registration Statement if required by the Securities Act.

(d) Each Holder of Registrable Securities agrees that if such Holder wishes to sell Registrable Securities pursuant to a Shelf Registration Statement and related Prospectus, it will do so only in accordance with this Section 2(d) and Section 3(h). Each Holder of Registrable Securities wishing to sell Registrable Securities pursuant to a Shelf Registration Statement and related Prospectus agrees to deliver a Notice and Questionnaire to the Company at least ten (10) Business Days prior to any intended distribution of Registrable Securities under the Shelf Registration Statement. From and after the date the Initial Shelf Registration Statement is declared effective, the Company shall, as promptly as reasonably practicable after the date a Notice and Questionnaire is delivered, (i) if required by applicable law, file with the SEC a post-effective amendment to the Shelf Registration Statement or prepare and, if required by applicable law, file a supplement to the related Prospectus or a supplement or amendment to any document incorporated therein by reference or file any other document required by the SEC so that the Holder delivering such Notice and Questionnaire is named as a selling securityholder in the Shelf Registration Statement and the related Prospectus in such a manner as to permit such Holder to deliver such Prospectus to purchasers of the Registrable Securities in accordance with applicable law and, if the Company shall file a post-effective amendment to the Shelf Registration Statement, use reasonable efforts to cause such post-effective amendment to be declared effective under the Securities Act as promptly as reasonably practicable; (ii) provide such Holder copies of any documents filed pursuant to Section 2(d)(i); and (iii) notify such Holder as promptly as reasonably practicable after the effectiveness under the Securities Act of any post-effective amendment filed pursuant to Section 2(d)(i); provided, that if such Notice and Questionnaire is delivered during a Deferral Period, the Company shall so inform the Holder delivering such Notice and Questionnaire and shall take the actions set forth in clauses (i), (ii) and (iii) above upon expiration of the Deferral Period in accordance with Section 3(h). Notwithstanding anything contained herein to the contrary, the Company shall be under no obligation to name any Holder that is not a Notice Holder as a selling securityholder in any Registration Statement or related Prospectus; provided, however, that any Holder that becomes a Notice Holder pursuant to the provisions of Section 2(d) of this Agreement (whether or not such Holder was a Notice Holder at the time the Registration Statement was initially declared effective) shall be named as a selling securityholder in the Registration Statement or related Prospectus subject to and in accordance with the requirements of this Section 2(d).

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

Accordingly, commencing on (and including) any Event Date and ending on (but excluding) the next date on which there are no Events that have occurred and are continuing (a "Damages Accrual Period"), the Company agrees to pay, as liquidated damages and not as a penalty, an amount (the "Liquidated Damages Amount"), payable on the Damages Payment Dates to Record Holders of then outstanding Debentures that are Registrable Securities, of then outstanding shares of Underlying Common Stock issued upon conversion of Debentures that are Registrable Securities, if any, as the case may be, accruing, for each portion of such Damages Accrual Period beginning on and including a Damages Payment Date (or, in respect of the first time that the Liquidation Damages Amount is to be paid to Record Holders on a Damages Payment Date as a result of the occurrence of any particular Event, beginning on and including the Event Date) and ending on but excluding the first to occur of (A) the date of the end of the Damages Accrual Period or (B) the next Damages Payment Date, at a rate per annum equal to one-quarter of one percent (0.25%) for the first 90-day period from the Event Date, and thereafter at a rate per annum equal to one-half of one percent (0.50%) of the aggregate principal amount of such Debentures or the aggregate Applicable Conversion Price of the shares of Underlying Common Stock, as the case may be, in each case determined as of the Record Date; provided, that any Liquidated Damages Amount accrued with respect to any Debenture or portion thereof called for redemption on a redemption date or converted into Underlying Common Stock on a conversion date prior to the Damages Payment Date, shall, in any such event, be paid instead to the Holder who submitted such Debenture or portion thereof for redemption or conversion on the applicable redemption date or conversion date, as the case may be, on such date (or promptly following the conversion date, in the case of conversion). Notwithstanding the foregoing, no Liquidated Damages Amounts shall accrue as to any Registrable Security from and after the earlier of (x) the date such security is no longer a Registrable Security and (y) expiration of the Effectiveness Period. The rate of accrual of the Liquidated Damages Amount with respect to any period shall not exceed the rate provided for in this paragraph notwithstanding the occurrence of multiple concurrent Events. Following the cure of all Events requiring the payment by the Company of Liquidated Damages Amounts to the

Holders of Registrable Securities pursuant to this Section, the accrual of Liquidated Damages Amounts will cease (without in any way limiting the effect of any subsequent Event requiring the payment of the Liquidated Damages Amount by the Company).

The Trustee shall be entitled, on behalf of Holders of Debentures or Underlying Common Stock, to seek any available remedy for the enforcement of this Agreement, including for the payment of any Liquidated Damages Amount. Notwithstanding the foregoing, the parties agree that the sole remedy for a violation of the terms of this Agreement with respect to which liquidated damages are expressly provided shall be such liquidated damages.

All of the Company's obligations set forth in this Section 2(e) that are outstanding with respect to any Registrable Security at the time such Security ceases to be a Registrable Security shall survive until such time as all such obligations with respect to such security have been satisfied in full (notwithstanding termination of this Agreement pursuant to Section 8(j)).

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

SECTION 3. REGISTRATION PROCEDURES. In connection with the registration obligations of the Company under Section 2 hereof, the Company shall:

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

(b) As promptly as reasonably practicable give notice to the Notice Holders and the Initial Purchaser (i) when any Prospectus, Prospectus supplement, Registration Statement or post-effective amendment to a Registration Statement has been filed with the SEC and, with respect to a Registration Statement or any post-effective amendment, when the same has been declared effective, (ii) of any request, following the effectiveness of the Initial Shelf Registration Statement under the Securities Act, by the SEC or any other federal or state governmental authority for amendments or supplements to any Registration Statement or related Prospectus or for additional information, (iii) of the issuance by the SEC or any other federal or state governmental authority of any stop order suspending the effectiveness of any Registration Statement or the initiation or threatening of any proceedings for that purpose, (iv) of the receipt by the Company of any notification with respect to the suspension of the qualification or exemption from qualification of any of the Registrable Securities for sale in any jurisdiction or

the initiation or threatening of any proceeding for such purpose, (v) of the occurrence of (but not the nature of or details concerning) a Material Event (provided, however, that no notice by the Company shall be required pursuant to this clause (v) in the event that the Company either promptly files a Prospectus supplement to update the Prospectus or a Form 8-K or other appropriate Exchange Act report that is incorporated by reference into the Registration Statement, which, in either case, contains the requisite information with respect to such Material Event that results in such Registration Statement no longer containing any untrue statement of material fact or omitting to state a material fact necessary to make the statements contained therein not misleading) and (vi) of the determination by the Company that a post-effective amendment to a Registration Statement will be filed with the SEC, which notice may, at the discretion of the Company (or as required pursuant to Section 3(h)), state that it constitutes a Deferral Notice, in which event the provisions of Section 3(h) shall apply.

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

(d) If reasonably requested by the Initial Purchaser or any Notice Holder, as promptly as reasonably practicable incorporate in a Prospectus supplement or post-effective amendment to a Registration Statement such information as the Initial Purchaser or such Notice Holder shall, on the basis of an opinion of nationally-recognized counsel experienced in such matters, determine to be required to be included therein by applicable law and make any required filings of such Prospectus supplement or such post-effective amendment; provided, that the Company shall not be required to take any actions under this Section 3(d) that are not, in the reasonable opinion of counsel for the Company, in compliance with applicable law or to include the disclosure which at the time would have an adverse effect on the business or operation of the Company and/ or its Subsidiaries, as determined in good faith by the Company.

(e) As promptly as reasonably practicable furnish to each Notice Holder and the Initial Purchaser, upon their request and without charge, at least one (1) conformed copy of the Registration Statement and any amendment thereto, including financial statements, but excluding schedules, all documents incorporated or deemed to be incorporated therein by reference and all exhibits (unless requested in writing to the Company by such Notice Holder or the Initial Purchaser, as the case may be).

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

(g) Subject to Section 3(h), prior to any public offering of the Registrable Securities pursuant to the Shelf Registration Statement, use commercially reasonable efforts to register or qualify or cooperate with the Notice Holders in connection with the registration or qualification (or exemption from such registration or qualification) of such Registrable Securities for offer and sale under the securities or Blue Sky laws of such jurisdictions within the United States as any Notice Holder reasonably requests in writing (which request may be included in the Notice and Questionnaire) it being agreed that no such registration or qualification will be made unless so requested; prior to any public offering of the Registrable Securities pursuant to the Shelf Registration Statement, use reasonable efforts to keep each such registration or qualification (or exemption therefrom) effective during the Effectiveness Period in connection with such Notice Holder's offer and sale of Registrable Securities pursuant to such registration or qualification (or exemption therefrom) and do any and all other acts or things necessary to enable the disposition in such jurisdictions of such Registrable Securities in the manner set forth in the relevant Registration Statement and the related Prospectus; provided, that the Company will not be required to (i) qualify as a foreign corporation or as a dealer in securities in any jurisdiction where it is not otherwise qualified but for this Agreement or (ii) take any action that would subject it to general service of process in suits or to taxation in any such jurisdiction where it is not then so subject.

(h) Upon (A) the issuance by the SEC of a stop order suspending the effectiveness of the Shelf Registration Statement or the initiation of proceedings with respect to the Shelf Registration Statement under Section 8(d) or 8(e) of the Securities Act, (B) the occurrence of any event or the existence of any fact (a "Material Event") as a result of which any Registration Statement shall contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading, or any Prospectus shall contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, or (C) the occurrence or existence of any corporate development that, in the discretion of the Company, makes it appropriate to suspend the availability of the Shelf Registration Statement and the related Prospectus, (i) in the case of clause (B) above, subject to the next sentence, as promptly as reasonably practicable prepare and file a post-effective amendment to such Registration Statement or a supplement to the related Prospectus or any document incorporated therein by reference or file any other required document that would be incorporated by reference into such Registration Statement and Prospectus so that such Registration Statement does not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading, and such Prospectus does not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, as thereafter delivered to the purchasers of the Registrable Securities being sold thereunder, and, in the case of a post-effective amendment to a Registration Statement, subject to the next sentence, use reasonable efforts to cause it to be declared effective as promptly as is reasonably practicable, and (ii) give notice to the Notice Holders that the availability of the Shelf Registration Statement is suspended (a "Deferral Notice") and, upon receipt of any Deferral Notice, each Notice Holder agrees to suspend the use of the Prospectus and not to sell any Registrable Securities pursuant to the Registration Statement until such Notice Holder's receipt of copies of the supplemented or amended Prospectus provided for in clause (i)

above, or until it is advised in writing by the Company that the Prospectus may be used, and has received copies of any additional or supplemental filings that are incorporated or deemed incorporated by reference in such Prospectus. The Company will use all reasonable efforts to ensure that the use of the Prospectus may be resumed (x) in the case of clause (A) above, as promptly as reasonably practicable, (y) in the case of clause (B) above, as soon as, in the sole judgment of the Company, public disclosure of such Material Event would not be prejudicial to or contrary to the interests of the Company or, if necessary to avoid unreasonable burden or expense, as soon as reasonably practicable thereafter and (z) in the case of clause (C) above, as soon as, in the discretion of the Company, such suspension is no longer appropriate. The period during which the availability of the Registration Statement and any Prospectus is suspended (the "Deferral Period") shall, without the Company incurring any obligation to pay liquidated damages pursuant to Section 2(e), not exceed sixty (60) days in any three (3) month period or one hundred and twenty (120) days in any twelve (12) month period.

(i) If reasonably requested in writing in connection with a disposition of Registrable Securities pursuant to a Registration Statement, make reasonably available for inspection during normal business hours by a representative for the Notice Holders of such Registrable Securities and any broker-dealers, attorneys and accountants retained by such Notice Holders, all relevant financial and other records, pertinent corporate documents and properties of the Company and its subsidiaries, and cause the appropriate executive officers, directors and designated employees of the Company and its subsidiaries to make reasonably available for inspection during normal business hours all relevant information reasonably requested by such representative for the Notice Holders or any such broker-dealers, attorneys or accountants in connection with such disposition, in each case as is customary for similar "due diligence" examinations; provided, however, that such persons shall first agree in writing with the Company that any information that is reasonably designated by the Company in writing as confidential at the time of delivery of such information shall be kept confidential by such persons and shall be used solely for the purposes of exercising rights under this Agreement and such person shall comply with applicable securities laws, unless (i) disclosure of such information is required by court or administrative order or is necessary to respond to inquiries of regulatory authorities, (ii) disclosure of such information is required by law (including any disclosure requirements pursuant to federal securities laws in connection with the filing of any Registration Statement or the use of any Prospectus referred to in this Agreement), (iii) such information becomes generally available to the public other than as a result of a disclosure or failure to safeguard by any such person or (iv) such information becomes available to any such person from a source other than the Company and such source is not bound by a confidentiality agreement or fiduciary obligations; and provided further, that the foregoing inspection and information gathering shall, to the greatest extent possible, be coordinated on behalf of all the Notice Holders and the other parties entitled thereto by the counsel referred to in Section 5.

(j) Comply with all applicable rules and regulations of the SEC and make generally available to its securityholders earning statements (which need not be audited) satisfying the provisions of Section 11(a) of the Securities Act and Rule 158 thereunder (or any similar rule promulgated under the Securities Act) no later than 90 days after the end of the first 12-month period constituting a fiscal year commencing on the first day of the first fiscal quarter of the first fiscal year of the Company commencing after the effective date of a Registration Statement, which statements shall cover said 12-month periods.

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

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

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

(n) Enter into such customary agreements and take all such other reasonable necessary actions in connection therewith (including those reasonably requested by the holders of a majority of the Registrable Securities being sold) in order to expedite or facilitate the registration or the disposition of such Registrable Securities; provided that the Company shall not be required to take any action in connection with an underwritten offering without its consent; and

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

SECTION 4. HOLDER'S OBLIGATIONS. Each Holder agrees, by acquisition of the Registrable Securities, that no Holder of Registrable Securities shall be entitled to sell any of such Registrable Securities pursuant to a Registration Statement or to receive a Prospectus relating thereto, unless such Holder has furnished the Company with a Notice and Questionnaire as required pursuant to Section 2(d) hereof (including the information required to be included in such Notice and Questionnaire) and the information set forth in the next sentence. Each Notice Holder agrees promptly to furnish to the Company all information required to be disclosed in order to make the information previously furnished to the Company by such Notice Holder not misleading and any other information regarding such Notice Holder and the distribution of such Registrable Securities as may be required to be disclosed in the Registration Statement under applicable law or pursuant to SEC comments. Each Holder further agrees to notify the Company within 10 business days of request, of the amount of Registrable Securities sold pursuant to the Registration Statement and, in the absence of a response, the Company may assume that all of the Holder's Registrable Securities were so sold.

In addition, each Holder agrees that:

(a) upon receipt of a Deferral Notice, it will keep the fact of such notice confidential, forthwith discontinue disposition of its Registrable Securities pursuant to the Registration Statement, and will not deliver any Prospectus forming part thereof until receipt of the amended or supplemented Registration Statement or Prospectus, as applicable, or until it is advised in writing by the Company that the Prospectus may be used and has received copies of any additional or supplemental filings that are incorporated or deemed incorporated by reference in such Prospectus;

(b) if so directed by the Company in the Deferral Notice, it will deliver to the Company (at the Company's expense) all copies, other than permanent file copies then in its possession, of the Prospectus; and

(c) the sale of the Registrable Securities pursuant to a Registration Statement shall only be made in the manner set forth in such currently effective Registration Statement.

SECTION 5. REGISTRATION EXPENSES. The Company shall bear all fees and expenses incurred in connection with the performance by the Company of its obligations under Sections 2 and 3 of this Agreement whether or not any of the Registration Statements are declared effective. Such fees and expenses shall include, without limitation, (i) all registration and filing fees (including, without limitation, fees and expenses (x) with respect to filings required to be made with the National Association of Securities Dealers, Inc. and (y) of compliance with federal and state securities or Blue Sky laws to the extent such filings or compliance are required pursuant to this Agreement (including fees and expenses of the Company's counsel)), (ii) printing expenses (including, without limitation, expenses of printing certificates for Registrable Securities in a form eligible for deposit with The Depository Trust Company), (iii) duplication expenses relating to copies of any Registration Statement or Prospectus delivered to any Holders hereunder, (iv) fees and disbursements of counsel for the Company in connection with the Shelf Registration Statement, and (v) reasonable fees and disbursements of the Trustee and its counsel and of the registrar and transfer agent for the Common Stock. In addition, the Company shall pay the internal expenses of the Company (including, without limitation, all salaries and expenses of officers and employees performing legal or accounting duties), the expense of any annual audit, the fees and expenses incurred in connection with the listing of the Registrable Securities on any securities exchange on which the same securities of the Company are then listed and the fees and expenses of any person, including special experts, retained by the Company.

SECTION 6. INDEMNIFICATION; CONTRIBUTION.

(a) The Company agrees to indemnify and hold harmless the Initial Purchaser and each holder of Registrable Securities and each person, if any, who controls the Initial Purchaser or any holder of Registrable Securities within the meaning of either Section 15 of the Securities Act or Section 20 of the Exchange Act, as follows:

(i) against any and all loss, liability, claim, damage and expense whatsoever, as incurred, arising out of any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement (or any amendment thereto), or the omission or alleged omission therefrom of a material

fact required to be stated therein or necessary to make the statements therein not misleading or arising out of any untrue statement or alleged untrue statement of a material fact included in any preliminary prospectus or the Prospectus (or any amendment or supplement thereto), or the omission or alleged omission therefrom of a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(ii) against any and all loss, liability, claim, damage and expense whatsoever, as incurred, to the extent of the aggregate amount paid in settlement of any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or of any claim whatsoever based upon any such untrue statement or omission, or any such alleged untrue statement or omission, provided that (subject to Section 6(d) below) any such settlement is effected with the prior written consent of the Company; and

(iii) against any and all expense whatsoever, as incurred (including the fees and disbursements of counsel chosen by the Initial Purchaser), reasonably incurred in investigating, preparing or defending against any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever based upon any such untrue statement or omission, or any such alleged untrue statement or omission, to the extent that any such expense is not paid under (i) or (ii) above;

PROVIDED, HOWEVER, that this indemnity agreement shall not apply to any loss, liability, claim, damage or expense to the extent arising out of any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with written information furnished to the Company by the Initial Purchaser, such holder of Registrable Securities (which also acknowledges the indemnity provisions herein) or any person, if any, who controls the Initial Purchaser or any such holder of Registrable Securities expressly for use in the Registration Statement (or any amendment thereto) or any preliminary prospectus or the Prospectus (or any amendment or supplement thereto); provided, further, that this indemnity agreement shall not apply to any loss, liability, claim, damage or expense (1) arising from an offer or sale of Registrable Securities occurring during a Deferral Period, if a Deferral Notice was given to such Notice Holder in accordance with Section 8(b), or (2) if the Holder fails to deliver at or prior to the written confirmation of sale, the most recent Prospectus, as amended or supplemented, and such Prospectus, as amended or supplemented, would have corrected such untrue statement or omission or alleged untrue statement or omission of a material fact.

(b) In connection with any Shelf Registration in which a holder, including, without limitation, the Initial Purchaser, of Registrable Securities is participating, in furnishing information relating to such holder of Registrable Securities to the Company in writing expressly for use in such Registration Statement, any preliminary prospectus, the Prospectus or any amendments or supplements thereto, the holders of such Registrable Securities agree, severally and not jointly, to indemnify and hold harmless the Initial Purchaser and each person, if any, who controls the Initial Purchaser within the meaning of either Section 15 of the Securities Act or Section 20 of the Exchange Act and the Company, and each person, if any, who controls the Company within the meaning of either such Section, against any and all loss, liability, claim,

damage and expense described in the indemnity contained in subsection (a) of this Section, as incurred, but only with respect to untrue statements or omissions, or alleged untrue statements or omissions, made in the Registration Statement (or any amendment thereto), or any preliminary prospectus or the Prospectus (or any amendment or supplement thereto) in reliance upon and in conformity with written information furnished to the Company by or on behalf of such holder of Registrable Securities (which also acknowledges the indemnity provisions herein) or any person, if any, who controls any such holder of Registrable Securities expressly for use in the Registration Statement (or any amendment thereto) or such preliminary prospectus or the Prospectus (or any amendment or supplement thereto).

The Initial Purchaser agrees to indemnify and hold harmless the Company, the holders of Registrable Securities, and each person, if any, who controls the Company or any holder of Registrable Securities within the meaning of either Section 15 of the Securities Act or Section 20 of the Exchange Act against any and all loss, liability, claim, damage and expense described in the indemnity contained in subsection (a) of this Section, as incurred, but only with respect to untrue statements or omissions, or alleged untrue statements or omissions, made in the Registration Statement (or any amendment thereto), or any preliminary prospectus or the Prospectus (or any amendment or supplement thereto) in reliance upon and in conformity with written information furnished to the Company by the Initial Purchaser expressly for use in the Registration Statement (or any amendment thereto) or such preliminary prospectus or the Prospectus (or any amendment or supplement thereto).

(c) Each indemnified party shall give notice as promptly as reasonably practicable to each indemnifying party of any action commenced against it in respect of which indemnity may be sought hereunder, but failure to so notify an indemnifying party shall not relieve such indemnifying party from any liability hereunder to the extent it is not materially prejudiced as a result thereof and in any event shall not relieve it from any liability which it may have otherwise than on account of this indemnity agreement. The indemnifying party, upon request of the indemnified party, shall retain counsel reasonably satisfactory to the indemnified party to represent the indemnified party and any others the indemnifying party may designate in such proceeding and shall pay the fees and disbursements of such counsel related to such proceeding. In any such proceeding, any indemnified party shall have the right to retain its own counsel, but the fees and expenses of such counsel shall be at the expense of such indemnified party unless (i) the indemnifying party and the indemnified party shall have mutually agreed to the retention of such counsel or (ii) the named parties to any such proceeding (including any impleaded parties) include both the indemnifying party and the indemnified party and representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them. It is understood that the indemnifying party shall not, in respect of the legal expenses of any indemnified party in connection with any proceeding or related proceedings in the same jurisdiction, be liable for (a) the fees and expenses of more than one separate firm (in addition to any local counsel), whose fees must be reasonable, for the Initial Purchaser, Holders of Registrable Securities, and all persons, if any, who control the Initial Purchaser or Holders of Registrable Securities within the meaning of either Section 15 of the Securities Act or Section 20 of the Exchange Act, collectively (b) the fees and expenses of more than one separate firm (in addition to any local counsel), whose fees must be reasonable, for the Company, and each person, if any, who controls the Company within the meaning of either such Section, and that all fees and expenses payable under (a) and (b) above shall be reimbursed as

they are incurred. In the case of any such separate firm for the Initial Purchaser, Holders of Registrable Securities, and control persons of the Initial Purchaser and Holders of Registrable Securities, such firm shall be designated in writing by the Initial Purchaser. In the case of any such separate firm for the Company, and control persons of the Company, such firm shall be designated in writing by the Company. The indemnifying party shall not be liable for any settlement of any proceeding effected without its written consent, but if settled with such consent or if there be a final non-appealable judgment for the plaintiff, the indemnifying party agrees to indemnify the indemnified party from and against any loss or liability by reason of such settlement or judgment. No indemnifying party shall, without the prior written consent of the indemnified parties, settle or compromise or consent to the entry of any judgment with respect to any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever in respect of which indemnification or contribution could be sought under this Section 6 (whether or not the indemnified parties are actual or potential parties thereto), unless such settlement, compromise or consent (i) includes an unconditional release of each indemnified party from all liability arising out of such litigation, investigation, proceeding or claim and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act by or on behalf of any indemnified party.

(d) If at any time an indemnified party shall have requested an indemnifying party to reimburse the indemnified party for fees and expenses of counsel, such indemnifying party agrees that it shall be liable for any settlement of the nature contemplated by Section 6(a)(ii) effected without its written consent if (i) such settlement is entered into more than 45 days after receipt by such indemnifying party of aforesaid request, (ii) such indemnifying party shall have received notice of the terms of such settlement at least 30 days prior to such settlement being entered into and (iii) such indemnifying party shall not have reimbursed such indemnified party in accordance with such request prior to the date of such settlement. Notwithstanding the immediately preceding sentence, if at any time an indemnified party shall have requested an indemnifying party to reimburse the indemnified party for fees and expenses of counsel, an indemnifying party shall not be liable for any settlement of the nature contemplated by Section 6(a)(ii) effected without its consent if such indemnifying party (1) reimburses such indemnified party in accordance with such request to the extent it considers such request to be reasonable and (2) provides written notice to the indemnified party substantiating the unpaid balance as unreasonable, in each case prior to the date of such settlement.

(e) If the indemnification to which an indemnified party is entitled under this Section 6 is for any reason unavailable to or insufficient although applicable in accordance with its terms to hold harmless an indemnified party in respect of any losses, liabilities, claims, damages or expenses referred to therein, then each indemnifying party shall contribute to the aggregate amount of such losses, liabilities, claims, damages and expenses incurred by such indemnified party, as incurred (i) in such proportion as is appropriate to reflect the relative benefits received by the indemnifying party on the one hand and the indemnified party on the other hand from the offering of the Registrable Securities or (ii) if the allocation provided by clause (i) is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the indemnifying party on the one hand and of the indemnified party on the other hand in connection with the statements or omissions which resulted in such losses, liabilities, claims, damages or expenses, as well as any other relevant equitable considerations.

The relative fault of the Company on the one hand and the holders of the Registrable Securities or the Initial Purchaser on the other hand shall be determined by reference to, among other things, whether any such untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact relates to information supplied by the Company or by the holder of the Registrable Securities or the Initial Purchaser and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

The parties hereto agree that it would not be just and equitable if contribution pursuant to this Section 6(e) were determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to above in this Section 6(e). The aggregate amount of losses, liabilities, claims, damages, and expenses incurred by an indemnified party and referred to above in this Section 6(e) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in investigating, preparing or defending against any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever based upon any such untrue or alleged untrue statement or omission or alleged omission.

Notwithstanding the provisions of this Section 6, neither the holder of any Registrable Securities nor the Initial Purchaser, shall be required to indemnify or contribute any amount in excess of the amount by which the total price at which the Registrable Securities sold by such holder of Registrable Securities or by the Initial Purchaser, as the case may be, and distributed to the public were offered to the public exceeds the amount of any damages that such holder of Registrable Securities or the Initial Purchaser has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission.

No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

For purposes of this Section 6(e), each person, if any, who controls the Initial Purchaser or any holder of Registrable Securities within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act shall have the same rights to contribution as the Initial Purchaser or such holder, and each person, if any, who controls the Company within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act shall have the same rights to contribution as the Company.

SECTION 7. INFORMATION REQUIREMENTS. The Company covenants that, if at any time before the end of the Effectiveness Period the Company is not subject to the reporting requirements of the Exchange Act, the Company will cooperate with any Holder of Registrable Securities and take such further reasonable action as any Holder of Registrable Securities may reasonably request in writing (including, without limitation, making such reasonable representations as any such Holder may reasonably request), all to the extent required from time to time to enable such Holder to sell Registrable Securities without registration under the Securities Act within the limitation of the exemptions provided by Rule 144 and Rule 144A under the Securities Act and customarily taken in connection with sales pursuant to such exemptions.

SECTION 8. MISCELLANEOUS; NO CONFLICTING AGREEMENTS. Except for such agreements that will be waived or amended prior to the filing of the Registration Statement, the Company is not, as of the date hereof, a party to, nor shall the Company, on or after the date of this Agreement, enter into any agreement with respect to its securities that conflicts with the rights granted to the Holders of Registrable Securities in this Agreement. Except for such agreements that will be waived or amended prior to the filing of the Registration Statement, the Company represents and warrants that the rights granted to the Holders of Registrable Securities hereunder do not in any way conflict with the rights granted to the holders of either the Company's or the Guarantor's respective other issued and outstanding securities under any other agreements.

(a) AMENDMENTS AND WAIVERS. The provisions of this Agreement, including the provisions of this sentence, may not be amended, modified or supplemented, and waivers or consents to departures from the provisions hereof may not be given, unless the Company has obtained the written consent of Holders of a majority of the then outstanding Underlying Common Stock constituting Registrable Securities (with Holders of Debentures deemed to be the Holders, for purposes of this Section, of the number of outstanding shares of Underlying Common Stock into which such Debentures are or would be convertible or exchangeable as of the date on which such consent is requested). Notwithstanding the foregoing, a waiver or consent to depart from the provisions hereof with respect to a matter that relates exclusively to the rights of Holders of Registrable Securities whose securities are being sold pursuant to a Registration Statement and that does not directly or indirectly affect the rights of other Holders of Registrable Securities may be given by Holders of at least a majority of the Registrable Securities being sold by such Holders pursuant to such Registration Statement; provided, that the provisions of this sentence may not be amended, modified, or supplemented except in accordance with the provisions of the immediately preceding sentence. Each Holder of Registrable Securities outstanding at the time of any such amendment, modification, supplement, waiver or consent or thereafter shall be bound by any such amendment, modification, supplement, waiver or consent effected pursuant to this Section 8(a), whether or not any notice, writing or marking indicating such amendment, modification, supplement, waiver or consent appears on the Registrable Securities or is delivered to such Holder.

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

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

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

(y) if to the Company, to:

Carnival Corporation
3655 N.W. 87th Avenue
Miami, FL 33178-2428
Attention: Arnaldo Perez, Esq., General Counsel
Telecopier No.:

with a copy to:

Paul, Weiss, Rifkind, Wharton & Garrison
1285 Avenue of the Americas
New York, N.Y. 10019
Attention: John C. Kennedy, Esq.
Telecopier No.: (212) 373-2042

and

(z) if to the Initial Purchaser, to:

Merrill Lynch & Co.,
Merrill Lynch, Pierce, Fenner & Smith
Incorporated
North Tower
World Financial Center
New York, New York 10080
Attention: Mark Hagan
Telecopy No.: (212) 449-9143

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

(c) APPROVAL OF HOLDERS. Whenever the consent or approval of Holders of a specified percentage of Registrable Securities is required hereunder, Registrable Securities held by the Company or its affiliates (as such term is defined in Rule 405 under the Securities Act) (other than the Initial Purchaser or subsequent Holders of Registrable Securities if such subsequent Holders are deemed to be such affiliates solely by reason of their holdings of such Registrable Securities) shall not be counted in determining whether such consent or approval was given by the Holders of such required percentage.

(d) SUCCESSORS AND ASSIGNS. Any person who purchases any Registrable Securities from the Initial Purchaser shall be deemed, for purposes of this Agreement, to be an assignee of the Initial Purchaser. This Agreement shall inure to the benefit of and be binding upon the successors and assigns of each of the parties and shall inure to the benefit of and be binding upon each Holder of any Registrable Securities.

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

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

(g) GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

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

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

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

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

CARNIVAL CORPORATION

By: _____
Name:
Title:

Accepted as of the date first above written:

MERRILL LYNCH & CO.
MERRILL LYNCH, PIERCE, FENNER & SMITH
INCORPORATED

By: _____
Authorized Signatory

CONSENT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

We hereby consent to the incorporation by reference in this Registration Statement on Form S-3 of our report dated January 26, 2001 relating to the financial statements, which appears in the 2000 Annual Report to Shareholders, which is incorporated by reference in Carnival Corporation's Annual Report on Form 10-K for the year ended November 30, 2000. We also consent to the reference to us under the heading "Experts" in such Registration Statement.

/s/ PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP

Miami, Florida
June 11, 2001

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM T-1

Statement of Eligibility Under the
Trust Indenture Act of 1939 of a Corporation
Designated to Act as Trustee

U.S. BANK TRUST NATIONAL ASSOCIATION
(Exact name of Trustee as specified in its charter)

United States
(State of Incorporation) 41-0257700
(I.R.S. Employer
Identification No.)

U.S. Bank Trust Center
180 East Fifth Street
St. Paul, Minnesota 55101
(Address of Principal Executive Offices) (Zip Code)

CARNIVAL CORPORATION

(Exact name of Registrant as specified in its charter)

Florida
(State of Incorporation) 59-1562972
(I.R.S. Employer
Identification No.)

3655 N.W. 87th Avenue
Miami, Florida
(Address of Principal Executive Offices) 33178-2428
(Zip Code)

CONVERTIBLE SENIOR DEBENTURES
(Title of the Indenture Securities)

GENERAL

1. GENERAL INFORMATION Furnish the following information as to the Trustee.

(a) Name and address of each examining or supervising authority to which it is subject.

Comptroller of the Currency
Washington, D.C.

(b) Whether it is authorized to exercise corporate trust powers.

Yes

2. AFFILIATIONS WITH OBLIGOR AND UNDERWRITERS If the obligor or any underwriter for the obligor is an affiliate of the Trustee, describe each such affiliation.

None

See Note following Item 16.

Items 3-15 are not applicable because to the best of the Trustee's knowledge the obligor is not in default under any Indenture for which the Trustee acts as Trustee.

16. LIST OF EXHIBITS List below all exhibits filed as a part of this statement of eligibility and qualification.

1. Copy of Articles of Association.*

2. Copy of Certificate of Authority to Commence Business.*

3. Authorization of the Trustee to exercise corporate trust powers (included in Exhibits 1 and 2; no separate instrument).*

4. Copy of existing By-Laws.*

5. Copy of each Indenture referred to in Item 4. N/A.

6. The consents of the Trustee required by Section 321(b) of the act.

7. Copy of the latest report of condition of the Trustee published pursuant to law or the requirements of its supervising or examining authority is incorporated by reference to Registration Number 333-43278.

* Incorporated by reference to Registration Number 22-27000.

NOTE

The answers to this statement insofar as such answers relate to what persons have been underwriters for any securities of the obligors within three years prior to the date of filing this statement, or what persons are owners of 10% or more of the voting securities of the obligors, or affiliates, are based upon information furnished to the Trustee by the obligors. While the Trustee has no reason to doubt the accuracy of any such information, it cannot accept any responsibility therefor.

SIGNATURE

Pursuant to the requirements of the Trust Indenture Act of 1939, the Trustee, U.S. Bank Trust National Association, an Association organized and existing under the laws of the United States, has duly caused this statement of eligibility and qualification to be signed on its behalf by the undersigned, thereunto duly authorized, and its seal to be hereunto affixed and attested, all in the City of Saint Paul and State of Minnesota on the 4th day of June, 2001.

U.S. BANK TRUST NATIONAL ASSOCIATION

Julie Eddington
Assistant Vice President

Lori-Anne Rosenberg
Assistant Secretary

NOTE

The answers to this statement insofar as such answers relate to what persons have been underwriters for any securities of the obligors within three years prior to the date of filing this statement, or what persons are owners of 10% or more of the voting securities of the obligors, or affiliates, are based upon information furnished to the Trustee by the obligors. While the Trustee has no reason to doubt the accuracy of any such information, it cannot accept any responsibility therefor.

SIGNATURE

Pursuant to the requirements of the Trust Indenture Act of 1939, the Trustee, U.S. Bank Trust National Association, an Association organized and existing under the laws of the United States, has duly caused this statement of eligibility and qualification to be signed on its behalf by the undersigned, thereunto duly authorized, and its seal to be hereunto affixed and attested, all in the City of Saint Paul and State of Minnesota on the 4th day of June, 2000.

U.S. BANK TRUST NATIONAL ASSOCIATION

/s/ Julie Eddington

Julie Eddington
Assistant Vice President

/s/ Lori-Anne Rosenberg

Lori-Anne Rosenberg
Assistant Secretary

EXHIBIT 6

CONSENT

In accordance with Section 321(b) of the Trust Indenture Act of 1939, the undersigned, U.S. BANK TRUST NATIONAL ASSOCIATION hereby consents that reports of examination of the undersigned by Federal, State, Territorial or District authorities may be furnished by such authorities to the Securities and Exchange Commission upon its request therefor.

Dated: June 4, 2001

U.S. BANK TRUST NATIONAL ASSOCIATION

/s/ Julie Eddington

Julie Eddington
Assistant Vice President