

INDENTURE SUPPLEMENT NO. 3

INDENTURE SUPPLEMENT NO. 3, dated as of 23, September 2003 (the "Indenture Supplement"), among AIRPLANES LIMITED, a limited liability company incorporated in Jersey, Channel Islands ("Airplanes Limited"), as issuer of the Notes (the "Issuer"), AIRPLANES U.S. TRUST, a Delaware business trust created pursuant to the Airplanes Trust Agreement ("Airplanes Trust"), as guarantor of the Notes (the "Guarantor") and, together with the Issuer and their respective subsidiaries, "Airplanes Group") and DEUTSCHE BANK TRUST COMPANY AMERICAS (formerly known as Bankers Trust Company), as trustee of each class of Airplanes Limited Notes (the "Indenture Trustee"), to the Indenture dated as of March 28, 1996, among the Issuer, the Guarantor and the Trustee and supplemented by the Indenture Supplement No. 1 dated as of March 16, 1998 and the Indenture Supplement No. 2 dated as of March 15, 2001 (as supplemented, the "Indenture"). Capitalized terms used herein but not defined herein shall have the meanings given to such terms in the Indenture.

WITNESSETH:

WHEREAS, in accordance with Section 9.01 of the Indenture, the consent of the Holders of a majority of the Outstanding Principal Balance of the Notes to certain proposed amendments to the Indenture has been received; and

WHEREAS, all of the conditions and requirements necessary to make this Indenture Supplement, when duly executed and delivered, a legal, valid and binding instrument in accordance with its terms and for the purposes herein expressed, have been done, performed and fulfilled, and the execution and delivery of this Indenture Supplement in the form and with the terms hereof have been in all respects duly authorized.

NOW, THEREFORE, in consideration of the premises herein, it is agreed among the Issuer, the Guarantor and the Indenture Trustee as follows:

ARTICLE I

MODIFICATIONS

Section 1.01. Modifications. The Indenture is, effective as of the date hereof, hereby modified as follows:

(a) Article I. (i) The following definition is hereby rearranged to read as follows:

"Note Target Price" means, in respect of any Aircraft, an amount equal to 105% of the aggregate Outstanding Principal Balance of the A-D Airplanes Group Notes allocable to such Aircraft on the date of the sale agreement or purchase option granting date, as the case may be. On any date, the Outstanding Principal Balance of A-D Airplanes Group Notes allocable to an Aircraft shall equal the product of (i) (A) the Adjusted Base Value of such Aircraft divided by (B) the Adjusted Portfolio Value and (ii) the aggregate Outstanding Principal Balance of the A-D Airplanes Group Notes, in each case on the most recent Payment Date.

(ii) The definition of the term "Net Sale Proceeds" is hereby deleted in its entirety.

(b) Section 5.02(g) is hereby amended and restated in its entirety to read as follows:

"(g) Limitation on Aircraft Sales. The Issuer shall not, and shall not permit any Issuer Subsidiary to, sell, transfer or otherwise dispose of any Aircraft or any interest therein.

Notwithstanding the foregoing, the Issuer and any Issuer Subsidiary shall be permitted to sell, transfer or otherwise dispose of, directly or indirectly, (a) any Engine or Part or (b) one or more Aircraft or an interest therein (i) pursuant to a Purchase Option or other agreements of a similar character existing on the Closing Date, (ii) within or among the Issuer and the Issuer Subsidiaries without limitation, and among the Issuer and/or any Issuer Subsidiary and any other Airplanes Group Member; provided that no such sale, transfer or disposition shall be made other than to the Issuer or any Issuer Subsidiary if such sale, transfer or other disposition would materially adversely affect the Noteholders, (iii) pursuant to any Aircraft Agreement; provided that (x) the Board unanimously confirms that such sale is in the best interests of the Issuer and the Noteholders, and (y) all of the consideration received in respect of such sale shall be in cash or (iv) pursuant to receipt of insurance proceeds in connection with an event of loss; provided, however, that this Section 5.02(g) shall not apply to any sale, transfer or other disposition of any Aircraft or any interest therein effected as part of a single transaction providing for the redemption or defeasance of the Notes in accordance with the terms thereof as described under Section 3.10 and Article XI, respectively, hereof.

"Aircraft Agreement" means any lease, sublease, conditional sale agreement, hire purchase agreement or other agreement (other than an agreement for sale not providing for possession by the purchaser, or an agreement relating to maintenance, modification or repairs) or any purchase option granted to a Person other than the Issuer or any Issuer Subsidiary to purchase an Aircraft pursuant to a purchase option agreement, in each case pursuant to which any Person acquires or is entitled to acquire legal title, or the economic benefits of ownership of, such Aircraft.

(c) Section 9.05(a) is hereby amended and restated in its entirety to read as follows:

"Section 9.05. Swap Providers. (a) The Issuer may enter into one or more Swap Agreements from time to time; *provided, however,* that, at the time that the Issuer enters into a Swap Agreement with such Swap Provider, (i) the short-term unsecured debt obligations of each Swap Provider must be rated A-1 or higher by Standard & Poor's and (ii) the long-term unsecured debt obligations of such Swap Provider must be rated A2 or higher by Moody's, unless (x) the obligations of such Swap Provider under the Swap Agreement to which it is a party are guaranteed pursuant to a guarantee (each, a "Swap Guarantee") by a Person whose short- and long-term unsecured debt

obligations are so rated or (y) a majority of the Board shall have otherwise approved the entry into such Swap Agreement with such Swap Provider and the Issuer shall have received Rating Agency Confirmation in respect of entry into such Swap Agreement; and *provided, further*, that as a condition to entering any such Swap Agreement, each Swap Provider must have agreed to be bound by Section 3.08 and Article X hereof.”

ARTICLE II

THE INDENTURE TRUSTEE

Section 2.01. The Indenture Trustee.

The Indenture Trustee shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Indenture Supplement or the due execution hereof by the Issuer, or for or in respect of the recitals and statements contained herein, all of which recitals and statements are made solely by the Issuer.

Except as herein otherwise provided, no duties, responsibilities or liabilities are assumed, or shall be construed to be assumed by the Indenture Trustee other than as set forth in the Indenture, and this Indenture Supplement is executed and accepted on behalf of the Indenture Trustee, subject to all the terms and conditions set forth in the Indenture, upon the effectiveness thereof, as fully to all intents as if the same were herein set forth at length.

ARTICLE III

MISCELLANEOUS PROVISIONS

Section 3.01. Indenture Ratified.

Except and so far as herein expressly provided, all of the provisions, terms and conditions of the Indenture are in all respects ratified and confirmed; and the Indenture and this Indenture Supplement shall be taken, read and construed as one and the same instrument.

Section 3.02. GOVERNING LAW.

THIS INDENTURE SUPPLEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

Section 3.03. Execution in Counterparts.

This Indenture Supplement may be executed in any number of counterparts, each of which shall be an original, but such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, the Indenture Trustee, the Issuer and the Guarantor have caused this Indenture Supplement to be duly executed as of the day and year first written above.

AIRPLANES LIMITED, as Issuer

By: _____
Name: _____
Title: Director

X. Anton
R. SAWIZIC

AIRPLANES U.S. TRUST, as Guarantor

By: _____
Name: _____
Title: Controlling Trustee

X. Anton
R. SAWIZIC

DEUTSCHE BANK TRUST COMPANY
AMERICAS,

not in its individual capacity
but solely as Indenture Trustee

By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF, the Indenture Trustee, the Issuer and the Guarantor have caused this Indenture Supplement to be duly executed as of the day and year first written above.

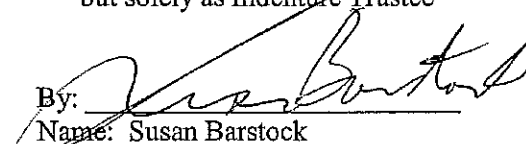
AIRPLANES LIMITED, as Issuer

By: _____
Name:
Title: Director

AIRPLANES U.S. TRUST, as Guarantor

By: _____
Name:
Title: Controlling Trustee

DEUTSCHE BANK TRUST COMPANY
AMERICAS,
not in its individual capacity
but solely as Indenture Trustee

By: 
Name: Susan Barstock
Title: Vice President