

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D. C. 20549

FORM 10-Q
(Mark One)

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

For the Quarterly Period Ended May 3, 2002

or

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

For the Transition Period from _____ to _____.

Commission file number 000-25225

CBRL GROUP, INC.
(Exact Name of Registrant as
Specified in Its Charter)

Tennessee

62-1749513

(State or Other Jurisdiction
of Incorporation or Organization)

(IRS Employer
Identification No.)

Hartmann Drive, P. O. Box 787
Lebanon, Tennessee 37088-0787

(Address of Principal Executive Offices)

615-444-5533

(Registrant's Telephone Number, Including Area Code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X No
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52,486,912 Shares of Common Stock
Outstanding as of May 31, 2002

PART I

Item 1. Financial Statements

CBRL GROUP, INC.
CONDENSED CONSOLIDATED BALANCE SHEET
(In thousands, except share data)
(Unaudited)

	May 3, 2002	August 3, 2001*
	----	----
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 31,981	\$ 11,807
Receivables	8,180	10,201
Inventories	115,136	116,590

Prepaid expenses	12,282	10,019
Deferred income taxes	6,573	6,573
	-----	-----
Total current assets	174,152	155,190
Property and equipment - net	976,607	955,028
Goodwill - net	92,882	92,882
Other assets	15,622	9,772
	-----	-----
Total assets	\$1,259,263	\$1,212,872
	=====	=====
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 64,199	\$ 64,939
Accrued expenses	142,541	132,110
Current maturities of long-term debt and other long-term obligations	96	200
	-----	-----
Total current liabilities	206,836	197,249
	-----	-----
Long-term debt	195,174	125,000
	-----	-----
Other long-term obligations	46,074	44,515
	-----	-----
Shareholders' equity:		
Preferred stock - 100,000,000 shares of \$.01 par value authorized, no shares issued	--	--
Common stock - 400,000,000 shares of \$.01 par value authorized, at May 3, 2002, 52,504,414 shares issued and outstanding and at August 3, 2001, 55,026,846 shares issued and outstanding	525	550
Additional paid-in capital	53,996	149,073
Retained earnings	756,658	696,485
	-----	-----
Total shareholders' equity	811,179	846,108
	-----	-----
Total liabilities and shareholders' equity	\$1,259,263	\$1,212,872
	=====	=====

See notes to condensed consolidated financial statements.

(*) This condensed consolidated balance sheet has been derived from the audited consolidated balance sheet as of August 3, 2001.

CBRL GROUP, INC.
CONDENSED CONSOLIDATED STATEMENT OF INCOME
(In thousands, except per share data)
(Unaudited)

	Quarter Ended		Nine Months Ended	
	May 3, 2002 ----	April 27, 2001 ----	May 3, 2002 ----	April 27, 2001 ----
Net sales	\$504,730	\$467,911	\$1,521,963	\$1,419,068
Franchise fees and royalties	320	190	802	555
	-----	-----	-----	-----
Total revenue	505,050	468,101	1,522,765	1,419,623
Cost of goods sold	161,262	155,668	506,194	486,279
	-----	-----	-----	-----
Gross profit	343,788	312,433	1,016,571	933,344
Labor & other related expenses	195,696	178,542	573,899	525,560
Other store operating expenses	86,486	81,970	255,718	245,524
	-----	-----	-----	-----
Store operating income	61,606	51,921	186,954	162,260
General and administrative	28,347	24,657	87,095	75,256
Amortization of goodwill	--	999	--	2,996
	-----	-----	-----	-----
Operating income	33,259	26,265	99,859	84,008
Interest expense	1,535	3,014	4,616	9,790
Interest income	--	30	--	84
	-----	-----	-----	-----
Income before income taxes	31,724	23,281	95,243	74,302
Provision for income taxes	11,167	8,684	33,907	27,715
	-----	-----	-----	-----
Net income	\$ 20,557	\$ 14,597	\$ 61,336	\$ 46,587
	=====	=====	=====	=====
Net earnings per share:				
Basic	\$.38	\$.26	\$ 1.12	\$.83
	=====	=====	=====	=====
Diluted	\$.36	\$.26	\$ 1.08	\$.82
	=====	=====	=====	=====
Weighted average shares:				
Basic	54,548	56,016	54,994	56,450
	=====	=====	=====	=====
Diluted	56,693	56,911	56,823	57,113
	=====	=====	=====	=====

See notes to condensed consolidated financial statements.

CBRL GROUP, INC.
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
(In thousands)
(Unaudited)

	Nine Months Ended	
	May 3, 2002	April 27, 2001
Cash flows from operating activities:		
Net income	\$ 61,336	\$ 46,587
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	46,012	48,031
(Gain) loss on disposition of property and equipment	(413)	80
Changes in assets and liabilities:		
Inventories	1,454	(4,184)
Accounts payable	(740)	(2,556)
Other current assets and other current liabilities	10,189	(716)
Other assets and other long-term liabilities	(4,277)	5,319
	113,561	92,561
Net cash provided by operating activities	113,561	92,561
Cash flows from investing activities:		
Purchase of property and equipment	(69,997)	(74,624)
Proceeds from sale of property and equipment	3,228	141,502
	(66,769)	66,878
Net cash (used in) provided by investing activities	(66,769)	66,878
Cash flows from financing activities:		
Proceeds from issuance of long-term debt	492,556	253,700
Principal payments under long-term debt and other long-term obligations	(422,909)	(395,876)
Proceeds from exercise of stock options	45,215	4,007
Purchases and retirement of common stock	(140,317)	(23,823)
Dividends on common stock	(1,163)	(1,185)
	(26,618)	(163,177)
Net cash used in financing activities	(26,618)	(163,177)
Net increase (decrease) in cash and cash equivalents	20,174	(3,738)
Cash and cash equivalents, beginning of period	11,807	13,865
Cash and cash equivalents, end of period	\$ 31,981	\$ 10,127
Supplemental disclosures of cash flow information:		
Cash paid during the nine months for:		
Interest	\$ 4,603	\$ 9,780
Income taxes	32,817	30,162

See notes to condensed consolidated financial statements.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(In thousands except per share amounts)

1. Condensed Consolidated Financial Statements

The condensed consolidated balance sheet as of May 3, 2002 and the related condensed consolidated statements of income and cash flows for the quarters and nine-month periods ended May 3, 2002 and April 27, 2001, have been prepared by CBRL Group, Inc. and subsidiaries (the "Company") without audit; in the opinion of management, all adjustments for a fair presentation of such condensed consolidated financial statements have been made.

These condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto contained in the Company's Annual Report on Form 10-K for the year ended August 3, 2001.

Deloitte & Touche LLP, the Company's independent accountants, have performed a limited review of the financial information included herein. Their report on such review accompanies this filing.

2. Income Taxes

The provision for income taxes for the nine-month period ended May 3, 2002 has been computed based on management's estimate of the tax rate for the entire fiscal year of 35.6%. This estimate is lower than management's previous estimates, resulting in a 35.2% rate for the third quarter of fiscal 2002. The variation between the statutory tax rate and the effective tax rate is due primarily to employer tax credits for FICA taxes paid on employee tip income. The Company's effective tax rates for the nine-month period ended April 27, 2001 and for the entire fiscal year of 2001 were 37.3% and 41.8%, respectively.

3. Seasonality

The sales and profits of the Company are affected significantly by seasonal travel and vacation patterns because of its interstate highway locations. Historically, the Company's greatest sales and profits have occurred during the period of June through August. Early December through the end of February, excluding the Christmas holidays, has historically been the period of lowest sales and profits although retail revenues historically have been seasonally higher between Thanksgiving and Christmas. Therefore, the results of operations for the quarter and nine-month period ended May 3, 2002 cannot be considered indicative of the operating results for the full fiscal year.

4. Inventories

Inventories were comprised of the following at:

	May 3, 2002	August 3, 2001
	----	----
Retail	\$ 81,846	\$ 87,445
Restaurant	17,784	15,853
Supplies	15,506	13,292
	-----	-----
Total	\$115,136	\$116,590
	=====	=====

5. Earnings Per Share and Weighted Average Shares

Basic earnings per share are computed by dividing income available to common shareholders by the weighted average number of common shares outstanding for the reporting period. Diluted earnings per share reflect the potential dilution that could occur if securities, options or other contracts to issue common stock were exercised or converted into common stock. The Company's zero-coupon convertible senior notes (see Note 10) represent potential dilutive shares at the balance sheet date. The effect of the assumed conversion of the zero-coupon convertible senior notes has been excluded from the calculation of diluted earnings per share for the quarter and nine-month period ended May 3, 2002, because none of the conditions that permit conversion had been satisfied during the respective reporting periods. Outstanding stock options issued by the

Company represent the only dilutive effect reflected in diluted weighted average shares.

6. Comprehensive Income

Comprehensive income is defined as the change in equity of a business enterprise during a period from transactions and other events and circumstances from non-owner sources. There is no difference between comprehensive income and net income as reported by the Company for all periods shown.

7. Segment Reporting

The Company manages its business on the basis of one reportable operating segment. All of the Company's operations are located within the United States. The following data are presented in accordance with Statement of Financial Accounting Standards ("SFAS") No. 131 for all periods presented:

	Quarter Ended		Nine Months Ended	
	May 3, 2002	April 27, 2001	May 3, 2002	April 27, 2001
	----	----	----	----
Net sales:				
Restaurant	\$413,866	\$379,365	\$1,200,779	\$1,103,810
Retail	90,864	88,546	321,184	315,258
	-----	-----	-----	-----
Total net sales	\$504,730	\$467,911	\$1,521,963	\$1,419,068
	=====	=====	=====	=====

8. Recent Accounting Pronouncements Adopted

SFAS No. 141, "Business Combinations" requires that the purchase method of accounting be used for all business combinations initiated after June 30, 2001 and that the use of the pooling-of-interest method is no longer allowed. Adoption of SFAS No. 141 had no effect on the financial statements presented herein.

Effective August 4, 2001, the Company elected early adoption of SFAS No. 142, "Goodwill and Other Intangible Assets." SFAS No. 142 eliminates the amortization for goodwill and other intangible assets with indefinite lives. Intangible assets with lives restricted by contractual, legal, or other means will continue to be amortized over their useful lives. Goodwill and other intangible assets not subject to amortization are tested for impairment annually or more frequently if events or changes in circumstances indicate that the asset might be impaired. SFAS No. 142 requires a two-step process for testing impairment. First, the fair value of each reporting unit is compared to its carrying value to determine whether an indication of impairment exists. If an impairment is indicated, then the implied fair value of the reporting unit's goodwill is determined by allocating the unit's fair value to its assets and liabilities (including any unrecognized intangible assets) as if the reporting unit had been acquired in a business combination. The amount of impairment for goodwill and other intangible assets is measured as the excess of its carrying value over its implied fair value. The Company conducted the initial test of the carrying value of its goodwill, as required by SFAS No. 142, during the second quarter of fiscal 2002, which ended February 1, 2002, and concluded that there was no current indication of impairment to goodwill. In subsequent fiscal years, the Company will also conduct its annual assessment of the carrying value of its goodwill, as required by SFAS No. 142, during its second quarter.

In accordance with SFAS No. 142, the Company discontinued amortization of goodwill effective August 4, 2001. The pro forma effects of the adoption of SFAS No. 142 on net income and basic and diluted earnings per share is as follows:

	Third Quarter Ended May 3, 2002 -----	Third Quarter Ended April 27, 2001 -----	Nine Months Ended May 3, 2002 -----	Nine Months Ended April 27, 2001 -----
Net income, as reported	\$20,557	\$14,597	\$61,336	\$46,587
Intangible amortization, net of \$0 tax	--	999	--	2,996
	-----	-----	-----	-----
Net income, pro forma	\$20,557 =====	\$15,596 =====	\$61,336 =====	\$49,583 =====
Basic earnings per share:				
Net income, as reported	\$.38	\$.26	\$1.12	\$.83
Intangible amortization, net of \$0 tax	--	.02	--	.05
	-----	-----	-----	-----
Net income, pro forma	\$.38 =====	\$.28 =====	\$1.12 =====	\$.88 =====
Diluted earnings per share:				
Net income, as reported	\$.36	\$.26	\$1.08	\$.82
Intangible amortization, net of \$0 tax	--	.01	--	.05
	-----	-----	-----	-----
Net income, pro forma	\$.36 =====	\$.27 =====	\$1.08 =====	\$.87 =====

9. Impairment of Long-lived Assets

The Company evaluates long-lived assets and certain identifiable intangibles to be held and used in the business for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. An impairment is determined by comparing estimated undiscounted future operating cash flows to the carrying amounts of assets on a store by store basis. If an impairment exists, the amount of impairment is measured as the sum of the estimated discounted future operating cash flows of such asset and the expected proceeds upon sale of the asset less its carrying amount. Assets held for sale are reported at the lower of carrying amount or fair value less costs to sell. The Company had no impairment loss recorded for the quarters or nine-month periods ended May 3, 2002 and April 27, 2001.

10. Debt

In April 2002, the Company issued \$422,050 face value at maturity of zero-coupon convertible senior notes ("Notes"), maturing on April 3, 2032, and received proceeds totaling \$172,756 prior to debt issuance costs of \$4,639. The Company used \$60,000 of the proceeds to repurchase 2,132,954 shares of its common stock at \$28.13 per share and used the remaining proceeds of \$112,756 to repay existing borrowings under its revolving bank credit facility, to fund its debt issuance costs and for general corporate purposes. The debt costs are being amortized over three years to the first put date. The Notes are callable at the Company's option on or after April 3, 2007. Holders of the Notes may require the Company to purchase all or a portion of their Notes on April 3, 2005, April 3, 2007 and every 5 years thereafter until April 3, 2027, at a purchase price equal to the accreted value of the Notes, which includes accrued and unpaid cash interest. Each \$1,000 Note (face value at maturity) will be convertible into 10.8584 shares of the Company's common stock at an initial conversion price of \$37.69 per share, if the closing price of the Company's common stock exceeds a specified price (initially, 120% of the accreted conversion price, and declining .08474% per quarter thereafter to approximately 110% of the accreted conversion price on the last day of the quarter ending January 30, 2032) for a specified period of time (20 days of the last 30 trading days) in any quarter beginning after August 2, 2002, or otherwise upon the occurrence of certain events. The Notes have an initial yield to maturity of 3.0%, which is being accreted over the life of the Notes using the effective interest method. The Company may pay cash contingent interest for the six-month period commencing April 4, 2007, and for any six-month period thereafter if the average market price of the Notes for a five-trading day measurement period preceding the applicable six-month period equals 120% or more of the sum of the issue price and accrued original issue discount for the Notes. All subsidiaries of the Company have fully and unconditionally guaranteed on a joint and several basis the obligations under the Notes. Each guarantor directly or indirectly is a wholly-owned subsidiary of the parent company, CBRL Group, Inc., which has no independent assets or operations. The Notes and the underlying common stock will be registered in the Company's fourth fiscal quarter of this fiscal year with the Securities and

Exchange Commission to enable holders of the Notes to resell their Notes and the shares of common stock issuable upon conversion of their Notes.

11. Litigation

In Note 10 to the Consolidated Financial Statements for the fiscal year ended August 3, 2001 contained in the Company's Annual Report on Form 10-K filed on October 12, 2001 (which is incorporated herein by this reference for a more complete description of such litigation), the Company reported that its Cracker Barrel Old Country Store, Inc. subsidiary is a defendant in two pending lawsuits, one of which has been provisionally certified as a class action. The Company believes it has substantial defenses in each of these actions and is defending each of them vigorously. The Company recorded a provision of \$3,500 in the consolidated financial statements in the fourth quarter of fiscal 2001 with respect to one of these lawsuits. There has been no material development in these two lawsuits during the quarter ended May 3, 2002.

In addition, on December 11, 2001 the Company was informed that the attorneys representing the plaintiffs in the two cases described in the preceding paragraph intended to file two new lawsuits against the Company's Cracker Barrel Old Country Store, Inc. subsidiary. One of the threatened lawsuits alleged additional wage and hour claims; the second alleged racial discrimination in public accommodations. These two lawsuits were not served on the Company's subsidiary until April 12, 2002. The Company believes that the claims made in these two lawsuits are unfounded and that it has substantial defenses to the claims made. Accordingly, it intends to defend these new claims vigorously. Answers in both lawsuits, and in the public accommodations case a motion to deny class certification, were filed on May 1, 2002. At this time, however, neither the likelihood of an unfavorable outcome nor the amount of ultimate liability, if any, with respect to these claims can be determined. Accordingly, no provision for any potential liability has been made in the consolidated financial statements of the Company. In the event of an unfavorable outcome in any of these cases (including the two discussed in the preceding paragraph), the Company's results of operations, financial position and liquidity could be materially and adversely affected.

In addition to the litigation described in the preceding paragraphs, the Company is a party to other legal proceedings incidental to its business. In the opinion of management, based upon information currently available, the ultimate liability with respect to these other actions will not materially affect the Company's consolidated financial statements.

12. Derivative Financial Instruments and Hedging Activities

The Company is exposed to market risk, such as changes in interest rates and commodity prices. To manage the volatility relating to these exposures, the Company nets the exposures on a consolidated basis to take advantage of natural offsets. For the residual portion, the Company may enter into various derivative financial instruments pursuant to the Company's policies in areas such as counterparty exposure and hedging practices. The Company would review these derivative financial instruments on a specific exposure basis to support hedge accounting. The changes in fair value of these hedging instruments would be offset in part or in whole by the corresponding changes in the fair value or cash flows of the underlying exposures being hedged. The Company does not hold or use derivative financial instruments for trading purposes. The Company's historical practice has been not to enter into derivative financial instruments.

The Company's policy has been to manage interest cost using a mix of fixed and variable rate debt. The Company has accomplished this objective through the use of interest rate swaps, sale-leaseback transactions and/or zero-coupon convertible debt. In an interest rate swap, the Company agrees to exchange, at specified intervals, the difference between fixed and variable interest amounts calculated by reference to an agreed-upon notional amount. In a sale-leaseback transaction, the Company finances its operating facilities by selling them to a third party and then leasing them back under a long-term operating lease at fixed terms. The Company's zero-coupon convertible debt is fixed-rate, long-term debt. See Note 10 for a further description of this zero-coupon convertible debt. See Note 12 to the Consolidated Financial Statements for the fiscal year ended August 3, 2001 contained in the Company's Annual Report on Form 10-K filed on October 12, 2001.

Many of the food products purchased by the Company are affected by commodity pricing and are, therefore, subject to price volatility caused by weather, production problems, delivery difficulties and other factors which are outside the control of the Company and which are generally unpredictable. Changes in commodity prices would affect the Company and its competitors generally and often simultaneously. In many cases, the Company believes it will be able to pass through any increased commodity costs by adjusting its menu pricing. From time to time, competitive circumstances may limit menu price flexibility, and in those circumstances increases in commodity prices can result in lower margins for the Company. Some of the Company's purchase contracts are used to hedge commodity prices and may contain features that could be classified as derivative financial instruments under SFAS Nos. 133, 137 and 138. However, these features that could be classified as derivative financial instruments are exempt from hedge accounting based on the normal purchases exemption. The Company presently believes that any changes in commodity pricing which cannot be

adjusted for by changes in menu pricing or other product delivery strategies would not be material.

Upon adoption of SFAS Nos. 133, 137 and 138 on July 29, 2000 and through May 3, 2002, the Company had no derivative financial instruments that required hedge accounting.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

All dollar amounts reported or discussed in Part I, Item 2 of this Quarterly Report on Form 10-Q are shown in thousands, except dollar amounts per share. The following discussion and analysis provides information which management believes is relevant to an assessment and understanding of the Company's consolidated results of operations and financial condition. The discussion should be read in conjunction with the condensed consolidated financial statements and notes thereto. Except for specific historical information, many of the matters discussed in this Form 10-Q may express or imply projections of revenues or expenditures, statements of plans and objectives or future operations or statements of future economic performance. These, and similar statements are forward-looking statements concerning matters that involve risks, uncertainties and other factors which may cause the actual performance of the Company to differ materially from those expressed or implied by these statements. All forward-looking information is provided by the Company pursuant to the safe harbor established under the Private Securities Litigation Reform Act of 1995 and should be evaluated in the context of these factors. Forward-looking statements generally can be identified by the use of forward-looking terminology such as "assumptions", "target", "guidance", "plans", "may", "will", "would", "expect", "intend", "estimate", "anticipate", "believe", "potential" or "continue" (or the negative of each of these terms) or similar terminology. Factors which will affect actual results include, but are not limited to: adverse general economic conditions including uncertain consumer confidence effects on sales; the actual results of pending or threatened litigation; the effects of negative publicity; commodity, workers' compensation, group health and utility price increases; weather conditions and customer travel activity; the effects of plans intended to improve operational execution and performance; the effects of increased competition at Company locations on sales and on labor recruiting, cost, and retention; the ability of and cost to the Company to recruit, train, and retain qualified restaurant hourly and management employees; the ability of the Company to identify successful new lines of retail merchandise; the availability and costs of acceptable sites for development; the acceptance of the Company's concepts as the Company continues to expand into new markets and geographic regions; changes in interest rates affecting the Company's financing costs; changes in or implementation of additional governmental or regulatory rules and regulations affecting accounting, wage and hour matters, health and safety, pensions and insurance; practical or psychological effects of terrorist acts, or military or government responses; other undeterminable areas of government or regulatory actions or regulations; and other factors described from time to time in the Company's filings with the Securities and Exchange Commission and press releases, and other communications.

Results of Operations

The following table highlights operating results by percentage relationships to total revenue for the quarter and nine-month period ended May 3, 2002 as compared to the same periods a year ago:

	Quarter Ended		Nine Months Ended	
	May 3, 2002	April 27, 2001	May 3, 2002	April 27, 2001
Net sales	99.9%	100.0%	100.0%	100.0%
Franchise fees and royalties	0.1	--	--	--
Total revenue	100.0	100.0	100.0	100.0
Cost of goods sold	31.9	33.3	33.3	34.3
Gross profit	68.1	66.7	66.7	65.7
Labor & other related expenses	38.8	38.1	37.7	37.0
Other store operating expenses	17.1	17.5	16.8	17.3
Store operating income	12.2	11.1	12.2	11.4
General and administrative	5.6	5.3	5.7	5.3
Amortization of goodwill	--	0.2	--	0.2
Operating income	6.6	5.6	6.5	5.9
Interest expense	0.3	0.6	0.3	0.7
Interest income	--	--	--	--
Income before income taxes	6.3	5.0	6.2	5.2
Provision for income taxes	2.2	1.9	2.2	1.9
Net income	4.1%	3.1%	4.0%	3.3%

Average Comparable Store Sales Analysis

	Quarter Ended		Nine Months Ended	
	May 3, 2002	April 27, 2001	May 3, 2002	April 27, 2001
Cracker Barrel (422 and 414 stores for the quarter and nine months, respectively)				
Net sales:				
Restaurant	\$778.6	\$743.8	\$2,303.5	\$2,178.4
Retail	202.5	200.3	724.2	706.9
Total net sales	\$981.1	\$944.1	\$3,027.7	\$2,885.3
Logan's (62 and 59 restaurants for the quarter and nine months, respectively)	\$758.0	\$733.3	\$2,232.3	\$2,171.2

Total Revenue
- - - - -

Total revenue for the third quarter of fiscal 2002 increased 7.9% compared to last year's third quarter. At the Cracker Barrel Old Country Store ("Cracker Barrel") concept, comparable store restaurant sales increased 4.7% and comparable retail sales increased 1.1%, for a combined comparable store sales (total net sales) increase of 3.9%. The comparable store restaurant sales increase consisted of a 3.0% average check increase for the quarter and a 1.7% guest traffic increase. Comparable store retail sales increased primarily due to the increase in restaurant guest traffic. At the Logan's Roadhouse ("Logan's") concept, comparable store sales increased 3.4%, which consisted of a 0.4% average check increase and a 3.0% guest traffic increase. Sales from new Cracker Barrel and Logan's stores primarily accounted for the balance of the total revenue increase in the third quarter, partly offset by loss of revenues associated with the closing of four Cracker Barrel units and three Logan's units and exiting the Carmine Giardini's restaurant and gourmet market business at the end of fiscal 2001.

Total revenue for the nine-month period ended May 3, 2002, increased 7.3% compared to the nine-month period ended April 27, 2001. At the Cracker Barrel concept, comparable store restaurant sales increased 5.7% and comparable retail sales increased 2.4%, for a combined comparable store sales (total net sales) increase of 4.9%. The comparable store restaurant sales increase consisted of a 3.0% average check increase for the nine months and a 2.7% guest traffic increase. Comparable store retail sales increased primarily due to the increase in restaurant guest traffic. At the Logan's concept, comparable store sales increased 2.8%, which consisted of a 0.2% average check increase and a 2.6% guest traffic increase. Sales from new Cracker Barrel and Logan's stores primarily accounted for the balance of the total revenue increase in the nine-month period ended May 3, 2002, partly offset by loss of revenues associated with the closing of four Cracker Barrel units and three Logan's units and exiting the Carmine Giardini's restaurant and gourmet market business at the end of fiscal 2001.

Cost of Goods Sold
- - - - -

Cost of goods sold as a percentage of total revenue for the third quarter of fiscal 2002 decreased to 31.9% from 33.3% in the third quarter of last year. This decrease was primarily due to a lower mix of retail sales as a percent of total revenues (retail has a higher cost of goods sold than restaurant), higher average check, improvements in Cracker Barrel store-level execution, lower markdowns of retail merchandise and lower beef, shrimp, chicken, butter and egg prices. These decreases were partially offset by higher potato prices and lower initial mark-ons versus the prior year.

Cost of goods sold as a percentage of total revenue for the nine-month period ended May 3, 2002, decreased to 33.3% from 34.3% in the nine-month period ended April 27, 2001. This decrease was primarily due to a lower mix of retail sales as a percent of total revenues (retail has a higher cost of goods sold than restaurant), higher average check, improvements in Cracker Barrel store-level execution and higher initial mark-ons. These decreases were partially offset by higher potato prices.

Labor and Other Related Expenses
- - - - -

Labor and other related expenses include all direct and indirect labor and related costs incurred in store operations. Labor and other related expenses as a percentage of total revenue increased to 38.8% in the third quarter this year from 38.1% last year. This increase was primarily due to increases under the store-level bonus programs, increases in wages and increases in workers' compensation costs. These increased workers' compensation costs reflect continued higher than expected claims cost development from claims incurred in prior fiscal years. In the Company's fourth fiscal quarter the Company has an independent actuary perform an annual actuarial evaluation of its expected claims cost development to determine the appropriate workers' compensation reserve as of its third fiscal quarter. The Company then uses this actuary report and management's judgment based on actual claims development since the last actuarial evaluation to update the workers' compensation reserve. In the third quarter, the Company retained the independent actuary to prepare an update, although not a full actuarial analysis, of its earlier evaluation because certain historical claims experience appeared to be developing to a greater degree than had been expected from the earlier actuarially determined levels. Part of this higher development became apparent as a study by an outside consultant revealed that a number of claims were reserved insufficiently by the Company's outside claims administrator based on developments in those claims during the current fiscal year. The Company does not expect this increased workers' compensation claims development trend to continue to the same degree. These increases were partially offset by higher average check, improved volume and lower group health costs.

Labor and other related expenses as a percentage of total revenue increased to 37.7% in the nine-month period ended May 3, 2002 from 37.0% in the nine-month period ended April 27, 2001. This increase was primarily due to increases in wages, increases under the store-level bonus programs and increases in workers' compensation costs. These increased workers' compensation costs reflect continued higher than expected claims cost development (as determined annually by an independent actuarial evaluation) from claims incurred in prior fiscal years. The Company does not expect this increased workers' compensation claims development to continue to the same degree. These increases were partially offset by higher average check and improved volume.

Other Store Operating Expenses -----

Other store operating expenses include all unit-level operating costs, the major components of which are operating supplies, repairs and maintenance, advertising expenses, utilities, rent and depreciation. Other store operating expenses as a percentage of total revenue decreased to 17.1% in the third quarter of fiscal 2002 from 17.5% in the third quarter of last year. This decrease was primarily due to lower utility costs and operating supplies versus the prior year, lower advertising spending at Cracker Barrel compared to a year ago, higher average check and improved volume partially offset by higher general liability insurance costs versus the prior year.

Other store operating expenses as a percentage of total revenue decreased to 16.8% in the nine-month period ended May 3, 2002 from 17.3% in the nine-month period ended April 27, 2001. This decrease was primarily due to lower utility costs versus the prior year, lower advertising spending at Cracker Barrel compared to a year ago, higher average check and improved volume partially offset by higher general liability insurance costs versus the prior year.

General and Administrative Expenses -----

General and administrative expenses as a percentage of total revenue increased to 5.6% in the third quarter of fiscal 2002 from 5.3% in the third quarter of last year. This increase was primarily due to bonus accruals reflective of performance improvements, higher professional fees, and various staffing and infrastructure changes not in place a year ago partially offset by higher average check and improved volume.

General and administrative expenses as a percentage of total revenue increased to 5.7% in the nine-month period ended May 3, 2002 from 5.3% in the nine-month period ended April 27, 2001. This increase was primarily due to bonus accruals reflective of performance improvements, higher professional fees, and various staffing and infrastructure changes not in place a year ago partially offset by higher average check and improved volume.

Interest Expense -----

Interest expense decreased to \$1,535 in the third quarter of fiscal 2002 from \$3,014 in the third quarter of last year. The decrease primarily resulted from lower average interest rates and lower average outstanding debt during the third quarter as compared to last year. During the third quarter the Company issued \$422,050 face value at maturity, 3.0% yield-to-maturity, zero-coupon, convertible senior notes for proceeds of \$172,756 prior to debt issuance costs of \$4,639, which are being amortized over three years (see footnote 10, "Debt", to the consolidated interim financial statements for the period ending May 3, 2002, contained herein).

Interest expense decreased to \$4,616 in the nine-month period ended May 3, 2002 from \$9,790 in the nine-month period ended April 27, 2001. The decrease primarily resulted from lower average interest rates and lower average outstanding debt during the nine-month period ended May 3, 2002 as compared to the same period last year.

Interest Income -----

Interest income decreased to \$0 in the third quarter of fiscal 2002 from \$30 in the third quarter of last year. The decrease was primarily due to no funds available for investment during the third quarter as compared to last year.

Interest income decreased to \$0 in the nine-month period ended May 3, 2002 from \$84 in the nine-month period ended April 27, 2001. The decrease was primarily due to no funds available for investment during the nine-month period ended May 3, 2002 as compared to the same period last year.

Provision for Income Taxes

The provision for income taxes as a percent of pre-tax income decreased to 35.6% in the first nine months of fiscal 2002 from 37.3% during the same period a year ago reflective of management's estimate of the tax rate for the entire fiscal year. This rate for fiscal 2002 is lower than management's previous estimate, resulting in a 35.2% rate for the third quarter of fiscal 2002. The decrease in tax rate was primarily due to the Company no longer amortizing goodwill upon its adoption of SFAS No. 142 on August 4, 2001, in the first quarter of fiscal 2002. See Note 8 to the Condensed Consolidated Financial Statements.

Critical Accounting Policies

See Note 2 to the Consolidated Financial Statements for the fiscal year ended August 3, 2001 contained in the Company's Annual Report on Form 10-K filed on October 12, 2001. The only change since the fiscal year ended August 3, 2001, has been the adoption of SFAS No. 142.

Impact of Recent Accounting Pronouncements Not Yet Adopted

In July 2001, The Financial Accounting Standards Board ("FASB") issued SFAS No. 143, "Accounting for Asset Retirement Obligations". SFAS No. 143 requires entities to record obligations associated with the retirement of a tangible long-lived asset as a liability upon incurring those obligations, with the amount of the liability initially measured at fair value. Upon initially recognizing a liability for an asset retirement obligation ("ARO"), an entity must capitalize the cost by recognizing an increase in the carrying amount of the related long-lived asset. Over time, the entity amortizes the liability to its present value each period, and the entity depreciates the capitalized cost over the useful life of the related asset. Upon settlement of the liability, an entity either settles the obligation for its recorded amount or incurs a gain or loss upon settlement. Upon adoption, an entity will use a cumulative-effect approach to recognize transition amounts for existing ARO liabilities, asset retirement costs, and accumulated depreciation. All transition amounts are to be measured using current information known as of the adoption date, including current assumptions and current interest rates. SFAS No. 143 will be effective for financial statements for fiscal years beginning after June 15, 2002 and earlier application is encouraged. The Company is evaluating the impact of the adoption of this standard and has not yet determined the effect.

In August 2001, the FASB issued SFAS No. 144 "Accounting for the Impairment or Disposal of Long-Lived Assets". This statement supersedes SFAS No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed Of" and the accounting and reporting provisions of Accounting Principles Board Opinion No. 30 "Reporting the Results of Operations-Reporting the Effects of Disposal of a Segment of a Business, and Extraordinary, Unusual and Infrequently Occurring Events and Transactions". SFAS No. 144 retains the fundamental provisions of SFAS No. 121 but eliminates the requirement to allocate goodwill to long-lived assets to be tested for impairment. This statement also requires discontinued operations to be carried at the lower of cost or fair value less costs to sell and broadens the presentation of discontinued operations to include a component of an entity rather than a segment of a business. SFAS No. 144 is effective for fiscal years beginning after December 15, 2001, and interim periods within those fiscal years, with early application encouraged. The Company does not expect the adoption of this statement to have a material impact on its results of operations or financial position.

In May 2002, FASB issued SFAS No. 145, "Rescission of FASB Statements No. 4, 44, 64, Amendment of FASB Statement No. 13, and Technical Corrections". This Statement rescinds FASB Statement No. 4, "Reporting Gains and Losses from Extinguishment of Debt", and an amendment of that Statement, FASB Statement No. 64, "Extinguishments of Debt Made to Satisfy Sinking-Fund Requirements". This Statement also rescinds FASB Statement No. 44, "Accounting for Intangible Assets of Motor Carriers". This Statement amends FASB Statement No. 13, "Accounting for Leases", to eliminate an inconsistency between the required accounting for sale-leaseback transactions and the required accounting for certain lease modifications that have economic effects that are similar to sale-leaseback transactions. This Statement also amends other existing authoritative pronouncements to make various technical corrections, clarify meanings, or describe their applicability under changed conditions. The provisions of this Statement related to the rescission of Statement 4 shall be applied in fiscal years beginning after May 15, 2002. The provisions of this Statement related to Statement 13 shall be effective for transactions occurring after May 15, 2002. All other provisions of this Statement shall be effective for financial

statements issued on or after May 15, 2002. The Company is evaluating the impact of the adoption of this standard and has not yet determined the effect.

Liquidity and Capital Resources

The Company's operating activities provided net cash of \$113,561 for the nine-month period ended May 3, 2002. Most of this cash was provided by net income adjusted for depreciation and amortization. Increases in other assets and decreases in accounts payable were partially offset by decreases in inventories and other current assets and increases in other current liabilities and other long-term obligations.

Capital expenditures were \$69,997 for the nine-month period ended May 3, 2002. Construction of new stores and land purchases accounted for substantially all of these expenditures. Capitalized interest was \$79 and \$276 for the quarter and nine-month period ended May 3, 2002 as compared to \$148 and \$731 for the quarter and nine-month period ended April 27, 2001, respectively. This difference was primarily due to lower borrowing costs as compared to a year ago.

In the first quarter of fiscal 2001, the Company completed a sale-leaseback transaction involving 65 of its owned Cracker Barrel units. Under the transaction, the land, buildings and building improvements at the locations were sold for net consideration of \$138,325 and have been leased back for an initial term of 21 years. Equipment was not included. The leases include specific renewal options for up to 20 additional years and have certain financial covenants related to fixed charge coverage for the leased units. Net rent expense during the initial lease term will be \$14,963 annually, and the assets sold and leased back previously had depreciation expense of \$2,707 annually. The gain on the sale is being amortized over the initial lease term of 21 years. The net proceeds from the sale were used to reduce the Company's long-term debt by \$138,300 by reducing the Company's outstanding borrowing under the revolving bank credit facility.

The Company's internally generated cash, along with cash at August 3, 2001, the Company's new operating leases, proceeds from stock option exercises, and the Company's available revolver, were sufficient to finance all of its growth, share repurchases and other cash payment obligations in the first nine months of fiscal 2002.

The Company estimates that its capital expenditures for fiscal 2002 will be approximately \$100,000, substantially all of which will be related to the construction of 20 new Cracker Barrel stores and nine new Logan's restaurants. On September 12, 2001, the Company reduced its entire bank credit facility to \$250,000 from \$350,000 and converted its \$50,000 term loan into a revolving loan.

Long-term debt outstanding at May 3, 2002, consisted of \$173,174 of zero-coupon convertible senior notes ("Notes"), (\$422,050 face value at maturity less \$248,876 representing an unamortized debt discount) and \$22,000 under the Company's revolving bank credit facility.

In April 2002, the Company issued \$422,050 face value at maturity of Notes and received proceeds totaling \$172,756 prior to debt issuance costs of \$4,639. The Company used \$60,000 of the proceeds to repurchase 2,132,954 shares of its common stock at \$28.13 per share and used the remaining proceeds of \$112,756 to repay existing borrowings under its revolving bank credit facility, to fund its debt issuance costs and for general corporate purposes. See Note 10 to the Company's Condensed Consolidated Financial Statements for a further description of the Notes.

On September 17, 2001, the Company announced that the Board of Directors had authorized the repurchase of up to 3 million shares of the Company's common stock. The purchases are to be made from time to time in the open market at prevailing market prices. As of May 3, 2002, the Company had repurchased 2,902,242 shares of its common stock for total consideration of \$80,318 or \$27.67 per share under this authorization. The Company presently expects to complete this share repurchase authorization during the fourth quarter of fiscal 2002.

On May 23, 2002, the Company announced that the Board of Directors had authorized the repurchase of up to an additional 1.5 million shares of the Company's common stock. The purchases are to be made from time to time in the open market at prevailing market prices. The Company presently expects to complete this new share repurchase authorization during the fourth quarter of fiscal 2002, although there can be no assurance that such repurchase actually will be completed in that period of time.

For the nine-month period ended May 3, 2002, the Company received proceeds of \$45,215 from the exercise of stock options on 2,512,764 shares of its common stock.

Management believes that cash at May 3, 2002, along with cash generated from the Company's operating activities, stock option exercises and its available revolving credit facility, will be sufficient to finance its continued operations, its remaining share repurchase authorization and its continued expansion plans through fiscal 2003. At May 3, 2002, the Company had \$228,000 available under its revolving credit facility. The Company estimates that its operations, stock option exercises and other sources will generate excess cash of approximately \$120,000 after capital expenditures in fiscal 2002 which it intends to apply toward completing its current share repurchase authorization with the remaining excess cash to be used for future share repurchase authorizations or debt reduction.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Item 7A of the Company's Annual Report on Form 10-K for the fiscal year ended August 3, 2001, and filed with the Commission on October 12, 2001, is incorporated in this item of this report by this reference.

INDEPENDENT ACCOUNTANTS' REPORT

To the Board of Directors and Shareholders of
CBRL Group, Inc.
Lebanon, Tennessee

We have reviewed the accompanying condensed consolidated balance sheet of CBRL Group, Inc. and subsidiaries (collectively, the "Company") as of May 3, 2002, and the related condensed consolidated statements of income and cash flows for the quarters and nine-month periods ended May 3, 2002 and April 27, 2001. These financial statements are the responsibility of the Company's management.

We conducted our review in accordance with standards established by the American Institute of Certified Public Accountants. A review of interim financial information consists principally of applying analytical procedures to financial data and of making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in the United States of America, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to such condensed consolidated financial statements for them to be in conformity with accounting principles generally accepted in the United States of America.

We have previously audited, in accordance with auditing standards generally accepted in the United States of America, the consolidated balance sheet of CBRL Group, Inc. and subsidiaries as of August 3, 2001, and the related consolidated statements of income, shareholders' equity, and cash flows for the year then ended (not presented herein); and in our report dated September 13, 2001, we expressed an unqualified opinion on those financial statements. In our opinion, the information set forth in the accompanying condensed consolidated balance sheet as of August 3, 2001 is fairly stated, in all material respects, in relation to the consolidated balance sheet from which it has been derived.

DELOITTE & TOUCHE LLP

Nashville, Tennessee
June 6, 2002

PART II

Item 1. Legal Proceedings

Part I, Item 3 of the Company's Annual Report on Form 10-K filed October 12, 2001, is incorporated in this Form 10-Q by this reference. See also Note 11 to the Company's Condensed Consolidated Financial Statements filed in Part I, Item I of this Quarterly Report on Form 10-Q, which also is incorporated in this item of this report by this reference.

Item 2. Changes in Securities and Use of Proceeds

On April 3, 2002 and April 9, 2002, the Company sold an aggregate of \$422,050 of zero-coupon convertible senior notes ("Notes") maturing on April 3, 2032, for which the Company received gross cash proceeds of \$172,756 prior to debt issuance costs of \$4,639 in private offerings to Merrill Lynch & Co., as the initial purchaser. These Notes were resold by the initial purchaser in transactions exempt from registration requirements of the Securities Act of 1933, as amended ("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 aggregate gross underwriting discounts for these transactions was approximately \$3,887. The Company used \$60,000 of the proceeds to repurchase 2,132,954 shares of its common stock at \$28.13 per share and used the remaining proceeds of \$112,756 to repay existing borrowings under its revolving bank credit facility, to fund its debt issuance costs and for general corporate purposes. See Note 10 to the Company's Condensed Consolidated Financial Statements for a further description of the Notes, including a discussion of the conversion feature.

The above-described sales were made without general solicitation or advertising. We intend to file a registration statement on Form S-3 covering the resale of the Notes and the common stock into which the Notes are convertible in the fourth quarter of fiscal 2002. All net proceeds from the sale of such securities will go to the selling shareholders who offer and sell their securities and we will receive none of such proceeds.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Submission of Matters to a Vote of Security Holders

None.

Item 5. Other Information

None.

- (a) See Exhibit Index on page 20 hereof for a listing of the exhibits that are filed pursuant to Item 601 of Regulation S-K.
- (b) On February 25, 2002, the Company furnished a Current Report on Form 8-K, Item 9 to report the Company's quarter-end financial and other information. The Company also disclosed information on current sales trends and reaffirmed its earnings guidance for the third fiscal quarter and full fiscal year, all as had been announced by a press release on February 21, 2002.
- On March 25, 2002, the Company furnished a Current Report on Form 8-K, Item 9 to report the Company's quarter-to-date information on current sales trends and reaffirm its earnings guidance for the third fiscal quarter and full fiscal year, all as had been announced by a press release on March 21, 2002.
- On March 29, 2002, the Company furnished a Current Report on Form 8-K, Item 9 to report the Company's proposed sale of its 30-year zero-coupon senior notes that are convertible into shares of the Company's common stock, all as had been announced by press releases on March 27, 2002 and March 28, 2002.
- On April 12, 2002, the Company furnished a Current Report on Form 8-K, Item 9 to report the Company's April 9, 2002 closing of the over-allotment option granted in connection with its previously announced 30-year 3.0% zero-coupon convertible senior notes, all as had been announced by a press release on April 10, 2002.

SIGNATURES

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

CBRL GROUP, INC.

Date: 6/6/02

By /s/Lawrence E. White

Lawrence E. White, Senior Vice President/Finance
and Chief Financial Officer

Date: 6/6/02

By /s/Patrick A. Scruggs

Patrick A. Scruggs, Assistant Treasurer

EXHIBIT INDEX

Exhibit No.	Description
4.1	Registration Rights Agreement, dated as of April 3, 2002, by and among the Company, the Guarantors (as defined therein), and Merrill Lynch & Co., Merrill Lynch, Pierce, Fenner & Smith Incorporated
4.2	Indenture, dated as of April 3, 2002, among the Company, the Guarantors (as defined therein) and Wachovia Bank, National Association, as trustee, relating to the Company's zero-coupon convertible senior notes.
4.3	Form of Certificate for the Company's zero-coupon convertible senior notes (included in the Indenture filed as Exhibit 4.2 hereof).
4.4	Form of Guarantee of the Company's zero-coupon convertible senior notes (included in the Indenture filed as Exhibit 4.2 hereof).
10.1	Executive Employment Agreement signed January 15, 2002 between Dan W. Evins and the Company
10.2	Executive Employment Agreement signed February 21, 2002 among Peter W. Kehayes, the Company and Logan's Roadhouse, Inc.
10.3	CBRL Group, Inc. Long-Term Incentive Plan Cover Letter
10.4	CBRL Group, Inc. Long-Term Incentive Plan
10.5	CBRL Group, Inc. Long-Term Incentive Summary Plan Description
15	Letter regarding unaudited financial information.

REGISTRATION RIGHTS AGREEMENT

THIS REGISTRATION RIGHTS AGREEMENT is made and entered into as of April 3, 2002 by and among CBRL Group, Inc., a Tennessee corporation ("the Company"), all domestic Subsidiaries of the Company (the "Guarantors") and Merrill Lynch & Co., Merrill Lynch, Pierce, Fenner & Smith Incorporated (the "Initial Purchaser"), pursuant to the Purchase Agreement, dated April 3, 2002 (the "Purchase Agreement"), between the Company and the Initial Purchaser. In order to induce the Initial Purchaser to enter into the Purchase Agreement, the Company and the Guarantors have 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 and the Guarantors agree 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 LYONS (as defined herein), and the beneficial owners from time to time of the Underlying Common Stock (as defined herein) issued upon conversion of LYONS (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. In addition to the terms that are defined elsewhere in this Agreement, the following terms shall have the following meanings:

"Affiliate" with respect to any specified person, has the

meaning specified in Rule 144.

"Applicable Conversion Price" means, as of any date of

determination, the Applicable Principal Amount per \$1,000 principal amount at maturity of LYONS as of such date of determination divided by the Conversion Rate in effect as of such date of determination or, if no LYONS are then outstanding, the Conversion Rate that would be in effect were LYONS then outstanding.

"Applicable Principal Amount" means, as of any date of

determination, (1) with respect to each \$1,000 principal amount at maturity of LYONS means the sum of the initial issue price of such LYONS (\$409.30) plus accrued original issue discount with respect to such LYON through such date of determination, (2) if the LYONS have been converted to semiannual coupon notes upon a Tax Event, the Restated Principal Amount with respect to the LYONS, or (3) if no LYONS are then outstanding, such sum calculated as if such LYONS were then outstanding.

"Business Day" means 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" means any shares of 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.

"Conversion Rate" has the meaning assigned to such term in the

Indenture.

"Damages Accrual Period" has the meaning specified in Section

2(e) hereof.

"Damages Payment Date" means each April 3 and October 3.

"Deferral Notice" has the meaning specified in Section 3(i) hereof.

"Deferral Period" has the meaning specified in Section 3(i)

hereof.

"domestic Subsidiary" means any subsidiary of the Company that

was formed under the laws of the United States or any state or political subdivision thereof or the District of Columbia.

"Effectiveness Deadline Date" has the meaning specified in

Section 2(a) hereof.

"Effectiveness Period" means 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" has the meaning specified in Section 2(e) hereof.

"Event Termination Date" has the meaning specified in Section

2(e) hereof.

"Event Date" has the meaning specified in Section 2(e) hereof.

"Exchange Act" means the Securities Exchange Act of 1934, as

amended, and the rules and regulations of the SEC promulgated thereunder.

"Filing Deadline Date" has the meaning specified in Section

2(a) hereof.

"guarantee" means, as applied to any obligation, (i) a

guarantee (other than by endorsement of negotiable instruments for collection in the ordinary course of business), direct or indirect, in any manner, of any part or all of such obligation and (ii) an agreement, direct or indirect, contingent or otherwise, the practical effect of which is to assure in any way the payment or performance (or payment of damages in the event of non-performance) of all or any part of such obligation, including, without limiting the foregoing, the payment of amounts drawn down by letters of credit.

"Guarantee" means any guarantee of the Securities by any

domestic Subsidiary in accordance with the provisions of Article 13 of the Indenture.

"Guarantors" means (i) each domestic Subsidiary listed as a

signatory to the Indenture and (ii) each Person who becomes a Guarantor pursuant
to Article 13 and/or Section 4.08 of the Indenture.

"Holder" has the meaning specified in the second paragraph of

this Agreement.

"Indenture" means the Indenture dated as of the date hereof

between the Company and First Union National Bank, as trustee, pursuant to which
the LYONs are being issued.

"Initial Purchaser" means Merrill Lynch & Co., Merrill Lynch,

Pierce, Fenner & Smith Incorporated.

"Initial Shelf Registration Statement" has the meaning

specified in Section 2(a) hereof.

"Issue Date" means April 3, 2002.

"Liquidated Damages Amount" has the meaning specified in

Section 2(e) hereof.

"Losses" has the meaning specified in Section 6 hereof.

"LYONs" means the Liquid Yield OptionTM Notes due 2032 of the

Company to be purchased pursuant to the Purchase Agreement.

"Material Event" has the meaning specified in Section 3(i)

hereof.

"Notice and Questionnaire" means a written notice delivered to

the Company containing substantially the information called for by the Selling
Security Holder Notice and Questionnaire attached as Annex A to the Offering
Memorandum of the Company dated March 28, 2002 relating to the LYONs.

"Notice Holder" means on any date, any Holder that has

delivered a Notice and Questionnaire to the Company on or prior to such date.

"Prospectus" means 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 or explicitly deemed to be incorporated by reference in such
Prospectus.

"Purchase Agreement" has the meaning specified in the first

paragraph of this Agreement.

"Record Holder" means with respect to any Damages Payment Date

relating to any LYON or shares of Underlying Common Stock as to which any Liquidated Damages Amount has accrued, the registered holder of such LYON or such shares of Underlying Common Stock, as the case may be, on the 15th day, immediately prior to the next succeeding Damages Payment Date.

"Registrable Securities" means the LYONs and the Underlying

Common Stock 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" has the meaning specified in Section 5

hereof.

"Registration Statement" means 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 or explicitly deemed to be incorporated by reference in such registration statement.

"Restated Principal Amount" has the meaning assigned to such

term in the Indenture.

"Restricted Securities" has the meaning assigned to such term

in Rule 144.

"Rule 144" means Rule 144 under the Securities Act, as such

Rule may be amended from time to time, or any similar or successor rule or regulation hereafter adopted by the SEC having substantially the same effect as such Rule.

"Rule 144A" means Rule 144A under the Securities Act, as such

Rule may be amended from time to time, or any similar or successor rule or regulation hereafter adopted by the SEC having substantially the same effect as such Rule.

"SEC" means the United States Securities and Exchange

Commission.

"Securities Act" means the Securities Act of 1933, as amended,

and the rules and regulations promulgated by the SEC thereunder.

"Shelf Registration Statement" has the meaning specified in

Section 2(a) hereof.

"Subsequent Shelf Registration Statement" has the meaning

specified in Section 2(b) hereof.

"Tax Event" has the meaning assigned to such term in the

Indenture.

"TIA" means the Trust Indenture Act of 1939, as amended.

"Trustee" means First Union National Bank., (or any successor

entity), the Trustee under the Indenture.

"Underlying Common Stock" means the Common Stock into which

the LYONs are convertible or issued upon any such conversion.

SECTION 2. Shelf Registration.

(a) The Company and the Guarantors 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 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 and the Guarantors shall use reasonable efforts to cause the Initial Shelf Registration Statement to be declared effective under the Securities Act no later than 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. Each Holder that became a Notice Holder on or prior to the date 10 Business Days prior to the time that the Initial Shelf Registration Statement became effective shall be named as a selling security holder 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 (other than laws not generally applicable to all such Holders). Notwithstanding the foregoing, no Holder shall be entitled to have the Registrable Securities held by it covered by such Shelf Registration Statement unless such Holder has provided a Notice and Questionnaire in accordance with Section 2(d) and is in compliance with Section 4. None of the Company's security holders (other than the Holders of Registrable Securities) shall have the right 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 for any reason at any time during the Effectiveness Period, the Company and the Guarantors 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 is reasonably practicable after such filing or, if filed during a Deferral Period, after the expiration of such 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 and the Guarantors 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 or, to the extent to which the Company does not reasonably object, as reasonably requested by the Initial Purchaser or by the Trustee on behalf of the registered Holders.

(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(i) and Section 4. 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 five (5) 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 and the Guarantors shall, as promptly as is 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 security holder 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 (other than laws not generally applicable to all Holders of Registrable Securities wishing to sell Registrable Securities pursuant to the Shelf Registration Statement and related Prospectus) and, if the Company and the Guarantors 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 is 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 is 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(i), provided, further, that if under applicable law the Company has more than one option as to the type or manner of making any such filing, it will make the required filing or filings in the manner or of a type that is reasonably expected to result in the earliest availability of the Prospectus for effecting resales of Registrable Securities. 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 security holder 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 security holder 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(i) 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(i) 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(i) 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 after an Event Termination Date (a "Damages Accrual Period"), the Company and the Guarantors agree 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 LYONs that are Registrable Securities or of then outstanding shares of Underlying Common Stock issued upon conversion of LYONs that are Registrable Securities, 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 Holders on a Damages Payment Date as a result of the occurrence of any particular Event, from 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 (0.5%) of the aggregate Applicable Principal Amount of such LYONs, the aggregate Applicable Conversion Price of the shares of Underlying Common Stock and the Restated Principal Amount of the Semi-annual Coupon Notes, as the case may be, in each case determined as of the Business Day immediately preceding the next Damages Payment Date; provided, that any Liquidated Damages Amount accrued with respect to any LYON or portion thereof called for redemption on a redemption date or converted into Underlying Common Stock on a conversion date or to Semi-annual Coupon Notes prior to the Damages Payment Date, shall, in any such event, be paid instead to the Holder who submitted such LYON 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 and/or the Guarantors 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 and/or the Guarantors).

The Trustee, subject to the applicable provisions of the Indenture, shall be entitled, on behalf of Holders of LYONs, Underlying Common Stock or Semiannual Coupon Notes, 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 monetary damages payable for a violation of the terms of this Agreement with respect to which liquidated damages are expressly provided shall be such liquidated damages. Nothing shall preclude a Notice Holder or Holder of Registrable Securities from pursuing or obtaining specific performance or other equitable relief with respect to this Agreement.

All of the Company's and the Guarantors' 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(k)).

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 and the Guarantors under Section 2 hereof, the Company and/or the Guarantors shall:

(a) Before filing any Registration Statement or Prospectus or any amendments or supplements (other than supplements that do nothing more substantive than name one or more Notice Holders as selling security holders) thereto with the SEC, furnish to the Initial Purchaser copies of all such documents proposed to be filed and use reasonable efforts to reflect in each such document when so filed with the SEC such comments as the Initial Purchaser reasonably shall propose within three (3) Business Days of the delivery of such copies to the Initial Purchaser.

(b) 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.

(c) 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 (provided, however, that the Company shall not be required by this clause (i) to notify (A) the Initial Purchaser of the filing of a Prospectus supplement that does nothing more substantive than name one or more Notice Holders as selling security holders or (B) any Notice Holder of the filing of a Prospectus supplement that does nothing more substantive than name one or more other Notice Holders as selling security holders), (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 or injunction suspending or enjoining the use of any Prospectus or 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 Current Report on 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(i)), state that it constitutes a Deferral Notice, in which event the provisions of Section 3(i) shall apply.

(d) 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 any such order or suspension is made effective during any Deferral Period, at the earliest possible moment after the expiration of such Deferral Period.

(e) 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 a written 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(e) that are not, in the reasonable opinion of counsel for the Company, in compliance with applicable law.

(f) As promptly as reasonably practicable after the filing of such documents with the SEC 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).

(g) 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.

(h) Subject to Section 3(i), prior to any public offering of the Registrable Securities pursuant to the Shelf Registration Statement, use 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 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.

(i) 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 (including, in any such case, as a result of the non-availability of financial statements), or (C) the occurrence or existence of any pending 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 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 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 reasonable efforts to ensure that the use of the Prospectus may be resumed (x) in the case of clause (A) above, as promptly as is 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. So long as the period during which the availability of the Registration Statement and any Prospectus is suspended (the "Deferral Period") does not exceed forty-five (45) days during any three (3) month period or one hundred and twenty (120) days during any twelve (12) month period, the Company shall not incur any obligation to pay liquidated damages pursuant to Section 2(e).

(j) 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, 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; 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.

(k) 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 45 days after the end of any 12-month period (or 90 days after the end of any 12-month period if such period is a fiscal year) commencing on the first day of the first fiscal quarter of the Company commencing after the effective date of a Registration Statement, which statements shall cover said 12-month periods.

(l) 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.

(m) 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 LYONS 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.

(n) 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.

(o) Upon (i) the filing of the Initial Shelf Registration Statement and (ii) the effectiveness of the Initial Shelf Registration Statement, announce the same, in each case by release to Businesswire, Reuters Economic Services, Bloomberg Business News or any other means of dissemination reasonably expected to make such information known publicly.

(p) Take all actions necessary, or reasonably requested by the holders of a majority of the Registrable Securities being sold, in order to expedite or facilitate 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

(q) 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, 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 and any information otherwise required by the Company to comply with applicable law or regulations. Each Holder further agrees, following termination of the Effectiveness Period, to notify the Company within 10 Business Days of a 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.

SECTION 5. Registration Expenses. The Company and the

Guarantors shall bear all fees and expenses incurred in connection with the performance by the Company and the Guarantors 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, without limitation, reasonable fees and disbursements of the counsel specified in the next sentence in connection with Blue Sky qualifications of the Registrable Securities under the laws of such jurisdictions as the Notice Holders of a majority of the Registrable Securities being sold pursuant to a Registration Statement may designate)), (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 and the Guarantors shall bear or reimburse the Notice Holders for the fees and disbursements of one firm of legal counsel for the Holders, which shall, upon the written consent of the Initial Purchaser (which shall not be unreasonably withheld), be another nationally recognized law firm experienced in securities law matters designated by the Company. In addition, the Company and the Guarantors shall pay the internal expenses of the Company and the Guarantors (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 and the Guarantors agree 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 in order to make the statements therein, in light of the circumstances under which they were made, 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 required to be stated therein or 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) subject to Section 6(c) below, against any and all expense whatsoever, as incurred (including the fees and disbursements of counsel), 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 or on behalf of 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 and the delivery thereof was required by law.

(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 or on behalf of 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 or proceeding 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 these indemnity provisions. 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 a separate firm as 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 reasonable fees and expenses of more than one firm (in addition to any local counsel) 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 (b) the reasonable fees and expenses of more than one firm (in addition to any local counsel) for the Company, its directors, and each person, if any, who controls the Company within the meaning of either such Section, and that all such reasonable fees and expenses shall be reimbursed as they are incurred. In the event a separate firm is retained 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 event a separate firm is retained for the Company, and such directors, officers and control persons of the Company, such firm shall be designated in writing by the Company. 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 60 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 45 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; provided, that an indemnifying party shall not be liable for any such settlement 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 describing any unpaid balance it believes is unreasonable and the reasons therefor, 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, in such proportion as is appropriate to reflect the relative fault of the indemnifying party or parties 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 and/or the Guarantors 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 and/or the Guarantors 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 out-of-pocket 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, it 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 limitations of Rule 144 and Rule 144A under the Securities Act and customarily taken in connection with sales pursuant to such exemptions. Upon the written request of any Holder of Registrable Securities, the Company shall deliver to such Holder a written statement as to whether it has complied with such filing requirements, unless such a statement has been included in the Company's most recent report required to be filed and filed pursuant to Section 13 or Section 15(d) of Exchange Act. Notwithstanding the foregoing, nothing in this Section 7 shall be deemed to require the Company to register any of its securities under any section of the Exchange Act.

SECTION 8. Miscellaneous

(a) No Conflicting Agreements. The Company is not, and the

Guarantors are not, as of the date hereof, a party to, nor shall they, on or after the date of this Agreement, enter into, any agreement with respect to the Company's securities that conflicts with the rights granted to the Holders of Registrable Securities in this Agreement. The Company and the Guarantors represent and warrant 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 the Company's or the Guarantors' securities under any other agreements.

(b) 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 LYONs or Semiannual Coupon Notes deemed to be the Holders, for purposes of this Section, of the number of outstanding shares of Underlying Common Stock into which such LYONs or Semiannual Coupon Notes 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(b), 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.

(c) 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:

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);

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;

if to the Company, to:

CBRL Group, Inc.
P.O. Box 787
Lebanon, TN 37088
Telephone No. (615) 443-9574
Facsimile No. (615) 443-9818
Attention: Chief Financial Officer

and

Dinsmore & Shohl LLP
414 Union Street
Bank of America Building, Suite 1100
Nashville, TN 37219
Telephone No. (615) 313-3325
Facsimile No. (615) 313-3310
Attention: Gary M. Brown, Esq.

and

if to the Initial Purchaser, to:

Merrill Lynch & Co.,
Merrill Lynch, Pierce, Fenner & Smith Incorporated
4 World Financial Center
New York, New York 10080
Attention: Syndicate Department
Telecopier: 212-738-1069

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.

(d) 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 (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.

(e) Successors and Assigns. This Agreement shall inure to the

benefit of and be binding upon the successors and assigns of each of the parties and, without requiring any express assignment, shall inure to the benefit of and be binding upon each Holder of any Registrable Securities.

(f) 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.

(g) Headings. The headings in this Agreement are for

convenience of reference only and shall not limit or otherwise affect the meaning hereof.

(h) Governing Law. THIS AGREEMENT SHALL BE GOVERNED BY AND

CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES THEREOF.

(i) 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.

(j) 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 with respect to such registration rights.

(k) 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.

CBRL GROUP, INC.

By: /s/Michael A. Woodhouse

Name: Michael A. Woodhouse
Title: President

CRACKER BARREL OLD COUNTRY
STORE, INC., as Guarantor

By: /s/James F. Blackstock

Name: James F. Blackstock
Title: Sr. Vice President

CPM MERGER CORPORATION, as
Guarantor

By:/s/James F. Blackstock

Name: James F. Blackstock
Title: Vice President

CBOCS DISTRIBUTION, INC., as
Guarantor

By: /s/James F. Blackstock

Name: James F. Blackstock
Title: Secretary

CBOCS PARTNER I, LLC, as
Guarantor

By: /s/Michael Zylstra

Name: Michael Zylstra
Title: Secretary

CBOCS PARTNER II, LLC, as
Guarantor

By: /s/LaShawn Williams

Name: LaShawn Williams
Title: President

CBOCS WEST, INC., as Guarantor

By: /s/Michael Zylstra

Name: Michael Zylstra
Title: Secretary

CBOCS MICHIGAN, INC., as
Guarantor

By: /s/Bruce Hallums

Name: Bruce Hallums
Title: President

CBOCS SIERRA, INC., as
Guarantor

By: /s/Bruce Scoggins

Name: Bruce Scoggins
Title: President

CB MUSIC LLC, as Guarantor

By: /s/James F. Blackstock

Name: James F. Blackstock
Title: Chief Manager and
President

ROCKING CHAIR, INC., as
Guarantor

By: /s/Elizabeth Wilson

Name: Elizabeth Wilson
Title: Assistant Secretary

GC MANAGEMENT COMPANY, as
Guarantor

By: /s/James F. Blackstock

Name: James F. Blackstock
Title: Secretary

LOGAN'S ROADHOUSE, INC., as
Guarantor

By: /s/James F. Blackstock

Name: James F. Blackstock
Title: Assistant Secretary

ROADHOUSE PROMOTIONS, INC.,
as Guarantor

By: /s/James F. Blackstock

Name: James F. Blackstock
Title: Assistant Secretary

CBOCS TEXAS LIMITED
PARTNERSHIP, as Guarantor

By: /s/Bruce Hallums

Name: Bruce Hallums
Title: President of CBOCS
Partner I, LLC as
General Partner

CBOCS GENERAL PARTNERSHIP,
as Guarantor

By: /s/James F. Blackstock

Name: James F. Blackstock
Title: Assistant Secretary
of CBOCS West, Inc.
as General Partner

ROADHOUSE OF WEST VIRGINIA
LIMITED PARTNERSHIP,
as Guarantor

By: /s/James F. Blackstock

Name: James F. Blackstock
Title: Assistant Secretary
of Roadhouse
Promotions, Inc. as
General Partner

LOGAN'S ROADHOUSE, INC. OF
W. VA., as Guarantor

By: /s/James F. Blackstock

Name: James F. Blackstock
Title: Assistant Secretary

LOGAN'S ROADHOUSE OF
TEXAS, INC., as Guarantor

By: /s/James F. Blackstock

Name: James F. Blackstock
Title: Authorized Agent

Accepted as of the date first above written:

MERRILL LYNCH & CO.
MERRILL LYNCH, PIERCE, FENNER & SMITH
INCORPORATED

By: MERRILL LYNCH, PIERCE, FENNER & SMITH
INCORPORATED

By: /s/Mark E. Hagan

Name: Mark E. Hagan
Title: Authorized Signatory

CBRL GROUP, INC.

and

THE SUBSIDIARY GUARANTORS PARTIES HERETO

and

WACHOVIA BANK, NATIONAL ASSOCIATION

TRUSTEE

Liquid Yield Option (TM) Notes
due 2032
(Zero Coupon-Senior)

INDENTURE

Dated as of April 3, 2002

TMTrademark of Merrill Lynch & Co., Inc.

CROSS REFERENCE TABLE*

IA Section.....	Indenture Section
310(a)(1).....	7.10
(a)(2).....	7.10
(a)(3).....	N.A.
(a)(4).....	N.A.
(b).....	7.08; 7.10
(c).....	N.A.
311(a).....	7.11
(b).....	7.11
(c).....	N.A.
312(a).....	2.05
(b).....	14.03
(c).....	14.03
313(a).....	7.06
(b)(1).....	N.A.
(b)(2).....	7.06
(c).....	14.02
(d).....	7.06
314(a).....	4.02; 4.03; 14.02
(b).....	N.A.
(c)(1).....	14.04
(c)(2).....	14.04
(c)(3).....	N.A.
(d).....	N.A.
(e).....	14.05
(f).....	N.A.
315(a).....	7.01
(b).....	7.05; 14.02
(c).....	7.01
(d).....	7.01
(e).....	6.11
316(a) (last sentence).....	2.08
(a)(1)(A).....	6.05
(a)(1)(B).....	6.04
(a)(2).....	N.A.
(b).....	6.07
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N.A. means Not Applicable.

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INDENTURE dated as of April 3, 2002 among CBRL GROUP, INC., a Tennessee corporation ("Company"), and the guarantors from time to time parties hereto and described below (each a "Guarantor" and collectively, the "Guarantors") and WACHOVIA BANK, NATIONAL ASSOCIATION, (formerly, First Union National Bank), a national banking association ("Trustee").

RECITALS OF THE COMPANY

The Company has duly authorized the creation of an issue of Liquid Yield Option(TM) Notes due 2032 (Zero Coupon-Senior) (the "Securities") having the terms, tenor, amount and other provisions hereinafter set forth, and, to provide therefor, the Company has duly authorized the execution and delivery of this Indenture.

All things necessary to make the Securities, when the Securities are duly executed by the Company and the Guarantors and authenticated and delivered hereunder and duly issued by the Company and the Guarantors, the valid obligations of the Company and the Guarantors, and to make this Indenture a valid and binding agreement of the Company and the Guarantors, in accordance with their and its terms, have been done.

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

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

ARTICLE 1 DEFINITIONS AND INCORPORATION BY REFERENCE SECTION 1.01 ...Definitions.

"144A Global Security" means a permanent Global Security in the form of the Security attached hereto as Exhibit A-1, and that is deposited with and registered in the name of the Depository, representing Securities sold in reliance on Rule 144A under the Securities Act.

"Affiliate" of any specified person means 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 means the power to direct or cause the direction of the management and policies of such person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

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

"Board of Directors" means either the board of directors of the Company or any duly authorized committee of such board.

"Business Day" means each day of the year other than a Saturday or a Sunday or other day on which banking institutions in The City of New York are required or authorized to close.

"Capital Stock" for any corporation means any and all shares, interests, rights to purchase, warrants, options, participations or other equivalents of or interests in (however designated) stock or other equity issued by that corporation.

"Certificated Securities" means any of the Securities that are in the form of the Securities attached hereto as Exhibit A-2.

"Common Stock" shall mean the shares of Common Stock, \$0.01 par value, of the Company as it exists on the date of this Indenture or any other shares of Capital Stock of the Company into which the Common Stock shall be reclassified or changed.

"Company" means the party named as the "Company" in the first paragraph of this Indenture until a successor replaces it pursuant to the applicable provisions of this Indenture and, thereafter, shall mean such successor. The foregoing sentence shall likewise apply to any subsequent such successor or successors.

"Company Request" or "Company Order" means a written request or order signed in the name of the Company by any two Officers.

"Corporate Trust Office" means the principal office of the Trustee at which at any time its corporate trust business shall be administered, which office at the date hereof is located at 2525 West End Avenue, Suite 1200, Nashville, TN 37203, Attention: Corporate Trust Office, or such other address as the Trustee may designate from time to time by notice to the Company, or the principal corporate trust office of any successor Trustee (or such other address as a successor Trustee may designate from time to time by notice to the Company).

"Debt" means with respect to the Company at any date, without duplication, obligations (other than nonrecourse obligations) for borrowed money or evidenced by bonds, debentures, notes or similar instruments.

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

"domestic Subsidiary" means any Subsidiary that was formed under the laws of the United States or any state or dependency thereof or the district of Columbia.

"Global Securities" means any of the Securities that are in the form of the Securities attached hereto as Exhibit A-1, and to the extent that such Securities are required to bear the Legend required by Section 2.06, such Securities will be in the form of a 144A Global Security.

"guarantee" means, as applied to any obligation, (i) a guarantee (other than by endorsement of negotiable instruments for collection in the ordinary course of business), direct or indirect, in any manner, of any part or all of such obligation and (ii) an agreement, direct or indirect, contingent or otherwise, the practical effect of which is to assure in any way the payment or performance (or payment of damages in the event of non-performance) of all or any part of such obligation, including, without limiting the foregoing, the payment of amounts drawn down by letters of credit.

"Guarantee" means any guarantee of the Securities by any domestic Subsidiary in accordance with the provisions of Article 13.

"Guarantors" means (i) each domestic Subsidiary listed as a signatory to this Indenture and (ii) each Person who becomes a Guarantor pursuant to Article 13 and/or Section 4.08 of this Indenture.

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

"Indenture" means this Indenture, as amended or supplemented from time to time in accordance with the terms hereof, including the provisions of the TIA that are deemed to be a part hereof.

"Institutional Accredited Investor Security" means a Security in the form of the Security attached hereto as Exhibit A-2, representing Securities sold to Institutional Accredited Investors.

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

"Issue Price" of any Security means, in connection with the original issuance of such Security, the initial issue price at which the Security is sold as set forth on the face of the Security.

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

"Officers' Certificate" means a written certificate containing the information specified in Sections 14.04 and 14.05, signed in the name of the Company by any two Officers, and delivered to the Trustee. An Officers' Certificate given pursuant to Section 4.03 shall be signed by the principal executive financial or accounting Officer of the Company but need not contain the information specified in Sections 14.04 and 14.05.

"Opinion of Counsel" means a written opinion containing the information specified in Sections 14.04 and 14.05, from legal counsel who is acceptable to the Trustee. The counsel may be an employee of, or counsel to, the Company or the Trustee.

"Original Issue Discount" of any Security means the difference between the Issue Price and the Principal Amount at Maturity of the Security as set forth on the face of the Security.

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

"Principal Amount at Maturity" of a Security means the principal amount at maturity as set forth on the face of the Security.

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

"Redemption Price" or "redemption price" shall have the meaning set forth in paragraph 6 of the Securities.

"Responsible Officer" means, when used with respect to the Trustee, any officer within the corporate trust department of the Trustee, including any vice president, assistant vice president, assistant secretary, trust officer or any other officer of the Trustee who customarily performs 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 such person's knowledge of and familiarity with the particular subject and who, in each case, shall have direct responsibility for the administration of this Indenture.

"Restricted Security" means a Security required to bear the restrictive legend set forth in the form of Security set forth in Exhibits A-1 and A-2 of this Indenture.

"Rule 144" means Rule 144 under the Securities Act (or any successor rule having substantially similar provisions), as it may be amended from time to time.

"Rule 144A" means Rule 144A under the Securities Act (or any successor rule having substantially similar provisions), as it may be amended from time to time.

"Sale Price" of Capital 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 the average ask prices) on such date as reported in the composite transactions for the principal United States securities exchange on which the Capital Stock is traded or, if the Capital 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. In the absence of such quotation, the Company shall be entitled to determine the Sale Price on the basis of such quotations as it considers appropriate.

"SEC" means the United States Securities and Exchange Commission.

"Securities" means any of the Company's Liquid Yield Option(TM) Notes due 2032 (Zero Coupon-Senior), as amended or supplemented from time to time, issued under this Indenture.

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

"Significant Subsidiary", as such term is defined in Rule 1-02 of Regulation S-X under the Securities Act of 1933, as amended.

"Special Record Date" means, with respect to, the payment of any Defaulted Interest, the date fixed by the Trustee pursuant to Section 12.02.

"Stated Maturity", when used with respect to any Security or any installment of semiannual or contingent interest thereon, means the date specified in such Security as the fixed date on which an amount equal to the Principal Amount at Maturity of such Security or such installment of semiannual or contingent interest is due and payable.

"Subsidiary" means (i) a corporation, a majority of whose Capital Stock with voting power, under ordinary circumstances, to elect directors is, at the date of determination, directly or indirectly owned by the Company, by one or more Subsidiaries of the Company or by the Company and one or more Subsidiaries of the Company, (ii) a partnership in which the Company or a Subsidiary of the Company holds a majority interest in the equity capital or profits of such partnership, or (iii) any other person (other than a corporation or a partnership) in which the Company, a Subsidiary of the Company or the Company and one or more Subsidiaries of the Company, directly or indirectly, at the date of determination, has (x) at least a majority ownership interest or (y) the power to elect or direct the election of a majority of the directors or other governing body of such person.

"Tax Event" means that the Company shall have received an opinion from independent tax counsel experienced in such matters to the effect that, on or after April 3, 2002, as a result of (a) any amendment to, or change (including any announced prospective change) in, the laws (or any regulations thereunder) of the United States or any political subdivision or taxing authority thereof or therein or (b) any amendment to, or change in, an interpretation or application (including through litigation or a settlement involving the Company) of such laws or regulations by any legislative body, court, governmental agency or regulatory authority, in each case which amendment or change is enacted, promulgated, issued or announced or which interpretation is issued or announced or which action is taken, on or after April 3, 2002, there is more than an insubstantial risk that interest (including Tax Original Issue Discount, as defined in Section 4.07, and contingent interest, if any) payable on the Securities either (i) would not be deductible on a current accrual basis or (ii) would not be deductible under any other method, in either case in whole or in part, by the Company (by reason of deferral, disallowance, or otherwise) for United States federal income tax purposes.

"TIA" means the Trust Indenture Act of 1939 as in effect on the date of this Indenture, provided, however, that in the event the TIA is amended after such date, TIA means, to the extent required by any such amendment, the TIA as so amended.

"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.

"Trustee" means the party named as the "Trustee" in the first paragraph of this Indenture until a successor replaces it pursuant to the applicable provisions of this Indenture and, thereafter, shall mean such successor. The foregoing sentence shall likewise apply to any subsequent such successor or successors.

SECTION 1.02 Other Definitions.

Term -----	Defined in Section -----
"Act".....	1.05(a)

"Agent Members".....	2.12(f)

"Associate".....	3.09(a)

"Average Sale Price".....	11.01

"Bankruptcy Law".....	6.01

"beneficial owner".....	3.09(a)

"Bid Solicitation Agent".....	2.03

"cash".....	3.08(b)

"Change in Control".....	3.09(a)

"Change in Control Purchase Date".....	3.09(a)

"Change in Control Purchase Notice".....	3.09(c)

"Change in Control Purchase Price".....	3.09(a)

"Company Notice".....	3.08(e)

"Company Notice Date".....	3.08(c)

"Conversion Agent".....	2.03

"Conversion Date".....	11.02

"Conversion Rate".....	11.01

"Custodian".....	6.01

"Defaulted Interest".....	12.02

"Depository".....	2.01(a)

"DTC".....	2.01(a)

"Event of Default".....	6.01

"Exchange Act".....	3.08(d)

"Ex-Dividend Date".....	11.08(b)

"Ex-Dividend Time".....	11.01

"Extraordinary Cash Dividend".....	11.08(a)

"Institutional Accredited Investors".....	2.01(b)

"Interest Payment Date".....	10.01

"Legal Holiday".....	14.09

"Legend".....	2.06(f)
"LYON Market Price".....	Exhibit A-1
"Market Price".....	3.08(d)
"Measurement Period".....	11.08(a)
"noncontingent bond method".....	4.07
"Notice of Default".....	6.01
"Option Exercise Date".....	10.01
"Paying Agent".....	2.03
"Post-Distribution Price".....	11.08(b)
"Purchase Date".....	3.08(a)
"Purchase Notice".....	3.08(a)
"Purchase Price".....	3.08(a)
"QIBs".....	2.01(a)
"Registrar".....	2.03
"Regular Record Date".....	10.01
"Relevant Cash Dividends".....	11.08(a)
"Restated Principal Amount".....	10.01
"Rights".....	11.19
"Rights Agreement".....	11.19
"Rule 144A Information".....	4.06
"Securities Act".....	3.08(d)
"Special Record Date".....	12.02
"Tax Event Date".....	10.01
"Tax Original Issue Discount".....	4.07
"Time of Determination".....	11.01
"Treasury Regulations"	4.07

SECTION 1.03 ...Incorporation by Reference of Trust Indenture Act. Whenever this Indenture refers to a provision of the TIA, the provision is incorporated by reference in and made a part of this Indenture. The following TIA terms used in this Indenture have the following meanings:

"Commission" means the SEC.

"indenture securities" means the Securities.

"indenture security holder" means a Securityholder.

"indenture to be qualified" means this Indenture.

"indenture trustee" or "institutional trustee" means the

Trustee.

"obligor" on the indenture securities means the Company.

All other TIA terms used in this Indenture that are defined by the TIA, defined by TIA reference to another statute or defined by SEC rule have the meanings assigned to them by such definitions.

SECTION 1.04Rules of Construction. Unless the context otherwise requires:

(1) a defined term has the meaning assigned to it;

(2) an accounting term not otherwise defined has the meaning assigned to it in accordance with United States generally accepted accounting principles as in effect from time to time;

(3) "or" is not exclusive;

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(4) "including" means including, without limitation; and

(5) words in the singular include the plural, and words in the plural include the singular.

SECTION 1.05Acts of Holders.

(a).....Any request, demand, authorization, direction, notice, consent, waiver or other action provided by this Indenture to be given or taken by Holders may be embodied in and evidenced by one or more instruments (which may take the form of an electronic writing or messaging or otherwise be in accordance with customary procedures of the Depository or the Trustee) of substantially similar tenor signed by such Holders in person or by agent duly appointed in writing (which may be in electronic form); and, except as herein otherwise expressly provided, such action shall become effective when such instrument or instruments are delivered to the Trustee and, when 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 Holders signing such instrument or instruments. Proof of execution of any such instrument or of a writing appointing any such agent (either of which may be in electronic form) shall be sufficient for any purpose of this Indenture and conclusive in favor of the Trustee and the Company, if made in the manner provided in this Section.

(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 electronic delivery) or by a certificate of a notary public or other officer authorized by law to take acknowledgments of deeds, certifying that the individual signing or delivering such instrument or writing acknowledged to such officer the execution (or electronic delivery) thereof. When such execution is by a signer acting in a capacity other than such signer's individual capacity, such certificate or affidavit shall also constitute sufficient proof of such signer's authority. The fact and date of the execution of any such instrument or writing (electronic or otherwise), or the authority of the Person executing the same, may also be proved in any other manner which the Trustee deems sufficient.

(c).....The ownership of Securities shall be proved by the register maintained by the Registrar.

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

(e).....If the Company shall solicit from the Holders any request, demand, authorization, direction, notice, consent, waiver or other Act, the Company may, at its option, by or pursuant to a resolution of the Board of Directors, fix in advance a record date for the determination of Holders entitled to give such request, demand, authorization, direction, notice, consent, waiver or other Act, but the Company shall have no obligation to do so. If such a record date is fixed, such request, demand, authorization, direction, notice, consent, waiver or other Act may be given before or after such record date, but only the Holders of record at the close of business on such record date shall be deemed to be Holders for the purposes of determining whether Holders of the requisite proportion of outstanding Securities have authorized or agreed or consented to such request, demand, authorization, direction, notice, consent, waiver or other Act, and for that purpose the outstanding Securities shall be computed as of such record date; provided that no such authorization, agreement or consent by the Holders on such record date shall be deemed effective unless it shall become effective pursuant to the provisions of this Indenture within six months after the record date.

ARTICLE 2 THE SECURITIES

SECTION 2.01Form and Dating. The Securities and the Trustee's certificate of authentication shall be substantially in the form of Exhibits A-1 and A-2, which are a part of this Indenture. The Securities may have notations, legends or endorsements required by law, stock exchange rule or usage (provided that any such notation, legend or endorsement required by usage is in a form acceptable to the Company). The Company shall provide any such notations, legends or endorsements to the Trustee in writing. Each Security shall be dated the date of its authentication.

(a).....144A Global Securities. Securities offered and sold within the United States to "qualified institutional buyers" as defined in Rule 144A ("QIBs") in reliance on Rule 144A shall be issued, initially in the form of a 144A Global Security, which shall be deposited with the Trustee at its Corporate Trust Office, as custodian for the Depository and registered in the name of The Depository Trust Company ("DTC") or the nominee thereof (such depository, or any successor thereto, and any such nominee being hereinafter referred to as the "Depository"), duly executed by the Company and authenticated by the Trustee as hereinafter provided. The aggregate Principal Amount at Maturity of the 144A Global Securities may from time to time be increased or decreased by adjustments made on the records of the Trustee and the Depository as hereinafter provided.

(b).....Institutional Accredited Investor Securities. Except as provided in this Section 2.01, 2.06 or 2.12, 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 an Institutional Accredited Investor Security, 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 Securities as shall be specified therein and each shall provide that it shall represent the aggregate Principal Amount at Maturity of outstanding Securities from time to time endorsed thereon and that the aggregate Principal Amount at Maturity of outstanding Securities represented thereby may from time to time be reduced or increased, as appropriate, to reflect exchanges, redemptions and conversions.

Any adjustment of the aggregate Principal Amount at Maturity of a Global Security to reflect the amount of any increase or decrease in the Principal Amount at Maturity of outstanding Securities represented thereby shall be made by the Trustee in accordance with instructions given by the Holder thereof as required by Section 2.12 hereof and shall be made on the records of the Trustee and the Depositary.

(d).....Book-Entry Provisions. This Section 2.01(d) shall apply only to Global Securities deposited with or on behalf of the Depositary.

The Company shall execute and the Trustee shall, in accordance with this Section 2.01(d), authenticate and deliver initially one or more Global Securities that (a) shall be registered in the name of the Depositary, (b) shall be delivered by the Trustee to the Depositary or pursuant to the Depositary's instructions or held by the Trustee as custodian for such Depositary and (c) shall bear legends substantially to the following effect:

"UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY TO THE ISSUER 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.

TRANSFERS OF THIS GLOBAL SECURITY SHALL BE LIMITED TO TRANSFERS, IN WHOLE BUT NOT IN PART, TO NOMINEES OF THE DEPOSITORY TRUST COMPANY OR TO A SUCCESSOR THEREOF OR SUCH SUCCESSOR'S NOMINEE AND TRANSFERS OF PORTIONS OF THIS GLOBAL SECURITY SHALL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN ARTICLE TWO OF THE INDENTURE REFERRED TO ON THE REVERSE HEREOF."

(e) Certificated Securities. Securities not issued as interests in the Global Securities will be issued in certificated form substantially in the form of Exhibit A-2 attached hereto.

SECTION 2.02Execution and Authentication. The Securities shall be executed on behalf of the Company by any Officer. The signature of the Officer on the Securities may be manual or facsimile.

Securities bearing the manual or facsimile signatures of an individual who was at the time of the execution of the Securities the proper Officer of the Company shall bind the Company, notwithstanding that such individual has ceased to hold such office prior to the authentication and delivery of such Securities or did not hold such office at the date of authentication of such Securities.

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 duly executed by the Trustee by manual signature of an authorized signatory of the Trustee and such certificate upon any Security shall be conclusive evidence, and the only evidence, that such Security has been duly authenticated and delivered hereunder.

The Trustee shall authenticate and deliver Securities for original issue in an aggregate Principal Amount at Maturity of up to \$422,050,000 upon a Company Order without any further action by the Company. The aggregate Principal Amount at Maturity of Securities outstanding at any time may not exceed the amount set forth in the foregoing sentence, except as provided in Section 2.07.

The Securities shall be issued only in registered form without coupons and only in denominations of \$1,000 of Principal Amount at Maturity and any integral multiple thereof.

SECTION 2.03Registrar, Paying Agent, Conversion Agent and Bid Solicitation Agent. The Company shall maintain an office or agency where Securities may be presented for registration of transfer or for exchange ("Registrar"), an office or agency where Securities may be presented for purchase or payment ("Paying Agent") and an office or agency where Securities may be presented for conversion ("Conversion Agent"). The Company shall also appoint a bid solicitation agent (the "Bid Solicitation Agent") to act pursuant to paragraph 5 of the Securities. The Registrar shall keep a register of the Securities and of their transfer and exchange. The Company may have one or more co-registrars, one or more additional paying agents and one or more additional conversion agents. The term Paying Agent includes any additional paying agent, including any named pursuant to Section 4.05. The term Conversion Agent includes any additional conversion agent, including any named pursuant to Section 4.05.

The Company shall enter into an appropriate agency agreement with any Registrar or co-registrar, Paying Agent, Conversion Agent or Bid Solicitation 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 Registrar, Paying Agent, Conversion Agent or Bid Solicitation Agent, the Trustee shall act as such and shall be entitled to appropriate compensation therefor pursuant to Section 7.07. The Company or any Subsidiary or an Affiliate of either of them may act as Paying Agent, Registrar, Conversion Agent or co-registrar. None of the Company or any Subsidiary or any Affiliate of either of them may act as Bid Solicitation Agent.

The Company initially appoints the Trustee as Registrar, Conversion Agent, Paying Agent and Bid Solicitation Agent in connection with the Securities.

SECTION 2.04Paying Agent to Hold Money and Securities in Trust. Except as otherwise provided herein, not later than 10:00 a.m., New York City time, on each due date of payments in respect of any Security, the Company shall deposit with the Paying Agent a sum of money (in immediately available funds if deposited on the due date) or Common Stock sufficient to make such payments when so becoming due. The Company shall require each Paying Agent (other than the Trustee) to agree in writing that the Paying Agent shall hold in trust for the benefit of Securityholders or the Trustee all money and Common Stock held by the Paying Agent for the making of payments in respect of the Securities and shall notify the Trustee of any default by the Company in making any such payment. At any time during the continuance of any such default, the Paying Agent shall, upon the written request of the Trustee, forthwith pay to the Trustee all money and Common Stock so held in trust. If the Company, a Subsidiary or an Affiliate of either of them acts as Paying Agent, it shall segregate the money and Common Stock held by it as Paying Agent and hold it as a separate trust fund. The Company at any time may require a Paying Agent to pay all money and Common Stock held by it to the Trustee and to account for any funds and Common Stock disbursed by it. Upon doing so, the Paying Agent shall have no further liability for the money or Common Stock.

SECTION 2.05Securityholder Lists. The Trustee shall preserve in as current a form as is reasonably practicable the most recent list available to it of the names and addresses of Securityholders. If the Trustee is not the Registrar, the Company shall cause to be furnished to the Trustee at least semiannually on May 1 and November 1 a listing of Securityholders dated within 15 days of the date on which the list is furnished and at such other times as the Trustee may request in writing a list in such form and as of such date as the Trustee may reasonably require of the names and addresses of Securityholders.

SECTION 2.06Transfer and Exchange. Subject to Section 2.12 hereof,

(a) Upon surrender for registration of transfer of any Security, together with a written instrument of transfer satisfactory to the Registrar duly executed by the Securityholder or such Securityholder's attorney duly authorized in writing, at the office or agency of the Company designated as Registrar or co-registrar pursuant to Section 2.03, the Company shall execute, and the Trustee upon receipt of a Company Order shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Securities of any authorized denomination or denominations, of a like aggregate Principal Amount at Maturity. The Company shall not charge a service charge for any registration of transfer or exchange, but the Company may require payment of a sum sufficient to pay all taxes, assessments or other governmental charges that may be imposed in connection with the registration of transfer or exchange of the Securities from the Securityholder requesting such registration of transfer or exchange.

At the option of the Holder, Certificated Securities may be exchanged for other Securities of any authorized denomination or denominations, of a like aggregate Principal Amount at Maturity, upon surrender of the Securities to be exchanged, together with a written instrument of transfer satisfactory to the Registrar duly executed by the Securityholder or such Securityholder's attorney duly authorized in writing, at such office or agency. Whenever any Securities are so surrendered for exchange, the Company shall execute, and the Trustee upon receipt of a Company Order shall authenticate and deliver, the Securities which the Holder making the exchange is entitled to receive.

The Company shall not be required to make, and the Registrar need not register, transfers or exchanges of Securities selected for redemption (except, in the case of Securities to be redeemed in part, the portion thereof not to be redeemed) or any Securities in respect of which a Purchase Notice or Change in Control Purchase Notice has been given and not withdrawn by the Holder thereof in accordance with the terms of this Indenture (except, in the case of Securities to be purchased in part, the portion thereof not to be purchased) or any Securities for a period of 15 days before the mailing of a notice of redemption of Securities to be redeemed.

(b) Notwithstanding any provision to the contrary herein, so long as a Global Security remains outstanding and is held by or on behalf of the Depositary, transfers of a Global Security, in whole or in part, shall be made only in accordance with Section 2.12 and this Section 2.06(b). Transfers of a Global Security shall be limited to transfers of such Global Security in whole, or in part, to nominees of the Depositary or to a successor of the Depositary or such successor's nominee.

(c) Successive registrations and registrations of transfers and exchanges as aforesaid may be made from time to time as desired, and each such registration shall be noted on the register for the Securities.

(d) Any Registrar appointed pursuant to Section 2.03 hereof shall provide to the Trustee such information as the Trustee may reasonably require in connection with the delivery by such Registrar of Securities upon registration of transfer or exchange of Securities.

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

(f) If Securities are issued upon the registration of transfer, exchange or replacement of Securities subject to restrictions on transfer and bearing the legends set forth on the form of Security attached hereto as Exhibits A-1 and A-2 setting forth such restrictions (collectively, the "Legend"), or if a request is made to remove the Legend on a Security, the Securities so issued shall bear the Legend, or the Legend shall not be removed, as the case may be, unless there is delivered to the Company and the Registrar such satisfactory evidence, which shall include an Opinion of Counsel, as may be reasonably required by the Company and the Registrar, that neither the Legend nor the restrictions on transfer set forth therein are required to ensure that transfers thereof comply with the provisions of Rule 144A or Rule 144 or that such Securities are not "restricted" within the meaning of Rule 144. Upon (i) provision of such satisfactory evidence, or (ii) notification by the Company to the Trustee and Registrar of the sale of such Security pursuant to a registration statement that is effective at the time of such sale, the Trustee, upon receipt of a Company Order, shall authenticate and deliver a Security that does not bear the Legend. If the Legend is removed from the face of a Security and the Security is subsequently held by an Affiliate of the Company, the Company shall use its reasonable best efforts to reinstate the Legend.

The Trustee and the Registrar shall have no obligation or duty to monitor, determine or inquire as to compliance with any restrictions on transfer imposed under this Indenture or under applicable law with respect to any transfer of any interest in any Security (including any transfers between or among Depositary participants or beneficial owners of interests in any Global Security) other than to require delivery of such certificates and other documentation or evidence as are expressly required by, and to do so if and when expressly required by the terms of, this Indenture, and to examine the same to determine substantial compliance as to form with the express requirements hereof.

SECTION 2.07 . . . Replacement Securities. If (a) any mutilated Security is surrendered to the Trustee, or (b) the Company and the Trustee receive evidence to their satisfaction of the destruction, loss or theft of any Security, and there is delivered to the Company and the Trustee such security or indemnity as may be required by them to save each of them harmless, then, in the absence of notice to the Company or the Trustee that such Security has been acquired by a protected purchaser within the meaning of Article 8 of the Uniform Commercial Code (a "Protected Purchaser"), the Company shall execute and upon receipt of a Company Order, the Trustee shall authenticate and deliver, in exchange for any such mutilated Security or in lieu of any such destroyed, lost or stolen Security, a new Security of like tenor and Principal Amount at Maturity, bearing a number not contemporaneously outstanding.

In case any such mutilated, destroyed, lost or stolen Security has become or is about to become due and payable, or is about to be purchased by the Company pursuant to Article 3 hereof, the Company in its discretion may, instead of issuing a new Security, pay or purchase such Security, as the case may be.

Upon the issuance of any new Securities 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 issued pursuant to this Section in lieu of any mutilated, 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 benefits of this Indenture equally and proportionately with any and all other Securities 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 2.08 ...Outstanding Securities; Determinations of Holders' Action. Securities outstanding at any time are all the Securities authenticated by the Trustee, except for those cancelled by it, those paid pursuant to Section 2.10 and delivered to it for cancellation and those described in this Section 2.08 as not outstanding. A Security does not cease to be outstanding because the Company or an Affiliate thereof holds the Security; provided, however, that in determining whether the Holders of the requisite Principal Amount at Maturity of Securities have given or concurred in 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 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 a Responsible Officer of the Trustee actually knows to be so owned shall be so disregarded. Subject to the foregoing, only Securities outstanding at the time of such determination shall be considered in any such determination (including, without limitation, determinations pursuant to Articles 6 and 9).

If a Security is replaced pursuant to Section 2.07, the replaced Security ceases to be outstanding unless the Trustee and the Company receive proof satisfactory to each of them that the replaced Security is held by a Protected Purchaser unaware that such Security has been replaced, in which case the replacement security shall be deemed not to be outstanding.

If the Paying Agent holds, in accordance with this Indenture, on a Redemption Date, or on the Business Day following the Purchase Date or a Change in Control Purchase Date, or on Stated Maturity, money or securities, if permitted hereunder, sufficient to pay Securities payable on that date, then immediately after such Redemption Date, Purchase Date, Change in Control Purchase Date or Stated Maturity, as the case may be, such Securities shall cease to be outstanding and Original Issue Discount and interest (including contingent interest), if any, on such Securities shall cease to accrue; provided, that if such Securities are to be redeemed, notice of such redemption has been duly given pursuant to this Indenture.

If a Security is converted in accordance with Article 11, then from and after the time of conversion on the Conversion Date, such Security shall cease to be outstanding and Original Issue Discount and interest (including contingent interest), if any, shall cease to accrue on such Security.

SECTION 2.09 ...Temporary Securities. Pending the preparation of definitive Securities, 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 conclusively evidenced by their execution of such Securities.

If temporary Securities are issued, the Company will cause definitive Securities to be prepared without unreasonable delay. After the preparation of definitive Securities, the temporary Securities shall be exchangeable for definitive Securities upon surrender of the temporary Securities at the office or agency of the Company designated for such purpose pursuant to Section 2.03, without charge to the Holder. Upon surrender for cancellation of any one or more temporary Securities the Company shall execute and upon Company Order the Trustee shall authenticate and deliver in exchange therefor a like Principal Amount at Maturity of definitive Securities of authorized denominations. Until so exchanged the temporary Securities shall in all respects be entitled to the same benefits under this Indenture as definitive Securities.

SECTION 2.10Cancellation. All Securities surrendered for payment, purchase by the Company pursuant to Article 3, conversion, redemption or registration of transfer or exchange shall, if surrendered to any person other than the Trustee, be delivered to the Trustee and shall be promptly cancelled by it. The Company may at any time deliver to the Trustee for cancellation any Securities previously authenticated and delivered hereunder which the Company may have acquired in any manner whatsoever, and all Securities so delivered shall be promptly cancelled by the Trustee. The Company may not issue new Securities to replace Securities it has paid or delivered to the Trustee for cancellation or that any Holder has converted pursuant to Article 11. No Securities shall be authenticated in lieu of or in exchange for any Securities cancelled as provided in this Section, except as expressly permitted by this Indenture. All cancelled Securities held by the Trustee shall be disposed of by the Trustee.

SECTION 2.11Persons 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 the Security or the payment of any Redemption Price, Purchase Price or Change in Control Purchase Price in respect thereof, and interest (including contingent interest, if any) thereon, for the purpose of conversion 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 2.12Global Securities.

(a) Notwithstanding any other provisions of this Indenture or the Securities, (A) transfers of a Global Security, in whole or in part, shall be made only in accordance with Section 2.06 and Section 2.12(b)(i), (B) transfer of a beneficial interest in a Global Security for a Certificated Security shall comply with Section 2.06 and Section 2.12(b)(i) below, and (C) transfers of a Certificated Security shall comply with Section 2.06 and Section 2.12(b)(ii) and transfer of a Certificated Security for a Beneficial Interest in a Global Security shall comply with Section 2.06 and Section 2.12(b)(iii) below.

(b) Transfer of Global Security. A Global Security may not be transferred, in whole or in part, to any Person other than the Depositary or a nominee or any successor thereof, and no such transfer to any such other Person may be registered; provided that this clause (i) shall not prohibit any transfer of a Security that is issued in exchange for a Global Security but is not itself a Global Security. No transfer of a Security to any Person shall be effective under this Indenture or the Securities unless and until such Security has been registered in the name of such Person. Nothing in this Section 2.12(b)(i) shall prohibit or render ineffective any transfer of a beneficial interest in a Global Security effected in accordance with the other provisions of this Section 2.12(b).

(i) 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 for transfer of a beneficial interest in a Global Security in accordance with Applicable Procedures for a Certificated Security in the form satisfactory to the Trustee, together with:

- (A) so long as the Securities are Restricted Securities, certification, in the form set forth in Exhibit B-1, and, if requested by the Company or the Registrar, certification in the form set forth in Exhibit B-2, that such beneficial interest in the Global Security is being transferred to an Institutional Accredited Investor that satisfies the definitions set forth in subparagraphs (a)(1), (2), (3) or (7) of Rule 501 under the Securities Act;
- (B) written instructions to the Trustee to make, or direct the Registrar to make, an adjustment on its books and records with respect to such Global Security to reflect a decrease in the aggregate Principal Amount at Maturity of the Securities represented by the Global Security, such instructions to contain information regarding the Depository account to be credited with such decrease; and
- (C) if the Company or Registrar so requests, an Opinion of Counsel or other evidence reasonably satisfactory to them as to the compliance with the restrictions set forth in the Legend,

then the Trustee shall cause, or direct the Registrar to cause, in accordance with the standing instructions and procedures existing between the Depository and the Registrar, the aggregate Principal Amount at Maturity of Securities represented by the Global Security to be decreased by the aggregate Principal Amount at Maturity 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 at Maturity of the Certificated Security so issued.

(ii) Transfer and Exchange of Certificated Securities. When Certificated Securities are presented to the Registrar with a request:

- (x) to register the transfer of such Certificated Securities; or
- (y) to exchange such Certificated Securities for an equal Principal Amount at Maturity of Certificated Securities of other authorized denominations,

the Registrar shall register the transfer or make the exchange as requested if its reasonable requirements for such transaction are met; provided, however, that the Certificated Securities surrendered for registration of transfer or exchange:

(A) shall be duly endorsed or accompanied by a written instrument of transfer in form reasonably satisfactory to the Company and the Registrar, duly executed by the Holder thereof or his attorney duly authorized in writing; and

(B) so long as such Securities are Restricted Securities, such Securities are being transferred or exchanged pursuant to an effective registration statement under the Securities Act or, if being transferred pursuant to clause (1), (2) or (3) below, are accompanied by the additional information and documents specified in each clause, as applicable:

- (1) if such Certificated Securities are being delivered to the Registrar by a Holder for registration in the name of such Holder, without transfer, a certification from such Holder to that effect; or
- (2) if such Certificated Securities are being transferred to the Company, a certification to that effect; or
- (3) if such Certificated Securities are being transferred pursuant to an exemption from registration (i) a certification to that effect (in the form set forth in Exhibit B-1 and B-2, if applicable) and (ii) if the Company or Registrar so requests, an opinion of counsel or other evidence reasonably satisfactory to them as to the compliance with the restrictions set forth in the Legend.

(iii)

Restrictions on Transfer of a Certificated Security for a Beneficial Interest in a Global Security. A Certificated Security may not be exchanged for a beneficial interest in a Global Security except upon satisfaction of the requirements set forth below.

Upon receipt by the Trustee of a Certificated Security, duly endorsed or accompanied by appropriate instruments of transfer, in form satisfactory to the Trustee, together with:

(A) so long as the Securities are Restricted Securities, certification, in the form set forth in Exhibit B-1, that such Certificated Security is being transferred to a QIB in accordance with Rule 144A; and

(B) written instructions directing the Trustee to make, or to direct the Registrar to make, an adjustment on its books and records with respect to such Global Security to reflect an increase in the aggregate Principal Amount at Maturity of the Securities represented by the Global Security, such instructions to contain information regarding the Depositary account to be credited with such increase,

then the Trustee shall cancel such Certificated Security and cause, or direct the Registrar to cause, in accordance with the standing instructions and procedures existing between the Depository and the Registrar, the aggregate Principal Amount at Maturity of Securities represented by the Global Security to be increased by the aggregate Principal Amount at Maturity of the Certificated Security to be exchanged, and shall credit or cause to be credited to the account of the Person specified in such instructions a beneficial interest in the Global Security equal to the Principal Amount at Maturity of the Certificated Security so cancelled. If no Global Securities are then outstanding, the Company shall issue and the Trustee, upon receipt of a Company Order, shall authenticate a new Global Security in the appropriate Principal Amount at Maturity.

(c) Subject to the succeeding paragraph, every Security shall be subject to the restrictions on transfer provided in the Legend including the requirement of the delivery of an Opinion of Counsel, if so provided. Whenever any Restricted Security is presented or surrendered for registration of transfer or for exchange for a Security registered in a name other than that of the Holder, such Security must be accompanied by a certificate in substantially the form set forth in Exhibit B-1, dated the date of such surrender and signed by the Holder of such Security, as to compliance with such restrictions on transfer. The Registrar shall not be required to accept for such registration of transfer or exchange any Security not so accompanied by a properly completed certificate.

(d) The restrictions imposed by the Legend upon the transferability of any Security shall cease and terminate when such Security has been sold pursuant to an effective registration statement under the Securities Act or transferred in compliance with Rule 144 or, if earlier, upon the expiration of the holding period applicable to sales thereof under paragraph (k) of Rule 144. Any Security as to which such restrictions on transfer shall have expired in accordance with their terms or shall have terminated may, upon a surrender of such Security for exchange to the Registrar in accordance with the provisions of this Section 2.12 (accompanied, in the event that such restrictions on transfer have terminated by reason of a transfer in compliance with Rule 144, by an opinion of counsel having substantial experience in practice under the Securities Act and otherwise reasonably acceptable to the Company, addressed to the Company, the Trustee and the Registrar and in form acceptable to the Company, to the effect that the transfer of such Security has been made in compliance with Rule 144), be exchanged for a new Security, of like tenor and aggregate Principal Amount at Maturity, which shall not bear the restrictive Legend. The Company shall inform the Trustee of the effective date of any registration statement registering the Securities under the Securities Act. The Trustee and the Registrar shall not be liable for any action taken or omitted to be taken by it in good faith in accordance with the aforementioned opinion of counsel or registration statement.

(e) As used in the preceding two paragraphs of this Section 2.12, the term "transfer" encompasses any sale, pledge, transfer, hypothecation or other disposition of any Security.

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

(1) Notwithstanding any other provisions of this Indenture or the Securities, except as provided in Section 2.12(b)(i), a Global Security shall not be exchanged in whole or in part for a Security registered in the name of any Person other than the Depository or one or more nominees thereof, provided that a Global Security may be exchanged for Securities registered in the names of any person designated by the Depository in the event that (i) the Depository has notified the Company that it is unwilling or unable to continue as Depository for such Global Security or such Depository has ceased to be a "clearing agency" registered under the Exchange Act, and a successor Depository is not appointed by the Company within 90 days (ii) the Company elects to discontinue use of the system of book-entry transfer through DTC (or any successor depository); or (iii) an Event of Default has occurred and is continuing with respect to the Securities. Any Global Security exchanged pursuant to clause (i) of this sub-section shall be so exchanged in whole and not in part, and any Global Security exchanged pursuant to clause (ii) of this sub-section may be exchanged in whole or from time to time in part as directed by the Depository. Any Security issued in exchange for a Global Security or any portion thereof shall be a Global Security; provided that any such Security so issued that is registered in the name of a person other than the Depository or a nominee thereof shall not be a Global Security.

(2) Securities issued in exchange for a Global Security or any portion thereof shall be issued in definitive, fully registered form, without interest coupons, shall have an aggregate Principal Amount at Maturity equal to that of such Global Security or portion thereof to be so exchanged, shall be registered in such names and be in such authorized denominations as the Depository shall designate and shall bear the applicable legends provided for herein. Any Global Security to be exchanged in whole shall be surrendered by the Depository to the Trustee, as Registrar. With regard to any Global Security to be exchanged in part, either such Global Security shall be so surrendered for exchange or, if the Trustee is acting as custodian for the Depository or its nominee with respect to such Global Security, the Principal Amount at Maturity thereof shall be reduced, by an amount equal to the portion thereof to be so exchanged, by means of an appropriate adjustment made on the records of the Trustee. Upon any such surrender or adjustment, the Trustee shall authenticate and deliver the Security issuable on such exchange to or upon the order of the Depository or an authorized representative thereof.

(3) Subject to the provisions of clause (5) below, the registered Holder may grant proxies and otherwise authorize any Person, including Agent Members (as defined below) and persons that may hold interests through Agent Members, to take any action which a holder is entitled to take under this Indenture or the Securities.

(4) In the event of the occurrence of any of the events specified in clause (1) above, the Company will promptly make available to the Trustee a reasonable supply of Certificated Securities in definitive, fully registered form, without interest coupons.

(5) Neither any members of, or participants in, the Depositary (collectively, the "Agent Members") nor any other Persons on whose behalf Agent Members may act shall have any rights under this Indenture with respect to any Global Security registered in the name of the Depositary or any nominee thereof, or under any such Global Security, and the Depositary or such nominee, as the case may be, 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 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 Depositary or such nominee, as the case may be, or impair, as between the Depositary, its Agent Members and any other person on whose behalf an Agent Member may act, the operation of customary practices of such Persons governing the exercise of the rights of a holder of any Security.

SECTION 2.13 CUSIP Numbers. The Company in issuing the Securities may use "CUSIP" numbers (if then generally in use), and, if so, the Trustee shall use "CUSIP" numbers in notices of redemption as a convenience to Holders; provided that any such notice may state that no representation is made as to the correctness of such numbers either as printed on the Securities or as contained in any notice of a redemption and that reliance may be placed only on the other identification numbers printed on the Securities, and any such redemption shall not be affected by any defect in or omission of such numbers. The Company will promptly notify the Trustee of any change in the CUSIP numbers.

ARTICLE 3 REDEMPTION AND PURCHASES

SECTION 3.01 Right to Redeem; Notices to Trustee. The Company, at its option, may redeem the Securities in accordance with the provisions of paragraphs 6 and 8 of the Securities. If the Company elects to redeem Securities pursuant to paragraph 6 of the Securities, it shall notify the Trustee in writing of the Redemption Date, the Principal Amount at Maturity of Securities to be redeemed, the Redemption Price and the amount of contingent interest, if any, payable on the Redemption Date.

The Company shall give the notice to the Trustee provided for in this Section 3.01 by a Company Order, at least 35 days before the Redemption Date (unless a shorter notice shall be satisfactory to the Trustee).

SECTION 3.02 Selection of Securities to Be Redeemed. If less than all the Securities are to be redeemed, the Trustee shall select the Securities to be redeemed pro rata or by lot or by any other method the Trustee considers fair and appropriate (so long as such method is not prohibited by the rules of any stock exchange on which the Securities are then listed). The Trustee shall make the selection at least 30 days but not more than 60 days before the Redemption Date from outstanding Securities not previously called for redemption. The Trustee may select for redemption portions of the Principal Amount at Maturity of Securities that have denominations larger than \$1,000.

Securities and portions of them the Trustee selects shall be in Principal Amounts at Maturity of \$1,000 or an integral multiple of \$1,000. Provisions of this Indenture that apply to Securities called for redemption also apply to portions of Securities called for redemption. The Trustee shall notify the Company promptly of the Securities or portions of Securities to be redeemed.

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

SECTION 3.03 Notice of Redemption. At least 30 days but not more than 60 days before a Redemption Date, the Company shall mail a notice of redemption by first-class mail, postage prepaid, to each Holder of Securities to be redeemed.

The notice shall identify the Securities to be redeemed and shall state:

- (1) the Redemption Date;
- (2) the Redemption Price and, to the extent known at the time of such notice, the amount of contingent interest, if any, payable on the Redemption Date;
- (3) the Conversion Rate;
- (4) the name and address of the Paying Agent and Conversion Agent;
- (5) that Securities called for redemption may be converted at any time before the close of business on the second Business Day immediately preceding the Redemption Date;
- (6) that Holders who want to convert Securities must satisfy the requirements set forth in paragraph 9 of the Securities;
- (7) that Securities called for redemption must be surrendered to the Paying Agent to collect the Redemption Price and contingent interest, if any;

(8) if fewer than all the outstanding Securities are to be redeemed, the certificate number and Principal Amounts at Maturity of the particular Securities to be redeemed;

(9) that, unless the Company defaults in making payment of such Redemption Price and contingent interest, if any, Original Issue Discount and interest (including contingent interest), if any, on Securities called for redemption will cease to accrue on and after the Redemption Date;

(10) the CUSIP number of the Securities; and

(11) any other information the Company wants to present.

At the Company's request, the Trustee shall give the notice of redemption to Holders in the Company's name and at the Company's expense, provided that the Company makes such request at least five Business Days (unless a shorter period shall be satisfactory to the Trustee) prior to the date such notice of redemption must be mailed.

SECTION 3.04 Effect of Notice of Redemption. Once notice of redemption is given, Securities called for redemption become due and payable on the Redemption Date and at the Redemption Price (together with accrued contingent interest, if any, to but not including the date of redemption) stated in the notice except for Securities which are converted in accordance with the terms of this Indenture. Upon surrender to the Paying Agent, such Securities shall be paid at the Redemption Price (together with accrued contingent interest, if any, to but not including the date of redemption) stated in the notice.

SECTION 3.05 Deposit of Redemption Price. Prior to 10:00 a.m. (New York City time), on any Redemption Date, the Company shall deposit with the Paying Agent (or if the Company or a Subsidiary or an Affiliate of either of them is the Paying Agent, shall segregate and hold in trust) money sufficient to pay the Redemption Price of, and any accrued and unpaid contingent interest to but not including the date of redemption with respect to, all Securities to be redeemed on that date other than Securities or portions of Securities called for redemption which on or prior thereto have been delivered by the Company to the Trustee for cancellation or have been converted. The Paying Agent shall as promptly as practicable return to the Company any money not required for that purpose because of conversion of Securities pursuant to Article 11. If such money is then held by the Company in trust and is not required for such purpose it shall be discharged from such trust.

SECTION 3.06 Securities Redeemed in Part. Upon surrender of a Security that is redeemed in part, the Company shall execute and the Trustee shall authenticate and deliver to the Holder a new Security in an authorized denomination equal in Principal Amount at Maturity to the unredeemed portion of the Security surrendered.

SECTION 3.07 Conversion Arrangement on Call for Redemption. In connection with any redemption of Securities, the Company may arrange for the purchase and conversion of any Securities called for redemption by an agreement with one or more investment banks or other purchasers to purchase such Securities by paying to the Trustee in trust for the Securityholders, on or prior to 10:00 a.m. New York City time on the Redemption Date, an amount that, together with any amounts deposited with the Trustee by the Company for the redemption of such Securities, is not less than the Redemption Price of, and any accrued and unpaid contingent interest with respect to, such Securities. Notwithstanding anything to the contrary contained in this Article 3, the obligation of the Company to pay the Redemption Prices of such Securities shall be deemed to be satisfied and

discharged to the extent such amount is so paid by such purchasers. If such an agreement is entered into, any Securities not duly surrendered for conversion by the Holders thereof may, at the option of the Company, be deemed, to the fullest extent permitted by law, acquired by such purchasers from such Holders and (notwithstanding anything to the contrary contained in Article 11) surrendered by such purchasers for conversion, all as of immediately prior to the close of business on the Business Day prior to the Redemption Date, subject to payment of the above amount as aforesaid. The Trustee shall hold and pay to the Holders whose Securities are selected for redemption any such amount paid to it for purchase and conversion in the same manner as it would moneys deposited with it by the Company for the redemption of Securities. Without the Trustee's prior written consent, no arrangement between the Company and such purchasers for the purchase and conversion of any Securities shall increase or otherwise affect any of the powers, duties, responsibilities or obligations of the Trustee as set forth in this Indenture, and the Company agrees to indemnify the Trustee from, and hold it harmless against, any loss, liability or expense arising out of or in connection with any such arrangement for the purchase and conversion of any Securities between the Company and such purchasers, including the costs and expenses incurred by the Trustee in the defense of any claim or liability arising out of or in connection with the exercise or performance of any of its powers, duties, responsibilities or obligations under this Indenture.

SECTION 3.08 Purchase of Securities at Option of the Holder.

(a) General. Securities shall be purchased by the Company pursuant to paragraph 7 of the Securities as of April 3, 2005, 2007, 2012, 2017, 2022 and 2027 (each, a "Purchase Date"), at the purchase price of \$447.55 per \$1,000 of Principal Amount at Maturity as of April 3, 2005, of \$475.01 per \$1,000 of Principal Amount at Maturity as of April 3, 2007, of \$551.27 per \$1,000 of Principal Amount at Maturity as of April 3, 2012, of \$639.77 per \$1,000 of Principal Amount at Maturity as of April 3, 2017, of \$742.47 per \$1,000 of Principal Amount at Maturity as of April 3, 2022, and of \$861.67 per \$1,000 of Principal Amount at Maturity as of April 3, 2027, (each, a "Purchase Price", as applicable), at the option of the Holder thereof, upon:

(1) delivery to the Paying Agent, by the Holder of a written notice of purchase (a "Purchase Notice") at any time from the opening of business on the date that is at least 20 Business Days prior to a Purchase Date until the close of business on such Purchase Date stating:

(A) the certificate number of the Security which the Holder will deliver to be purchased,

(B) the portion of the Principal Amount at Maturity of the Security which the Holder will deliver to be purchased, which portion must be a Principal Amount at Maturity of \$1,000 or an integral multiple thereof,

(C) that such Security shall be purchased as of the Purchase Date pursuant to the terms and conditions specified in paragraph 7 of the Securities and in this Indenture, and

(D) in the event the Company elects, pursuant to Section 3.08(b), to pay the Purchase Price to be paid as of such Purchase Date, in whole or in part, in shares of Common Stock but such portion of the Purchase Price shall ultimately be payable to such Holder entirely in cash because any of the conditions to payment of the Purchase Price in Common Stock is not satisfied prior to the close of business on such Purchase Date, as set forth in Section 3.08(d), whether such Holder elects (i) to withdraw such Purchase Notice as to some or all of the Securities to which such Purchase Notice relates (stating the Principal Amount at Maturity and certificate numbers of the Securities as to which such withdrawal shall relate), or (ii) to receive cash in respect of the entire Purchase Price for all Securities (or portions thereof) to which such Purchase Notice relates; and

(2) delivery of such Security to the Paying Agent prior to, on or after the Purchase Date (together with all necessary endorsements) at the offices of the Paying Agent, such delivery being a condition to receipt by the Holder of the Purchase Price therefor; provided, however, that such Purchase Price shall be so paid pursuant to this Section 3.08 only if the Security so delivered to the Paying Agent shall conform in all respects to the description thereof in the related Purchase Notice, as determined by the Company.

If a Holder, in such Holder's Purchase Notice and in any written notice of withdrawal delivered by such Holder pursuant to the terms of Section 3.10, fails to indicate such Holder's choice with respect to the election set forth in clause (D) of Section 3.08(a)(1), such Holder shall be deemed to have elected to receive cash in respect of the Purchase Price for all Securities subject to such Purchase Notice in the circumstances set forth in such clause (D).

The Company shall purchase from the Holder thereof, pursuant to this Section 3.08, a portion of a Security if the Principal Amount at Maturity 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 Security also apply to the purchase of such portion of such Security.

Any purchase by the Company contemplated pursuant to the provisions of this Section 3.08 shall be consummated by the delivery of the consideration to be received by the Holder (together with accrued and unpaid contingent interest, if any) promptly following the later of the Purchase Date and the time of delivery of the Security.

Notwithstanding anything herein to the contrary, any Holder delivering to the Paying Agent the Purchase Notice contemplated by this Section 3.08(a) shall have the right to withdraw such Purchase Notice at any time prior to the close of business on the Purchase Date by delivery of a written notice of withdrawal to the Paying Agent in accordance with Section 3.10.

The Paying Agent shall promptly notify the Company of the receipt by it of any Purchase Notice or written notice of withdrawal thereof.

(b) Company's Right to Elect Manner of Payment of Purchase Price. The Securities to be purchased pursuant to Section 3.08(a) may be paid for, at the election of the Company, in U.S. legal tender ("cash") or Common Stock, or in any combination of cash and Common Stock, subject to the conditions set forth in Sections 3.08(c) and (d). The Company shall designate, in the Company Notice delivered pursuant to Section 3.08(e), whether the Company will purchase the Securities for cash or Common Stock, or, if a combination thereof, the percentages or amounts of the Purchase Price of Securities in respect of which it will pay in cash or Common Stock; provided that the Company will pay cash for fractional interests in Common Stock. For purposes of determining the existence of potential fractional interests, all Securities subject to purchase by the Company held by a Holder shall be considered together (no matter how many separate certificates are to be presented). Each Holder whose Securities are purchased pursuant to this Section 3.08 shall receive the same percentage of cash or Common Stock in payment of the Purchase Price for such Securities, except (i) as provided in Section 3.08(d) with regard to the payment of cash in lieu of fractional shares of Common Stock and (ii) in the event that the Company is unable to purchase the Securities 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 Securities of such Holder or Holders for cash. The Company may not change its election with respect to the consideration (or components or percentages of components thereof) to be paid once the Company has given its Company Notice to Securityholders except pursuant to this Section 3.08(b) or pursuant to Section 3.08(d) in the event of a failure to satisfy, prior to the close of business on the Purchase Date, any condition to the payment of the Purchase Price, in whole or in part, in Common Stock.

At least three Business Days before the Company Notice Date, the Company shall deliver an Officers' Certificate to the Trustee specifying:

- (i) the manner of payment selected by the Company,
- (ii) the information required by Section 3.08(e),
- (iii) if the Company elects to pay the Purchase Price, or a specified percentage thereof, in Common Stock, that the conditions to such manner of payment set forth in Section 3.08(d) have been or will be complied with, and
- (iv) whether the Company desires the Trustee to give the Company Notice required by Section 3.08(e).

(c) Purchase with Cash. On each Purchase Date, at the option of the Company, the Purchase Price of Securities in respect of which a Purchase Notice pursuant to Section 3.08(a) has been given, or a specified percentage thereof, may be paid by the Company with cash equal to the aggregate Purchase Price of such Securities. If the Company elects to purchase Securities with cash, the Company Notice, as provided in Section 3.08(e), 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").

(d) Payment by Issuance of Common Stock. On each Purchase Date, at the option of the Company, the Purchase Price of Securities in respect of which a Purchase Notice pursuant to Section 3.08(a) has been given, or a specified percentage thereof, may be paid by the Company by the issuance of a number of shares of Common Stock equal to the quotient obtained by dividing (i) the amount of cash to which the Securityholders would have been entitled had the Company elected to pay all or such specified percentage, as the case may be, of the Purchase Price of such Securities in cash by (ii) the Market Price of a share of Common Stock, subject to the next succeeding paragraph.

The Company will not issue a fractional share of Common Stock in payment of the Purchase Price. Instead the Company will pay cash for the current market value of the fractional share. The current market value of a fraction of a share shall be determined by multiplying the Market Price by such fraction and rounding the product to the nearest whole cent. It is understood that if a Holder elects to have more than one Security purchased, the number of shares of Common Stock shall be based on the aggregate amount of Securities to be purchased.

If the Company elects to purchase the Securities by the issuance of shares of Common Stock, the Company Notice, as provided in Section 3.08(e), 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 Securities pursuant to Section 3.08 through the issuance of shares 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 Securities with Common Stock as provided herein;

(ii) the shares of Common Stock having been admitted for listing or admitted for listing subject to notice of issuance on the principal United States securities exchange on which the Common Stock is then listed or, if the Common Stock is not then listed on a national or regional securities exchange, as quoted on the National Association of Securities Dealers Automated Quotation System;

(iii) the registration of the shares of Common Stock to be issued in respect of the payment of the Purchase Price under the Securities Act of 1933, as amended (the "Securities Act"), or the Securities Exchange Act of 1934, as amended (the "Exchange Act"), in each case, if required;

(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 with this Indenture and (B) the shares of Common Stock to be issued by the Company in payment of the Purchase Price in respect of Securities have been duly authorized and, when issued and delivered pursuant to the terms of this Indenture in payment of the Purchase Price in respect of the Securities, will be validly issued, fully paid and non-assessable and, to the best of such counsel's knowledge, free from preemptive rights under law or material contracts, and, in the case of such Officers' 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 at Maturity of Securities and the Sale Price of a share of Common Stock on each trading day during the period for which the Market Price is calculated. The Company may pay the Purchase Price (or any portion thereof) in Common Stock only if the information necessary to calculate the Market Price is published in a daily newspaper of national circulation. If the foregoing conditions are not satisfied with respect to a Holder or Holders prior to the close of business on the Purchase Date and the Company has elected to purchase the Securities pursuant to this Section 3.08 through the issuance of shares of Common Stock, the Company shall pay the entire Purchase Price of the Securities of such Holder or Holders in cash.

The "Market Price" of the Common Stock means the average of the Sale Prices of the Common Stock for the five trading day period ending on the third Business Day (if the third Business Day prior to the applicable Purchase Date is a trading day or, if not, then on the last trading day) prior to the applicable 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 any event described in Section 11.06, 11.07 or 11.08; subject, however, to the conditions set forth in Sections 11.09 and 11.10.

(e) Notice of Election. The Company's notice of election to purchase with cash or Common Stock or any combination thereof shall be sent to the Holders (and to beneficial owners as required by applicable law) in the manner provided in Section 14.02 at the time specified in Section 3.08(c) or (d), 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 Purchase Price (or a specified percentage thereof) with Common Stock, the Company Notice shall:

(1) state that each Holder will receive Common Stock with a Market Price determined as of a specified date prior to the Purchase Date equal to such specified percentage of the Purchase Price of the Securities held by such Holder (except any cash amount to be paid in lieu of fractional shares);

(2) set forth the method of calculating the Market Price of the Common Stock; and

(3) state that because the Market Price of Common Stock will be determined prior to the Purchase Date, Holders will bear the market risk with respect to the value of the Common Stock to be received from the date such Market Price is determined to the Purchase Date.

In any case, each Company Notice shall include a form of Purchase Notice to be completed by a Securityholder and shall state:

(i) the Purchase Price, the Conversion Rate and, to the extent known at the time of such notice, the amount of contingent interest, if any, that will be accrued and payable with respect to the Securities as of the Purchase Date;

(ii) the name and address of the Paying Agent and the Conversion Agent;

(iii) that Securities as to which a Purchase Notice has been given may be converted pursuant to Article 11 hereof only if the applicable Purchase Notice has been withdrawn in accordance with the terms of this Indenture;

(iv) that Securities must be surrendered to the Paying Agent to collect payment of the Purchase Price and contingent interest, if any;

(v) that the Purchase Price for any Security as to which a Purchase Notice has been given and not withdrawn, together with any accrued contingent interest payable with respect thereto, will be paid promptly following the later of the Purchase Date and the time of surrender of such Security as described in (iv);

(vi) the procedures the Holder must follow to exercise rights under Section 3.08 and a brief description of those rights;

(vii) briefly, the conversion rights of the Securities;

(viii) the procedures for withdrawing a Purchase Notice (including, without limitation, for a conditional withdrawal pursuant to the terms of Section 3.08(a)(1)(D) or Section 3.10);

(ix) that, unless the Company defaults in making payment of such Purchase Price and contingent interest, if any, Original Issue Discount and interest (including contingent interest), if any, on Securities surrendered for purchase will cease to accrue on and after the Purchase Date; and

(x) the CUSIP number of the 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 at Maturity of Securities, the Company will issue a press release and publish such determination on the Company's web site on the World Wide Web.

(f) Covenants of the Company. All shares of Common Stock delivered upon purchase of the Securities shall be newly issued shares or treasury shares, shall be duly authorized, validly issued, fully paid and nonassessable and shall be free from preemptive rights and free of any lien or adverse claim created by the Company.

(g) Procedure upon Purchase. The Company shall deposit cash (in respect of a cash purchase under Section 3.08(c) or for fractional interests or contingent interest, as applicable) or shares of Common Stock, or a combination thereof, as applicable, at the time and in the manner as provided in Section 3.11, sufficient to pay the aggregate Purchase Price of, and any accrued and unpaid contingent interest with respect to, all Securities to be purchased pursuant to this Section 3.08. As soon as practicable after the Purchase Date, the Company shall deliver to each Holder entitled to receive Common Stock through the Paying Agent, a certificate for the number of full shares of Common Stock issuable in payment of the Purchase Price and cash in lieu of any fractional interests. The person in whose name the certificate for Common Stock is registered shall be treated as a holder of record of shares of Common Stock on the Business Day following the Purchase Date. Subject to Section 3.08(d), no payment or adjustment will be made for dividends on the Common Stock the record date for which occurred on or prior to the Purchase Date.

(h) Taxes. If a Holder of a Security is paid in Common Stock, the Company shall pay any documentary, stamp or similar issue or transfer tax due on such issue of shares of Common Stock. However, the Holder shall pay any such tax which is due because the Holder requests the shares of Common Stock to be issued in a name other than the Holder's name. The Paying Agent may refuse to deliver the certificates representing the Common Stock being issued in a name other than the Holder's name until the Paying Agent receives a sum sufficient to pay any tax which will be due because the shares of Common Stock are to be issued in a name other than the Holder's name. Nothing herein shall preclude any income tax withholding required by law or regulations.

SECTION 3.09 Purchase of Securities at Option of the Holder upon Change in Control.

(a) If on or prior to April 3, 2007 there shall have occurred a Change in Control, Securities shall be purchased by the Company, at the option of the Holder thereof, at a purchase price specified in paragraph 7 of the Securities (the "Change in Control Purchase Price"), as of the date that is no later than 35 Business Days after the occurrence of the Change in Control but in no event prior to the date on which such Change in Control occurs (the "Change in Control Purchase Date"), subject to satisfaction by or on behalf of the Holder of the requirements set forth in Section 3.09(c).

A "Change in Control" shall be deemed to have occurred at such time as either of the following events shall occur:

(i) There shall be consummated any share exchange, consolidation or merger of the Company pursuant to which the Common Stock would be converted into cash, securities or other property, in each case other than a share exchange, consolidation or merger of the Company in which the holders of the Common Stock immediately prior to the share exchange, consolidation or merger have, directly or indirectly, at least a majority of the total voting power in the aggregate of all classes of Capital Stock of the continuing or surviving corporation immediately after the share exchange, consolidation or merger; or

(ii) There is a report filed on Schedule 13D or T0 (or any successor schedule, form or report) pursuant to the Exchange Act, disclosing that any person including its Affiliates or Associates (for the purposes of this Section 3.09 only, as the term "person" is used in Section 13(d)(3) or Section 14(d)(2) of the Exchange Act) has become the beneficial owner (as the term "beneficial owner" is defined under Rule 13d-3 or any successor rule or regulation promulgated under the Exchange Act) of 50% or more of the voting power of the Common Stock then outstanding; provided, however, that a person shall not be deemed beneficial owner of, or to own beneficially, (A) any securities tendered pursuant to a tender or exchange offer made by or on behalf of such person or any of such person's Affiliates or Associates until such tendered securities are accepted for purchase or exchange thereunder, or (B) any securities if such beneficial ownership (1) arises solely as a result of a revocable proxy delivered in response to a proxy or consent solicitation made pursuant to the applicable rules and regulations under the Exchange Act, and (2) is not also then reportable on Schedule 13D (or any successor schedule) under the Exchange Act.

Notwithstanding the foregoing provisions of this Section 3.09, a Change in Control shall not be deemed to have occurred by virtue of the Company, any Subsidiary, any employee stock ownership plan or any other employee benefit plan of the Company or any Subsidiary, or any person holding Common Stock for or pursuant to the terms of any such employee benefit plan, filing or becoming obligated to file a report under or in response to Schedule 13D or Schedule T0 (or any successor schedule, form or report) under the Exchange Act disclosing beneficial ownership by it of shares of Common Stock, whether in excess of 50% or otherwise.

"Associate" shall have the meaning ascribed to such term in Rule 12b-2 of the General Rules and Regulations under the Exchange Act, as in effect on the date hereof.

(b) Within 15 Business Days after the occurrence of a Change in Control, the Company shall mail a written notice of Change in Control by first-class mail to the Trustee and to each Holder (and to beneficial owners as required by applicable law). The notice shall include a form of Change in Control Purchase Notice to be completed by the Securityholder and shall state:

(1) briefly, the events causing a Change in Control and the date of such Change in Control;

- (2) the date by which the Change in Control Purchase Notice pursuant to this Section 3.09 must be given;
- (3) the Change in Control Purchase Date;
- (4) the Change in Control Purchase Price and, to the extent known at the time of such notice, the amount of contingent interest, if any, that will be accrued and payable with respect to the Securities as of the Change in Control Purchase Date;
- (5) the name and address of the Paying Agent and the Conversion Agent;
- (6) the Conversion Rate and any adjustments thereto;
- (7) that Securities as to which a Change in Control Purchase Notice has been given may be converted pursuant to Article 11 hereof only if the Change in Control Purchase Notice has been withdrawn in accordance with the terms of this Indenture;
- (8) that Securities must be surrendered to the Paying Agent to collect payment of the Change in Control Purchase Price and contingent interest, if any;
- (9) that the Change in Control Purchase Price for any Security as to which a Change in Control Purchase Notice has been duly given and not withdrawn, together with any accrued contingent interest payable with respect thereto, will be paid promptly following the later of the Change in Control Purchase Date and the time of surrender of such Security as described in (8);
- (10) briefly, the procedures the Holder must follow to exercise rights under this Section 3.09;
- (11) briefly, the conversion rights of the Securities;
- (12) the procedures for withdrawing a Change in Control Purchase Notice;
- (13) that, unless the Company defaults in making payment of such Change in Control Purchase Price and contingent interest, if any, Original Issue Discount and interest (including contingent interest), if any, on Securities surrendered for purchase will cease to accrue on and after the Change in Control Purchase Date; and
- (14) the CUSIP number of the Securities.

(c) A Holder may exercise its rights specified in Section 3.09(a) upon delivery of a written notice of purchase (a "Change in Control Purchase Notice") to the Paying Agent at any time prior to the close of business on the Change in Control Purchase Date, stating:

- (1) the certificate number of the Security which the Holder will deliver to be purchased;

(2) the portion of the Principal Amount at Maturity of the Security which the Holder will deliver to be purchased, which portion must be \$1,000 or an integral multiple thereof; and

(3) that such Security shall be purchased pursuant to the terms and conditions specified in paragraph 7 of the Securities.

The delivery of such Security to the Paying Agent prior to, on or after the Change in Control Purchase Date (together with all necessary endorsements) at the offices of the Paying Agent shall be a condition to the receipt by the Holder of the Change in Control Purchase Price therefor; provided, however, that such Change in Control Purchase Price shall be so paid pursuant to this Section 3.09 only if the Security so delivered to the Paying Agent shall conform in all respects to the description thereof set forth in the related Change in Control Purchase Notice.

The Company shall purchase from the Holder thereof, pursuant to this Section 3.09, a portion of a Security if the Principal Amount at Maturity 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 Security also apply to the purchase of such portion of such Security.

Any purchase by the Company contemplated pursuant to the provisions of this Section 3.09 shall be consummated by the delivery of the consideration to be received by the Holder (together with accrued and unpaid contingent interest, if any) promptly following the later of the Change in Control Purchase Date and the time of delivery of the Security to the Paying Agent in accordance with this Section 3.09.

Notwithstanding anything herein to the contrary, any Holder delivering to the Paying Agent the Change in Control Purchase Notice contemplated by this Section 3.09(c) shall have the right to withdraw such Change in Control Purchase Notice at any time prior to the close of business on the Change in Control Purchase Date by delivery of a written notice of withdrawal to the Paying Agent in accordance with Section 3.10.

The Paying Agent shall promptly notify the Company of the receipt by it of any Change in Control Purchase Notice or written withdrawal thereof.

The Company shall not be required to comply with this Section 3.09 if a third party mails a written notice of Change in Control in the manner, at the times and otherwise in compliance with this Section 3.09 and repurchases all Securities for which a Change in Control Purchase Notice shall be delivered and not withdrawn.

SECTION 3.10 Effect of Purchase Notice or Change in Control Purchase Notice. Upon receipt by the Paying Agent of the Purchase Notice or Change in Control Purchase Notice specified in Section 3.08(a) or Section 3.09(c), as applicable, the Holder of the Security in respect of which such Purchase Notice or Change in Control Purchase Notice, as the case may be, was given shall (unless such Purchase Notice or Change in Control Purchase Notice is withdrawn as specified in the following two paragraphs) thereafter be entitled to receive solely the Purchase Price or Change in Control Purchase Price, as the case may be, and any accrued and unpaid interest, with respect to such Security. Such Purchase Price or Change in Control Purchase Price and contingent interest, if any, shall be paid to such Holder, subject to receipt of funds and/or securities by the Paying Agent, promptly following the later of (x) the Purchase Date or the Change in Control Purchase Date, as the case may be, with respect to such Security (provided the conditions in Section 3.08(a) or Section 3.09(c), as applicable, have been satisfied) and (y) the time of delivery of such Security to the Paying Agent by the Holder thereof in the manner required by Section 3.08(a) or Section 3.09(c), as applicable. Securities in respect of which a Purchase Notice or Change in Control Purchase Notice, as the case may be, has been given by the Holder thereof may not be converted pursuant to Article 11 hereof on or after the date of the delivery of such Purchase Notice or Change in Control Purchase Notice, as the case may be, unless such Purchase Notice or Change in Control Purchase Notice, as the case may be, has first been validly withdrawn as specified in the following two paragraphs.

A Purchase Notice or Change in Control Purchase Notice, as the case may be, may be withdrawn by means of a written notice of withdrawal delivered to the office of the Paying Agent in accordance with the Purchase Notice or Change in Control Purchase Notice, as the case may be, at any time prior to the close of business on the Purchase Date or the Change in Control Purchase Date, as the case may be, specifying:

- (1) the certificate number of the Security in respect of which such notice of withdrawal is being submitted,
- (2) the Principal Amount at Maturity of the Security with respect to which such notice of withdrawal is being submitted, and
- (3) the Principal Amount at Maturity, if any, of such Security which remains subject to the original Purchase Notice or Change in Control Purchase Notice, as the case may be, and which has been or will be delivered for purchase by the Company.

A written notice of withdrawal of a Purchase Notice may be in the form set forth in the preceding paragraph or may be in the form of (i) a conditional withdrawal contained in a Purchase Notice pursuant to the terms of Section 3.08(a)(1)(D) or (ii) a conditional withdrawal containing the information set forth in Section 3.08(a)(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 Securities pursuant to Section 3.08 (other than through the issuance of Common Stock in payment of the Purchase Price, including cash in lieu of fractional shares) or 3.09 if there has occurred (prior to, on or after, as the case may be, the giving, by the Holders of such Securities, of the required Purchase Notice or Change in Control Purchase Notice, as the case may be) and is continuing an Event of Default (other than a default in the payment of the Purchase Price or Change in Control Purchase Price, as the case may be, and any accrued and unpaid contingent interest with respect to such Securities). The Paying Agent will promptly return to the respective Holders thereof any Securities (x) with respect to which a Purchase Notice or Change in Control Purchase Notice, as the case may be, has been withdrawn in compliance with this Indenture, or (y) held by it during the continuance of an Event of Default (other than a default in the payment of the Purchase Price or Change in Control Purchase Price, as the case may be, and any accrued and unpaid contingent interest with respect to such Securities) in which case, upon such return, the Purchase Notice or Change in Control Purchase Notice with respect thereto shall be deemed to have been withdrawn.

SECTION 3.11 Deposit of Purchase Price or Change in Control Purchase Price. Prior to 10:00 a.m., New York City time, on the Business Day following the Purchase Date or the Change in Control Purchase Date, as the case may be, the Company shall deposit with the Trustee or with the Paying Agent (or, if the Company or a Subsidiary or an Affiliate of either of them is acting as the Paying Agent, shall segregate and hold in trust as provided in Section 2.04) an amount of money (in immediately available funds if deposited on such Business Day) or Common Stock, if permitted hereunder, sufficient to pay the aggregate Purchase Price or Change in Control Purchase Price, as the case may be, of, and any accrued and unpaid contingent interest with respect to, all the Securities or portions thereof which are to be purchased as of the Purchase Date or Change in Control Purchase Date, as the case may be.

SECTION 3.12 Securities Purchased in Part. Any Security which is to be purchased only in part shall be surrendered at the office of the Paying Agent (with, if the Company or the Trustee so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the Company and the Trustee duly executed by, the Holder thereof or such Holder's attorney duly authorized in writing) and the Company shall execute and the Trustee shall authenticate and deliver to the Holder of such Security, without service charge, a new Security or Securities, of any authorized denomination as requested by such Holder in aggregate Principal Amount at Maturity equal to, and in exchange for, the portion of the Principal Amount at Maturity of the Security so surrendered which is not purchased.

SECTION 3.13 Covenant to Comply With Securities Laws Upon Purchase of Securities. In connection with any offer to purchase or purchase of Securities under Section 3.08 or 3.09 hereof (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 to the extent applicable (i) comply with Rule 13e-4 and Rule 14e-1 under the Exchange Act, (ii) file the related Schedule TO (or any successor schedule, form or report) under the Exchange Act, and (iii) otherwise comply with all Federal and state securities laws so as to permit the rights and obligations under Sections 3.08 and 3.09 to be exercised in the time and in the manner specified in Sections 3.08 and 3.09.

SECTION 3.14 Repayment to the Company. The Trustee and the Paying Agent shall promptly return to the Company any cash or shares of Common Stock that remain unclaimed as provided in paragraph 15 of the Securities, together with interest or dividends, if any, thereon (subject to the provisions of Section 7.01(f)), held by them for the payment of the Purchase Price or Change in Control Purchase Price, as the case may be, or contingent interest, if any; provided, however, that to the extent that the aggregate amount of cash or shares of Common Stock deposited by the Company pursuant to Section 3.11 exceeds the aggregate Purchase Price or Change in Control Purchase Price, as the case may be, of, and the accrued and unpaid contingent interest with respect to, the Securities or portions thereof which the Company is obligated to purchase as of the Purchase Date or Change in Control Purchase Date, as the case may be, whether as a result of withdrawal or otherwise, then promptly after the Business Day following the Purchase Date or Change in Control Purchase Date, as the case may be, the Trustee shall return any such excess to the Company together with interest or dividends, if any, thereon (subject to the provisions of Section 7.01(f)).

ARTICLE 4

COVENANTS

SECTION 4.01 Payment of Securities. The Company shall promptly make all payments in respect of the Securities on the dates and in the manner provided in the Securities or pursuant to this Indenture. Any amounts to be given to the Trustee or Paying Agent, shall be deposited with the Trustee or Paying Agent by 10:00 a.m., New York City time, by the Company. Principal Amount at Maturity, Restated Principal Amount, Issue Price plus accrued Original Issue Discount, Redemption Price, Purchase Price, Change in Control Purchase Price, and contingent interest, if any, shall be considered paid on the applicable date due if on such date (or, in the case of a Purchase Price or Change in Control Purchase Price, on the Business Day following the applicable Purchase Date or Change in Control Purchase Date, as the case may be) the Trustee or the Paying Agent holds, in accordance with this Indenture, money or securities, if permitted hereunder, sufficient to pay all such amounts then due.

The Company shall, to the extent permitted by law, pay interest on overdue amounts at the rate per annum set forth in paragraph 1 of the Securities, compounded semiannually, which interest shall accrue from the date such overdue amount was originally due to the date payment of such amount, including interest thereon, has been made or duly provided for. All such interest shall be payable on demand. The accrual of such interest on overdue amounts shall be in lieu of, and not in addition to, the continued accrual of Original Issue Discount.

SECTION 4.02 SEC and Other Reports. If requested by the Trustee, the Company shall deliver to the Trustee, within 15 days after it files such annual and quarterly reports, information, documents and other reports with the SEC, copies of its annual report and of the information, documents and other reports (or copies of such portions of any of the foregoing as the SEC may by rules and regulations prescribe) which the Company is required to file with the SEC pursuant to Section 13 or 15(d) of the Exchange Act. The Company also shall comply with the provisions of TIA Section 314(a). Delivery of such reports, information and documents to the Trustee is for informational purposes only and the Trustee's receipt of the same shall not constitute constructive notice of any information contained therein or determinable from information contained therein, including the Company's compliance with any of its covenants hereunder (as to which the Trustee is entitled to rely exclusively on Officers' Certificates).

SECTION 4.03 Compliance Certificate. The Company shall deliver to the Trustee within 120 days after the end of each fiscal year of the Company (beginning with the fiscal year ending on August 2, 2002) an Officers' Certificate, stating whether or not to the best knowledge of the signers thereof the Company is in default in the performance and observance of any of the terms, provisions and conditions of this Indenture (without regard to any period of grace or requirement of notice provided hereunder) and if the Company shall be in default, specifying all such defaults and the nature and status thereof of which they may have knowledge.

SECTION 4.04 Further Instruments and Acts. Upon request of the Trustee, the Company will execute and deliver such further instruments and do such further acts as may be reasonably necessary or proper to carry out more effectively the purposes of this Indenture.

SECTION 4.05 Maintenance of Office or Agency. The Company will maintain in the Borough of Manhattan, The City of New York, an office or agency of the Trustee, Registrar, Paying Agent and Conversion Agent where Securities may be presented or surrendered for payment, where Securities may be surrendered for registration of transfer, exchange, purchase, redemption or conversion and where notices and demands to or upon the Company in respect of the Securities and this Indenture may be served. The office of the Trustee, located at 12 East 49th Street, 37th Floor, New York, New York 10017 (Attention: Corporate Trust Department), shall initially be such office or agency for all of the aforesaid purposes. The Company shall give prompt written notice to the Trustee of the location, and of any change in the location, of any such office or agency (other than a change in the location of the office of the Trustee). If at any time the Company shall fail to maintain any such required office or agency or shall fail to furnish the Trustee with the address thereof, such presentations, surrenders, notices and demands may be made or served at the address of the Trustee set forth in Section 14.02.

The Company may also from time to time designate one or more other offices or agencies where the Securities may be presented or surrendered for any or all such purposes and may from time to time rescind such designations; provided, however, that no such designation or rescission shall in any manner relieve the Company of its obligation to maintain an office or agency in the Borough of Manhattan, The City of New York, for such purposes.

SECTION 4.06 Delivery of Certain Information. At any time when the Company is not subject to Section 13 or 15(d) of the Exchange Act, upon the request of a Holder or any beneficial holder of Securities or shares of Common Stock which are restricted securities issued upon conversion thereof, the Company will promptly furnish or cause to be furnished Rule 144A Information (as defined below) to such Holder or any beneficial holder of Securities or holder of shares of Common Stock issued upon conversion of Securities, or to a prospective purchaser of any such security designated by any such holder, as the case may be, to the extent required to permit compliance by such Holder or holder with Rule 144A under the Securities Act in connection with the resale of any such security. "Rule 144A Information" shall be such information as is specified pursuant to Rule 144A(d)(4) under the Securities Act.

SECTION 4.07 Calculation of Original Issue Discount. The Company agrees, and each Holder and any beneficial owner of a Security by its purchase thereof shall be deemed to agree, to treat, for United States federal income tax purposes, the Securities as debt instruments that are subject to Section 1.1275-4(b) of the Treasury regulations promulgated by the United States Department of the Treasury pursuant to the Internal Revenue Code of 1986, as amended (the "Treasury Regulations"). For United States federal income tax purposes, the Company and each Holder or beneficial holder of a Security agree to treat the fair market value of the Common Stock received upon the conversion of a Security as a

contingent payment for purposes of Treasury Regulation Section 1.1275-4(b), and to accrue interest with respect to outstanding Securities as original issue discount ("Tax Original Issue Discount") according to the "noncontingent bond method," set forth in section 1.1275-4(b) of the Treasury Regulations, using a comparable yield of 7.32 percent, compounded semiannually and the projected payment schedule attached as Annex C to this Indenture. The Company shall file with the Trustee promptly at the end of each calendar year (i) a written notice specifying the amount of Tax Original Issue Discount for United States federal income tax purposes (including daily rates and accrual periods) accrued on outstanding Securities as of the end of such year and (ii) such other specific information relating to such Tax Original Issue Discount as may then be relevant under the Internal Revenue Code of 1986, as amended from time to time, including the amount of any adjustment made under the noncontingent bond method to account for the amount of any difference between the amount of an actual payment and the amount of a projected payment.

The Company acknowledges and agrees, and each Holder and any beneficial owner of a Security by its purchase thereof shall be deemed to acknowledge and agree, that (i) the comparable yield and the schedule of projected payments are determined on the basis of an assumption of linear growth of the stock price and are not determined for any purpose other than for the determination of interest accruals and adjustments thereof in respect of the Securities for United States federal income tax purposes and (ii) the comparable yield and the schedule of projected payments do not constitute a projection or representation regarding the amounts payable on the Securities.

SECTION 4.08 Limitation on Guarantees of Indebtedness by Domestic Subsidiaries. The Company will not permit any domestic Subsidiary to guarantee the payment of any Debt of the Company unless such domestic Subsidiary simultaneously executes and delivers a supplemental indenture to the indenture providing for a Guarantee of the Securities by such domestic Subsidiary to the extent required in Article 13 hereof.

ARTICLE 5

SUCCESSOR CORPORATION

SECTION 5.01 When Company May Merge or Transfer Assets. The Company shall not consolidate with or merge with or into any other person or convey, transfer or lease all or substantially all of its properties and assets to any person, nor will the Company permit any Subsidiary to enter into any such transaction or series of transactions if such transaction or series of transactions, in the aggregate, would result in a sale, assignment, transfer, lease or other disposition of all or substantially all of the properties and assets of the Company and its Subsidiaries on a consolidated basis to any other person or persons, unless:

(a) either (1) the Company or such subsidiary shall be the surviving corporation or (2) the person (if other than the Company) formed by such consolidation or into which the Company or such Subsidiary is merged or the person which acquires by conveyance, transfer or lease the properties and assets of the Company or such Subsidiary substantially as an entirety (i) shall be organized and validly existing under the laws of the United States or any state thereof or the District of Columbia and (ii) shall expressly assume, by an indenture supplemental hereto, executed and delivered to the Trustee, in form reasonably satisfactory to the Trustee, all of the obligations of the Company or such Subsidiary under the Securities and this Indenture;

(b) immediately after giving effect to such transaction, no Default shall have occurred and be continuing; and

(c) the Company shall have 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 5 and that all conditions precedent herein provided for relating to such transaction have been satisfied.

For purposes of the foregoing, the transfer (by lease, assignment, sale or otherwise) of the properties and assets of one or more Subsidiaries (other than to the Company or another Subsidiary), which, if such assets were owned by the Company, would constitute all or substantially all of the properties and assets of the Company, shall be deemed to be the transfer of all or substantially all of the properties and assets of the Company.

The successor person formed by such consolidation or into which the Company or the applicable Subsidiary is merged or the successor person 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 or the applicable Subsidiary under this Indenture with the same effect as if such successor had been named as the Company or the applicable Subsidiary herein; and thereafter, except in the case of a lease and any obligations the Company or the applicable Subsidiary may have under a supplemental indenture pursuant to Section 11.14, the Company or the applicable Subsidiary shall be discharged from all obligations and covenants under this Indenture and the Securities. Subject to Section 9.06, the Company, the applicable Subsidiary, the Trustee and the successor person shall enter into a supplemental indenture to evidence the succession and substitution of such successor person and such discharge and release of the Company and the applicable Subsidiary.

ARTICLE 6

DEFAULTS AND REMEDIES

SECTION 6.01 Events of Default. An "Event of Default" occurs if:

(1) the Company defaults in payment of any contingent interest or of interest which becomes payable after the Securities have been converted to semiannual coupon notes following the occurrence of a Tax Event, which default, in either case, continues for 30 days;

(2) the Company defaults in the payment of the Principal Amount at Maturity (or, if the Securities have been converted to semiannual coupon notes following a Tax Event pursuant to Article 10, the Restated Principal Amount), Issue Price plus accrued Original Issue Discount, Redemption Price, Purchase Price or Change in Control Purchase Price on any Security when the same becomes due and payable at its Stated Maturity, upon redemption, upon declaration, when due for purchase by the Company or otherwise;

(3) the Company or any Guarantor fails to comply with any of the other agreements in the Securities, any Guarantee or this Indenture (other than those referred to in clauses (1) and (2) above) and such failure continues for 60 days after receipt by the Company of a Notice of Default;

(4) (a) failure of the Company to make any payment by the end of any applicable grace period after maturity of Debt in an amount (taken together with amounts in (b) below) in excess of \$10,000,000 and continuance of such failure, or (b) an acceleration of Debt has occurred in an amount (taken together with amounts in (a) above) in excess of \$10,000,000 because of a default with respect to such Debt without such Debt having been discharged or such acceleration having been cured, waived, rescinded or annulled, in the case of (a) or (b) above, for a period of 30 days after receipt by the Company of a Notice of Default; provided, however, that if any such failure or acceleration referred to in (a) or (b) above shall cease or be cured, waived, rescinded or annulled, then the Event of Default by reason thereof shall be deemed not to have occurred;

(5) any Guarantee ceases to be in full force and effect or is declared null and void or any Guarantor denies that it has any further liability under any Guarantee, or gives notice to such effect (other than by reason of the termination of this Indenture or the release of any such Guarantee in accordance with this Indenture) and such condition shall have continued for a period of 30 days after written notice of such failure requiring the Guarantor and the Company to remedy the same shall have been given (x) to the Company by the Trustee or (y) to the Company and the Trustee by the holders of 25% in aggregate principal amount of the Securities then outstanding; or

(6) the Company or any Significant Subsidiary pursuant to or under or within the meaning of any Bankruptcy Law:

- (A) commences a voluntary case or proceeding;
- (B) consents to the entry of an order for relief against it in an involuntary case or proceeding or the commencement of any case against it;
- (C) consents to the appointment of a Custodian of it or for any substantial part of its property;
- (D) makes a general assignment for the benefit of its creditors;
- (E) files a petition in bankruptcy or answer or consent seeking reorganization or relief; or

(F) consents to the filing of such petition or the appointment of or taking possession by a Custodian; or

(7) a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that:

(A) is for relief against the Company or any Significant Subsidiary in an involuntary case or proceeding, or adjudicates the Company or any Significant Subsidiary insolvent or bankrupt;

(B) appoints a Custodian of the Company or any Significant Subsidiary or for any substantial part of its property; or

(C) orders the winding up or liquidation of the Company or any Significant Subsidiary;

and the order or decree remains unstayed and in effect for 60 days.

"Bankruptcy Law" means Title 11, United States Code, or any similar Federal or state law for the relief of debtors.

"Custodian" means any receiver, trustee, assignee, liquidator, custodian or similar official under any Bankruptcy Law.

A Default under clause (3) or clause (4) above is not an Event of Default until the Trustee notifies the Company, or the Holders of at least 25% in aggregate Principal Amount at Maturity of the Securities at the time outstanding notify the Company and the Trustee, of the Default and the Company does not cure such Default (and such Default is not waived) within the time specified in clause (3) or clause (4) above after actual receipt of such notice. Any such notice must specify the Default, demand that it be remedied and state that such notice is a "Notice of Default".

The Company shall deliver to the Trustee, within 30 days after it becomes aware of the occurrence thereof, written notice of any event which with the giving of notice or the lapse of time, or both, would become an Event of Default under clause (3) or clause (4) above, its status and what action the Company is taking or proposes to take with respect thereto.

SECTION 6.02 Acceleration. If an Event of Default (other than an Event of Default specified in Section 6.01(6) or (7) in respect of the Company) occurs and is continuing, the Trustee by written Notice to the Company, or the Holders of at least 25% in aggregate Principal Amount at Maturity of the Securities at the time outstanding by notice to the Company and the Trustee, may declare the Issue Price plus accrued Original Issue Discount through the date of declaration, and any accrued and unpaid interest (including contingent interest) through the date of such declaration, on all the Securities to be immediately due and payable. Upon such a declaration, such Issue Price plus accrued Original Issue Discount, and such accrued and unpaid interest (including contingent interest), if any, shall be due and payable immediately. If an Event of Default specified in Section 6.01(6) or (7) occurs in respect of the Company and is continuing, the Issue Price plus accrued Original Issue Discount plus accrued and unpaid interest (including contingent interest), if any, on all the

Securities shall become and be immediately due and payable without any declaration or other act on the part of the Trustee or any Securityholders. The Holders of a majority in aggregate Principal Amount at Maturity of the Securities at the time outstanding, by notice to the Trustee (and without notice to any other Securityholder) may rescind an acceleration and its consequences if the rescission would not conflict with any judgment or decree and if all existing Events of Default have been cured or waived except nonpayment of the Issue Price plus accrued Original Issue Discount plus accrued and unpaid interest that have become due solely as a result of acceleration and if all amounts due to the Trustee under Section 7.07 have been paid. No such rescission shall affect any subsequent Default or impair any right consequent thereto.

SECTION 6.03 Other Remedies. If an Event of Default occurs and is continuing, the Trustee may pursue any available remedy to collect the payment of the Issue Price plus accrued Original Issue Discount on the Securities or to enforce the performance of any provision of the Securities or this Indenture.

The Trustee may maintain a proceeding even if the Trustee does not possess any of the Securities or does not produce any of the Securities in the proceeding. A delay or omission by the Trustee or any Securityholder in exercising any right or remedy accruing upon an Event of Default shall not impair the right or remedy or constitute a waiver of, or acquiescence in, the Event of Default. Except as set forth in Section 2.07 hereof, no remedy is exclusive of any other remedy. All available remedies are cumulative.

SECTION 6.04 Waiver of Past Defaults. Subject to Section 6.02, the Holders of a majority in aggregate Principal Amount at Maturity of the Securities at the time outstanding, by notice to the Trustee (and without notice to any other Securityholder), may waive an existing Default and its consequences except (1) an Event of Default described in Section 6.01(1) or (2), (2) a Default in respect of a provision that under Section 9.02 cannot be amended without the consent of each Securityholder affected or (3) a Default which constitutes a failure to convert any Security in accordance with the terms of Article 11. When a Default is waived, it is deemed cured, but no such waiver shall extend to any subsequent or other Default or impair any consequent right. This Section 6.04 shall be in lieu of Section 316(a)1(B) of the TIA and such Section 316(a)1(B) is hereby expressly excluded from this Indenture, as permitted by the TIA.

SECTION 6.05 Control by Majority. The Holders of a majority in aggregate Principal Amount at Maturity of the Securities at the time outstanding may direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or of exercising any trust or power conferred on the Trustee. However, the Trustee may refuse to follow any direction that conflicts with law or this Indenture or that the Trustee determines in good faith is unduly prejudicial to the rights of other Securityholders or would involve the Trustee in personal liability unless the Trustee is offered indemnity satisfactory to it. This Section 6.05 shall be in lieu of Section 316(a)1(A) of the TIA and such Section 316(a)1(A) is hereby expressly excluded from this Indenture, as permitted by the TIA.

SECTION 6.06 Limitation on Suits. A Securityholder may not pursue any remedy with respect to this Indenture or the Securities unless:

(1) the Holder gives to the Trustee written notice stating that an Event of Default is continuing;

(2) the Holders of at least 25% in aggregate Principal Amount at Maturity of the Securities at the time outstanding make a written request to the Trustee to pursue the remedy;

(3) such Holder or Holders offer to the Trustee security or indemnity satisfactory to the Trustee against any loss, liability or expense;

(4) the Trustee does not comply with the request within 60 days after receipt of such notice, request and offer of security or indemnity; and

(5) the Holders of a majority in aggregate Principal Amount at Maturity of the Securities at the time outstanding do not give the Trustee a direction inconsistent with the request during such 60-day period.

A Securityholder may not use this Indenture to prejudice the rights of any other Securityholder or to obtain a preference or priority over any other Securityholder.

SECTION 6.07 Rights of Holders to Receive Payment. Notwithstanding any other provision of this Indenture, the right of any Holder to receive payment of the Principal Amount at Maturity (or if the Securities have been converted to semiannual coupon notes following a Tax Event pursuant to Article 10, the Restated Principal Amount), Issue Price plus accrued Original Issue Discount, Redemption Price, Purchase Price, Change in Control Purchase Price, contingent interest or interest, if any, in respect of the Securities held by such Holder, on or after the respective due dates expressed in the Securities or any Redemption Date, and to convert the Securities in accordance with Article 11, or to bring suit for the enforcement of any such payment on or after such respective dates or the right to convert, shall not be impaired or affected adversely without the consent of such Holder.

SECTION 6.08 Collection Suit by Trustee. If an Event of Default described in Section 6.01(1) or (2) occurs and is continuing, the Trustee may recover judgment in its own name and as trustee of an express trust against the Company for the whole amount owing with respect to the Securities and the amounts provided for in Section 7.07.

SECTION 6.09 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 Amount at Maturity, Restated Principal Amount, Issue Price plus accrued Original Issue Discount, Redemption Price, Purchase Price, Change in Control Purchase Price, contingent interest or interest, if any, in respect 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 any such amount) shall be entitled and empowered, by intervention in such proceeding or otherwise,

(a) to file and prove a claim for the whole amount of the Principal Amount at Maturity, Restated Principal Amount, Issue Price plus accrued Original Issue Discount, Redemption Price, Purchase Price, Change in Control Purchase Price, and interest (including contingent interest), if any, as the case may be, and to file such other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel or any other amounts due the Trustee under Section 7.07) and of the Holders allowed in such judicial proceeding, and

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

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or similar official in any such judicial proceeding is hereby authorized by each Holder to make such payments to the Trustee and, in the event that the Trustee shall consent to the making of such payments directly to the Holders, to pay the Trustee any amount due it for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under Section 7.07.

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 6.10 Priorities. If the Trustee collects any money pursuant to this Article 6, it shall pay out the money in the following order:

FIRST: to the Trustee for amounts due under Section 7.07;

SECOND: to Securityholders for amounts due and unpaid on the Securities for the Principal Amount at Maturity, Restated Principal Amount, Issue Price plus accrued Original Issue Discount, Redemption Price, Purchase Price, Change in Control Purchase Price, and interest (including contingent interest), if any, as the case may be, ratably, without preference or priority of any kind, according to such amounts due and payable on the Securities; and

THIRD: the balance, if any, to the Company.

The Trustee may fix a record date and payment date for any payment to Securityholders pursuant to this Section 6.10. At least 15 days before such record date, the Trustee shall mail to each Securityholder and the Company a notice that states the record date, the payment date and the amount to be paid.

SECTION 6.11 Undertaking for Costs. In any suit for the enforcement of any right or remedy under this Indenture or in any suit against the Trustee for any action taken or omitted by it as Trustee, a court in its discretion may require the filing by any party litigant (other than the Trustee) in the suit of an undertaking to pay the costs of the suit, and the court in its discretion may assess reasonable costs, including reasonable attorneys' fees and expenses, against any party litigant in the suit, having due regard to the merits and good faith of the claims or defenses made by the party litigant. This Section 6.11 does not apply to a suit by the Trustee, a suit by a Holder pursuant to Section 6.07 or a suit by Holders of more than 10% in aggregate Principal Amount at Maturity of the Securities at the time outstanding. This Section 6.11 shall be in lieu of Section 315(e) of the TIA and such Section 315(e) is hereby expressly excluded from this Indenture, as permitted by the TIA.

SECTION 6.12 Waiver of Stay, Extension or Usury Laws. The Company covenants (to the extent that it may lawfully do so) that it will not at any time insist upon, or plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay or extension law or any usury or other law wherever enacted, now or at any time hereafter in force, which would prohibit or forgive the Company from paying all or any portion of the Principal Amount at Maturity, Restated Principal Amount, Issue Price plus accrued Original Issue Discount, Redemption Price, Purchase Price, Change in Control Purchase Price or contingent interest, if any, in respect of Securities or any interest on such amounts, as contemplated herein, or 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 7

TRUSTEE

SECTION 7.01 Duties of Trustee.

(a) If an Event of Default has occurred and is continuing, the Trustee shall exercise the rights and powers vested in it by this Indenture and use the same degree of care and skill in its exercise as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

(b) Except during the continuance of an Event of Default:

(1) the Trustee need perform only those duties that are specifically set forth in this Indenture and no others; 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 case of any such certificates or opinions which by any provision hereof are specifically required to be furnished to the Trustee, the Trustee shall examine the certificates and opinions to determine whether or not they conform to the requirements of this Indenture, but need not confirm or investigate the accuracy of mathematical calculations or other facts stated therein.

This Section 7.01(b) shall be in lieu of Section 315(a) of the TIA and such Section 315(a) is hereby expressly excluded from this Indenture, as permitted by the TIA.

(c) The Trustee may not be relieved from liability for its own negligent action, its own negligent failure to act or its own willful misconduct, except that:

(1) this paragraph (c) does not limit the effect of paragraph (b) of this Section 7.01;

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

(3) the Trustee shall not be liable with respect to any action it takes or omits to take in good faith in accordance with a direction received by it pursuant to Section 6.05.

Subparagraphs (c)(1), (2) and (3) shall be in lieu of Sections 315(d)(1), 315(d)(2) and 315(d)(3) of the TIA and such Sections 315(d)(1), 315(d)(2) and 315(d)(3) are hereby expressly excluded from this Indenture, as permitted by the TIA.

(d) Every provision of this Indenture that in any way relates to the Trustee is subject to paragraphs (a), (b), (c) and (e) of this Section 7.01.

(e) The Trustee may refuse to perform any duty or exercise any right or power or extend or risk its own funds or otherwise incur any financial liability unless it receives indemnity satisfactory to it against any loss, liability or expense.

(f) Money held by the Trustee in trust hereunder need not be segregated from other funds except to the extent required by law. The Trustee (acting in any capacity hereunder) shall be under no liability for interest on any money received by it hereunder unless otherwise agreed in writing with the Company.

SECTION 7.02 Rights of Trustee. Subject to its duties and responsibilities under the provisions of Section 7.01, and, except as expressly excluded from this Indenture pursuant to said Section 7.01, subject also to its duties and responsibilities under the TIA:

(a) the Trustee may conclusively 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 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) 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, conclusively rely upon an Officers' Certificate;

(c) 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;

(d) the Trustee shall not be liable for any action taken, suffered, or omitted to be taken by it in good faith which it believes to be authorized or within its rights or powers conferred under this Indenture;

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

(f) the Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request, order or direction of any of the Holders, pursuant to the provisions of this Indenture, unless such Holders shall have offered to the Trustee security or indemnity satisfactory to it against the costs, expenses and liabilities which may be incurred therein or thereby;

(g) 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 resolution of the Board of Directors;

(h) 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, if the Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records and premises of the Company, personally or by agent or attorney at the sole cost of the Company and shall incur no liability or additional liability of any kind by reason of such inquiry or investigation;

(i) the Trustee shall not be deemed to have notice of any Default or Event of Default unless a Responsible Officer of the Trustee has actual knowledge thereof or unless written notice of any event which is in fact such a default is received by the Trustee at the Corporate Trust Office of the Trustee, and such notice references the Securities and this Indenture;

(j) the rights, privileges, protections, immunities and benefits given to the Trustee, including, without limitation, its right to be indemnified, are extended to, and shall be enforceable by, the Trustee in each of its capacities hereunder, and to each agent, custodian and other Person employed to act hereunder; and

(k) the Trustee may request that the Company deliver an Officers' Certificate setting forth the names of individuals and/or titles of officers authorized at such time to take specified actions pursuant to this Indenture, which Officers' Certificate may be signed by any person authorized to sign an Officers' Certificate, including any person specified as so authorized in any such certificate previously delivered and not superseded.

SECTION 7.03 Individual Rights of Trustee. The Trustee in its individual or any other capacity may become the owner or pledgee of Securities and may otherwise deal with the Company or its Affiliates with the same rights it would have if it were not Trustee. Any Paying Agent, Registrar, Conversion Agent or co-registrar may do the same with like rights. However, the Trustee must comply with Sections 7.10 and 7.11.

SECTION 7.04 Trustee's Disclaimer. The Trustee makes no representation as to the validity or adequacy of this Indenture or the Securities, it shall not be accountable for the Company's use or application of the proceeds from the Securities, it shall not be responsible for any statement in the registration statement for the Securities under the Securities Act or in the Indenture or the Securities (other than its certificate of authentication), or the determination as to which beneficial owners are entitled to receive any notices hereunder.

SECTION 7.05 Notice of Defaults. If a Default occurs and if it is known to the Trustee, the Trustee shall give to each Securityholder notice of the Default within 90 days after it occurs unless such Default shall have been cured or waived before the giving of such notice. Except in the case of a Default described in Section 6.01(1) or (2), the Trustee may withhold the notice if and so long as a committee of its Responsible Officers in good faith determines that withholding the notice is in the interests of Securityholders. The second sentence of this Section 7.05 shall be in lieu of the proviso to Section 315(b) of the TIA and such proviso is hereby expressly excluded from this Indenture, as permitted by the TIA. The Trustee shall not be deemed to have knowledge of a Default unless a Responsible Officer of the Trustee has received written notice of such Default.

SECTION 7.06 Reports by Trustee to Holders. Within 60 days after each March 15 beginning with the March 15 following the date of this Indenture, the Trustee shall mail to each Securityholder a brief report dated as of such March 15 that complies with TIA Section 313(a), if required by such Section 313(a). The Trustee also shall comply with TIA Section 313(b).

A copy of each report at the time of its mailing to Securityholders shall be filed with the SEC and each securities exchange, if any, on which the Securities are listed. The Company agrees to promptly notify the Trustee whenever the Securities become listed on any securities exchange and of any delisting thereof.

SECTION 7.07 Compensation and Indemnity. The Company agrees:

(a) to pay to the Trustee from time to time such reasonable compensation as the Company and the Trustee shall from time to time agree in writing for all services rendered by it hereunder (which compensation shall not be limited (to the extent permitted by law) by any provision of law in regard to the compensation of a trustee of an express trust);

(b) to reimburse the Trustee upon its request for all reasonable expenses, disbursements and advances incurred or made by the Trustee in accordance with any provision of this Indenture (including the reasonable compensation and the expenses, advances and disbursements of its agents and counsel), except any such expense, disbursement or advance as may be attributable to its negligence or bad faith; and

(c) to indemnify the Trustee or any predecessor, Trustee and their agents for, and to hold them harmless against, any loss, damage, claim, liability, cost or expense (including reasonable attorney's fees and expenses and taxes (other than taxes based upon, measured by or determined by the income of the Trustee)) incurred without negligence or bad faith on its part, arising out of or in connection with the acceptance or administration of this trust, including the reasonable costs and expenses of defending itself against any claim (whether asserted by the Company or any Holder or any other Person) or liability in connection with the exercise or performance of any of its powers or duties hereunder.

To secure the Company's payment obligations in this Section 7.07, the Holders shall have been deemed to have granted to the Trustee a lien prior to the Securities on all money or property held or collected by the Trustee, except that held in trust to pay the Principal Amount at Maturity, Issue Price plus accrued Original Issue Discount, Redemption Price, Purchase Price, Change in Control Purchase Price, contingent interest or interest, if any, as the case may be, on particular Securities.

The Company's payment obligations pursuant to this Section 7.07 shall survive the discharge of this Indenture and the resignation or removal of the Trustee. When the Trustee incurs expenses after the occurrence of a Default specified in Section 6.01(6) or (7), the expenses including the reasonable charges and expenses of its counsel, are intended to constitute expenses of administration under any Bankruptcy Law.

SECTION 7.08 Replacement of Trustee. The Trustee may resign by so notifying the Company; provided, however, no such resignation shall be effective until a successor Trustee has accepted its appointment pursuant to this Section 7.08. The Holders of a majority in aggregate Principal Amount at Maturity of the Securities at the time outstanding may remove the Trustee by so notifying the Trustee and the Company. The Company shall remove the Trustee if:

- (1) the Trustee fails to comply with Section 7.10;
- (2) the Trustee is adjudged bankrupt or insolvent;
- (3) a receiver or public officer takes charge of the Trustee or its property; or
- (4) the Trustee otherwise becomes incapable of acting.

If the Trustee resigns or is removed or if a vacancy exists in the office of Trustee for any reason, the Company shall promptly appoint, by resolution of its Board of Directors, a successor Trustee.

A successor Trustee shall deliver a written acceptance of its appointment to the retiring Trustee and to the Company satisfactory in form and substance to the retiring Trustee and the Company. Thereupon the resignation or removal of the retiring Trustee shall become effective, and the successor Trustee shall have all the rights, powers and duties of the Trustee under this Indenture. The successor Trustee shall mail a notice of its succession to Securityholders. The retiring Trustee shall promptly transfer all property held by it as Trustee to the successor Trustee, subject to the lien provided for in Section 7.07.

If a successor Trustee does not take office within 30 days after the retiring Trustee resigns or is removed, the retiring Trustee, the Company or the Holders of a majority in aggregate Principal Amount at Maturity of the Securities at the time outstanding may petition any court of competent jurisdiction at the expense of the Company for the appointment of a successor Trustee.

If the Trustee fails to comply with Section 7.10, any Securityholder may petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor Trustee.

SECTION 7.09 Successor Trustee by Merger. If the Trustee consolidates with, merges or converts into, or transfers all or substantially all its corporate trust business or assets to, another corporation, the resulting, surviving or transferee corporation without any further act shall be the successor Trustee.

SECTION 7.10 Eligibility; Disqualification. The Trustee shall at all times satisfy the requirements of TIA Sections 310(a)(1) and 310(b). The Trustee (or its parent holding company) shall have a combined capital and surplus of at least \$50,000,000 as set forth in its most recent published annual report of condition. Nothing herein contained shall prevent the Trustee from filing with the Commission the application referred to in the penultimate paragraph of TIA Section 310(b).

SECTION 7.11 Preferential Collection of Claims Against Company. The Trustee shall comply with TIA Section 311(a), excluding any creditor relationship listed in TIA Section 311(b). A Trustee who has resigned or been removed shall be subject to TIA Section 311(a) to the extent indicated therein.

ARTICLE 8

DISCHARGE OF INDENTURE

SECTION 8.01 Discharge of Liability on Securities. When (i) the Company delivers to the Trustee all outstanding Securities (other than Securities replaced pursuant to Section 2.07) for cancellation or (ii) all outstanding Securities have become due and payable and the Company or any Guarantor irrevocably deposits with the Trustee, the Paying Agent (if the Paying Agent is not the Company or any of its Affiliates) or the Conversion Agent cash or, if expressly permitted by the terms of the Securities or the Indenture, Common Stock sufficient to pay all amounts due and owing on all outstanding Securities (other than Securities replaced pursuant to Section 2.07), and if in either case the Company pays all other sums payable hereunder by the Company, then this Indenture shall, subject to Section 7.07, cease to be of further effect. The Trustee shall join in the execution of a document prepared by the Company acknowledging satisfaction and discharge of this Indenture on demand of the Company accompanied by an Officers' Certificate and Opinion of Counsel and at the cost and expense of the Company.

SECTION 8.02 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 Securities 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 Securityholders with respect to such money or securities for that period commencing after the return thereof.

ARTICLE 9

AMENDMENTS

SECTION 9.01 Without Consent of Holders. The Company and the Trustee may amend this Indenture or the Securities without the consent of any Securityholder:

- (1) to cure any ambiguity, omission, defect or inconsistency;
- (2) to comply with Article 5 or Section 11.14;
- (3) to secure the Company's obligations under the Securities and this Indenture;
- (4) to add to the Company's covenants for the benefit of the Securityholders or to surrender any right or power conferred upon the Company;
- (5) to make any change to comply with the TIA, or any amendment thereto, or to comply with any requirement of the SEC in connection with the qualification of the Indenture under the TIA, or as necessary in connection with the registration of the Securities under the Securities Act; or
- (6) to make any change that does not adversely affect the rights of any Holders (it being understood that any amendment described in clause (1) above made solely to conform this Indenture to the final offering memorandum provided to investors in connection with the initial offering of the Securities will be deemed not to adversely affect the rights or interests of Holders).

SECTION 9.02 With Consent of Holders. With the written consent of the Holders of at least a majority in aggregate Principal Amount at Maturity of the Securities at the time outstanding, the Company and the Trustee may amend this Indenture or the Securities. However, without the consent of each Securityholder affected, an amendment to this Indenture or the Securities may not:

- (1) change the provisions of this Indenture that relate to modifying or amending this Indenture;
- (2) make any change in the manner or rate of accrual in connection with Original Issue Discount, make any change in the manner of calculation of, or that adversely affects the right to receive, contingent interest, reduce the rate of interest referred to in Section 10.01 upon the occurrence of a Tax Event, or extend the time for payment of Original Issue Discount or interest, if any, on any Security;
- (3) reduce the Principal Amount at Maturity, Restated Principal Amount or the Issue Price of or change the Stated Maturity of any Security;
- (4) reduce the Redemption Price, Purchase Price or Change in Control Purchase Price of any Security;
- (5) make any Security payable in money or securities other than that stated in the Security;
- (6) make any change in Section 6.04, Section 6.07 or this Section 9.02, except to increase any percentage set forth therein;
- (7) make any change that adversely affects the right to convert any Security;
- (8) make any change that adversely affects the right to require the Company to purchase the Securities in accordance with the terms thereof and this Indenture;
- (9) impair the right to institute suit for the enforcement of any payment with respect to, or conversion of, the Securities; or
- (10) release any Guarantor from any of its obligations under its Guarantee other than in accordance with the terms of this Indenture.

It shall not be necessary for the consent of the Holders under this Section 9.02 to approve the particular form of any proposed amendment, but it shall be sufficient if such consent approves the substance thereof.

After an amendment under this Section 9.02 becomes effective, the Company shall mail to each Holder a notice briefly describing the amendment.

SECTION 9.03 Compliance with Trust Indenture Act. Every supplemental indenture executed pursuant to this Article shall comply with the TIA.

SECTION 9.04 Revocation and Effect of Consents, Waivers and Actions. Until an amendment, consent, waiver or other action by Holders becomes effective, a consent thereto by a Holder of a Security hereunder is a continuing consent by the Holder and every subsequent Holder of that Security or portion of the Security that evidences the same obligation as the consenting Holder's Security, even if notation of the amendment, consent, waiver or other action is not made on the Security. However, any such Holder or subsequent Holder may revoke the consent as to such Holder's Security or portion of the Security if the Trustee receives the notice of revocation before the date as of which the amendment, consent, waiver or action is made effective. After an amendment, consent, waiver or action becomes effective, it shall bind every Securityholder.

SECTION 9.05 Notation on or Exchange of Securities. Securities 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 so modified as to conform, in the opinion of the Board of Directors, 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.

SECTION 9.06 Trustee to Sign Supplemental Indentures. The Trustee shall sign any supplemental indenture authorized pursuant to this Article 9 if the amendment contained therein does not adversely affect the rights, duties, liabilities or immunities of the Trustee. If it does, the Trustee may, but need not, sign such supplemental indenture. In signing such supplemental indenture the Trustee shall receive, and (subject to the provisions of Section 7.01) shall be fully protected in relying upon, in addition to the documents required by Section 14.04, an Officers' Certificate and an Opinion of Counsel stating that such amendment is authorized or permitted by this Indenture.

SECTION 9.07 Effect of Supplemental Indentures. Upon the execution of any supplemental indenture under this Article, this Indenture shall be modified in accordance therewith, and such supplemental indenture shall form a part of this Indenture for all purposes; and every Holder of Securities theretofore or thereafter authenticated and delivered hereunder shall be bound thereby.

ARTICLE 10

SPECIAL TAX EVENT CONVERSION

SECTION 10.01 Optional Conversion to Semiannual Coupon Note Upon Tax Event. From and after (i) the date of the occurrence of a Tax Event (the "Tax Event Date") and (ii) the date the Company exercises the option provided for in this Section 10.01, whichever is later (the "Option Exercise Date"), at the option of the Company, interest in lieu of future Original Issue Discount shall accrue at the rate specified in paragraph 11(a) of the Securities on a restated principal amount per \$1,000 original Principal Amount at Maturity (the "Restated Principal Amount") equal to the Issue Price plus Original Issue Discount accrued through the Option Exercise Date and shall be payable semiannually on April 3 and October 3 of each year (each an "Interest Payment Date") to holders of record at the close of business on March 19 or September 18 (each a "Regular Record Date") immediately preceding such Interest Payment Date. Interest will be computed on the basis of a 360-day year comprised of twelve 30-day months and will accrue from the most recent date on which interest has been paid or, if no interest has been paid, from the Option Exercise Date. Within 15 days of the occurrence of a Tax Event, the Company shall deliver a written notice of such Tax Event by facsimile and first-class mail to the Trustee and within 15 days of its exercise

of such option the Company shall deliver a written notice of the Option Exercise Date by facsimile and first-class mail to the Trustee and by first class mail to the Holders of the Securities. From and after the Option Exercise Date, (i) the Company shall be obligated to pay at Stated Maturity, in lieu of the Principal Amount at Maturity of a Security, the Restated Principal Amount thereof plus accrued and unpaid interest with respect to any Security, (ii) "Issue Price and accrued Original Issue Discount," "Issue Price plus Original Issue Discount" or similar words, as used herein, shall mean Restated Principal Amount plus accrued and unpaid interest with respect to any Security and (iii) contingent interest shall cease to accrue on the Securities. Securities authenticated and delivered after the Option Exercise Date may, and shall if required by the Trustee, bear a notation in a form approved by the Trustee as to the conversion of the Securities to semiannual coupon notes. No other changes to the Indenture shall result as a result of the events described in this Section 10.01.

ARTICLE 11

CONVERSION

SECTION 11.01 Conversion Privilege. A Holder of a Security may convert such Security into Common Stock at any time during the period stated in paragraph 9 of the Securities. The number of shares of Common Stock issuable upon conversion of a Security per \$1,000 of Principal Amount at Maturity thereof (the "Conversion Rate") shall be that set forth in paragraph 9 in the Securities, subject to adjustment as herein set forth.

A Holder may convert a portion of the Principal Amount at Maturity of a Security if the portion is \$1,000 or an integral multiple of \$1,000. Provisions of this Indenture that apply to conversion of all of a Security also apply to conversion of a portion of a Security.

"Average Sale Price" means the average of the Sale Prices of the Common Stock for the shorter of

(i) 30 consecutive trading days ending on the last full trading day prior to the Time of Determination with respect to the rights, warrants or options or distribution in respect of which the Average Sale Price is being calculated, or

(ii) the period (x) commencing on the date next succeeding the first public announcement of (a) the issuance of rights, warrants or options or (b) the distribution, in each case, in respect of which the Average Sale Price is being calculated and (y) proceeding through the last full trading day prior to the Time of Determination with respect to the rights, warrants or options or distribution in respect of which the Average Sale Price is being calculated (excluding days within such period, if any, which are not trading days), or

(iii) the period, if any, (x) commencing on the date next succeeding the Ex-Dividend Time with respect to the next preceding (a) issuance of rights, warrants or options or (b) distribution, in each case, for which an adjustment is required by the provisions of Section 11.06(4), 11.07 or 11.08 and (y) proceeding through the last full trading day prior to the Time of Determination with respect to the rights, warrants or options or distribution in respect of which the Average Sale Price is being calculated (excluding days within such period, if any, which are not trading days).

In the event that the Ex-Dividend Time (or in the case of a subdivision, combination or reclassification, the effective date with respect thereto) with respect to a dividend, subdivision, combination or reclassification to which Section 11.06(1), (2), (3) or (5) applies occurs during the period applicable for calculating "Average Sale Price" pursuant to the definition in the preceding sentence, "Average Sale Price" shall be calculated for such period in a manner determined by the Board of Directors to reflect the impact of such dividend, subdivision, combination or reclassification on the Sale Price of the Common Stock during such period.

"Time of Determination" means the time and date of the earlier of (i) the determination of stockholders entitled to receive rights, warrants or options or a distribution, in each case, to which Section 11.07 or 11.08 applies and (ii) the time ("Ex-Dividend Time") immediately prior to the commencement of "ex-dividend" trading for such rights, warrants or options or distribution on the New York Stock Exchange or such other principal national or regional exchange or market on which the Common Stock is then listed or quoted.

SECTION 11.02 Conversion Procedure. To convert a Security a Holder must satisfy the requirements in paragraph 9 of the Securities. The date on which the Holder satisfies all those requirements is the conversion date (the "Conversion Date"). As soon as practicable after the Conversion Date, the Company shall deliver to the Holder, through the Conversion Agent, a certificate for the number of full shares of Common Stock issuable upon the conversion and cash in lieu of any fractional share determined pursuant to Section 11.03. The person in whose name the certificate is registered shall be treated as a stockholder of record on and after the Conversion Date; provided, however, that no surrender of a Security on any date when the stock transfer books of the Company shall be closed shall be effective to constitute the person or persons entitled to receive the shares of Common Stock upon such conversion as the record holder or holders of such shares of Common Stock on such date, but such surrender shall be effective to constitute the person or persons entitled to receive such shares of Common Stock as the record holder or holders thereof for all purposes at the close of business on the next succeeding day on which such stock transfer books are open; such conversion shall be at the Conversion Rate in effect on the date that such Security shall have been surrendered for conversion, as if the stock transfer books of the Company had not been closed. Upon conversion of a Security, such person shall no longer be a Holder of such Security.

No payment or adjustment will be made for dividends on, or other distributions with respect to, any Common Stock except as provided in this Article 11. On conversion of a Security, the greater of that portion of accrued Original Issue Discount (or interest, if the Company has exercised its option provided for in Section 10.01) or Tax Original Issue Discount attributable to the period from the Issue Date (or, if the Company has exercised the option provided for in Section 10.01, the later of (x) the date of such exercise and (y) the date on which interest was last paid) of the Security through but not including the Conversion Date and (except as provided below) accrued contingent interest, if any, with respect to the converted Security shall not be cancelled, extinguished or forfeited, but rather shall be deemed to be paid in full to the Holder thereof through delivery of the Common Stock (together with the cash payment, if any, in lieu of fractional shares) in exchange for the Security being converted pursuant to the provisions hereof; and the fair market value of such shares of Common Stock (together with any such cash payment in lieu of fractional shares) shall be treated as issued, to the extent thereof, first in exchange for the greater of Original Issue Discount (or interest, if the Company has exercised its option provided for in Section 10.01) or Tax Original Issue Discount accrued through the Conversion Date and accrued contingent interest, and the balance, if any, of such fair market value of such Common Stock (and any such cash payment) shall be treated as issued in exchange for the Issue Price of the Security being converted pursuant to the provisions hereof.

If the Holder converts more than one Security at the same time, the number of shares of Common Stock issuable upon the conversion shall be based on the total Principal Amount at Maturity of the Securities converted.

If the last day on which a Security may be converted is a Legal Holiday, the Security may be surrendered on the next succeeding day that is not a Legal Holiday.

Upon surrender of a Security that is converted in part, the Company shall execute, and the Trustee shall authenticate and deliver to the Holder, a new Security in an authorized denomination equal in Principal Amount at Maturity to the unconverted portion of the Security surrendered.

SECTION 11.03 Fractional Shares. The Company will 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 shall be determined, to the nearest 1/1,000th of a share, by multiplying the Sale Price of the Common Stock, on the last trading day prior to the Conversion Date, of a full share by the fractional amount and rounding the product to the nearest whole cent.

SECTION 11.04 Taxes on Conversion. If a Holder converts a Security, the Company shall pay any documentary, stamp or similar issue or transfer tax due on the issue of shares of Common Stock upon the conversion. However, the Holder shall pay any such tax which is due because the Holder requests the shares to be issued in a name other than the Holder's name. The Conversion Agent may refuse to deliver the certificates representing the Common Stock being issued in a name other than the Holder's name until the Conversion Agent receives a sum sufficient to pay any tax which will be due because the shares are to be issued in a name other than the Holder's name. Nothing herein shall preclude any tax withholding required by law or regulations.

SECTION 11.05 Company to Provide Stock. The Company shall, prior to issuance of any Securities under this Article 11, and from time to time as may be necessary, reserve out of its authorized but unissued Common Stock a sufficient number of shares of Common Stock to permit the conversion of the Securities.

All shares of Common Stock delivered upon conversion of the Securities shall be newly issued shares or treasury shares, shall be duly and validly issued and fully paid and nonassessable and shall be free from preemptive rights and free of any lien or adverse claim created by the Company.

The Company will endeavor promptly to comply with all federal and state securities laws regulating the offer and delivery of shares of Common Stock upon conversion of Securities, if any, and will list or cause to have quoted such shares of Common Stock on each national securities exchange or in the over-the-counter market or such other market on which the Common Stock is then principally listed or quoted.

SECTION 11.06 Adjustment for Change In Capital Stock. If, after the Issue Date of the Securities, the Company:

- (1) pays a dividend or makes a distribution on its Common Stock in shares of its Common Stock;
- (2) subdivides its outstanding shares of Common Stock into a greater number of shares;
- (3) combines its outstanding shares of Common Stock into a smaller number of shares;
- (4) pays a dividend or makes a distribution on its Common Stock in shares of its Capital Stock (other than Common Stock or rights, warrants or options for its Capital Stock); or
- (5) issues by reclassification of its Common Stock any shares of its Capital Stock (other than rights, warrants or options for its Capital Stock),

then the conversion privilege and the Conversion Rate in effect immediately prior to such action shall be adjusted so that the Holder of a Security thereafter converted may receive the number of shares of Capital Stock of the Company which such Holder would have owned immediately following such action if such Holder had converted the Security immediately prior to such action.

The adjustment shall become effective immediately after the record date in the case of a dividend or distribution and immediately after the effective date in the case of a subdivision, combination or reclassification.

If after an adjustment a Holder of a Security upon conversion of such Security may receive shares of two or more classes of Capital Stock of the Company, the Conversion Rate shall thereafter be subject to adjustment upon the occurrence of an action taken with respect to any such class of Capital Stock as is contemplated by this Article 11 with respect to the Common Stock, on terms comparable to those applicable to Common Stock in this Article 11.

SECTION 11.07 Adjustment for Rights Issue. If after the Issue Date of the Securities, the Company distributes any rights, warrants or options to all holders of its Common Stock entitling them, for a period expiring within 60 days after the record date for such distribution, to purchase shares of Common Stock at a price per share less than the Sale Price of the Common Stock as of the Time of Determination, the Conversion Rate shall be adjusted in accordance with the formula:

$$R' = R \times \frac{(O + N)}{(O + (N \times P)/M)}$$

where:

R' = the adjusted Conversion Rate.

R = the current Conversion Rate.

O = the number of shares of Common Stock outstanding on the record date for the distribution to which this Section 11.07 is being applied.

N = the number of additional shares of Common Stock offered pursuant to the distribution.

P = the offering price per share of the additional shares.

M = the Average Sale Price, minus, in the case of (i) a distribution to which Section 11.06(4) applies or (ii) a distribution to which Section 11.08 applies, for which, in each case, (x) the record date shall occur on or before the record date for the distribution to which this Section 11.07 applies and (y) the Ex-Dividend Time shall occur on or after the date of the Time of Determination for the distribution to which this Section 11.07 applies, the fair market value (on the record date for the distribution to which this Section 11.07 applies) of the

(1) Capital Stock of the Company distributed in respect of each share of Common Stock in such Section 11.06(4) distribution and

(2) assets of the Company or debt securities or any rights, warrants or options to purchase securities of the Company distributed in respect of each share of Common Stock in such Section 11.08 distribution.

The Board of Directors shall determine fair market values for the purposes of this Section 11.07.

The adjustment shall become effective immediately after the record date for the determination of shareholders entitled to receive the rights, warrants or options to which this Section 11.07 applies. If all of the shares of Common Stock subject to such rights, warrants or options have not been issued when such rights, warrants or options expire, then the Conversion Rate shall promptly be readjusted to the Conversion Rate which would then be in effect had the adjustment upon the issuance of such rights, warrants or options been made on the basis of the actual number of shares of Common Stock issued upon the exercise of such rights, warrants or options.

No adjustment shall be made under this Section 11.07 if the application of the formula stated above in this Section 11.07 would result in a value of R' that is equal to or less than the value of R.

SECTION 11.08 Adjustment for Other Distributions.

(a) If, after the Issue Date of the Securities, the Company distributes to all holders of its Common Stock any of its assets excluding distributions of Capital Stock or equity interests referred to in Section 11.08(b), or debt securities or any rights, warrants or options to purchase securities of the Company (including securities or cash, but excluding (x) distributions of Capital Stock referred to in Section 11.06 and distributions of rights, warrants or options referred to in Section 11.07 and (y) cash dividends or other cash distributions that are paid out of consolidated current net earnings or earnings retained in the business as shown on the books of the Company unless such cash dividends or other cash distributions are Extraordinary Cash Dividends) the Conversion Rate shall be adjusted, subject to the provisions of Section 11.08(c), in accordance with the formula:

$$R' = \frac{R \times M}{M - F}$$

where:

R' = the adjusted Conversion Rate.

R = the current Conversion Rate.

M = the Average Sale Price, minus, in the case of a distribution to which Section 11.06(4) applies, for which (i) the record date shall occur on or before the record date for the distribution to which this Section 11.08(a) applies and (ii) the Ex-Dividend Time shall occur on or after the date of the Time of Determination for the distribution to which this Section 11.08(a) applies, the fair market value (on the record date for the distribution to which this Section 11.08(a) applies) of any Capital Stock of the Company distributed in respect of each share of Common Stock in such Section 11.06(4) distribution.

F = the fair market value (on the record date for the distribution to which this Section 11.08(a) applies) of the assets, securities, rights, warrants or options to be distributed in respect of each share of Common Stock in the distribution to which this Section 11.08(a) is being applied (including, in the case of cash dividends or other cash distributions giving rise to an adjustment, all such cash distributed concurrently).

The Board of Directors shall determine fair market values for the purposes of this Section 11.08(a).

The adjustment shall become effective immediately after the record date for the determination of shareholders entitled to receive the distribution to which this Section 11.08(a) applies.

For purposes of this Section 11.08(a), the term "Extraordinary Cash Dividend" shall mean any cash dividend with respect to the Common Stock the amount of which, together with the aggregate amount of cash dividends on the Common Stock to be aggregated with such cash dividend in accordance with the provisions of this paragraph, equals or exceeds the threshold percentage set forth in item (i) below. For purposes of item (i) below, the "Measurement Period" with respect to a cash dividend on the Common Stock shall mean the 365 consecutive day period ending on the date prior to the Ex-Dividend Time with respect to such cash dividend, and the "Relevant Cash Dividends" with respect to a cash dividend on the Common Stock shall mean the cash dividends on the Common Stock with Ex-Dividend Times occurring in the Measurement Period.

(i) If, upon the date prior to the Ex-Dividend Time with respect to a cash dividend on the Common Stock, the aggregate amount of such cash dividend together with the amounts of all Relevant Cash Dividends equals or exceeds on a per share basis the sum of (a) 5% of the Sale Price of the Common Stock on the last trading day preceding the date of declaration by the Board of Directors of the cash dividend with respect to which this provision is being applied, and (b) the quotient of the amount of any cash interest paid on a Security during the Ex-Dividend Measurement Period by the conversion rate in effect on the payment date of such applicable interest payment, then such cash dividend together with all Relevant Cash Dividends, shall be deemed to be an Extraordinary Cash Dividend and for purposes of applying the formula set forth above in this Section 11.08(a), the value of "F" shall be equal to (y) the aggregate amount of such cash dividend together with the amount of all Relevant Cash Dividends, minus (z) the aggregate amount of all Relevant Cash Dividends for which a prior adjustment in the Conversion Rate was previously made under this Section 11.08(a).

In making the determinations required by item (i) above, the amount of cash dividends paid on a per share basis and the amount of any Relevant Cash Dividends specified in item (i) above, shall be appropriately adjusted to reflect the occurrence during such period of any event described in Section 11.06.

(b) If, after the Issue Date of the Securities, the Company pays a dividend or makes a distribution to all holders of its Common Stock consisting of Capital Stock of any class or series, or similar equity interests, of or relating to a Subsidiary or other business unit of the Company, the Conversion Rate shall be adjusted in accordance with the formula:

$$R' = R \times (1 + F/M)$$

where:

R' = the adjusted Conversion Rate.

R = the current Conversion Rate.

M = the average of the Post-Distribution Prices of the Common Stock 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 principal United States exchange or market which such securities are then listed or quoted (the "Ex-Dividend Date").

F = the fair market value of the securities distributed in respect of each share of Common Stock for which this Section 11.08(b) shall mean the number of securities distributed in respect of each share of Common Stock multiplied by the average of the Post-Distribution Prices of those securities distributed for the 10 trading days commencing on and including the fifth trading day after the Ex-Dividend Date.

"Post-Distribution Price" of Capital Stock or any similar equity interest on any date means the closing per unit sale price (or, if no closing sale price is reported, the average of the bid and ask prices or, if more than one in either case, the average of the average bid and the average ask prices) on such date for trading of such units on a "when issued" basis without due bills (or similar concept) as reported in the composite transactions for the principal United States securities exchange on which such Capital Stock or equity interest is traded or, if the Capital Stock or equity interest, as the case may be, 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; provided that if on any date such units have not traded on a "when issued" basis, the Post-Distribution Price shall be the closing per unit sale price (or, if no closing sale price is reported, the average of the bid and ask prices or, if more than one in either case, the average of the average bid and the average ask prices) on such date for trading of such units on a "regular way" basis without due bills (or similar concept) as reported in the composite transactions for the principal United States securities exchange on which such Capital Stock or equity interest is traded or, if the Capital Stock or equity interest, as the case may be, 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. In the absence of such quotation, the Company shall be entitled to determine the Post-Distribution Price on the basis of such quotations which reflect the post-distribution value of the Capital Stock or equity interests as it considers appropriate.

(c) In the event that, with respect to any distribution to which Section 11.08(a) would otherwise apply, the difference "M-F" as defined in the formula set forth in Section 11.08(a) is less than \$1.00 or "F" is equal to or greater than "M", then the adjustment provided by Section 11.08(a) shall not be made and in lieu thereof the provisions of Section 11.14 shall apply to such distribution.

SECTION 11.09 When Adjustment May Be Deferred. No adjustment in the Conversion Rate need be made unless the adjustment would require an increase or decrease of at least 1% in the Conversion Rate. Any adjustments that are not made shall be carried forward and taken into account in any subsequent adjustment.

All calculations under this Article 11 shall be made to the nearest cent or to the nearest 1/1,000th of a share, as the case may be.

SECTION 11.10 When No Adjustment Required. No adjustment need be made for a transaction referred to in Section 11.06, 11.07, 11.08 or 11.14 if Securityholders are to participate in the transaction on a basis and with notice that the Board of Directors determines to be fair and appropriate in light of the basis and notice on which holders of Common Stock participate in the transaction. Such participation by Securityholders may include participation upon conversion provided that an adjustment shall be made at such time as the Securityholders are no longer entitled to participate.

No adjustment need be made for rights to purchase Common Stock pursuant to a Company plan for reinvestment of dividends or interest.

No adjustment need be made for a change in the par value or no par value of the Common Stock.

To the extent the Securities become convertible pursuant to this Article 11 into cash, no adjustment need be made thereafter as to the cash. Interest will not accrue on the cash.

SECTION 11.11 Notice of Adjustment. Whenever the Conversion Rate is adjusted, the Company shall promptly mail to Securityholders a notice of the adjustment. The Company shall file with the Trustee and the Conversion Agent such notice and a certificate from the Company's independent public accountants briefly stating the facts requiring the adjustment and the manner of computing it. The certificate shall be conclusive evidence that the adjustment is correct. Neither the Trustee nor any Conversion Agent shall be under any duty or responsibility with respect to any such certificate except to exhibit the same to any Holder desiring inspection thereof.

SECTION 11.12 Voluntary Increase. The Company from time to time may increase the Conversion Rate by any amount for any period of time. Whenever the Conversion Rate is increased, the Company shall mail to Securityholders and file with the Trustee and the Conversion Agent a notice of the increase. The Company shall mail the notice at least 15 days before the date the increased Conversion Rate takes effect. The notice shall state the increased Conversion Rate and the period it will be in effect.

A voluntary increase of the Conversion Rate does not change or adjust the Conversion Rate otherwise in effect for purposes of Section 11.06, 11.07 or 11.08.

SECTION 11.13 Notice of Certain Transactions. If:

(1) the Company takes any action that would require an adjustment in the Conversion Rate pursuant to Section 11.06, 11.07 or 11.08 (unless no adjustment is to occur pursuant to Section 11.10); or

(2) the Company takes any action that would require a supplemental indenture pursuant to Section 11.14; or

(3) there is a liquidation or dissolution of the Company;

then the Company shall mail to Securityholders and file with the Trustee and the Conversion Agent a notice stating the proposed record date for a dividend or distribution or the proposed effective date of a subdivision, combination, reclassification, consolidation, merger, binding share exchange, transfer, liquidation or dissolution. The Company shall file and mail the notice at least 15 days before such date. Failure to file or mail the notice or any defect in it shall not affect the validity of the transaction.

SECTION 11.14 Reorganization of Company; Special Distributions. If the Company is a party to a transaction subject to Section 5.01 (other than a sale of all or substantially all of the assets of the Company in a transaction in which the holders of Common Stock immediately prior to such transaction do not receive securities, cash or other assets of the Company or any other person) or a merger or binding share exchange which reclassifies or changes the outstanding Common Stock of the Company, the person obligated to deliver securities, cash or other assets upon conversion of Securities shall enter into a supplemental indenture. If the issuer of securities deliverable upon conversion of Securities is an Affiliate of the successor Company, that issuer shall join in the supplemental indenture.

The supplemental indenture shall provide that the Holder of a Security may convert it into the kind and amount of securities, cash or other assets which such Holder would have received immediately after the consolidation, merger, binding share exchange or transfer if such Holder had converted the Security immediately before the effective date of the transaction, assuming (to the extent applicable) that such Holder (i) was not a constituent person or an Affiliate of a constituent person to such transaction; (ii) made no election with respect thereto; and (iii) was treated alike with the plurality of non-electing Holders. The supplemental indenture shall provide for adjustments which shall be as nearly equivalent as may be practical to the adjustments provided for in this Article 11. The successor Company shall mail to Securityholders a notice briefly describing the supplemental indenture.

If this Section applies, neither Section 11.06 nor 11.07 applies.

If the Company makes a distribution to all holders of its Common Stock of any of its assets, or debt securities or any rights, warrants or options to purchase securities of the Company that, but for the provisions of Section 11.08(c), would otherwise result in an adjustment in the Conversion Rate pursuant to the provisions of Section 11.08, then, from and after the record date for determining the holders of Common Stock entitled to receive the distribution, a Holder of a Security that converts such Security in accordance with the provisions of this Indenture shall upon such conversion be entitled to receive, in addition to the shares of Common Stock into which the Security is convertible, the kind and amount of securities, cash or other assets comprising the distribution that such Holder would have received if such Holder had converted the Security immediately prior to the record date for determining the holders of Common Stock entitled to receive the distribution.

SECTION 11.15 Company Determination Final. Any determination that the Company or the Board of Directors must make pursuant to Section 11.03, 11.06, 11.07, 11.08, 11.09, 11.10, 11.14 or 11.17 is conclusive.

SECTION 11.16 Trustee's Adjustment Disclaimer. The Trustee has no duty to determine when an adjustment under this Article 11 should be made, how it should be made or what it should be. The Trustee has no duty to determine whether a supplemental indenture under Section 11.14 need be entered into or whether any provisions of any supplemental indenture are correct. The Trustee shall not be accountable for and makes no representation as to the validity or value of any securities or assets issued upon conversion of Securities. The Trustee shall not be responsible for the Company's failure to comply with this Article 11. Each Conversion Agent shall have the same protection under this Section 11.16 as the Trustee.

SECTION 11.17 Simultaneous Adjustments. In the event that this Article 11 requires adjustments to the Conversion Rate under more than one of Sections 11.06(4), 11.07 or 11.08, and the record dates for the distributions giving rise to such adjustments shall occur on the same date, then such adjustments shall be made by applying, first, the provisions of Section 11.06, second, the provisions of Section 11.08 and, third, the provisions of Section 11.07.

SECTION 11.18 Successive Adjustments. After an adjustment to the Conversion Rate under this Article 11, any subsequent event requiring an adjustment under this Article 11 shall cause an adjustment to the Conversion Rate as so adjusted.

SECTION 11.19 Rights Issued in Respect of Common Stock Issued Upon Conversion. Each share of Common Stock issued upon conversion of Securities pursuant to this Article 11 shall be entitled to receive the appropriate number of common stock or preferred stock purchase rights, as the case may be (the "Rights"), if any, that all shares of Common Stock are entitled to receive and the certificates representing the Common Stock issued upon such conversion shall bear such legends, if any, in each case as may be provided by the terms of any shareholder rights agreement adopted by the Company, as the same may be amended from time to time (in each case, a "Rights Agreement"). Provided that such Rights Agreement requires that each share of Common Stock issued by the Company (including those that might be issued upon conversion of Securities) at any time prior to the distribution of separate certificates representing the Rights be entitled to receive such Rights, then, notwithstanding anything else to the contrary in this Article 11, there shall not be any adjustment to the conversion privilege or Conversion Rate or any other term or provision of the Securities as a result of the issuance of Rights, the distribution of separate certificates representing the Rights, the exercise or redemption of such Rights in accordance with any such Rights Agreement, or the termination or invalidation of such Rights.

ARTICLE 12

PAYMENT OF INTEREST

SECTION 12.01 Interest Payments. Interest, if any, on any Security that is payable in cash, and is punctually paid or duly provided for, on any applicable payment date shall be paid to the person in whose name that Security is registered at the close of business on the Regular Record Date or accrual date, as the case may be, for such interest at the office or agency of the Company maintained for such purpose. Each installment of semiannual or contingent interest on any Security shall be paid in same-day funds by transfer to an account maintained by the payee located inside the United States, if the Trustee shall have received proper wire transfer instructions from such payee not later than the related Regular Record Date or accrual date, as the case may be, or, if no such instructions have been received, by check drawn on a bank in New York City mailed to the payee at its address set forth on the Registrar's books. In the case of a permanent Global Security, semiannual or contingent interest payable on any applicable payment date will be paid to the Depository, with respect to that portion of such permanent Global Security held for its account by Cede & Co. for the purpose of permitting such party to credit the interest received by it in respect of such permanent Global Security to the accounts of the beneficial owners thereof.

SECTION 12.02 Defaulted Interest. Except as otherwise specified with respect to the Securities, any interest on any Security that is payable, but is not punctually paid or duly provided for, within 30 days following any applicable payment date (herein called "Defaulted Interest", which term shall include any accrued and unpaid interest that has accrued on such defaulted amount in accordance with paragraph 1 of the Securities), shall forthwith cease to be payable to the registered Holder thereof on the relevant Regular Record Date or accrual date, as the case may be, 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 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 and the date of the proposed payment (which shall not be less than 20 days after such notice is received by the Trustee), 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 (the "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 at his address as it appears on the list of Securityholders maintained pursuant to Section 2.05 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 mailed as aforesaid, such Defaulted Interest shall be paid to the persons in whose names the 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 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.

SECTION 12.03 Interest Rights Preserved. Subject to the foregoing provisions of this Article 12 and Section 2.06, 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 semiannual and contingent interest accrued and unpaid, and to accrue, which were carried by such other Security.

ARTICLE 13

GUARANTEES

SECTION 13.01 Guarantees.

The Guarantors jointly and severally, hereby absolutely, unconditionally and irrevocably guarantee the Securities and obligations of the Company hereunder and thereunder, and guarantee to each Holder of a Security authenticated and delivered by the Trustee in accordance with the terms hereof, and to the Trustee on behalf of such Holder, that: (a) the principal of and interest (including contingent interest, if any on the Securities will be paid in full when due, whether at Stated Maturity, by acceleration, redemption or otherwise (including, without limitation, the amount that would become due but for the operation of the automatic stay under Section 362(a) of the Bankruptcy Law), together with interest (including contingent interest, if any on the overdue principal, if any, and interest on any overdue interest, to the extent lawful, and all other obligations of the Company to the Holders or the Trustee hereunder or thereunder will be paid in full or performed, all in accordance with the terms hereof and thereof; and (b) in case of any extension of time of payment or renewal of any Securities or of any such other obligations, the same shall be paid in full when due or performed in accordance with the terms of the extension or renewal, whether at Stated Maturity, by acceleration redemption or otherwise.

The Guarantors hereby agree that their obligations hereunder shall be unconditional, irrespective of the validity, regularity or enforceability of the Securities or this Indenture, the absence of any action to enforce the same, any waiver or consent by any Holder with respect to any provisions hereof or thereof, the recovery of any judgment against the Company, any action to enforce the same or any other circumstance which might otherwise constitute a legal or equitable discharge or defense of a Guarantor.

The Guarantors hereby waive (to the extent permitted by law) the benefits of diligence, presentment, demand for payment, filing of claims with a court in the event of insolvency or bankruptcy of the Company, any right to require a proceeding first against the Company or any other Person, protest, notice and all demands whatsoever and covenants that the Guarantee of such Guarantor shall not be discharged as to any Security except by complete performance of the obligations contained in such Security, this Indenture and such Guarantee. The Guarantors acknowledge that the Guarantees are a guarantee of payment and not of collection.

The Guarantors hereby agree that, in the event of a default in payment of principal or interest including contingent interest, if any on such Security, whether at its Stated Maturity, by acceleration, redemption, purchase or otherwise, legal proceedings may be instituted by the Trustee on behalf of, or by, the Holder of such Security, subject to the terms and conditions set forth in this Indenture, directly against each of the Guarantors to enforce such Guarantor's Guarantee without first proceeding against the Company or any other Guarantor. The Guarantor agrees that if, after the occurrence and during the continuance of an Event of Default, the Trustee or any of the Holders are prevented by applicable law from exercising their respective rights to accelerate the maturity of the Securities, to collect interest on the Securities, or to enforce or exercise any other right or remedy with respect to the Securities, such Guarantor shall pay to the Trustee for the account of the Holder, upon demand therefor, the amount that would otherwise have been due and payable had such rights and remedies been permitted to be exercised by the Trustee or any of the Holders.

If any Holder or the Trustee is required by any court or otherwise to return to the Company or any Guarantor, or any custodian, trustee, liquidator or other similar official acting in relation to either the Company or any Guarantor, any amount paid by any of them to the Trustee or such Holder, the Guarantee of each of the Guarantors, to the extent theretofore discharged, shall be reinstated in full force and effect. The Guarantor further agrees that as between each Guarantor, on the one hand, and the Holders and the Trustee, on the other hand, (x) subject to this Article Thirteen, the maturity of the obligations guaranteed hereby may be accelerated as provided in Article Six hereof for the purposes of the Guarantee of such Guarantor notwithstanding any stay, injunction or other prohibition preventing such acceleration in respect of the obligations guaranteed hereby, and (y) in the event of any acceleration of such obligation as provided in Article Six hereof, such obligations (whether or not due and payable) shall forthwith become due and payable by each Guarantor for the purpose of the Guarantee of such Guarantor.

Each Guarantee shall remain in full force and effect and continue to be effective should any petition be filed by or against the Company for liquidation, reorganization, should the Company become insolvent or make an assignment for the benefit of creditors or should a receiver or trustee be appointed for all or any significant part of the Company's assets, and shall, to the fullest extent permitted by law, continue to be effective or be reinstated, as the case may be, if at any time payment and performance of the Securities are, pursuant to applicable law, rescinded or reduced in amount, or must otherwise be restored or returned by any obligee on the Securities, whether as a "voidable preference", "fraudulent transfer" or otherwise, all as though such payment or performance had not been made. In the event that any payment or any part thereof, is rescinded, reduced, restored or returned, for the purposes of the amounts due under the Guarantees, the Securities shall, to the fullest extent permitted by law, be reinstated and deemed reduced only by such amount paid and not so rescinded, reduced, restored or returned. The form of Guarantee is attached hereto as Exhibit A-2.

SECTION 13.02 Severability.

In case any provision of any Guarantee shall be invalid, illegal or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

SECTION 13.03 Future Subsidiaries.

If the Company or any of its Subsidiaries acquires or forms a Subsidiary organized under the laws of the United States or any state or political subdivision thereof or the District of Columbia, the Company will cause any such domestic Subsidiary to (i) execute and deliver to the Trustee any amendment or supplement to this Indenture in accordance with the provisions of Article Nine of this Indenture pursuant to which such Subsidiary shall guarantee all of the obligations on the Securities, whether for principal, interest (including contingent interest), and interest accruing after the filing of, or

which would have accrued but for the filing of, a petition by or against the Company under Bankruptcy Law, whether or not such interest is allowed as a claim after such filing in any proceeding under such law), if any and other amounts due in connection therewith (including any fees, expenses and indemnities), on a senior unsecured basis and (ii) deliver to such Trustee an Opinion of Counsel reasonably satisfactory to such Trustee to the effect that such amendment or supplement has been duly executed and delivered by such domestic Subsidiary and is in compliance with the terms of this Indenture. Upon the execution of any such amendment or supplement, the obligations of the Guarantors and any such domestic Subsidiary under their respective Guarantees shall become joint and several and each reference to the "Guarantor" in this Indenture shall, be deemed to refer to all Guarantors, including such domestic Subsidiary.

SECTION 13.04 Priority of Guarantees.

The Guarantee issued by any Guarantor shall be unsecured senior obligations of such Guarantor, ranking *pari passu* with all other existing and future senior unsecured indebtedness of such Guarantor, if any.

SECTION 13.05 Limitation of Guarantors' Liability.

Each Guarantor and by its acceptance hereof each Holder confirms that it is the intention of all such parties that the guarantee by the Guarantor pursuant to its Guarantee not constitute a fraudulent transfer or conveyance for purposes of the Bankruptcy Law, the Uniform Fraudulent Conveyance Act, the Uniform Fraudulent Transfer Act or any similar federal or state law or the provisions of its local law relating to fraudulent transfer or conveyance. To effectuate the foregoing intention, the Holders and the Guarantors hereby irrevocably agree that the obligations of such Guarantor under its Guarantee shall be limited to the maximum amount that will not, after giving effect to all other contingent and fixed liabilities of such Guarantor result in the obligations of such Guarantor under its Guarantee constituting such fraudulent transfer or conveyance.

SECTION 13.06 Subrogation. Each Guarantor shall be subrogated to all rights of Holders against the Company in respect of any amounts paid by any Guarantor pursuant to the provisions of Section 13.01; provided, however, that, if an Event of Default has occurred and is continuing, no Guarantor shall be entitled to enforce or receive any payments arising out of, or based upon, such right of subrogation until all amounts then due and payable by the Company under this Indenture or the Securities shall have been paid in full.

SECTION 13.07 Reinstatement.

The Guarantor hereby agrees (and each Person who becomes a Guarantor shall agree) that the Guarantee provided for in Section 13.01 shall continue to be effective or be reinstated, as the case may be, (a) if at any time, payment, or any part thereof, of any obligations or interest thereon is rescinded or must otherwise be restored by a Holder to the Company upon the bankruptcy or insolvency of the Company or any Guarantor and (b) at any time any Guarantor (and each Person who becomes a Guarantor) guarantees any indebtedness or obligations of the Company.

SECTION 13.08 Release of the Guarantor.

Concurrently with the discharge of the Securities under Section 8.01, each Guarantor shall be released from all its obligations under its Guarantee under this Article Thirteen.

So long as no Default exists or with notice or lapse of time or both, would exist, the Guarantee issued by any Guarantor shall be automatically and unconditionally released and discharged upon (a) any sale, exchange, transfer to any Person that is not an Affiliate of the Company of all of the Capital Stock of such Guarantor owned by the Company, which transaction is otherwise in compliance with the Indenture or (b) any release or discharge of all guarantees by each of the Guarantors of any indebtedness or obligations of the Company other than the Guarantees of the Securities.

SECTION 13.09 Benefits Acknowledged.

Each Guarantor acknowledges that it will receive direct and indirect benefits from the financing arrangements contemplated by this Indenture and that its guarantee and waivers pursuant to its Guarantee are knowingly made in contemplation of such benefits.

ARTICLE 14

MISCELLANEOUS

SECTION 14.01 Trust Indenture Act Controls. If any provision of this Indenture limits, qualifies, or conflicts with another provision which is required to be included in this Indenture by the TIA, the required provision shall control.

SECTION 14.02 Notices. Any request, demand, authorization, notice, waiver, consent or communication shall be in writing and delivered in person or delivery by courier guaranteeing overnight delivery or mailed by first-class mail, postage prepaid, addressed as follows or transmitted by facsimile transmission (confirmed by guaranteed overnight courier) to the following facsimile numbers:

if to the Company:

CBRL Group, Inc.
P.O. Box 787
Lebanon, TN 37088

Telephone No. (615) 443-9574
Facsimile No. (615) 443-9818
Attention: Chief Financial Officer

with a copy of any notice given pursuant to Article 6 to:

Dinsmore & Shohl, LLP
414 Union Street
Bank of America Building, Suite 1100
Nashville, TN 37219

Telephone No. (615) 313-3325
Facsimile No. (615) 313-3310
Attention: Gary M. Brown, Esq.

if to the Trustee:

Wachovia Bank, National Association
Corporate Trust Group
2525 West End Avenue, Suite 1200
Nashville, TN 37203

Telephone No. (615) 341-3921
Facsimile No. (615) 341-3927
Attention: Corporate Trust Department

The Company or the Trustee by notice given to the other in the manner provided above may designate additional or different addresses for subsequent notices or communications.

Any notice or communication given to a Securityholder shall be mailed to the Securityholder, by first-class mail, postage prepaid, at the Securityholder's address as it appears on the registration books of the Registrar and shall be sufficiently given if so mailed within the time prescribed.

Failure to mail a notice or communication to a Securityholder or any defect in it shall not affect its sufficiency with respect to other Securityholders. If a notice or communication is mailed in the manner provided above, it is duly given, whether or not received by the addressee.

If the Company mails a notice or communication to the Securityholders, it shall mail a copy to the Trustee and each Registrar, Paying Agent, Conversion Agent or co-registrar.

SECTION 14.03 Communication by Holders with Other Holders. Securityholders may communicate pursuant to TIA Section 312(b) with other Securityholders with respect to their rights under this Indenture or the Securities. The Company, the Trustee, the Registrar, the Paying Agent, the Conversion Agent and anyone else shall have the protection of TIA Section 312(c).

SECTION 14.04 Certificate and Opinion as to Conditions Precedent. Upon any request or application by the Company to the Trustee to take any action under this Indenture, the Company shall furnish to the Trustee if reasonably requested:

(1) an Officers' Certificate stating that, in the opinion of the signers, all conditions precedent, if any, provided for in this Indenture relating to the proposed action have been complied with; and

(2) an Opinion of Counsel stating that, in the opinion of such counsel, all such conditions precedent have been complied with.

SECTION 14.05 Statements Required in Certificate or Opinion. Each Officers' Certificate or Opinion of Counsel with respect to compliance with a covenant or condition provided for in this Indenture shall include to the extent required by the Trustee:

(1) a statement that each person making such Officers' Certificate or Opinion of Counsel has read such covenant or condition;

(2) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such Officers' Certificate or Opinion of Counsel are based;

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

(4) a statement that, in the opinion of such person, such covenant or condition has been complied with.

SECTION 14.06 Separability Clause. In case any provision in this Indenture or in the Securities shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

SECTION 14.07 Rules by Trustee, Paying Agent, Conversion Agent and Registrar. The Trustee may make reasonable rules for action by or a meeting of Securityholders. The Registrar, Conversion Agent and the Paying Agent may make reasonable rules for their functions.

SECTION 14.08 Calculations. The calculation of the Purchase Price, Change in Control Purchase Price, Conversion Rate, Market Price, Sale Price of the Common Stock and each other calculation to be made hereunder (other than the LYON Market Price) shall be the obligation of the Company. All calculations made by the Company as contemplated pursuant to this Section 14.08 shall be final and binding on the Company and the Holders absent manifest error. The Trustee, Paying Agent, Conversion Agent and Bid Solicitation Agent shall not be obligated to recalculate, recompute or confirm any such calculations.

SECTION 14.09 Legal Holidays. A "Legal Holiday" is any day other than a Business Day. If any specified date (including a date for giving notice) is a Legal Holiday, the action shall be taken on the next succeeding day that is not a Legal Holiday, and, if the action to be taken on such date is a payment in respect of the Securities, no Original Issue Discount or interest, if any, shall accrue for the intervening period.

SECTION 14.10 GOVERNING LAW. THE LAWS OF THE STATE OF NEW YORK SHALL GOVERN THIS INDENTURE AND THE SECURITIES.

SECTION 14.11 No Recourse Against Others. A director, officer, employee, agent, representative, stockholder or equity holder, as such, of the Company shall not have any liability for any obligations of the Company under the Securities or this Indenture or for any claim based on, in respect of or by reason of such obligations or their creation. By accepting a Security, each Securityholder shall waive and release all such liability. The waiver and release shall be part of the consideration for the issue of the Securities.

SECTION 14.12 Successors. All agreements of the Company in this Indenture and the Securities shall bind its successor. All agreements of the Trustee in this Indenture shall bind its successor.

SECTION 14.13 Multiple Originals. The parties may sign any number of copies of this Indenture. Each signed copy shall be an original, but all of them together represent the same agreement. One originally signed copy is enough to prove this Indenture.

IN WITNESS WHEREOF, the undersigned, being duly authorized, have executed this Indenture on behalf of the respective parties hereto as of the date first above written.

CBRL GROUP, INC.

By: /s/James F. Blackstock

Name: James F. Blackstock
Title: Senior Vice President,
General Counsel and
Secretary

CRACKER BARREL OLD COUNTRY
STORE, INC., as Guarantor

By: /s/James F. Blackstock

Name: James F. Blackstock
Title: Senior Vice President,
General Counsel and
Secretary

CPM MERGER CORPORATION, as Guarantor

By: /s/James F. Blackstock

Name: James F. Blackstock
Title: Vice President and
Secretary

CBOCS DISTRIBUTION, INC., as Guarantor

By: /s/James F. Blackstock

Name: James F. Blackstock
Title: Secretary

CBOCS PARTNER I, LLC, as Guarantor

By: /s/Michael Zylstra

Name: Michael Zylstra
Title: Secretary

CBOCS PARTNER II, LLC, as Guarantor

By: /s/LaShawn Williams

Name: LaShawn Williams
Title: President

CBOCS WEST, INC., as Guarantor

By: /s/Michael Zylstra

Name: Michael Zylstra
Title: Secretary

CBOCS MICHIGAN, INC., as Guarantor

By: /s/Bruce Hallums

Name: Bruce Hallums
Title: President

CBOCS SIERRA, INC., as Guarantor

By: /s/Bruce Scoggins

Name: Bruce Scoggins
Title: President

CB MUSIC LLC, as Guarantor

By: /s/James F. Blackstock

Name: James F. Blackstock
Title: Chief Manager and
President

ROCKING CHAIR, INC., as Guarantor

By: /s/Elizabeth Wilson

Name: Elizabeth Wilson
Title: Assistant Secretary

GC MANAGEMENT COMPANY, as Guarantor

By: /s/James F. Blackstock

Name: James F. Blackstock
Title: Secretary

LOGAN'S ROADHOUSE, INC., as Guarantor

By: /s/James F. Blackstock

Name: James F. Blackstock
Title: Assistant Secretary

ROADHOUSE PROMOTIONS, INC., as
Guarantor

By: /s/James F. Blackstock

Name: James F. Blackstock
Title: Assistant Secretary

CBOCS TEXAS LIMITED PARTNERSHIP, as
Guarantor

By: /s/Bruce Hallums

Name: Bruce Hallums
Title: President of CBOCS
Partner I, LLC as General
Partner

CBOCS GENERAL PARTNERSHIP, as Guarantor

By: /s/James F. Blackstock

Name: James F. Blackstock
Title: Assistant Secretary of
CBOCS West, Inc as
General Partner

ROADHOUSE OF WEST VIRGINIA LIMITED
PARTNERSHIP, as Guarantor

By: /s/James F. Blackstock

Name: James F. Blackstock
Title: Assistant Secretary of
Roadhouse Promotions, Inc.
as General Partner

LOGAN'S ROADHOUSE, INC. OF W. VA., as
Guarantor

By: /s/James F. Blackstock

Name: James F. Blackstock
Title: Assistant Secretary

LOGAN'S ROADHOUSE OF TEXAS, INC., as
Guarantor

By: /s/James F. Blackstock

Name: James F. Blackstock
Title: Authorized Agent

WACHOVIA BANK, NATIONAL ASSOCIATION,
as Trustee

By: /s/Susan K. Baker

Name: Susan K. Baker
Title: Vice President

EXHIBIT A-1

[FORM OF FACE OF GLOBAL SECURITY]

FOR PURPOSES OF SECTIONS 1273 AND 1275 OF THE INTERNAL REVENUE CODE, THIS SECURITY IS ISSUED WITH AN INDETERMINATE AMOUNT OF ORIGINAL ISSUE DISCOUNT FOR UNITED STATES FEDERAL INCOME TAX PURPOSES. THE ISSUE DATE IS APRIL 3, 2002, AND THE YIELD TO MATURITY FOR PURPOSES OF ACCRUING ORIGINAL ISSUE DISCOUNT IS 7.32% PER ANNUM, COMPOUNDED SEMIANNUALLY. THE HOLDER OF THIS SECURITY MAY OBTAIN THE PROJECTED PAYMENT SCHEDULE BY SUBMITTING A WRITTEN REQUEST FOR SUCH INFORMATION TO: INVESTOR RELATIONS, CBRL GROUP, INC., P.O. BOX 787 LEBANON, TN 37088.

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY TO THE ISSUER 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.

TRANSFERS OF THIS GLOBAL SECURITY SHALL BE LIMITED TO TRANSFERS IN WHOLE, BUT NOT IN PART, TO NOMINEES OF THE DEPOSITORY TRUST COMPANY, OR TO A SUCCESSOR THEREOF OR SUCH SUCCESSOR'S NOMINEE AND TRANSFERS OF PORTIONS OF THIS GLOBAL SECURITY SHALL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN ARTICLE TWO OF THE INDENTURE REFERRED TO ON THE REVERSE HEREOF.

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.

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"), WHICH IS TWO YEARS AFTER THE LATER OF THE LAST DAY SECURITIES OF THIS ISSUE WERE ISSUED AND THE LAST DATE ON WHICH CBRL GROUP, INC. (THE "COMPANY" OR THE "ISSUER") OR ANY AFFILIATE OF THE COMPANY WAS THE

OWNER OF THIS SECURITY (OR ANY PREDECESSOR OF SUCH SECURITY) ONLY (A) TO THE COMPANY 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. THIS LEGEND WILL BE REMOVED UPON THE REQUEST OF ANY HOLDER THAT IS NOT AN AFFILIATE OF THE COMPANY AFTER THE RESALE RESTRICTION TERMINATION DATE.

THE FOREGOING LEGEND MAY BE REMOVED FROM THIS SECURITY ON SATISFACTION OF THE CONDITIONS SPECIFIED IN THE INDENTURE.

CBRL GROUP, INC.
Liquid Yield Option(TM) Note due 2032
(Zero Coupon-Senior)

No. R-1
Issue Date: April 3, 2002.
Issue Price: \$409.30.....
(for each \$1,000 Principal.
Amount at Maturity)

CUSIP: 12489VAA4
Original Issue Discount: \$590.70
(for each \$1,000 Principal
Amount at Maturity)

CBRL GROUP, INC., a Tennessee corporation, promises to pay to Cede & Co. or registered assigns, the Principal Amount at Maturity of THREE HUNDRED AND SIXTY SEVEN MILLION DOLLARS (\$367,000,000) on April 3, 2032.

This Security shall not bear interest except as specified on the other side of this Security. Original Issue Discount will accrue as specified on the other side of this Security. This Security is convertible as specified on the other side of this Security.

Additional provisions of this Security are set forth on the other side of this Security.

Dated: April 3, 2002.....

CBRL GROUP, INC.

By: _____
Title:

TRUSTEE'S CERTIFICATE OF
AUTHENTICATION

WACHOVIA BANK, NATIONAL ASSOCIATION, as Trustee, certifies that this is one of the Securities referred to in the within-mentioned Indenture.

By: _____
Authorized Officer

Dated: _____

[FORM OF REVERSE SIDE OF LYON]
Liquid Yield Option(TM) Note due 2032
(Zero Coupon-Senior)

1. Interest.

This Security shall not bear interest, except as specified in this paragraph or in paragraphs 5 and 11 hereof. If the Principal Amount at Maturity hereof or any portion of such Principal Amount at Maturity is not paid when due (whether upon acceleration pursuant to Section 6.02 of the Indenture, upon the date set for payment of the Redemption Price pursuant to paragraph 6 hereof, upon the date set for payment of the Purchase Price or Change in Control Purchase Price pursuant to paragraph 7 hereof or upon the Stated Maturity of this Security) or if interest (including contingent interest, if any) due hereon or any portion of such interest is not paid when due in accordance with paragraph 5 or 11 hereof, then in each such case the overdue amount shall, to the extent permitted by law, bear interest at the rate of 3.00% per annum, compounded semiannually, which interest shall accrue from the date such overdue amount was originally due to the date payment of such amount, including interest thereon, has been made or duly provided for. All such interest shall be payable on demand. The accrual of such interest on overdue amounts shall be in lieu of, and not in addition to, the continued accrual of Original Issue Discount.

Original Issue Discount (the difference between the Issue Price and the Principal Amount at Maturity of the Security), in the period during which a Security remains outstanding, shall accrue at 3.00% per annum, on a semiannual bond equivalent basis using a 360-day year composed of twelve 30-day months, from the Issue Date of this Security.

2. Method of Payment.

Subject to the terms and conditions of the Indenture, the Company will make payments in respect of Redemption Prices, Purchase Prices, Change in Control Purchase Prices and at Stated Maturity to Holders who surrender Securities to a Paying Agent to collect such payments in respect of the Securities. The Company will pay any cash amounts in money of the United States that at the time of payment is legal tender for payment of public and private debts. However, the Company may make such cash payments by check payable in such money.

3. Paying Agent, Conversion Agent, Registrar and Bid Solicitation Agent.

Initially, Wachovia Bank, National Association, a national banking association (the "Trustee"), will act as Paying Agent, Conversion Agent, Registrar and Bid Solicitation Agent. The Company may appoint and change any Paying Agent, Conversion Agent, Registrar or co-registrar or Bid Solicitation Agent without notice, other than notice to the Trustee except that the Company will maintain at least one Paying Agent in the State of New York, City of New York, Borough of Manhattan, which shall initially be an office or agency of the Trustee. The Company or any of its Subsidiaries or any of their Affiliates may act as Paying Agent, Conversion Agent, Registrar or co-registrar. None of the Company, any of its Subsidiaries or any of their Affiliates shall act as Bid Solicitation Agent.

4. Indenture.

The Company issued and the Guarantors have guaranteed the Securities pursuant to an Indenture dated as of April 3, 2002 (the "Indenture"), among the Company, the Guarantors 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 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 Securityholders are referred to the Indenture and the TIA for a statement of those terms.

The Securities and the Guarantees are general unsecured and unsubordinated obligations, of the Company and the Guarantors, respectively, limited to \$422,050,000 aggregate Principal Amount at Maturity (subject to Section 2.07 of the Indenture). The Indenture does not limit other indebtedness of the Company, secured or unsecured.

5. Contingent Interest.

Subject to the accrual provisions specified in this paragraph 5, the Company shall pay contingent interest to the Holders during any six-month period (a "Contingent Interest Period") from April 4 to October 3 and from October 4 to April 3, commencing after April 3, 2007, if the average LYON Market Price for the Five-Day Period with respect to such Contingent Interest Period equals 120% or more of the sum of the Issue Price of a Security and Original Issue Discount accrued thereon to the trading day immediately preceding the first day of the relevant Contingent Interest Period.

The amount of contingent interest payable per \$1,000 Principal Amount at Maturity hereof shall equal 0.125% of the average LYON Market Price for the Five-Day Period with respect to such Contingent Interest Period.

Contingent interest, if any, will be payable to Holders as of the 15th day (whether or not a Business Day) preceding the last day of the relevant Contingent Interest Period. Such payments shall be paid on the last day of the relevant Contingent Interest Period. Original Issue Discount will continue to accrue at 3.00% per annum whether or not contingent interest is paid.

"Five-Day Period" means, with respect to any Contingent Interest Period, the five trading days ending on the second trading day immediately preceding the first day of such Contingent Interest Period.

"LYON Market Price" means, as of any date of determination, the average of the secondary market bid quotations per \$1,000 Principal Amount at Maturity obtained by the Bid Solicitation Agent for \$10 million Principal Amount at Maturity of Securities at approximately 4:00 p.m., New York City time, on such determination date from three recognized securities dealers in The City of New York (none of which shall be an Affiliate of the Company) selected by the Company; provided, however, if (a) at least three such bids are not obtained by the Bid Solicitation Agent or (b) in the Company's reasonable judgment, the bid quotations are not indicative of the secondary market value of the Securities as of such determination date, then the LYON Market Price for such determination date shall equal (i) the Conversion Rate in effect as of such determination date multiplied by (ii) the average Sale Price of the Common Stock for the five trading days ending on such determination 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 determination date, of any event described in Section 11.06, 11.07 or 11.08 (subject to the conditions set forth in Sections 11.09 and 11.10) of the Indenture.

Upon determination that Holders will be entitled to receive contingent interest which may become payable during a Contingent Interest Period, on or prior to the first day of such Contingent Interest Period, the Company shall promptly notify the Trustee of such determination and shall issue a press release and publish such information on its web site on the World Wide Web.

6. Redemption at the Option of the Company.

No sinking fund is provided for the Securities. The Securities are redeemable as a whole, or from time to time in part, at any time at the option of the Company in accordance with the Indenture at the Redemption Prices set forth below, provided that the Securities are not redeemable prior to April 3, 2007.

The table below shows Redemption Prices of a Security per \$1,000 Principal Amount at Maturity on the dates shown below and at Stated Maturity, which prices reflect accrued Original Issue Discount calculated to each such date. The Redemption Price of a Security redeemed between such dates shall include an additional amount reflecting the additional Original Issue Discount accrued since the preceding date in the table but not including the Redemption Date.

Redemption Date	(1) LYON Issue Price	(2) Accrued Original Issue Discount	(3) Redemption Price (1) + (2)
April 3			
2007.....	409.30	65.71	475.01
2008.....	409.30	80.07	489.37
2009.....	409.30	94.86	504.16
2010.....	409.30	110.09	519.39
2011.....	409.30	125.79	535.09
2012.....	409.30	141.97	551.27
2013.....	409.30	158.63	567.93
2014.....	409.30	175.79	585.09
2015.....	409.30	193.48	602.78
2016.....	409.30	211.70	621.00
2017.....	409.30	230.47	639.77
2018.....	409.30	249.80	659.10
2019.....	409.30	269.72	679.02
2020.....	409.30	290.25	699.55
2021.....	409.30	311.39	720.69
2022.....	409.30	333.17	742.47
2023.....	409.30	355.61	764.91
2024.....	409.30	378.73	788.03
2025.....	409.30	402.55	811.85
2026.....	409.30	427.09	836.39
2027.....	409.30	452.37	861.67
2028.....	409.30	478.41	887.71
2029.....	409.30	505.24	914.54
2030.....	409.30	532.88	942.18
2031.....	409.30	561.36	970.66
At Stated Maturity.....	409.30	590.70	1,000.00

If this Security has been converted to a semiannual coupon note following the occurrence of a Tax Event, the Redemption Price will be equal to the Restated Principal Amount plus accrued and unpaid interest from the date of such conversion to but not including the Redemption Date; but in no event will this Security be redeemable before April 3, 2007.

7. Purchase 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 Securities held by such Holder on the following Purchase Dates and at the following Purchase Prices per \$1,000 Principal Amount at Maturity, upon delivery of a Purchase 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 Purchase Date until the close of business on the day immediately preceding such Purchase Date and upon delivery of the Securities to the Paying Agent by the Holder as set forth in the Indenture.

Purchase Date	Purchase Price
April 3, 2005	\$447.55
April 3, 2007	\$475.01
April 3 2012	\$551.27

April 3, 2017	\$639.77
April 3, 2022	\$742.47
April 3, 2027	\$861.67

The Purchase Price (equal to the Issue Price plus accrued Original Issue Discount to the Purchase Date) may be paid, at the option of the Company, in cash or by the issuance and delivery of shares of Common Stock of the Company, or in any combination thereof in accordance with the Indenture.

If prior to a Purchase Date this Security has been converted to a semiannual coupon note following the occurrence of a Tax Event, the Purchase Price will be equal to the Restated Principal Amount plus accrued and unpaid interest from the date of conversion to the Purchase Date as provided in the Indenture.

At the option of the Holder and subject to the terms and conditions of the Indenture, the Company shall become obligated to purchase the Securities held by such Holder no later than 35 Business Days after the occurrence of a Change in Control of the Company but in no event prior to the date on which such Change in Control occurs on or prior to April 3, 2007 for a Change in Control Purchase Price equal to the Issue Price plus accrued Original Issue Discount to but not including the Change in Control Purchase Date, which Change in Control Purchase Price shall be paid in cash. If prior to a Change in Control Purchase Date this Security has been converted to a semiannual coupon note following the occurrence of a Tax Event, the Change in Control Purchase Price shall be equal to the Restated Principal Amount plus accrued and unpaid interest from the date of conversion to the Change in Control Purchase Date.

A third party may make the offer and purchase of the Securities in lieu of the Company in accordance with the Indenture.

Holder's have the right to withdraw any Purchase Notice or Change in Control Purchase Notice, as the case may be, by delivering to the Paying Agent a written notice of withdrawal in accordance with the provisions of the Indenture.

If cash (and/or securities if permitted under the Indenture) sufficient to pay the Purchase Price or Change in Control Purchase Price, as the case may be, of all Securities or portions thereof to be purchased as of the Purchase Date or the Change in Control Purchase Date, as the case may be, is deposited with the Paying Agent on the Business Day following the Purchase Date or the Change in Control Purchase Date, as the case may be, Original Issue Discount and contingent interest, if any, shall cease to accrue on such Securities (or portions thereof) on such Purchase Date or Change in Control Purchase Date, as the case may be, and the Holder thereof shall have no other rights as such (other than the right to receive the Purchase Price or Change in Control Purchase Price, as the case may be, if any, upon surrender of such Security).

8. Notice of Redemption.

Notice of redemption will be mailed at least 30 days but not more than 60 days before the Redemption Date to each Holder of Securities to be redeemed at the Holder's registered address. If money sufficient to pay the Redemption Price of, and accrued and unpaid contingent interest, if any, with respect to, all Securities (or portions thereof) to be redeemed on the Redemption Date is deposited with the Paying Agent prior to or on the Redemption Date, on such Redemption Date, Original Issue Discount and interest (including contingent interest), if any, shall cease to accrue on such Securities or portions thereof. Securities in denominations larger than \$1,000 of Principal Amount at Maturity may be redeemed in part but only in integral multiples of \$1,000 of Principal Amount at Maturity.

9. Conversion.

Subject to the provisions of this paragraph 9 and notwithstanding the fact that any other condition to conversion has not been satisfied, Holders may convert the Securities into Common Stock on a Conversion Date in any fiscal quarter commencing after August 2, 2002, if, as of the last day of the preceding fiscal quarter, the Sale Price of the Common Stock for at least 20 trading days in a period of 30 consecutive trading days ending on the last trading day of such preceding fiscal quarter is greater than the conversion trigger price per share. The "conversion trigger price" for any fiscal quarter shall be a reference percentage, beginning at 120%, and declining 0.08474% per quarter thereafter to approximately 110% on the last day of the quarter ending January 30, 2032, of the accreted conversion price per share of Common Stock on the last trading day of such preceding calendar quarter.

The "accreted conversion price per share" of Common Stock as of any day equals the quotient of:

- o the Issue Price and accrued Original Issue Discount to that day, divided by
- o the number of shares of Common Stock issuable upon conversion of \$1,000 Principal Amount at Maturity of Securities on that day.

For illustrative purposes only, the table below shows the conversion trigger price per share of Common Stock in respect of each of the first 20 fiscal quarters. These prices reflect the accreted conversion price per share of Common Stock (assuming that no events occurred requiring an adjustment to the initial Conversion Rate of 10.8584 shares of Common Stock per \$1,000 Principal Amount of Maturity) multiplied by the applicable reference percentage for the respective fiscal quarter. Thereafter, the accreted conversion price per share of Common Stock increases each fiscal quarter by the accrued Original Issue Discount per share for the quarter and the applicable percentage declines by 0.8474% per quarter.

Quarter -----	(1) Accreted Conversion Price Per Share -----	(2) Applicable Reference Percentage -----	(3) Conversion Trigger Price (1)x(2) -----
2003			
First Quarter.....	\$38.07	120.0000%	\$45.68
Second Quarter.....	\$38.35	119.9153%	\$45.99
Third Quarter.....	\$38.64	119.8305%	\$46.30
Fourth Quarter.....	\$38.93	119.7458%	\$46.62
2004			
First Quarter.....	\$39.22	119.6610%	\$46.93
Second Quarter.....	\$39.51	119.5763%	\$47.24
Third Quarter.....	\$39.80	119.4916%	\$47.56
Fourth Quarter.....	\$40.10	119.4068%	\$47.88
2005			
First Quarter.....	\$40.40	119.3221%	\$48.21
Second Quarter.....	\$40.70	119.2373%	\$48.53
Third Quarter.....	\$41.00	119.1526%	\$48.85
Fourth Quarter.....	\$41.31	119.0679%	\$49.19
2006			
First Quarter.....	\$41.62	118.9831%	\$49.52
Second Quarter.....	\$41.93	118.8984%	\$49.85
Third Quarter.....	\$42.24	118.8136%	\$50.18
Fourth Quarter.....	\$42.55	118.7289%	\$50.52
2007			
First Quarter.....	\$42.87	118.6442%	\$50.87
Second Quarter.....	\$43.19	118.5594%	\$51.20
Third Quarter.....	\$43.51	118.4747%	\$51.55
Fourth Quarter.....	\$43.84	118.3899%	\$51.90

Subject to the provisions of this paragraph 9 and notwithstanding the fact any other condition to conversion has not been satisfied, Holders may convert the Securities into Common Stock on a Conversion Date during any period in which the credit rating assigned to the Securities by a Rating Agency is at or below the Applicable Rating. "Rating Agency" means (1) Moody's Investors Service, Inc. and its successors ("Moody's"), (2) Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies Inc., and its successors ("Standard & Poor's") or (3) if Moody's or Standard & Poor's or both of them are not making ratings of the Securities publicly available, a nationally recognized U.S. rating agency or agencies, as the case may be, selected by the Company, which will be substituted for Moody's or Standard & Poor's or both, as the case may be. "Applicable Rating" means (1) Ba3, (or its equivalent under any successor ratings categories of Moody's), or its successor Rating Agency or in the case of Moody's (2) BB- (or its equivalent, under any successor ratings categories of Standard & Poor's or its successor Rating Agency) in the case of Standard & Poor's.

Subject to the provisions of this paragraph 9 and notwithstanding the fact that any other condition to conversion has not been satisfied, a Holder may convert into Common Stock a Security or portion of a Security which has been called for redemption pursuant to paragraph 6 hereof, but such Securities may be surrendered for conversion until the close of business on the second Business Day immediately preceding the Redemption Date.

Subject to the provisions of this paragraph 9 and notwithstanding the fact that any other condition to conversion has not been satisfied, in the event that the Company declares a dividend or distribution described in Section 11.07 of the Indenture, or a dividend or a distribution described in Section 11.08 of the Indenture where, the fair market value, per share, of such dividend or

distribution per share of Common Stock, as determined in the Indenture, exceeds 15% of the Sale Price of the Common Stock on the Business Day immediately preceding the date of declaration for such dividend or distribution, the Securities may be surrendered for conversion beginning on the date the Company gives notice to the Holders of such right, which shall not be less than 20 days prior to the Ex-Dividend Time for such dividend or distribution, and Securities may be surrendered for conversion at any time thereafter until the close of business on the Business Day prior to the Ex-Dividend Time or until the Company announces that such dividend or distribution will not take place.

Subject to the provisions of this paragraph 9 and notwithstanding the fact that any other condition to conversion has not been satisfied, in the event the Company is a party to a consolidation, merger or binding share exchange pursuant to which the Common Stock would be converted into cash, securities or other property as set forth in Section 11.14 of the Indenture, the Securities may be surrendered for conversion at any time from and after the date which is 15 days prior to the date the Company announces the anticipated effective time until 15 days after the actual effective date of such transaction, and at the effective time of such transaction the right to convert a Security into Common Stock will be deemed to have changed into a right to convert it into the kind and amount of cash, securities or other property which the holder would have received if the holder had converted its Security immediately prior to the transaction.

A Security in respect of which a Holder has delivered a Purchase Notice or Change in Control Purchase Notice exercising the option of such Holder to require the Company to purchase such Security may be converted only if such notice of exercise is withdrawn in accordance with the terms of the Indenture.

The initial Conversion Rate is 10.8584 shares of Common Stock per \$1,000 Principal Amount at Maturity, subject to adjustment in certain events described in the Indenture. The Company will deliver cash or a check in lieu of any fractional share of Common Stock.

In the event the Company exercises its option pursuant to Section 10.01 of the Indenture to have interest in lieu of Original Issue Discount accrue on the Security following a Tax Event, the Holder will be entitled on conversion to receive the same number of shares of Common Stock such Holder would have received if the Company had not exercised such option.

Accrued and unpaid interest in lieu of Original Issue Discount and contingent interest will not be paid on Securities that are converted; provided, however that Securities surrendered for conversion during the period, in the case of interest in lieu of Original Issue Discount, from the close of business on any Regular Record Date next preceding any Interest Payment Date to the opening of business on such Interest Payment Date, shall be entitled to receive such interest, in lieu of Original Issue Discount, payable on such Securities on the corresponding Interest Payment Date and (except Securities with respect to which the Company has mailed a notice of redemption) Securities surrendered for conversion during such periods must be accompanied by payment of an amount equal to the interest in lieu of Original Issue Discount with respect thereto that the registered Holder is to receive.

To convert a Security, a Holder must (1) complete and manually sign the conversion notice below (or complete and manually sign a facsimile of such notice) and deliver such notice to the Conversion Agent, (2) surrender the Security to the Conversion Agent, (3) furnish appropriate endorsements and transfer documents if required by the Conversion Agent, the Company or the Trustee and (4) pay any transfer or similar tax, if required.

A Holder may convert a portion of a Security if the Principal Amount at Maturity of such portion is \$1,000 or an integral multiple of \$1,000. No payment or adjustment will be made for dividends on the Common Stock except as provided in the Indenture. On conversion of a Security, the greater of that portion of accrued Original Issue Discount (or interest if the Company has exercised its option provided for in paragraph 11 hereof) or Tax Original Issue Discount attributable to the period from the Issue Date (or, if the Company has exercised the option referred to in paragraph 11 hereof, the later of (x) the date of such exercise and (y) the date on which interest was last paid) through the Conversion Date and (except as provided above) accrued contingent interest, if any, with respect to the converted Security shall not be cancelled, extinguished or forfeited, but rather shall be deemed to be paid in full to the Holder thereof through the delivery of the Common Stock (together with the cash payment, if any, in lieu of fractional shares) in exchange for the Security being converted pursuant to the terms hereof; and the fair market value of such shares of Common Stock (together with any such cash payment in lieu of fractional shares) shall be treated as issued, to the extent thereof, first in exchange for the greater of Original Issue Discount (or interest, if the Company has exercised its option provided for in paragraph 11 hereof) or Tax Original Issue Discount accrued through the Conversion Date and any accrued contingent interest, and the balance, if any, of such fair market value of such Common Stock (and any such cash payment) shall be treated as issued in exchange for the Issue Price of the Security being converted pursuant to the provisions hereof.

The Conversion Rate will be adjusted for dividends or distributions on Common Stock payable in Common Stock or other Capital Stock; subdivisions, combinations or certain reclassifications of Common Stock; distributions to all holders of Common Stock of certain rights to purchase Common Stock for a period expiring within 60 days of the record date for such distribution at less than the Sale Price of the Common Stock at the Time of Determination; and distributions to such holders of assets or debt securities of the Company or certain rights to purchase securities of the Company (excluding certain cash dividends or distributions) and certain rights pursuant to shareholder rights plans. However, no adjustment need be made if Securityholders may participate in the transaction or in certain other cases. The Company from time to time may voluntarily increase the Conversion Rate.

If the Company is a party to a consolidation, merger or binding share exchange or a transfer of all or substantially all of its assets, or upon certain distributions described in the Indenture, the right to convert a Security into Common Stock may be changed into a right to convert it into securities, cash or other assets of the Company or another person.

10. Conversion Arrangement on Call for Redemption.

Any Securities called for redemption, unless surrendered for conversion before the close of business on the Redemption Date, may be deemed to be purchased from the Holders of such Securities at an amount not less than the Redemption Price, by one or more investment bankers or other purchasers who may agree with the Company to purchase such Securities from the Holders, to convert them into Common Stock of the Company and to make payment for such Securities to the Trustee in trust for such Holders.

11. Tax Event.

(a).....From and after (i) the date of the occurrence of a Tax Event (the "Tax Event Date") and (ii) the date the Company exercises the option provided for in this paragraph 11, whichever is later (the "Option Exercise Date"), at the option of the Company, interest in lieu of future Original Issue Discount shall accrue at the rate of 3.00% per annum on a principal amount per Security (the "Restated Principal Amount") equal to the Issue Price plus Original Issue Discount accrued through the Option Exercise Date and shall be payable semiannually on April 3 and October 3 of each year (each an "Interest Payment Date") to holders of record at the close of business on March 19 or September 18 (each a "Regular Record Date") immediately preceding such Interest Payment Date. Interest will be computed on the basis of a 360-day year comprised of twelve 30-day months and will accrue from the most recent date to which interest has been paid or, if no interest has been paid, from the Option Exercise Date.

(b).....Interest on any Security that 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 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. Each installment of interest on any Security shall be paid in same-day funds by transfer to an account maintained by the payee located inside the United States.

(c).....From and after the Option Exercise Date, contingent interest provided for in paragraph 5 hereof shall cease to accrue on this Security.

12. Defaulted Interest.

Except as otherwise specified with respect to the Securities, any Defaulted Interest on any Security shall forthwith cease to be payable to the registered Holder thereof on the relevant Regular Record Date or accrual date, as the case may be, by virtue of having been such Holder, and such Defaulted Interest may be paid by the Company as provided for in Section 12.02 of the Indenture.

13. Denominations; Transfer; Exchange.

The Securities are in fully registered form, without coupons, in denominations of \$1,000 of Principal Amount at Maturity and integral multiples of \$1,000. A Holder may transfer or exchange Securities in accordance with the Indenture. The Registrar may require a Holder, among other things, to furnish appropriate endorsements and transfer documents and to pay any taxes and fees required by law or permitted by the Indenture. The Registrar need not transfer or exchange any Securities selected for redemption (except, in the case of a Security to be redeemed in part, the portion of the Security not to be redeemed) or any Securities in respect of which a Purchase Notice or Change in Control Purchase Notice has been given and not withdrawn (except, in the case of a Security to be purchased in part, the portion of the Security not to be purchased) or any Securities for a period of 15 days before the mailing of a notice of redemption of Securities to be redeemed.

14. Persons Deemed Owners.

The registered Holder of this Security may be treated as the owner of this Security for all purposes.

15. Unclaimed Money or Securities.

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 Securities that remains unclaimed for two years, subject to applicable unclaimed property laws. 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.

16. Amendment; Waiver.

Subject to certain exceptions set forth in the Indenture, (i) the Indenture or the Securities may be amended with the written consent of the Holders of at least a majority in aggregate Principal Amount at Maturity of the Securities at the time outstanding and (ii) certain Defaults may be waived with the written consent of the Holders of a majority in aggregate Principal Amount at Maturity of the Securities at the time outstanding. Subject to certain exceptions set forth in the Indenture, without the consent of any Securityholder, the Company and the Trustee may amend the Indenture or the Securities to cure any ambiguity, omission, defect or inconsistency, or to comply with Article 5 or Section 11.14 of the Indenture, to secure the Company's obligations under this Security or to add to the Company's covenants for the benefit of the Securityholders or to surrender any right or power conferred, to comply with any requirement of the SEC in connection with the qualification of the Indenture under the TIA, or as necessary in connection with the registration of the Securities under the Securities Act or to make any change that does not adversely affect the rights of any Holders.

17. Defaults and Remedies.

Under the Indenture, Events of Default include (i) default in the payment of contingent interest when the same becomes due and payable or of interest which becomes due and payable upon exercise by the Company of its option provided for in paragraph 11 hereof which default in either case continues for 30 days; (ii) default in payment of the Principal Amount at Maturity (or, if the Securities have been converted to semiannual coupon notes following a Tax Event, the Restated Principal Amount), Issue Price plus accrued Original Issue Discount, Redemption Price, Purchase 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 or any Guarantor to comply with other agreements in the Indenture or the Securities, subject to notice and lapse of time; (iv) (a) failure of the Company to make any payment by the end of any applicable grace period after maturity of Debt in an amount (taken together with amounts in (b) below) in excess of \$10,000,000, or (b) an acceleration of Debt has occurred in an amount (taken together with amounts in (a) above) in excess of \$10,000,000 because of a default with respect to such Debt without such Debt having been discharged or such acceleration having been cured, waived, rescinded or annulled, subject to notice and lapse of time; provided, however, that if any such failure or acceleration referred to in (a) or (b) above shall cease or be cured, waived, rescinded or annulled, then the Event of Default by reason thereof shall be deemed not to have occurred; (v) if any Guarantee ceases to be in full force and effect or is declared null and void or any Guarantor denies that it has any further liability under any Guarantee, or gives notice to such effect (other than by reason of the termination of this Indenture or the release of any such Guarantee in accordance with this Indenture) and such condition shall have continued for a period of 30 days after written notice of such failure requiring the Guarantor and the Company to remedy the same shall have been given (x) to the Company by the Trustee or (y) to the Company and the Trustee by the holders of 25% in aggregate principal amount of the Securities then outstanding; and (vi) certain events of bankruptcy or insolvency. If an Event of Default occurs and is continuing, the Trustee, or the Holders of at least 25% in aggregate Principal Amount at Maturity of the Securities at the time outstanding, may declare all the Securities to be due and payable immediately. Certain events of bankruptcy or insolvency are Events of Default which will result in the Securities becoming due and payable immediately upon the occurrence of such Events of Default.

Securityholders may not enforce the Indenture or the Securities except as provided in the Indenture. The Trustee may refuse to enforce the Indenture or the Securities unless it receives indemnity or security reasonably satisfactory to it. Subject to certain limitations, Holders of a majority in aggregate Principal Amount at Maturity of the Securities at the time outstanding may direct the Trustee in its exercise of any trust or power. The Trustee may withhold from Securityholders notice of any continuing Default (except a Default in payment of amounts specified in clause (i) or (ii) above) if it determines that withholding notice is in their interests.

18. Trustee Dealings with the Company.

Subject to certain limitations imposed by the TIA, the Trustee under the Indenture, in its individual or any other capacity, may become the owner or pledgee of Securities and may otherwise deal with and collect obligations owed to it by the Company or its Affiliates and may otherwise deal with the Company or its Affiliates with the same rights it would have if it were not Trustee.

19. No Recourse Against Others.

A director, officer, employee, agent, representative, stockholder or equity holder, as such, of the Company shall not have any liability for any obligations of the Company under the Securities or the Indenture or for any claim based on, in respect of or by reason of such obligations or their creation. By accepting a Security, each Securityholder waives and releases all such liability. The waiver and release are part of the consideration for the issue of the Securities.

20. Authentication.

This Security shall not be valid until an authorized signatory of the Trustee manually signs the Trustee's Certificate of Authentication on the other side of this Security.

21. Abbreviations.

Customary abbreviations may be used in the name of a Securityholder or an assignee, such as TEN COM (=tenants in common), TEN ENT (=tenants by the entireties), JT TEN (=joint tenants with right of survivorship and not as tenants in common), CUST (=custodian), and U/G/M/A (=Uniform Gift to Minors Act).

22. GOVERNING LAW.

THE LAW OF THE STATE OF NEW YORK SHALL GOVERN THE INDENTURE, THE GUARANTEES AND THIS SECURITY.

The Company will furnish to any Securityholder upon written request and without charge a copy of the Indenture which has in it the text of this Security in larger type. Requests may be made to:

CBRL Group, Inc.
P.O. Box 787
Lebanon, TN 37088
Attention: Chief Financial Officer

ASSIGNMENT FORM

To assign this Security, fill in the form below:

I or we assign and transfer this Security to

(Insert assignee's soc. sec. or tax ID no.)

(Print or type assignee's name, address and zip code)

and irrevocably appoint

_____ agent to transfer this Security on the books of the
Company. The agent may substitute another to act for him.

CONVERSION NOTICE

To convert this Security into Common Stock of the Company, check the box:

9

To convert only part of this Security, state the Principal Amount at Maturity to
be converted (which must be \$1,000 or an integral multiple of \$1,000):

\$-----

If you want the stock certificate made out in another person's name, fill in the
form below:

(Insert other person's soc. sec. or tax ID no.)

(Print or type other person's name, address and zip code)

Date: _____ Your Signature: _____

(Sign exactly as your name appears on the other side of this Security)

Exhibit A-2

[FORM OF GUARANTEE]

The Guarantors (as defined in the Indenture and which term includes any successor person under the Indenture), upon the terms and subject to the conditions set forth in the Indenture, hereby unconditionally guaranteed on a senior unsecured basis (such guarantee by each Guarantor being referred to herein as the "Guarantee") (i) the due and punctual payment of the principal of and interest (including contingent interest) on the Securities, whether at maturity, by acceleration or otherwise, the due and punctual payment of interest on the overdue principal and interest, if any, on the Securities, to the extent lawful, and the due and punctual performance of all other obligations of the Company to the Holders or the Trustee all in accordance with the terms set forth in Article 13 of the Indenture and (ii) in case of any extension of time of payment or renewal of any Securities or any of such other obligations, that the same will be promptly paid in full when due or performed in accordance with the terms of the extension or renewal, whether at Stated Maturity, by acceleration or otherwise.

The obligations of the undersigned to the Holders of the Securities and to the Trustee pursuant to this Guarantee and in the Indenture are expressly set forth in the Indenture and reference is hereby made to the Indenture for the precise terms of the Guarantees and all of the other provisions of the Indenture to which this Guarantee relates.

No stockholder, officer, director, employee or incorporator, as such, past, present or future, of any Guarantor shall have any liability under the Guarantee by reason of his or its status as such stockholder, officer, director, employee or incorporator.

The Guarantee shall not be valid or obligatory for any purpose until the certificate of authentication on the Securities upon which the Guarantee is noted shall have been executed by the Trustee under the Indenture by the manual signature of one of its authorized signatories.

The Guarantee shall be governed by and construed in accordance with the law of the State of New York applicable to agreements made or instruments entered into and, in each case, performed in said state.

IN WITNESS WHEREOF, the Guarantors have caused this instrument to be duly executed.

CRACKER BARREL OLD COUNTRY
STORE, INC.
CPM MERGER CORPORATION
CBOCS DISTRIBUTION, INC.
CBOCS PARTNER I, LLC
CBOCS PARTNER II, LLC
CBOCS WEST, INC.
CBOCS MICHIGAN, INC.
CBOCS SIERRA, INC.
CB MUSIC LLC
ROCKING CHAIR, INC.
GC MANAGEMENT COMPANY
LOGAN'S ROADHOUSE, INC.
ROADHOUSE PROMOTIONS, INC.
CBOCS TEXAS LIMITED PARTNERSHIP
CBOCS GENERAL PARTNERSHIP
ROADHOUSE OF WEST VIRGINIA
LIMITED PARTNERSHIP
LOGAN'S ROADHOUSE, INC. OF W. VA.
LOGAN'S ROADHOUSE OF TEXAS, INC.

By: _____

EXHIBIT A-3

[Form of Certificated Security]

FOR PURPOSES OF SECTIONS 1273 AND 1275 OF THE INTERNAL REVENUE CODE, THIS SECURITY IS ISSUED WITH AN INDETERMINATE AMOUNT OF ORIGINAL ISSUE DISCOUNT FOR UNITED STATES FEDERAL INCOME TAX PURPOSES. THE ISSUE DATE IS APRIL 3, 2002, AND THE YIELD TO MATURITY FOR PURPOSES OF ACCRUING ORIGINAL ISSUE DISCOUNT IS 7.32% PER ANNUM, COMPOUNDED SEMIANNUALLY. THE HOLDER OF THIS SECURITY MAY OBTAIN THE PROJECTED PAYMENT SCHEDULE BY SUBMITTING A WRITTEN REQUEST FOR SUCH INFORMATION TO: INVESTOR RELATIONS, CBRL GROUP, INC., P.O. BOX 787 LEBANON, TN 37088.

[INCLUDE IF SECURITY IS A CERTIFICATED SECURITY TO BE HELD BY AN INSTITUTIONAL ACCREDITED INVESTOR--IN CONNECTION WITH ANY TRANSFER, THE HOLDER WILL DELIVER TO THE REGISTRAR AND TRANSFER AGENT SUCH CERTIFICATES AND OTHER INFORMATION AS SUCH TRANSFER AGENT MAY REASONABLY REQUIRE TO CONFIRM THAT THE TRANSFER COMPLIES WITH THE FOLLOWING RESTRICTIONS.]

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.

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"), WHICH IS TWO YEARS AFTER THE LATER OF THE LAST DAY SECURITIES OF THIS ISSUE WERE ISSUED AND THE LAST DATE ON WHICH CBRL GROUP, INC. (THE "COMPANY" OR THE "ISSUER") OR ANY AFFILIATE OF THE COMPANY WAS THE OWNER OF THIS SECURITY (OR ANY PREDECESSOR OF SUCH SECURITY) ONLY (A) TO THE COMPANY 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. THIS LEGEND WILL BE REMOVED UPON THE REQUEST OF ANY HOLDER THAT IS NOT AN AFFILIATE OF THE COMPANY AFTER THE RESALE RESTRICTION TERMINATION DATE.

THE FOREGOING LEGEND MAY BE REMOVED FROM THIS SECURITY ON SATISFACTION OF THE CONDITIONS SPECIFIED IN THE INDENTURE.

CBRL GROUP, INC.
Liquid Yield Option(TM) Note due 2032
(Zero Coupon-Senior)

No. R-
Issue Date: April 3, 2002
Issue Price: \$409.30
(for each \$1,000 Principal
Amount at Maturity)

CUSIP: 12489VAA4
Original Issue Discount: \$590.70
(for each \$1,000 Principal
Amount at Maturity)

CBRL GROUP, INC., a Tennessee corporation, promises to pay to Cede & Co. or registered assigns, the Principal Amount at Maturity of Three Hundred and Sixty Seven Million DOLLARS (\$367,000,000) on April 3, 2032.

This Security shall not bear interest except as specified on the other side of this Security. Original Issue Discount will accrue as specified on the other side of this Security. This Security is convertible as specified on the other side of this Security.

Additional provisions of this Security are set forth on the other side of this Security.

Dated: April 3, 2002

CBRL GROUP, INC.

By: _____
Title:

TRUSTEE'S CERTIFICATE OF
AUTHENTICATION

WACHOVIA BANK, NATIONAL ASSOCIATION, as Trustee, certifies that this is one of the Securities referred to in the within-mentioned Indenture.

By: _____
Authorized Officer

Dated: _____

EXHIBIT B-1

Transfer Certificate

In connection with any transfer of any of the Securities within the period prior to the expiration of the holding period applicable to the sales thereof under Rule 144(k) (or any successor provision) under the Securities Act of 1933, as amended (the "Securities Act"), the undersigned registered owner of this Security hereby certifies with respect to \$_____ Principal Amount at Maturity of the above-captioned securities presented or surrendered on the date hereof (the "Surrendered Securities") for registration of transfer, or for exchange or conversion where the securities issuable upon such exchange or conversion are to be registered in a name other than that of the undersigned registered owner (each such transaction being a "transfer"), that such transfer complies with the restrictive legend set forth on the face of the Surrendered Securities for the reason checked below:

The transfer of the Surrendered Securities is made to the Company or any subsidiaries; or

The transfer of the Surrendered Securities complies with Rule 144A under the Securities Act; or

The transfer of the Surrendered Securities is to an institutional accredited investor, as described in Rule 501(a)(1), (2), (3) or (7) under the Securities Act; or

The transfer of the Surrendered Securities is pursuant to an effective registration statement under the Securities Act, or

The transfer of the Surrendered Securities is pursuant to an offshore transaction in accordance with Rule 904 under the Securities Act; or

The transfer of the Surrendered Securities is pursuant to another available exemption from the registration requirement of the Securities Act.

and unless the box below is checked, the undersigned confirms that, to the undersigned's knowledge, such Securities are not being transferred to an "affiliate" of the Company as defined in Rule 144 under the Securities Act (an "Affiliate").

The transferee is an Affiliate of the Company.

DATE: _____
Signature(s)

(If the registered owner is a corporation, partnership or fiduciary, the title of the Person signing on behalf of such registered owner must be stated.)

EXHIBIT B-2

Form of Letter to be Delivered by Accredited Investors

CBRL Group, Inc.
P.O. Box 787
Lebanon, TN 37088

Attention: Chief Financial Officer

Wachovia Bank, National Association
2525 West End Avenue, Suite 1200
Nashville, TN 37203

Attention: Corporate Trust Department

Dear Sirs:

We are delivering this letter in connection with the proposed transfer of \$_____ Principal Amount at Maturity of the Liquid Yield Option(TM) Notes due 2032 (Zero Coupon-Senior) ("LYONs") issued by CBRL Group, Inc. (the "Company"), which are convertible into shares of the Company's Common Stock, \$0.01 par value per share (the "Common Stock").

We hereby confirm that:

- (i) we are an "accredited investor" within the meaning of Rule 501(a)(1), (2) or (3) 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) or (3) under the Securities Act (an "Institutional Accredited Investor");
- (ii) the purchase of LYONs 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 LYONs as fiduciary for the account of one or more institutions for which we exercise sole investment discretion;
- (iii) we will acquire LYONs having a minimum principal amount at maturity of not less than \$250,000 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 LYONs; and

(v) we are not acquiring LYONs with a view to distribution thereof or with any present intention of offering or selling LYONs or the Common Stock issuable 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 LYONs 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 LYONs and the Common Stock issuable upon conversion thereof (the LYONs and such Common Stock hereinafter referred to as the "Securities") 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 LYONs, that if in the future we decide to resell or otherwise transfer such Securities prior to the date (the "Resale Restriction Termination Date") which is two years after the later of the last day the LYONs of this issue were issued and the last date on which the Company or an affiliate of the Company was the owner of the Security, such Securities may be resold or otherwise transferred only (i) to CBRL Group, Inc. or any subsidiary thereof, or (ii) for as long as the LYONs 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, or (iii) to an Institutional Accredited Investor that is acquiring the Security for its own account, or for the account of such 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 from us other than pursuant to clause (v) above 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 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 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:

ANNEX C

Projected Payment Schedule*

Semi-annual Period Ending	Projected Payment per Security
April 4, 2002	--
October 4, 2002	--
April 4, 2003	--
October 4, 2003	--
April 4, 2004	--
October 4, 2004	--
April 4, 2005	--
October 4, 2005	--
April 4, 2006	--
October 4, 2006	--
April 4, 2007	--
October 4, 2007	--
April 4, 2008	--
October 4, 2008	--
April 4, 2009	--
October 4, 2009	--
April 4, 2010	--
October 4, 2010	--
April 4, 2011	--
October 4, 2011	--
April 4, 2012	0.8179
October 4, 2012	0.8514
April 4, 2013	0.8862
October 4, 2013	0.9225
April 4, 2014	0.9602
October 4, 2014	0.9995
April 4, 2015	1.0404
October 4, 2015	1.0830
April 4, 2016	1.1273
October 4, 2016	1.1734
April 4, 2017	1.2214
October 4, 2017	1.2714
April 4, 2018	1.3234
October 4, 2018	1.3776
April 4, 2019	1.4339
October 4, 2019	1.4926
April 4, 2020	1.5536
October 4, 2020	1.6172
April 4, 2021	1.6834
October 4, 2021	1.7522
April 4, 2022	1.8239
October 4, 2022	1.8986
April 4, 2023	1.9762
October 4, 2023	2.0571
April 4, 2024	2.1412
October 4, 2024	2.2289
April 4, 2025	2.3200
October 4, 2025	2.4150
April 4, 2026	2.5138
October 4, 2026	2.6166
April 4, 2027	2.7237
October 4, 2027	2.8351
April 4, 2028	2.9511
October 4, 2028	3.0718
April 4, 2029	3.1975
October 4, 2029	3.3283
April 4, 2030	3.4645
October 4, 2030	3.6062
April 4, 2031	3.7538
October 4, 2031	3.9074
April 4, 2032	4.0672

* Note: This Cross Reference Table shall not, for any purpose, be deemed to be part of the Indenture.

* The comparable yield and the schedule of projected payments are determined on the basis of an assumption of linear growth of the stock price and a constant dividend yield and are not determined for any purpose other than for the determination of interest accruals and adjustments thereof in respect of the Securities for United States federal income tax purposes. The comparable yield and the schedule of projected payments do not constitute a projection or representation regarding the amounts payable on the Securities.

PARTIES: Dan W. Evins
("Executive")

CBRL Group, Inc.
a Tennessee corporation
("Company")

SUBJECT: Employment for a Specified Term

POSITION: Chairman of the Board of Directors
of the Company

LOCATION: Lebanon, Tennessee

DATE: August 4, 2001

This Agreement, dated for reference purposes August 4, 2001, is made by CBRL Group, Inc., a Tennessee corporation (the "Company"), and by Dan W. Evins, an individual, (the "Executive").

BACKGROUND FACTS

A. The Executive has previously been employed by the Company as its Chairman and Chief Executive Officer and as an officer of certain subsidiaries.

B. The Board of Directors of the Company (the "Board") recognizes that the Executive's contribution to the growth and success of the Company during the past 32 years has been substantial. The Board now desires, and deems it to be in the best interests of the Company and its shareholders, to provide for the continued employment of the Executive and to make certain changes in the Executive's employment arrangements with the Company which the Board has determined will reinforce and encourage the Executive's continued attention and dedication to the Company.

C. The Executive is willing to commit himself to continue to serve the Company on the specified terms and conditions.

D. In order to effect those purposes, the Company and the Executive wish to enter into an employment agreement on the terms and conditions set forth below.

Therefore, in consideration of the mutual promises in this Agreement, the Company and the Executive agree as follows:

AGREEMENT

1. EMPLOYMENT.

The Company employs the Executive and the Executive accepts employment from the Company upon the terms and conditions of this Agreement.

2. DURATION OF AGREEMENT.

This employment shall begin as of the effective date of this Agreement, August 4, 2001, and shall continue until it terminates pursuant to this Agreement. Unless earlier terminated pursuant to Article 6, this Agreement, and the Executive's employment, will automatically terminate at November 22, 2005.

3. DUTIES.

3.01 In General. Subject to the ultimate direction and control of the Company's Board of Directors, the Executive shall devote all of his efforts on a full-time basis to the business and affairs of the Company with such duties and responsibilities as the Board shall designate, and he shall not engage in any activities, or render services to or become associated with any other business that in the reasonable judgment of the Board violates Article 8 of this Agreement or interferes with the full and proper performance of the Executive's duties. The parties acknowledge and agree that community service, charitable activities, and reasonable participation in unrelated business activities, which do not adversely affect the Executive's employment duties, are not prohibited or restricted by this Section.

3.02 Specific Duties. The Executive will serve as Chairman of the Board of Directors of the Company, and as Chairman of its Executive Committee. The Executive will provide vision and leadership to oversee the development of the Company's strategic plan, with particular attention to the Company's core Cracker Barrel Old Country Store(R) concept.

4. COMPENSATION AND BENEFITS.

4.01 Compensation Package. In full consideration for all services rendered by the Executive under this Agreement, including service on the

Company's Board of Directors, and in accordance with its payroll practices for executives, the Company shall pay the Executive an annual salary, and in appropriate specified circumstances, a bonus, and the Company will provide employment benefits all as set forth in Exhibit A attached to and, made a part of this Agreement. Exhibit A will remain in effect until altered by mutual agreement or until this Agreement is terminated.

4.02 Benefits Distinct from Salary. Nothing paid to the Executive under any benefit plan or arrangement presently in effect or made available in the future shall be deemed to be in lieu of the salary payable to the Executive pursuant to this Article 4 and Exhibit A.

4.03 Prorations. Any payments or benefits payable to the Executive in respect of any 12-month period during which the Executive is employed by the Company for less than the entire 12-month period shall, unless otherwise provided in the applicable plan or arrangement, be prorated in accordance with the actual number of days within the 12-month period during which he is employed.

5. CHANGE IN CONTROL.

The Executive and the Company are parties to a separate agreement concerning changes in control of the Company. That agreement is specified in a letter dated October 8, 1999 from the Company to the Executive with a subject styled: "Employee Retention Agreement" (the "Letter Agreement"). A copy of the Letter Agreement comprises Exhibit B, which is attached to and is made part of this Agreement. The Letter Agreement supersedes this Agreement and controls all issues between these parties that may be affected by a change in control of the Company, as defined in the Letter Agreement (a "Change in Control").

6. TERMINATION OF EMPLOYMENT OR SEVERANCE.

6.01 Termination by Company Without Cause. The Board of Directors may terminate the Executive's employment, with or without cause, at any time by giving written notice of termination to the Executive, that termination of employment to be effective on a date specified in the notice. In the event of a termination without cause, the Executive shall be entitled to receive:

a. the unpaid amount due the Executive for annual base salary during the employment term prior to the date of termination;

b. initially, 3 times the annual base salary in effect at the date of termination, but this amount shall be automatically and appropriately reduced so that if it is paid, the amount paid shall not exceed the total annual base salary which could have been earned by the Executive during the remaining period prior to the established date of his mandatory retirement; and

c. subject to other specific provisions of this Agreement and the specific terms and conditions of each award or grant, appropriate stock options and restricted stock.

Payments with respect to base salary shall be made in cash in a single payment within 5 business days of the date of termination. The Executive's participation in all benefit programs other than life, medical and disability insurance shall cease as of the date of termination. The Executive's participation in the life, medical and disability insurance programs shall continue until the earlier of the time the Executive is employed by another employer and is covered or permitted to be covered by that employer's benefit plans without regard to the extent of such coverage, the Company no longer provides such benefit plans to the Executive's management employees, or the expiration of the term of this Agreement (as in effect at the time of termination). This provision supersedes any other severance program or policy that may be offered by the Company (except for the Letter Agreement) and is in lieu of, rather than in addition to other severance plans that may be in place, except with regard to any rights the Executive may have pursuant to COBRA or the Letter Agreement.

6.02 Termination by Company for Cause. If the Executive is terminated for cause, the Company shall have no further obligation to the Executive under this Agreement, and the Executive's participation in all benefit programs controlled by this Agreement shall cease as of the date of termination. For purposes of this Agreement, "cause" shall mean only any one or more of the following: (a) the Executive's personal dishonesty in connection with his duties to the Company; (b) the Executive's willful misconduct in the performance of his duties with the Company; (c) breach of fiduciary duty to the Company involving personal profit by the Executive; (d) conviction of the Executive for any felony or crime involving moral turpitude; (e) material intentional breach by the Executive of any provision of this Agreement; or (f) unsatisfactory performance by the Executive of the duties designated for the Executive by the Company's Board of Directors as a result of alcohol or drug use by the Executive.

6.03 Termination by Executive After Change in Control. If a Change in Control occurs, the Executive will have the rights, subject to the specified terms and conditions, set forth in the Letter Agreement.

6.04 Termination by Executive Other Than After Change in Control. The Executive may terminate his employment with the Company at any time without further obligation by either party under this Agreement (except for the obligations and covenants of the Executive pursuant to Article 8, which shall survive termination as specified in this Agreement) by giving not less than 60 nor more than 180 days prior written notice of termination to the Company.

6.05 Effect of Termination on Stock Options.

a. General Effect. Subject to the terms, conditions and provisions of the Company's separate Long-Term Incentive Plan and the cash and stock awards made under that plan, upon any termination of the Executive's employment and this Agreement, all stock options and restricted stock held by the Executive that are vested prior to the effective date of the termination shall be exercisable in accordance with their terms, and all stock options and restricted stock held by the Executive that are not vested prior to the effective date of the termination shall lapse and be void.

b. Option Treatment Upon Termination Without Cause. Upon a termination of the Executive's employment without cause pursuant to Section 6.01, in addition to any other rights of the Executive under this Agreement, the Executive shall receive, within 30 days after the termination, a lump sum cash distribution equal to: (a) the number of shares of the Company's common stock that is subject to options held by the Executive which are not vested on the date of termination of employment but which would otherwise vest during the original term; multiplied by (b) the difference between: (i) the closing price of a share of the Company's common stock as of the day prior to the effective date of termination of employment (or, if the United States securities trading markets are closed on that date, on the last preceding date on which the United States securities trading markets were open for trading), and (ii) the applicable exercise prices of the non-vested shares.

c. Effect Upon Change in Control. In the event of termination following a Change in Control, the terms and conditions expressed in the Letter Agreement will control with respect to stock options.

6.06 Death of Executive. If the Executive dies during the employment term, this Agreement and the Executive's employment shall terminate upon the Executive's death. With respect to cash compensation, the Executive's estate shall be entitled to any annual base salary earned but not paid plus any bonus accrued by the Company for the Executive through the date of death plus an additional amount equal to the annual base salary in effect for the Executive at the date of the death of the Executive. This payment shall be paid in a lump sum to the Executive's estate within 90 days after the Company is given notice of the Executive's death. With respect to stock options and restricted stock, the specific terms, conditions and provisions of those awards will determine their disposition and vesting upon death of the Executive.

6.07 Disability of Executive. The Company has disability insurance insuring individuals holding management positions, and the Executive is included under that disability insurance. During any period that the Executive fails to perform his duties as a result of a disability, the Executive shall continue to receive his full salary at the rate then in effect pursuant to Exhibit A until his employment is terminated by death or the expiration of this Agreement. Payments made to the Executive during the disability period shall be reduced by the amounts, if any, payable to the Executive under disability benefit plans of the Company. The Executive's year-end bonus shall be paid in a pro rata amount to compensate the Executive proportionately for days worked prior to the beginning of his disability period. For purposes of this Agreement, unless and except as otherwise specifically defined by the Company in its insurance plans, a "disability" of the Executive shall occur if the Executive suffers any mental or physical condition that impairs the Executive's ability to perform the essential functions of his duties for a period of 180 consecutive days or more, and if within 30 days after the Executive receives written notice from the Company requesting that the Executive resume his duties under this Agreement, the Executive is unable or refuses to do so.

7. INDEMNIFICATION.

7.01 Executive's Indemnification. The Company shall indemnify and hold the Executive harmless to the maximum extent permitted by law against judgments, fines, amounts paid in settlement and reasonable expenses, including attorneys' fees incurred by the Executive, in connection with the defense of, or as a result of any action or proceeding (or any appeal from any action or proceeding) in which the Executive is made or is threatened to be made a party by reason of the fact that he is or was an officer of the Company.

7.02 Insurance. The Company agrees that the Executive is and shall continue to be covered and insured up to the maximum limits provided by all insurance which the Company maintains to indemnify its directors and officers (and to indemnify the Company for any obligations which it incurs as a result of its undertaking to indemnify its officers and directors) and that the Company will exert its best efforts to maintain such insurance, in not less than its present limits, in effect throughout the term of the Executive's employment.

8. LIMITS ON COMPETITION.

8.01 No Competing Activities. While this Agreement is in effect, and during the time period specified in Section 8.03, the Executive shall not directly or indirectly, either as an employee, employer, officer, director, agent, consultant, partner or other investor (except for investments no greater than 5% of any entity) or in any other individual or representative capacity, engage or participate in any business or profession that is in substantial direct competition with the business of the Company. For the purposes of this paragraph, a business enterprise with which the Executive becomes associated as an employee, employer, officer, director, agent, consultant, partner or other investor shall be considered in "substantial direct competition" with the Company if it is engaged in the restaurant or gift shop business. This Section does not prohibit the Executive from engaging in any transaction which is approved in writing by the Board of Directors of the Company.

8.02 Confidentiality. In consideration of his employment and the compensation to be paid to him the Executive specifically covenants and agrees that he will regard and preserve as confidential all trade secrets and all non-public information pertaining to the Company's or its subsidiaries' businesses that have been or may be obtained by him. The Executive will not reveal, allow release of, nor disclose any Company confidential information. This prohibition on disclosure and release applies whether or not the information which is confidential may be classified as a trade secret. The confidential information of the Company which the Executive will not reveal, disclose or release to any person includes, but is not limited to, all technology, recipes and business systems of the Company at the date of this Agreement as well as all recipes, customer lists, business systems and styles developed during the course of this employment, and all other Company proprietary business information not generally known to the public. The Executive shall not use any confidential information except in the course of employment. The Executive will not use any of the confidential information after his employment by the Company is terminated, and the Executive will not take away or retain after termination of employment any of the Company's recipes, business systems, business styles or specifications, Company proprietary information, customer lists, or other documents or things relating to those matters. This provision does not apply to information voluntarily disclosed by the Company to the public, independently developed and disclosed by others, or otherwise lawfully in the public domain.

8.03 Survival of Obligations. If the Executive's employment is terminated for cause pursuant to Section 6.02, or if the Executive voluntarily terminates his employment prior to the end of the specified term of this Agreement, the non-competition requirements of this Article 8 will remain in force for 1 year following the date of the termination. In all cases, the confidentiality requirements of this Article 8 shall survive any expiration or termination of this Agreement or the Executive's employment pursuant to it.

9. MISCELLANEOUS TERMS.

9.01 Annual Performance Review. The Executive will report regularly to the Board of Directors and the Board will conduct an annual review of the Executive's performance prior to each Annual Shareholders Meeting.

9.02 Location of Employment. The Executive shall be employed at the Company's headquarters office in the city of Lebanon, TN, but the Executive shall travel to and carry out his duties wherever reasonably necessary for Company business, to an extent substantially consistent with business travel obligations at the date of this Agreement.

9.03 Compliance with Law. The Executive shall always, and when appropriate, at Company expense, endeavor to comply with all applicable federal, State and local laws, ordinances, rules, and regulations in the performance of all work and other activities carried out in the name of or on behalf of the Company.

9.04 Notices. All notices, requests, demands and other communications, under this Agreement shall be in writing and shall be duly given on the date of delivery if served personally on the party, or delivered by overnight courier, or 3 days after mailing if mailed to the party by first class mail, registered or certified, postage fully prepaid, and properly addressed as specified on the signature page of this Agreement. Any party may change its address by giving the other parties written notice of the new address in the manner set forth in this Section.

9.05 Entire Agreement. This Agreement, including the Letter Agreement and its other Exhibits, supersedes all other agreements, either oral or in writing, between the parties with respect to employment of the Executive by the Company. It contains all the promises between parties with respect to that employment. No representations, inducements, promises or other agreements, oral or otherwise, have been made by any party or any one acting on behalf of any party, and no agreement, statement or promise not contained in this Agreement is valid. Any modification of this Agreement must be in writing.

9.06 Partial Invalidity. If any provision in this agreement is held by a court of competent jurisdiction to be void or unenforceable, the remaining provisions shall continue in full force without being invalidated in any way.

9.07 Binding Effect. The provisions of this Agreement benefit and bind the Executive's heirs, representatives, and successors, and the Company's successors, transferees and assigns.

9.08 No Assignment. The Executive and the Company each acknowledges and agrees that the services to be rendered by the Executive are unique and personal. This Agreement is, therefore, personal to the parties and it, and the rights and obligations created by it, may not be assigned by the Executive, or except to corporations which are part of a consolidated group for tax purposes, by the Company.

9.09 Attorneys' Fees. If either party brings suit to compel performance of, to interpret, or to recover damages for the breach of this Agreement, the finally prevailing party shall be entitled to reasonable attorneys' fees in addition to costs and necessary disbursements otherwise recoverable.

9.10 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Tennessee.

IN WITNESS WHEREOF, the parties have executed this Agreement on January 15, 2002.

ADDRESSES:

106 Castle Heights Avenue North
Lebanon, Tennessee 37087

COMPANY:

CBRL Group, Inc.
a Tennessee corporation

By: /s/Michael A. Woodhouse

Michael A. Woodhouse, President

By: /s/James F. Blackstock

James F. Blackstock, Secretary

EXECUTIVE:

6636 Cairo Bend Road
Lebanon, Tennessee 37087

Dan W. Evins
By: /s/Dan W. Evins

Dan W. Evins

January 15, 2002

Approved.

/s/Robert V. Dale

Robert V. Dale,
Chairman Compensation & Stock Option Committee

Dan W. Evins Agreed Salary and Benefits

Effective Date	Executive	Annual Base Salary	Bonus Base
August 4, 2001	Dan W. Evins	\$500,000	100% of base salary

1. Salary. The annual base salary for the Executive will be paid in arrears semi-monthly, in equal installments on or about the 15th and last day of each calendar month. This salary may be increased from time to time in accordance with normal business practices of the Company, and if so increased, shall not thereafter during the term of this Agreement be decreased. Compensation of the Executive by salary payments shall not be deemed exclusive and shall not prevent the Executive from participating in any other compensation or benefit plan of the Company.
2. Benefits. The Company shall maintain in full force, and the Executive shall be entitled to continue to participate in, all of its employee benefit plans and arrangements in force on the effective date of this Exhibit A in which the Executive now participates (or it will implement plans or arrangements providing the Executive with at least equivalent benefits). The Company shall not make any changes in those plans and arrangements which would adversely affect the Executive's rights or benefits, unless the change occurs pursuant to a program applicable to all officers of the Company and does not result in a proportionately greater reduction in the rights of or benefits to the Executive as compared with any other officers of the Company. The Executive shall be entitled to participate in or receive benefits under any employee benefit plan or arrangement made available by the Company in the future to its officers and key management employees, subject to and on a basis consistent with the terms, conditions and overall administration of those plans and arrangements.
3. Options. The Executive is currently a participant in the Company's existing long term incentive arrangement and the Executive will have an opportunity each year to receive an annual grant of options for shares of Company common stock in the same manner stock options are granted to senior management employees of the Company. All option grants are subject to annual review and approval by the Company's Board of Directors.
4. Bonus. As part of this employment Agreement, the Executive will participate in a company bonus plan substantially similar in terms and conditions to the Company Management Incentive "MIP" Program, with a base bonus amount established at 100% of annual base salary. This bonus, or a portion of it, is earned if, and as, annually specified Company and personal target goals are achieved in each fiscal year. Any bonus earned will be paid after the close of each fiscal year.

EXHIBIT A

5. Expenses. The Executive shall be entitled to receive prompt reimbursement for all reasonable expenses incurred by him in performing his services, including all expenses of travel and living expenses while away from home on business or at the request of and in the service of the Company, provided that those expenses are incurred and accounted for in accordance with the policies and procedures established by the Company from time to time.
6. Health Insurance. The Executive will be provided with health, life, and disability insurance benefits of the same kinds and at the same levels as are available to senior management employees of the Company throughout the term of his employment.
7. Retirement Savings. The Executive will be eligible to participate in Company-sponsored retirement savings plans of the same kind and at the same level as are available to senior management employees of the Company throughout the term of his employment.

Executive employment agreement

PARTIES: Peter W. Kehayes
("Executive")

CBRL Group, Inc.
a Tennessee corporation
("Company")

Logan's Roadhouse, Inc.
a Tennessee corporation
("Logan's")

SUBJECT: Employment for a Specified Term

POSITION: President and Chief Operating
Officer of Logan's

LOCATION: Lebanon, Tennessee

DATE: January 15, 2002

This Agreement, dated for reference purposes January 15, 2002, is made by CBRL Group, Inc., a Tennessee corporation (the "Company"), by Logan's Roadhouse, Inc., a Tennessee corporation, and by Peter W. Kehayes, an individual (the "Executive").

BACKGROUND FACTS

A. The Executive has previously been employed by the Company and Logan's as the President and Chief Operating Officer of the Company's Logan's Roadhouse, Inc. subsidiary.

B. The Board of Directors of the Company (the "Board") recognizes that the Executive's contribution to the growth and success of Logan's during prior years has been substantial. The Board now desires, and deems it to be in the best interests of the Company and its shareholders, to provide for the continued employment of the Executive and to make certain changes in the Executive's employment arrangements with the Company and Logan's which the Board has determined will reinforce and encourage the Executive's continued attention and dedication to Logan's.

C. The Executive is willing to commit himself to continue to serve the Company and Logan's on the specified terms and conditions.

D. In order to effect those purposes, the Company, Logan's and the Executive wish to enter into an employment agreement on the terms and conditions set forth below.

Therefore, in consideration of the mutual promises in this Agreement, the Company, Logan's and the Executive agree as follows:

AGREEMENT

1. EMPLOYMENT.

The Company authorizes and approves the Executive's employment and Logan's employs the Executive and the Executive accepts employment from Logan's upon the terms and conditions of this Agreement.

2. DURATION OF AGREEMENT.

2.01 Initial Term. This employment shall begin as of the effective date of this Agreement, January 15, 2002, and shall continue until it terminates pursuant to this Agreement. Unless extended in writing by the parties or earlier terminated pursuant to Article 6, this Agreement will automatically terminate at July 30, 2004.

3. DUTIES.

3.01 In General. Subject to the ultimate direction and control of the Company and Logan's Board of Directors, the Executive shall devote all of his efforts on a full-time basis to the business and affairs of Logan's with such duties and responsibilities as the Board shall designate, and he shall not engage in any activities, or render services to or become associated with any other business that in the reasonable judgment of the Board violates Article 8 of this Agreement or interferes with the full and proper performance of the Executive's duties. The parties acknowledge and agree that community service, charitable activities, and reasonable participation in unrelated business activities, which do not adversely affect the Executive's employment duties, are not prohibited or restricted by this Section.

3.02 Specific Duties. The Executive will serve as President and Chief Operating Officer of Logan's. The Executive will provide leadership and oversight and direction to the business operations of Logan's and its

subsidiaries.

4. COMPENSATION AND BENEFITS.

4.01 Compensation Package. In full consideration for all services rendered by the Executive under this Agreement, including service on the Logan's Board of Directors, and in accordance with its payroll practices and other applicable Company policies for executives, the Company authorizes, and Logan's shall pay the Executive an annual salary, and in appropriate specified circumstances, a bonus, and they will provide employment benefits all as set forth in Exhibit A attached to and a part of this Agreement. Exhibit A will remain in effect until altered by mutual agreement or until this Agreement expires or is terminated.

4.02 Benefits Distinct from Salary. Nothing paid to the Executive under any benefit plan or arrangement presently in effect or made available in the future shall be deemed to be in lieu of the salary payable to the Executive pursuant to this Article 4 and Exhibit A.

4.03 Prorations. Any payments or benefits payable to the Executive in respect of any 12-month period during which the Executive is employed by the Company for less than the entire 12-month period shall, unless otherwise provided in the applicable plan or arrangement, be prorated in accordance with the actual number of days within the 12-month period during which he is employed.

5. CHANGE IN CONTROL.

The Executive and the Company are parties to a separate agreement concerning changes in control of the Company. That agreement is specified in a letter dated October 8, 1999 from the Company to the Executive with a subject styled: "Employee Retention Agreement" (the "Letter Agreement"). A copy of the Letter Agreement comprises Exhibit B, which is attached to and is made part of this Agreement. The Letter Agreement supersedes this Agreement and controls with respect to all issues between the Company and the Executive that may be affected by a change in control of the Company, as defined in the Letter Agreement (a "Change in Control").

6. TERMINATION OF EMPLOYMENT OR SEVERANCE.

6.01 Termination Without Cause. The Company's Board of Directors may direct Logan's to terminate the Executive's employment, with or without cause, at any time by giving written notice of termination to the Executive, that termination of employment to be effective on a date specified in the notice. In the event of a termination without cause, the Executive shall be entitled to receive:

a. the unpaid amount due the Executive for annual base salary during the employment term prior to the date of termination;

b. an amount equal to 2 times the annual base salary in effect at the date of termination; and

c. subject to other specific provisions of this Agreement and the specific terms and conditions of each award or grant, appropriate stock options and restricted stock.

Payments with respect to base salary shall be made in cash in a single payment within 5 business days of the date of termination. The Executive's participation in all benefit programs other than life, medical and disability insurance shall cease as of the date of termination. The Executive's participation in the life, medical and disability insurance programs shall continue until the earlier of the time the Executive is employed by another employer and is covered or permitted to be covered by that employer's benefit plans without regard to the extent of such coverage, the Company no longer provides such benefit plans to the Executive's management employees, or the expiration of the term of this Agreement (as in effect at the time of termination). This provision supersedes any other severance program or policy that may be offered by the Company (except for those relating to termination following a Change in Control, which are set forth in the Letter Agreement) and is in lieu of, rather than in addition to other severance plans that may be in place, except with regard to any rights the Executive may have pursuant to COBRA or the Letter Agreement.

6.02 Termination for Cause. If the Executive is terminated for cause, the Company and Logan's shall have no further obligation to the Executive under this Agreement, and the Executive's participation in all benefit programs controlled by this Agreement shall cease as of the date of termination (except employee health insurance benefits which shall continue to be provided in accordance with applicable COBRA law). For purposes of this Agreement, "cause" shall mean only any one or more of the following: (a) the Executive's personal dishonesty in connection with his duties to the Company or Logan's; (b) the Executive's willful misconduct in the performance of his duties with the Company or Logan's; (c) breach of fiduciary duty to the Company or Logan's involving personal profit by the Executive; (d) conviction of the Executive for any felony or crime involving moral turpitude; (e) material intentional breach by the Executive of any provision of this Agreement; or (f) unsatisfactory performance by the Executive of the duties designated for the Executive by Logan's or the Company's Board of Directors as a result of alcohol or drug use by the Executive.

6.03 Termination by Executive After Change in Control. If a Change in Control occurs, the Executive will have the rights, subject to the specified terms and conditions, set forth in the Letter Agreement.

6.04 Termination by Executive Other Than After Change in Control. The Executive may terminate his employment with Logan's at any time without further obligation by either party under this Agreement (except for the obligations and covenants of the Executive pursuant to Article 8, which shall survive termination as specified in this Agreement) by giving not less than 60 nor more than 180 days prior written notice of termination to the Company and Logan's.

6.05 Effect of Termination on Stock and Options.

a. General Effect. Subject to the terms, conditions and provisions of the Company's separate Long-Term Incentive Plan and the cash and stock awards made under that plan, upon any termination of the Executive's employment and this Agreement, all stock options and restricted stock held by the Executive that are vested prior to the effective date of the termination shall be exercisable in accordance with their terms, and all stock options and restricted stock held by the Executive that are not vested prior to the effective date of the termination shall lapse and be void.

b. Effect Upon Change in Control. In the event of termination following a Change in Control, the terms and conditions expressed in the Letter Agreement will control with respect to stock options.

6.06 Death of Executive. If the Executive dies during the employment term, this Agreement and the Executive's employment shall terminate upon the Executive's death. With respect to cash compensation, the Executive's estate shall be entitled to any annual base salary earned but not paid plus any bonus accrued by Logan's for the Executive through the date of death plus an additional amount equal to the annual base salary in effect for the Executive at the date of the death of the Executive. This payment shall be paid in a lump sum to the Executive's estate within 90 days after Logan's is given notice of the Executive's death. The rights of the Executive's estate with respect to stock options and restricted stock, and all other benefit plans, shall be determined in accordance with the specific terms, conditions and provisions of the applicable awards, agreements and plans.

6.07 Disability of Executive. Through the Company, Logan's has disability insurance insuring individuals holding officer positions, and the Executive is included under that disability insurance. During any period that the Executive fails to perform his duties as a result of a disability, the Executive shall continue to receive his full salary at the rate then in effect pursuant to Exhibit A until his employment is terminated by death or the expiration of this Agreement. Payments made to the Executive during the disability period shall be reduced by the amounts, if any, payable to the Executive under disability benefit plans of the Company and Logan's. The Executive's year-end bonus shall be paid in a pro rata amount to compensate the Executive proportionately for days worked prior to the beginning of his disability period. For purposes of this Agreement, unless and except as otherwise specifically defined by the Company and Logan's in its insurance plans, a "disability" of the Executive shall occur if the Executive suffers any mental or physical condition that impairs the Executive's ability to perform the essential functions of his duties for a period of 180 consecutive days or more, and if within 30 days after the Executive receives written notice from Logan's requesting that the Executive resume his duties under this Agreement, the Executive is unable or refuses to do so.

7. INDEMNIFICATION.

7.01 Executive's Indemnification. The Company and Logan's shall indemnify and hold the Executive harmless to the maximum extent permitted by law against judgments, fines, amounts paid in settlement and reasonable expenses, including reasonable attorneys' fees incurred by the Executive, in connection with the defense of, or as a result of any action or proceeding (or any appeal from any action or proceeding) in which the Executive is made or is threatened to be made a party by reason of the fact that he is or was an officer of the Company or Logan's.

7.02 Insurance. The Company and Logan's agree that the Executive is and shall continue to be covered and insured up to the maximum limits provided by all insurance which the Company and Logan's maintain to indemnify directors and officers (and to indemnify the Company or Logan's for any obligations which it incurs as a result of its undertaking to indemnify its officers and directors) and that the Company and Logan's will each exert its best efforts to maintain such insurance, in not less than its present limits, in effect throughout the term of the Executive's employment.

8. LIMITS ON COMPETITION.

8.01 No Competing Activities. While this Agreement is in effect, and for 1-year following termination of the Executive's employment for cause or by the Executive's voluntary resignation, the Executive shall not directly or indirectly, either as an employee, employer, officer, director, agent, consultant, partner or other investor (except for investments no greater than 5% of any entity) or in any other individual or representative capacity, engage or participate in any business or profession that is in substantial direct competition with the business of the Company. For the purposes of this paragraph, a business enterprise with which the Executive becomes associated as an employee, employer, officer, director, agent, consultant, partner or other investor shall be considered in "substantial direct competition" with the Company if it is engaged in the restaurant or gift shop business. Without limiting the list of companies engaged in substantial direct competition, the following companies are considered to certainly fall within that definition: Advantica Restaurants, Applebee's International, Avado Brands, Inc., Bob Evans Farms, Brinker International, Cheesecake Factory, Inc., Darden Restaurants, Inc., Il Fornaio Corporation, O' Charley's, Outback Steakhouse, RARE Hospitality and Roadhouse Grill. This Section does not prohibit the Executive from engaging in any transaction which is approved in writing by the Board of Directors of the Company and this Section does not apply following normal expiration of this Agreement.

8.02 Confidentiality. In consideration of his employment and the compensation to be paid to him the Executive specifically covenants and agrees that he will regard and preserve as confidential all trade secrets and all non-public information pertaining to the Company's or its subsidiaries' businesses that have been or may be obtained by him. The Executive will not reveal, allow release of, nor disclose any Company or Logan's confidential information. This prohibition on disclosure and release applies whether or not the information which is confidential may be classified as a trade secret. The confidential information of the Company or Logan's which the Executive will not reveal, disclose or release to any person includes, but is not limited to, all technology, recipes and business systems of the Company or Logan's at the date of this Agreement as well as all recipes, customer lists, business systems and styles developed during the course of this employment, and all other Company or Logan's proprietary business information not generally known to the public. The Executive shall not use any confidential information except in the course of employment. The Executive will not use any of the confidential information after his employment by Logan's is terminated, and the Executive will not take away or retain after termination of employment any of the Company's or Logan's recipes, business systems, business styles or specifications, Company or Logan's proprietary information, customer lists, or other documents or things relating to those matters. This provision does not apply to information voluntarily disclosed by the Company or Logan's to the public, independently developed and disclosed by others, or otherwise lawfully in the public domain.

8.03 No Contact with Employees. As a specific part of the consideration to induce the Company and Logan's to enter into this Agreement with him, the Executive unconditionally agrees that, for a period of 1-year from the effective date of termination of the Executive's employment for any reason, the Executive will not initiate any contact with any employees of CBRL Group, Inc., or its subsidiaries or affiliates (jointly or severally, the "Group"), in order to induce them to terminate their employment with the Group or to seek employment with the Executive or any corporation or other business entity in which the Executive has an ownership interest (except an ownership interest of 1% or less in a public company) or by which he might be employed.

9. MISCELLANEOUS TERMS.

9.01 Annual Performance Review. The Executive will report regularly to the Company's Board of Directors and the Board will conduct an annual review of the Executive's performance in or near July of each year.

9.02 Location of Employment. The Executive shall be employed at Logan's headquarters office in the city of Nashville, TN, but the Executive shall travel to and carry out his duties wherever reasonably necessary for Logan's business, to an extent substantially consistent with business travel obligations at the date of this Agreement.

9.03 Compliance with Law. The Executive shall always, and when appropriate, at Logan's expense, endeavor to comply with all applicable federal, State and local laws, ordinances, rules, and regulations in the performance of all work and other activities carried out in the name of or on behalf of Logan's.

9.04 Notices. All notices, requests, demands and other communications, under this Agreement shall be in writing and shall be duly given on the date of delivery if served personally on the party, or delivered by overnight courier, or 3 days after mailing if mailed to the party by first class mail, registered or certified, postage fully prepaid, and properly addressed as specified on the signature page of this Agreement. Any party may change its address by giving the other parties written notice of the new address in the manner set forth in this Section.

9.05 Entire Agreement. This Agreement, including the Letter Agreement and its other Exhibits, supersedes all other agreements, either oral or in writing, between the parties with respect to employment of the Executive by Logan's. It contains all the promises between parties with respect to that employment. No representations, inducements, promises or other agreements, oral or otherwise, have been made by any party or any one acting on behalf of any party, and no agreement, statement or promise not contained in this Agreement is valid. Any modification of this Agreement must be in writing.

9.06 Partial Invalidity. If any provision in this agreement is held by a court of competent jurisdiction to be void or unenforceable, the remaining provisions shall continue in full force without being invalidated in any way.

9.07 Binding Effect. The provisions of this Agreement benefit and bind the Executive's heirs, representatives, and successors, and the Company's and Logan's successors, transferees and assigns.

9.08 No Assignment. The Executive, the Company and Logan's each acknowledges and agrees that the services to be rendered by the Executive are unique and personal. This Agreement is, therefore, personal to the parties and it, and the rights and obligations created by it, may not be assigned by the Executive, or except to a corporation which is part of a consolidated group for tax purposes, by the Company or Logan's.

9.09 Attorneys' Fees. If any party brings suit to compel performance of, to interpret, or to recover damages for the breach of this Agreement, the finally prevailing party shall be entitled to reasonable attorneys' fees in addition to costs and necessary disbursements otherwise recoverable.

[continued on following page]

9.10 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Tennessee.

IN WITNESS WHEREOF, the parties have executed this Agreement on February 27, 2002, to be effective as of the date specified on page 1 of this Agreement.

ADDRESSES:

106 Castle Heights Avenue North
Lebanon, Tennessee 37087

COMPANY:

CBRL Group, Inc.
a Tennessee corporation

By: /s/Michael A. Woodhouse

Michael A. Woodhouse, President

By: /s/James F. Blackstock

James F. Blackstock, Secretary

LOGAN'S:

Logan's Roadhouse, Inc.
a Tennessee corporation

By: /s/Dan W. Evins

Dan W. Evins, Chairman

By: /s/James F. Blackstock

James F. Blackstock, Assistant
Secretary

EXECUTIVE:

Peter W. Kehayes

/s/Peter W. Kehayes

Peter W. Kehayes

February 27, 2002

Approved.

/s/Robert V. Dale

Robert V. Dale,
Chairman Compensation & Stock Option Committee

Peter W. Kehayes Executive Employment Agreement
Agreed Salary and Benefits

Effective Date	Executive	Annual Base Salary	Bonus Base
January 15, 2002	Peter W. Kehayes	\$323,000	80% of base salary

1. Salary. The annual base salary for the Executive will be paid in arrears in equal installments at Logan's normal paydays during each calendar month. This salary may be increased from time to time in accordance with normal business practices of the Company by direction to Logan's, and if so increased, shall not thereafter during the term of this Agreement be decreased. Compensation of the Executive by salary payments shall not be deemed exclusive and shall not prevent the Executive from participating in any other compensation or benefit plan of the Company and Logan's.

2. Benefits. The Company and Logan's shall maintain in full force, and the Executive shall be entitled to continue to participate in, all of its employee benefit plans and arrangements in force on the effective date of this Exhibit A in which the Executive now participates (or it will implement plans or arrangements providing the Executive with at least equivalent benefits). The Company and Logan's shall not make any changes in those plans and arrangements which would adversely affect the Executive's rights or benefits, unless the change occurs pursuant to a program applicable to all executive officers of the Company and does not result in a proportionately greater reduction in the rights of or benefits to the Executive as compared with any other executive officers of the Company. The Executive shall be entitled to participate in or receive benefits under any employee benefit plan or arrangement made available by the Company and Logan's in the future to its executive officers and key management employees, subject to and on a basis consistent with the terms, conditions and overall administration of those plans and arrangements.

3. Options. The Executive is currently a participant in the Company's existing long term incentive arrangement and the Executive will have an opportunity each year to receive an annual grant of options for shares of Company common stock in the same manner stock options are granted to senior management employees of the Company. All option grants are subject to annual review and approval by the Company's Board of Directors.

4. Bonus. As part of this employment Agreement, the Executive will participate in a company bonus plan substantially similar in terms and conditions to the Company and Cracker Barrel Old Country Store, Inc. Management Incentive Program ("MIP"), with a base bonus amount established at 80% of annual base salary. This bonus, or a portion of it, is earned if, and as, annually specified Logan's and personal target goals are achieved in each fiscal year. Any bonus earned will be paid after the close of each fiscal year.

EXHIBIT A

5. Expenses. The Executive shall be entitled to receive prompt reimbursement for all reasonable expenses incurred by him in performing his services, including all expenses of travel and living expenses while away from home on business or at the request of and in the service of Logan's, provided that those expenses are incurred and accounted for in accordance with the policies and procedures established by the Company and Logan's from time to time.

6. Health Insurance. The Executive will be provided with health, life, and disability insurance benefits of the same kinds and at the same levels as are available to senior management employees of Logan's throughout the term of his employment.

7. Retirement Savings. The Executive will be eligible to participate in Company-sponsored retirement savings plans of the same kind and at the same level as are available to senior management employees of the Company and its subsidiaries throughout the term of his employment.

_____, 200__

[Officer]
Cracker Barrel Old Country Store, Inc.

Dear _____:

I am pleased to advise you about a compensation opportunity for which you are eligible as an officer of the company. It's called the FY 2000 Long-Term Incentive ("LTI") Plan and is offered in addition to your base salary and the annual Management Incentive Plan ("MIP") which provides for cash bonuses when earned. The purpose of the LTI program is to give you an additional compensation opportunity based on company financial performance, and so it replaces the stock option program that was extended to officers prior to FY 2000.

Here's an overview of how the program works, and I'll include many more details in Enclosure 1 to this letter.

- a. You receive an award percentage that is determined by your officer level within the company ("Percentage Award").
- b. Your LTI target award will be your base salary multiplied by that percentage.
- c. Part of the LTI award (70%) will be granted as annual stock options and part (30%) will be a lump sum Targeted Performance Cash Award opportunity.
- d. In order to provide the potential to increase your award based on successful company performance, you will also receive a separate, one-time Special Non-Qualified Stock Option Grant.

In your case, your total percentage award opportunity is __%, so your LTI target award will be your base salary multiplied by __%. That total is \$_____. Here's how you can expect to receive the LTI target award:

70% of your LTI target award will be in the form of an annual stock option grant. The other 30%, the Targeted Performance Cash Award (\$_____), will be a lump sum cash payout award tied to company performance and stock price. And, the size of that Cash Award will determine the amount you are eligible for in the separate Special Non-Qualified Stock Option Grant.

This program is more complicated than a single annual stock option program, so don't hesitate to contact us if you have any questions. Your questions regarding the LTI program should be referred to _____ in the Compensation and Benefits Department at extension _____.

We recognize the value you, as a member of senior management, bring to the company. This program, and others, are intended to reward you for that contribution. Let's continue to make the coming months and years even better for our company than ever before.

Sincerely,

Michael A. Woodhouse
President & Chief Executive Officer
CBRL Group, Inc.

Enclosure

CBRL GROUP, INC.
LONG-TERM INCENTIVE PLAN

1. GENERAL.

1.01 Establishment of the Plan. The Board of Directors of CBRL Group, Inc. hereby adopts this long-term incentive plan which shall be known as the CBRL Group, Inc. Long-Term Incentive Plan (the "Plan").

1.02 Plan Purpose. The purpose of this Plan is to attract and retain the best possible executive talent and to motivate officers to focus attention on long-term objectives and strategic initiatives, and to further align their interests with those of the shareholders of the Company.

1.03 Plan Administration.

a. The Plan shall ultimately be administered by the Compensation and Stock Option Committee (the "Committee") of the Board of Directors. Subject to the Committee's approval, the Chief Executive Officer of the Company ("CEO") may assist in, and make recommendations regarding, the administration of the Plan. The Committee may delegate responsibility for the day-to-day administration of the Plan to the Compensation and Benefits Department personnel, provided that those Company personnel follow any administrative guidelines approved from time to time by the Committee.

b. Subject to the provisions of the Plan, the Committee shall have exclusive and final authority to (1) select from the officers of the Company those who shall participate in the Plan and be granted Performance Awards ("Participants"), (2) make Performance Awards in any forms and amounts it determines, (3) impose limitations, restrictions, and conditions upon the Performance Awards as it deems appropriate, (4) interpret the Plan and adopt, amend and rescind administrative guidelines and other rules and regulations relating to the Plan, (5) correct any defect or omission or reconcile any inconsistency in this Plan or in any Performance Award granted under the Plan, and (6) make all other necessary determinations and take all other actions necessary or appropriate for the implementation and administration of the Plan. The Committee's determinations on matters within its authority shall be conclusive and binding upon the Company and all other Persons.

c. All expenses associated with the Plan shall be borne by the Company subject to all allocations to its subsidiaries, affiliates and operating units as it deems appropriate.

2. DEFINITIONS.

2.01 Definitions. Whenever used in this document, the following terms shall have the meanings set forth below:

a. "Annual Stock Options" means those stock options constituting a part of a Participant's long-term incentive award, but which are granted from time to time on a yearly basis pursuant to a stock option plan of the Company which has been approved by the Company's shareholders.

b. "Board" means the Board of Directors of the Company.

c. "Cash Opportunity Award" means any cash award which may be earned by a Participant when specified Performance Goals and any applicable award conditions are met and which is determined by a formula or standards established by the Committee pursuant to Section 4.03.

d. "Change in Control" is defined in Section 8.02.

e. "Committee" means the Compensation and Stock Option Committee of the Board, the members of which are not Plan Participants, have been appointed by the Board, and have been given responsibility for administration of the Plan.

f. "Company" means CBRL Group, Inc., and includes its subsidiaries and affiliates.

g. "For cause" means termination of a Participant's employment by the Company due to (1) the Participant's serious, willful misconduct in respect of, or failure to perform, his or her duties; (2) commission of a felony or perpetration of a material fraud or material crime involving moral turpitude; (3) willful failure to comply with any material applicable laws with respect to the execution of the Company's business; (4) theft, fraud, embezzlement, dishonesty or other conduct which has resulted, or is likely to result in material economic damage to the Company, or which has resulted or was intended to result in direct or indirect gain to, or personal enrichment of the

Participant.

h. "Participant" means an officer of the Company meeting the defined eligibility criteria for participation in the Plan and approved for participation by the Committee.

i. "Performance Awards" means the awards established by the Committee pursuant to Section 4.03.

j. "Performance Goals" means the goals established by the Committee pursuant to Section 4.02.

k. "Performance Period" means the period designated by the Committee pursuant to Section 4.01.

l. "Person" means any individual, corporation, partnership, limited liability company, association, joint-stock company, trust, unincorporated organization, or government or its political subdivision.

m. "Program" means an award program established by the Committee which designates the Performance Period, Performance Goals and formulas or standards for determining the amounts of Performance Awards payable under the Plan.

3. Eligibility and Participation.

3.01 Eligibility. Eligibility for participation in the Plan is limited to CEO and those officers of the Company that meet criteria established from time to time by the Committee.

3.02 Participation. Participation in the Plan shall be determined by the Committee and may be based on recommendations by the CEO or his designee. The Committee shall consider such factors as it deems pertinent in selecting Participants and in determining the type and amount of their respective Performance Awards.

3.03 Partial Year Participation. Participants who become eligible after the beginning of a Performance Period, but prior to the first calendar day of the last year of the Performance Period, may, in the Committee's sole discretion, participate for the Performance Period on a pro-rata basis determined by the number of calendar months of actual participation. Such situations may include, but are not limited to new hires, to promotions affecting Plan participants, and to promotions or transfers to an eligible position from an ineligible position.

3.04 Committee Discretion. The Committee retains the right, in its sole discretion, to prohibit or allow participation in a Performance Period and to determine eligibility for participation. Designation of a Participant in any year shall not require the Committee to designate that person to receive a Performance Award in any other year or to receive the same type or amount of Performance Award as granted to the Participant in any other year or as granted to any other Participant in any year.

4. Performance Awards.

4.01 Performance Period. For each Program, the Committee shall establish a Performance Period (which shall not exceed 10 years) over which performance will be measured to determine whether and in what amounts to pay Performance Awards to Participants.

4.02 Performance Goals and Award Conditions. The Committee shall establish Performance Goals and other award conditions or criteria that shall be based upon, or geared to encourage, attainment of specific business objectives and other measures of individual, business unit or Company performance, and any other appropriate goals or a combination of goals as determined by the Committee. No Performance Award shall be paid if the applicable Performance Goals and award conditions are not satisfied. However, Performance Goals and award conditions may include standards for partial achievement and may provide for a partial award for partial achievement. The Committee shall also have sole discretion to adjust the Performance Goals and award conditions for each Participant during a Performance Period, if it determines that external changes or other unanticipated business conditions have materially affected the fairness of the goals or conditions and unduly influenced the Participant's ability to meet them.

4.03 Performance Awards. Performance Awards, such as the LTI target award and similarly designated awards, may consist of Annual Stock Options or Cash Opportunity Awards, of other cash, restricted stock or stock options, or of any combination, to be issued with or without any payment in exchange, in the event the Performance Goals established by the Committee are achieved during the Performance Period. For each Performance Period, the Committee shall designate an objective formula or standard for determining each Participant's Performance Award. The Committee shall have the discretion to increase or reduce the amount of any Participant's Performance Award above or below the standard or formula amount to reflect individual performance and unanticipated factors.

4.04 Payment of Performance Awards. After the close of each Performance Period, or upon the earlier vesting of Performance Awards upon the attainment of previously established and specified Company Performance Goals and award conditions, when appropriate financial information is available, the Committee shall formally certify the achievement of any applicable Performance Goals and the amounts of any Performance Awards payable or to be granted to the Participants under the applicable formulas or standards. Cash Opportunity Awards earned may be paid in stock or in cash, in a single sum or in periodic installments, or by a combination, all as the Committee in its sole discretion determines. The timing of payment of all Performance Awards to Participants is within the discretion of the Committee.

4.05 Acceleration of Vesting. The Committee, in its sole discretion, may accelerate partial or total vesting of any Performance Award upon achievement of specified Company Performance Goals or upon a Participant's termination other than termination for cause.

5. Termination of Employment.

5.01 Termination of Employment Other Than For Cause. If a Participant's employment is terminated other than for cause or by voluntary resignation, the Performance Award under an award Program will be paid to the extent it is vested under the specifics of that Program, and it shall be reduced to reflect participation prior to termination only. If paid, in the specified circumstances, the reduced award shall be based upon the number of calendar months of participation during the Performance Period prior to termination. In the case of a Participant's disability, the employment termination shall be deemed to have occurred on the date the Committee determines, pursuant to the Company's then current group long-term disability insurance benefit for officers, that the definition of disability was satisfied. The pro-rated Performance Award thus determined shall be payable as soon as practicable following the end of the year in which employment termination occurred, or sooner, as determined by the Committee in its sole discretion.

5.02 Termination of Employment For Cause. If a Participant's employment is terminated for cause (of which the Committee shall be the sole judge), or the Participant voluntarily resigns, all of the Participant's rights to a Performance Award for the Performance Period then in progress shall be forfeited, unless otherwise specifically stated in the applicable award Program. However, in any case, the Committee, in its sole discretion, may pay a partial award for the portion of that Performance Period that the Participant was employed by the Company, computed and payable as determined by the Committee.

6. Rights of Participants.

6.01 Employment. Nothing in the Plan shall interfere with or limit in any way the right of the Company to terminate any Participant's employment at any time, nor confer upon any Participant any right to continue in the employ of the Company.

6.02 Non-Transferability. No right or interest of any Participant in the Plan shall be assigned or transferred, or be made subject to any lien, directly, by operation of law or otherwise, including, but not limited to, execution, levy, garnishment, attachment, pledge and bankruptcy.

7. Beneficiary Designation.

7.01 Designation. If set forth in the specific award Program, each Participant under the Plan may, from time to time, name any beneficiary or beneficiaries (who may be named contingently or successively) to whom any benefit under the Plan is to be paid in case of his or her death.

7.02 Revocation. Each designation shall revoke all prior designations by the same Participant and shall be effective only when filed by the Participant in writing with the Compensation and Benefits Department during his or her lifetime.

7.03 Default. Upon the death of a Participant, in the absence of any beneficiary designation, or if the designated beneficiary is no longer living, payment of benefits shall be made to the executor or administrator of the estate of the deceased Participant or the person or persons to whom the deceased Participant's rights in the benefit shall pass by will or the laws of descent and distribution.

8. Change in Control.

8.01 Effect of Change in Control. Unless expressly stated otherwise in the award Program, upon a Change in Control of the Company (as defined in Section 8.02), any Performance Award that has not expired or been forfeited shall be considered earned and shall become fully payable on the assumption that all Performance Goals have been fully achieved throughout the entire Performance Period. If a Participant is not fully vested in his or her Performance Award upon a Change in Control, the Performance Award shall be fully vested effective as of the day prior to the date of the Change in Control. The Performance Award shall be payable to the Participant as soon as administratively possible, but no later than 30 days following a Change in Control.

8.02 Definition of Change in Control. For purposes of this Plan, a Change in Control shall be deemed to have occurred if: (a) any Person (other than the Company) is or becomes the "beneficial owner" (as defined in Rule 13d-3 of the Securities Exchange Act of 1934, as amended (the "Act")), directly or indirectly, of Company securities that represent 50% or more of the combined voting power of the Company's then outstanding securities; (b) during any period of 2 consecutive years, individuals who at the beginning of that period constitute the Board cease for any reason to constitute at least a majority of the Board, unless the election or the nomination for election by the Company's shareholders of each new director is approved by a vote of at least 2/3 of the directors then still in office who were directors at the beginning of the period, but excluding any individual whose initial assumption of office occurs as a result of either an actual or threatened election contest (as such term is used in Rule 14a-11 of Regulation 14A promulgated under the Act) or other actual or threatened solicitation of proxies or consents by or on behalf of a person other than the Board; (c) there is a consolidation or merger of the Company in which the Company is not the continuing or surviving corporation or pursuant to which shares of the Company's common stock are converted into cash, securities or other property, other than a merger of the Company in which the holders of the Company's common stock immediately prior to the merger have the same proportionate ownership of common stock of the surviving corporation immediately after the merger; (d) there is a consolidation or merger of the Company in which the Company is the continuing or surviving corporation in which the holders of the Company's common stock immediately prior to the merger do not own 70% or more of the stock of the surviving corporation immediately after the merger; (e) there is a sale, lease, exchange or other transfer (in one transaction or a series of transactions) of all, or substantially all, of the assets of the Company; or (f) the shareholders of the Company approve any plan or proposal for the liquidation or dissolution of the Company.

9. Amendment, Modification and Termination.

The Committee, in its sole discretion, without notice, at any time and from time to time, may modify or amend, in whole or in part, any or all of the provisions of the Plan, or suspend or terminate it entirely; provided, however, that no modification, amendment, suspension or termination may, without the consent of a Participant (or his or her beneficiary after the death of a Participant), reduce any rights or payments or distributions to which a Participant (or his or her beneficiary, as the case may be) is otherwise entitled.

10. Miscellaneous Terms.

10.01 Governing Law. This document and the parties to it shall be governed by, and the validity, construction and effect of the Plan and any rules and regulations relating to the Plan shall be determined in accordance with, the laws of the State of Tennessee and applicable Federal law.

10.02 Withholding. The Company has the right to deduct from all payments under the Plan any Federal, state or local taxes required by law to be withheld with respect to the payments. The Participant or the Participant's beneficiary or beneficiaries are responsible for payment of all taxes related to a payment or delivery of property under the Plan, and shall immediately reimburse the Company for all taxes whenever the Company advanced payment of taxes on behalf of any recipient.

10.03 No Limit on Other Compensation Arrangements. Nothing contained in this Plan prevents the Company from adopting or continuing in effect other or additional compensation arrangements, and those arrangements may be either generally applicable or applicable only in specific cases.

10.04 Severability. If any provision of the Plan, or in any Performance Award issued under the Plan, is, becomes or is deemed to be invalid, illegal or unenforceable in any jurisdiction, or as to any Participant or Performance

Award, or would disqualify the Plan or any Performance Award under any law deemed applicable by the Committee, that provision shall be construed or deemed amended to conform to applicable laws, or if it cannot be so construed or deemed amended without, in the determination of the Committee, materially altering the intent of the Plan or the Performance Award, that provision shall be stricken as to the affected jurisdiction, Participant or Performance Award, and the remainder of the Plan and any affected Performance Award shall remain in full force.

10.05 No Trust or Fund Created. Neither the Plan nor any Performance Award shall create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between the Company and a Participant or the Participant's beneficiary or beneficiaries. To the extent that any Participant or the Participant's beneficiary acquires a right to receive payments or property from the Company pursuant to a Performance Award, that right shall be no greater than the right of any unsecured general creditor of the Company.

10.06 Plan Attachments. As the Committee issues awards pursuant to this Plan, the Committee may evidence those awards by letters or other appropriate documentation. For record keeping purposes, those letters or other documents may be attached to this Plan and those attachments will show the Plan grants and awards which are in effect from time to time.

Long-Term Incentive Plan
Attachment to Plan Document Dated as of September 1, 1999

This sets forth the CBRL Group, Inc. Long Term Incentive Plan as of September 1, 1999.

The Long-Term Incentive Plan has 3 components:

- o Annual Stock Option Grant
- o Targeted Performance Cash Award
- o Special Non-Qualified Stock Option Grant

The annual stock option grant provides 70% of the Long Term Incentive (LTI) compensation, while the Targeted Performance Cash Award and the Special Non-Qualified Stock Option Grant comprise 30% of the program compensation. The Cash Award can decrease, but it has no upside potential. The Special Non-Qualified Stock Option Grant provides the upside performance reward potential.

Plan
Duration: The duration of the program is 5 years beginning with FY 2000 (July 31, 1999) and concluding at the end of FY 2004 (July 31, 2004).

Eligible
Employees: Eligible employees are all corporate officers at CBRL Group, Inc., and all officers at the level of Vice President and above at Cracker Barrel Old Country Store, Inc. and at Logan's Roadhouse, Inc.

Percentage
Award: An eligible officer will receive an award percentage that is determined by his or her officer level within the company (the "Percentage Award" or "LTI%"). The LTI target award will be the officer's base salary multiplied by that percentage. Part of the LTI target award compensation (70%) will be granted as Annual Stock Options and part (30%) will be a lump sum Targeted Performance Cash Award opportunity. Each eligible officer will also be eligible for an additional Special Non-Qualified Stock Option Grant. The size of the Cash Award will determine the amount of the additional Special Non-Qualified Option Grant.

A. ANNUAL STOCK OPTION GRANT

Annual Stock
Option Grant: The company historically has granted stock options to eligible employees annually. We anticipate continuing this practice going forward. An annual stock option grant will be awarded based on the provisions of the CBRL Group, Inc. Amended and Restated Stock Option Plan. The annual stock option grant makes up 70% of the LTI target award compensation.

Calculation
Of Grant: The individual stock option grant will be determined based on each participant's base salary and officer level. The company will follow an appropriate widely-used compensation methodology and calculation (such as Black-Scholes, for example) to arrive at the Stock Option Price Adjustment Factor. For purpose of our examples, assume that this factor is 40%. The Exercise Price of the annual stock options will be the regular session closing price of the stock on the most recent trading day preceding the date of grant.

Vesting
Period: These options typically vest over 3 years and, generally, remain in effect until exercised or 10 years from the grant date, whichever date is earlier, all subject to the specific terms and conditions of each grant.

Annual Grant
Formula:
$$\text{Number of Options granted} = \frac{(\text{Annual Salary}) \times (\text{LTI \%}) \times (70\%)}{(\text{stock Exercise Price}) \times (40\%)}$$

B. TARGETED PERFORMANCE CASH AWARD

Cash
Award: Eligible employees receive a one time Targeted Performance Cash Award amount based on their LTI target award. The LTI target award amount is a percentage of salary based on the employee's job and officer level in the organization (the "LTI %") at the date the award is granted. The Targeted

Performance Cash Award is 30% of the LTI target award. The Targeted Performance Cash Award is "front-loaded" for the next 5 years, thus, the total amount represents compensation for 5 years of service. Officers who join the plan after the original award date will have their award pro-rated to reflect the time remaining in the award period. The purpose of these adjustments is to ensure that all participants are on a level economic playing field. These Targeted Performance Cash Award grants will "cliff vest" at the end of FY 2004 (July 31, 2004) but could vest sooner if certain specified performance goals are achieved. The Targeted Performance Cash Award amount granted cannot increase. It can decrease if the company stock price is below certain pre-established levels at the close of business on the vesting date.

Adjustments:

After the beginning of the LTI program, for those hired in or promoted to a position qualifying for LTI, the company will adjust the award period to reflect the expected time in position during the remaining LTI period. The adjustment factor (the years remaining in the LTI plan) is multiplied by the Targeted Annual Dollar Value of Cash Award. The net result of this calculation is the Adjusted Targeted Performance Cash Award. The specified Cash Award is the maximum amount you can realize at the time the award vests, and if the stock price drops below what it was at the time of the award, the specified Cash Award will be adjusted lower to reflect that drop.

Basic Grant

Formula: $(\text{Annual Salary}) \times (\text{LTI \%}) \times (30\%) = \text{Targeted Annual Dollar Value of Cash Award}$

5-Year

Cash Award: $(\text{Annual Salary}) \times (\text{LTI\%}) \times (30\%) \times (5 \text{ yrs}) = \text{Targeted Performance Cash Award}$

The pro-ration factor was 1 for the initial grant. Those who entered the program after the initial grant date will have a pro-ration factor based on the time remaining in the program. For example, if 40 months are left in the program the pro-ration factor will be 40/60.

Adjusted

Cash Award: $(\text{Annual Salary}) \times (\text{LTI\%}) \times (30\%) \times (5 \text{ yrs}) \times (\text{remaining mos} / 60 \text{ mos}) = \text{Adjusted Targeted Performance Cash Award}$

Vesting

Period: The 5-year or adjusted Cash Award will "cliff vest" at the end of FY 2004 (July 31, 2004). The vesting period could be accelerated to the end of FY 2002 or FY 2003 if certain specified cumulative performance goals are achieved. The amount of the award will be reduced pro-rata if the stock price on the vesting date is below the award price (for initial awards, \$13.0625 - the closing price on October 27, 1999 - the day prior to the date of implementation of the LTI plan).

Actual

Payment: If the cumulative goals are achieved such that the Targeted Performance Cash Award vests early (in either 3 or 4 years) the full value (the originally stated amount) of the Cash Award grant will be paid. If vesting is in 5 years, the full amount will only be paid if the stock price is \$13.0625 (or the specified price for plan awards made subsequent to the initial award under the plan) or higher. If the stock price is then lower than \$13.0625 (or the specified price for plan awards made subsequent to the initial award under the plan), the cash payment will be prorated based on the differential. For example, for an initial award, if the stock price on the last day of FY 2004 is \$30.00, the full Cash Award amount will be paid. However, if the stock price is \$12.00 on that date, the Cash Award will be paid at 92% (12.00/13.0625) of the grant amount.

Performance
Criteria for
Accelerated
Vesting:

CBRL participants have a goal based on Total Shareholder Return in relation to the Stock Performance Graph of Peer Composite performance over the period, as provided by the Nasdaq Stock Market. On a cumulative basis, measured from the last day of fiscal year 1999 (July 30, 1999), CBRL must exceed the annual Total Return Index performance of the Nasdaq - listed eating and drinking places composite peer group (SIC Code 58xx) (the "Goal Index") as reported by the Nasdaq Stock Market as of the end of each measurement fiscal year as follows: at the end of the 3rd LTI plan year, CBRL must exceed the Goal Index by 20% or more, at the end of the 4th LTI plan year, CBRL must exceed the Goal Index by 10% or more.

Cracker Barrel Old Country Store and Logan's Roadhouse participants have goals based on their cumulative Operating Income growth. On a cumulative basis, Cracker Barrel Old Country Store must meet or exceed its annual financial plan Operating Income goal. On a cumulative basis, Logan's Roadhouse must meet or exceed its annual financial plan Operating Income goal. The cumulative basis in both these cases will reflect the cumulative effects of annual full-year variances, favorable and unfavorable, from the applicable financial plan, beginning with fiscal year 2000.

Operating performance will be evaluated at the end of the third year (fiscal 2002) for each covered company. If the cumulative third-year goal (exceeding the stated target by 20%) has not been achieved in the third year, operating performance will be reviewed again at the end of the fourth year (fiscal 2003). If the cumulative fourth-year goal (exceeding target by 10%) is not achieved in the fourth year, the cash award will not vest early. In that case, the award will vest at the end of the fifth year (fiscal 2004) of the program.

The specific performance goal program was established at the July 1999 meeting of the Board of Directors.

In all cases, there are no performance criteria as conditions for the vesting of the award at the end of FY 2004. If not vested earlier, all LTI awards to participants who are otherwise qualified at that time, will then automatically vest.

C. SPECIAL NON-QUALIFIED STOCK OPTION GRANT

Non-Qualified
Stock Option
Grant:

Since the cash award amount does not increase over time, the Special Non-Qualified Stock Options provide a vehicle to reward long-term performance that actually increases Total Shareholder Value. The number of options granted is determined by dividing each employee's specified Targeted Performance Cash Award by the stock Exercise Price. The Exercise Price of these special stock options will be the regular session closing price of CBRL stock on the most recent trading day preceding the date of grant. The vesting schedule is identical to the Cash Award vesting schedule. These options must be exercised within 6 months of the date they vest.

5-Year Grant
Formula:

$$\frac{(\text{Annual Salary}) \times (\text{LTI } \%) \times (30\%) \times (5 \text{ years})}{\text{stock Exercise Price}} = \text{Number of Options}$$

Adjusted Grant
Formula:

$$\frac{(\text{Annual Salary}) \times (\text{LTI } \%) \times (30\%) \times (5 \text{ years}) \times (\text{remaining mos}/60)}{\text{stock Exercise Price}} = \text{Number of Options}$$

Vesting
Period:

Like the cash award, this option award will "cliff vest" at the end of FY 2004 (July 31, 2004). The vesting period could be accelerated to the end of FY 2002 or FY 2003 if certain specified performance goals are achieved.

Performance
Criteria for
Accelerated
Vesting:

CBRL participants have a goal based on Total Shareholder Return in relation to the Stock Performance Graph of Peer Composite performance over the period, as provided by the Nasdaq Stock Market. On a cumulative basis, measured from the last day of fiscal year 1999 (July 30, 1999), CBRL must exceed the annual Total Return Index performance of the Nasdaq - listed eating and drinking places composite peer group (SIC Code 58xx) (the "Goal Index") as reported by the Nasdaq Stock Market as of the end of each measurement fiscal year as follows: at the end of the 3rd LTI plan year, CBRL must exceed the Goal Index by 20% or more, at the end of the 4th LTI plan year, CBRL must exceed the Goal Index by 10% or more.

Cracker Barrel Old Country Store and Logan's Roadhouse participants have goals based on their cumulative Operating Income growth. On a cumulative basis, Cracker Barrel Old Country Store must meet or exceed its annual financial plan Operating Income goal. On a cumulative basis, Logan's Roadhouse must meet or exceed its annual financial plan Operating Income goal. The cumulative basis in both these cases will reflect the cumulative effects of annual full-year variances, favorable and unfavorable, from the applicable financial plan, beginning with fiscal year 2000.

Operating performance will be evaluated at the end of the third year (fiscal 2002) for each covered company. If the cumulative third-year goal (exceeding the stated target by 20%) has not been achieved in the third year, operating performance will be reviewed again at the end of the fourth year (fiscal 2003). If the cumulative fourth-year goal (exceeding target by 10%) is not achieved in the fourth year, the cash award will not vest early. In that case, the award will vest at the end of the fifth year (fiscal 2004) of the program.

The specific performance goal program was established at the July 1999 meeting of the Board of Directors.

In all cases, there are no performance criteria as conditions for the vesting of the award at the end of FY 2004. If not vested earlier, all LTI awards to participants who are otherwise qualified at that time, will then automatically vest.

D. EXHIBITS

Examples of Long-Term Incentive Calculations: Exhibit A

Chart of Officers' Long-Term Incentive Percentages: Exhibit B

Examples of Long-Term Incentive Calculations

Annual Stock Option Grant Example:

Annual Grant

Formula:
$$\frac{(\text{Annual Salary}) \times (\text{LTI \%}) \times (70\%)}{(\text{stock price}) \times (40\%^*)} = \text{Number of Options granted}$$

Example #1: VP #1 was eligible for the initial grant and received a cash award based on 60% of an annual salary of \$150,000. The closing price of the stock the day before the grant was \$20.50.

$$\text{Option grant} = \frac{(\$150,000) \times (.60) \times (.70)}{(\$20.50) \times (.40^*)} = 7,683 \text{ stock options}$$

* Black-Scholes factor, for this example 40%.

Cash Award Example:

Grant

Formula:
$$(\text{Annual Salary}) \times (\text{LTI \%}) \times (30\%) \times (5 \text{ years}) \times (\text{Pro-ration factor, if any}) = \text{Adjusted Targeted Performance Cash Award}$$

Example #1: VP #1 was eligible for the initial grant and received a cash award based on 60% of an annual salary of \$150,000.

$$\text{Cash Award} = (\$150,000) \times (.60) \times (.30) \times (5) \times (1) = \$135,000$$

Example #2 VP #2 became eligible for the long-term incentive plan in the 20th month (40 months left in the program period). The base salary and award percentage is the same as VP #1.

$$\text{Cash Award} = (\$150,000) \times (.60) \times (.30) \times (5) \times (40/60) = \$90,000$$

Special Non-Qualified Stock Option Example:

Grant
 Formula:
$$\frac{(\text{Annual Salary}) \times (\text{LTI \%}) \times (30\%) \times (5 \text{ years}) \times (\text{Pro-ration factor, if any})}{\text{stock Exercise Price}} = \text{Number of Options}$$

Example #1: VP #1 was eligible for the initial grant and received a cash award based on 60% of an annual salary of \$150,000. The closing stock price (and therefore the stock Exercise Price) on the day prior to the grant date was \$13.0625

Option grant =
$$\frac{(\$150,000) \times (.60) \times (.30) \times (5) \times (1)}{\$13.0625} = 10,335 \text{ stock options}$$

Example #2 VP #2 became eligible for the long-term incentive plan in the 20th month (40 months left in the program period). The base salary and award percentage is the same as VP #1. The closing stock price (and therefore the stock Exercise Price) on the day prior to the grant date was \$20.25

Option grant =
$$\frac{(\$150,000) \times (.60) \times (.30) \times (5) \times (40/60)}{\$20.25} = 4,444 \text{ stock options}$$

Chart of Officers' Long-Term Incentive Percentages

The chart below shows the officer tiers that are eligible for long-term incentives and the appropriate long-term incentive award target as a percentage of salary.

Long Term Incentive as Percent of Salary

Officer Tiers	Annual Stock Options	Targeted Performance Cash Award and Related Options	Total
Chairman	175%	75%	250%
President & COO	105%	45%	150%
SVP & General Counsel	84%	36%	120%
Operational VP's	42%	18%	60%
Other VP's	31.5%	13.5%	45%

Notes to Chart

1. The size of the long term incentive opportunity is based on competitive data.
2. Participants would receive 70% of their opportunity from annual stock options and 30% from the Targeted Performance Cash Award. In connection with the Targeted Performance Cash Award, a participant is also granted a one-time Special Non-Qualified Stock Option Grant to provide an opportunity for a greater award due to improved company financial performance.
3. The value of the annual options in this plan is determined using an appropriate, widely-used compensation methodology (such as Black-Scholes, for example).
4. This chart is effective on and after September 1, 1999.

EXHIBIT B

Chart of Officers' Long-Term Incentive Percentages

The chart below shows the officer tiers that are eligible for long-term incentives and the appropriate long-term incentive award target as a percentage of salary.

Officer Tiers	Long Term Incentive as Percent of Salary		
	Annual Stock Options	Targeted Performance Cash Award and Related Options	Total
Chairman; CEO	175%	75%	250%
President & COO	105%	45%	150%
CAO; SVP & General Counsel	84%	36%	120%
Divisional (and similar) Vice Presidents	52.5%	22.5%	75%
Operational VP's	42%	18%	60%
Other VP's	31.5%	13.5%	45%

Notes to Chart

5. The size of the long term incentive opportunity is based on competitive data.
6. Participants would receive 70% of their opportunity from annual stock options and 30% from the Targeted Performance Cash Award. In connection with the Targeted Performance Cash Award, a participant is also granted a one-time Special Non-Qualified Stock Option Grant to provide an opportunity for a greater award due to improved company financial performance.
7. The value of the annual options in this plan is determined using an appropriate, widely-used compensation methodology (such as Black-Scholes, for example).
8. This chart is effective on and after August 4, 2001.

EXHIBIT B

June 6, 2002

CBRL Group, Inc.
Lebanon, Tennessee 37088-0787

We have made a review, in accordance with standards established by the American Institute of Certified Public Accountants, of the unaudited interim financial information of CBRL Group, Inc. and subsidiaries for the quarters and nine-month periods ended May 3, 2002 and April 27, 2001, as indicated in our report dated June 6, 2002; because we did not perform an audit, we expressed no opinion on that information.

We are aware that our report referred to above, which is included in your Quarterly Report on Form 10-Q for the quarter ended May 3, 2002, is incorporated by reference in Registration Statement Nos. 2-86602, 33-15775, 33-37567, 33-45482, 333-01465, 333-71384 and 333-81063 on Forms S-8 and Registration Statement No. 33-59582 on Form S-3.

We also are aware that the aforementioned report, pursuant to Rule 436(c) under the Securities Act of 1933, is not considered a part of the Registration Statement prepared or certified by an accountant or a report prepared or certified by an accountant within the meaning of Sections 7 and 11 of that Act.

DELOITTE & TOUCHE LLP

Nashville, Tennessee