

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): March 10, 2009 (March 9, 2009)

GAYLORD ENTERTAINMENT COMPANY

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation)

1-13079
(Commission File Number)

73-0664379
(I.R.S. Employer
Identification No.)

One Gaylord Drive
Nashville, Tennessee
(Address of principal executive offices)

37214
(Zip Code)

Registrant's telephone number, including area code: (615) 316-6000

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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ITEM 1.01 ENTRY INTO A MATERIAL DEFINITIVE AGREEMENT.

Settlement Agreement with TRT Holdings

On March 9, 2009, Gaylord Entertainment Company, a Delaware corporation (the “Company”), entered into a settlement agreement (the “TRT Agreement”) with TRT Holdings, Inc., a Delaware corporation (“TRT”), which had previously submitted notice to the Company of its intention to nominate four individuals for election to the Company’s Board of Directors (the “Board”) at the Company’s 2009 annual meeting of stockholders (the “2009 Annual Meeting”) and to solicit proxies for the election of such nominees.

The TRT Agreement provides that, prior to the 2009 Annual Meeting, the Board will increase the size of the Board from nine to eleven directors. Under the terms of the TRT Agreement, TRT will be entitled to name two directors (the “TRT Nominees”) for nomination by the Board and inclusion in the Company’s proxy statement for each of the 2009 Annual Meeting, the Company’s 2010 annual meeting of stockholders (the “2010 Annual Meeting”) and the Company’s 2011 annual meeting of stockholders (the “2011 Annual Meeting”). The TRT Agreement provides that the TRT Nominees for the 2009 Annual Meeting will be Robert B. Rowling (“Rowling”) and David W. Johnson. The TRT Agreement also requires the Board to nominate seven incumbent directors, and two additional independent directors identified by the Nominating and Corporate Governance Committee after consultation with the Company’s stockholders. The TRT Agreement provides that one TRT Nominee will serve on each of the Executive Committee, which is being increased in size to five directors, the Human Resources Committee and the Nominating and Corporate Governance Committee of the Board. In addition, the TRT Agreement provides that the Board will not increase the size of the Board to more than eleven directors prior to the Company’s 2012 annual meeting of stockholders.

By execution of the TRT Agreement, TRT withdrew its nominations to the Board that were set forth in TRT’s letter to the Company dated January 28, 2009 (subject to the Company’s compliance with certain terms of the TRT Agreement) and its demands for stockholder lists and certain books and records of the Company that were set forth in letters to the Company dated January 15, 2009, and January 23, 2009.

Pursuant to the terms of the TRT Agreement, the Company entered into the Amended Rights Agreement (as defined below) concurrently with the execution of the TRT Agreement, as described below under “Amended Rights Agreement.” Additionally, in accordance with the terms of the TRT Agreement, the Board has adopted a resolution approving, for purposes of Section 203 of the Delaware General Corporation Law, the acquisition by TRT and its affiliates of additional shares of the Company’s common stock in excess of 15% of the outstanding stock of the Company and providing that TRT and its affiliates will not be an “interested stockholder” as defined by Section 203.

Under the terms of the TRT Agreement, TRT is obligated to vote its shares for the full slate of nominees recommended by the Board for election at each of the 2009 Annual Meeting, the 2010 Annual Meeting and the 2011 Annual Meeting. Additionally, TRT and its affiliates are required to vote their shares at the 2009 Annual Meeting, the 2010 Annual Meeting, the 2011 Annual Meeting and any other meeting of the Company’s stockholders prior to the termination date of the agreement (i) in accordance with the recommendation of the Board on any stockholder proposal that is put to a vote of stockholders, and (ii) in favor of any proposal made by the Company unless Rowling (or any other TRT Nominee that is an affiliate of TRT) has voted against such proposal in his or her capacity as a member of the Board. These voting obligations will not, however, apply with respect to the voting of TRT’s shares in connection with an “extraordinary transaction” (as defined in the TRT Agreement).

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The TRT Agreement includes a standstill provision restricting TRT from taking certain actions from the date of the TRT Agreement through the termination date of the agreement, including the following:

- acquiring beneficial ownership of any voting securities in an amount such that TRT would own 22% or more of the outstanding voting securities of the Company;
- participating in any solicitation of proxies or making public statements in an attempt to influence the voting of the Company's securities in opposition to the recommendation of the Board, initiating any shareholder proposals, seeking representation on the Board (except as contemplated by the TRT Agreement) or effecting the removal of any member of the Board (provided, that TRT will not be restricted from making a public statement regarding how it intends to vote or soliciting proxies in connection with an extraordinary transaction not involving TRT; and
- acquiring any assets or indebtedness of the Company (other than bonds or publicly traded debt of the Company, subject to certain limitations set forth in the TRT Agreement).

The TRT Agreement includes certain exceptions to the standstill provision, including if (i) TRT has been invited by the Board to participate in a process initiated related to the possible sale of the Company, (ii) TRT makes a Qualified Offer (as defined below under "Amended Rights Agreement"), or (iii) a third party has made an offer to acquire the Company under certain circumstances set forth in the TRT Agreement.

The TRT Agreement also provides that each of the Company and TRT will not disparage the other party, subject to certain exceptions set forth in the TRT Agreement.

The termination date under the TRT Agreement is the earliest to occur of (i) the consummation of a "Qualified Offer" as defined in the Amended Rights Agreement, (ii) May 15, 2011, (iii) the date of the last resignation of a TRT Nominee from the Board in accordance with the requirement under the TRT Agreement that TRT will not be entitled to any representation on the Board if TRT owns less than 5% of the Company's stock, or (iv) a material breach of the TRT Agreement by the Company that is not cured by the Company within 30 days of notice of such breach by TRT (or, if such material breach or lack of cure is disputed by the Company, upon the rendering of an arbitral award finding such material breach or lack of cure).

The foregoing description of the TRT Agreement is qualified in its entirety by reference to the TRT Agreement, a copy of which is filed as Exhibit 10.1 to this Current Report on Form 8-K and is incorporated herein by reference.

Letter Agreement with GAMCO Asset Management

On March 9, 2009, the Company entered into a letter agreement (the "GAMCO Agreement") with GAMCO Asset Management, Inc. ("GAMCO"), which had previously submitted notice to the Company of its intention to nominate four individuals for election to the Board at the 2009 Annual Meeting.

The GAMCO Agreement provides that, prior to the 2009 Annual Meeting, the Board will increase the size of the Board from nine to eleven directors. Under the terms of the GAMCO Agreement, GAMCO will be entitled to name two directors (the "GAMCO Nominees") for nomination by the Board and inclusion in the Company's proxy statement for the 2009 Annual Meeting. The GAMCO Agreement provides that the GAMCO Nominees for the 2009 Annual Meeting will be Glenn Angiolillo and Robert S. Prather, Jr. In addition, the GAMCO Agreement provides that as long as any GAMCO Nominee is a member of the Board, the Company will appoint a GAMCO Nominee to each committee of the Board.

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By execution of the GAMCO Agreement, GAMCO withdrew (i) its nominations to the Board (subject to the Company's compliance with the GAMCO Agreement) that were set forth in GAMCO's letters to the Company dated February 3 and 5, 2009, and (ii) its stockholder proposal, dated August 18, 2008, recommending the redemption of the rights issued pursuant to the Original Rights Agreement (as defined below).

The foregoing description of the GAMCO Agreement is qualified in its entirety by reference to the GAMCO Agreement, a copy of which is filed as Exhibit 10.2 to this Current Report on Form 8-K and is incorporated herein by reference.

Amended Rights Agreement

On March 9, 2009, in accordance with the terms of the TRT Agreement and the GAMCO Agreement, the Company entered into an Amended and Restated Rights Agreement (the "Amended Rights Agreement") with Computershare Trust Company, N.A., as rights agent (the "Rights Agent"), which amends and restates the terms of the Rights Agreement dated as of August 12, 2008, between the Company and the Rights Agent (the "Original Rights Agreement").

The Amended Rights Agreement amends the Original Rights Agreement to: (i) increase the triggering ownership percentage from 15% to 22% of the Company's outstanding shares of common stock; and (ii) include provisions that define and establish procedures in the event that the Company receives a "Qualified Offer." Under the Amended Rights Agreement, a "Qualified Offer" is a tender or exchange offer for all of the Company's outstanding common stock in which the same consideration per share is offered for all shares of common stock that (i) is fully financed, (ii) has an offer price per share exceeding the greater of (the "Minimum Per Share Offer Price"): (x) 25% of the 12-month moving average closing price of the Company's common stock, and (y) 25% of the closing price of the Company's common stock on the day immediately preceding commencement of the offer, (iii) generally remains open until at least the earlier of (x) 106 business days following the commencement of the offer, or (y) the business day immediately following the date on which the results of the vote adopting any redemption resolution at any special meeting of stockholders (as described below) is certified, (iv) is conditioned on the offeror being tendered at least 51% of our common stock not held by the offeror, (v) assures a prompt second-step acquisition of shares not purchased in the initial offer at the same consideration as the initial offer, (vi) is only subject to customary closing conditions, and (vii) meets certain other requirements set forth in the Amended Rights Agreement.

The Amended Rights Agreement provides that, in the event that the Company receives a Qualified Offer, the Company's Board of Directors may, but is not obligated to, call a special meeting of stockholders for the purpose of voting on a resolution to accept the Qualified Offer and to authorize the redemption of the outstanding rights issued pursuant to the provisions of the Amended Rights Agreement. Such an action by stockholders would require the affirmative vote of the holders of a majority of the shares of the Company's common stock outstanding as of the record date for the special meeting (excluding for purposes of this calculation shares of the Company's common stock owned by the person making the Qualified Offer). If either (i) such a special meeting is not held within 105 business days following commencement of the Qualified Offer or (ii) at such a special meeting the Company's stockholders approve such action as set forth above, the Amended Rights Agreement provides that all of the outstanding rights will be redeemed.

The foregoing description of the Amended Rights Agreement is qualified in its entirety by reference to the Amended Rights Agreement, a copy of which is filed as Exhibit 4.1 to this Current Report on Form 8-K and is incorporated herein by reference.

ITEM 3.03 MATERIAL MODIFICATION TO RIGHTS OF SECURITY HOLDERS.

The disclosures set forth under Item 1.01 and Item 5.03 are incorporated by reference into this Item 3.03.

ITEM 5.02 DEPARTURE OF DIRECTORS OR CERTAIN OFFICERS; ELECTION OF DIRECTORS; APPOINTMENT OF CERTAIN OFFICERS; COMPENSATORY ARRANGEMENTS OF CERTAIN OFFICERS

In connection with the TRT Agreement and the GAMCO Agreement, the Company will increase the size of its Board from nine to eleven directors. The nominees for election to the Board at the 2009 Annual Meeting will include seven current directors, TRT nominees Robert B. Rowling and David W. Johnson, and GAMCO nominees Robert S. Prather, Jr. and Glenn J. Angiolillo. The current directors who will stand for reelection are Colin V. Reed, Michael Bender, E. K. Gaylord II, Ralph Horn, Ellen Levine, Michael D. Rose and Michael I. Roth.

ITEM 5.03 AMENDMENTS TO ARTICLES OF INCORPORATION OR BYLAWS; CHANGE TO FISCAL YEAR.

Effective March 9, 2009, the Board of Directors of the Company amended the Company's bylaws by adopting the First Amendment to the Company's Second Amended and Restated By-Laws. This amendment added a sentence to the bylaws providing that if any instrument or agreement to which the Company is a party and that has been approved by the Board specifies a different voting standard for any matter to be considered at a meeting of the Company's stockholders, that voting standard shall apply in addition to the requirements set forth in the bylaws.

The foregoing description is a summary of the amendment to the By-Laws and is qualified in its entirety by reference to the First Amendment to Second Amended and Restated By-Laws, a copy of which is filed as Exhibit 3.1 to this Current Report on Form 8-K and is incorporated herein by reference.

ITEM 7.01 REGULATION FD DISCLOSURE.

On March 9, 2009, the Company issued a press release announcing, among other things, the execution of the TRT Agreement, the GAMCO Agreement and the Amended Rights Agreement. A copy of the press release is attached hereto as Exhibit 99.1 to this Current Report on Form 8-K.

The Company also reached an agreement in principle to settle the pending purported derivative and class action challenging the initial adoption of the Original Rights Agreement. The Company and NECA-IBEW Pension Fund, the plaintiffs in the action, together with their counsel Coughlin Stoia Geller Rudman and Robins LLP, have agreed that the changes to the Company's Board of Directors and amendments to the Original Rights Agreement reflected in the Amended Rights Agreement will form the basis for that settlement.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS.

- (d) Exhibits
- 3.1 First Amendment to Second Amended and Restated By-Laws.
 - 4.1 Amended and Restated Rights Agreement, dated as of March 9, 2009, by and between Gaylord Entertainment Company and Computershare Trust Company, N.A., as Rights Agent, which includes the Form of Certificate of Designations of Series A Junior Participating Preferred Stock (Exhibit A), the Form of Rights Certificate (Exhibit B) and the Form of Summary of Rights to Purchase Preferred Shares (Exhibit C).
 - 10.1 Settlement Agreement, dated March 9, 2009, by and between Gaylord Entertainment Company and TRT Holdings, Inc.
 - 10.2 Letter Agreement, dated March 9, 2009, by and between Gaylord Entertainment Company and GAMCO Asset Management, Inc.
 - 99.1 Press Release of Gaylord Entertainment Company dated March 9, 2009.

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 hereunto duly authorized.

GAYLORD ENTERTAINMENT COMPANY

Date: March 10, 2009

By: /s/ Carter R. Todd
Name: Carter R. Todd
Title: Executive Vice President, General Counsel and Secretary

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3.1	First Amendment to Second Amended and Restated By-Laws.
4.1	Amended and Restated Rights Agreement, dated as of March 9, 2009, by and between Gaylord Entertainment Company and Computershare Trust Company, N.A., as Rights Agent, which includes the Form of Certificate of Designations of Series A Junior Participating Preferred Stock (Exhibit A), the Form of Rights Certificate (Exhibit B) and the Form of Summary of Rights to Purchase Preferred Shares (Exhibit C).
10.1	Settlement Agreement, dated March 9, 2009, by and between Gaylord Entertainment Company and TRT Holdings, Inc.
10.2	Letter Agreement, dated March 9, 2009, by and between Gaylord Entertainment Company and GAMCO Asset Management, Inc.
99.1	Press Release of Gaylord Entertainment Company dated March 9, 2009.

GAYLORD ENTERTAINMENT COMPANY

**FIRST AMENDMENT TO
SECOND AMENDED AND RESTATED BY-LAWS**

The Board of Directors of Gaylord Entertainment Company, a Delaware corporation (the "Company"), at a meeting of the Board of Directors, approved and adopted the following amendments to the Second Amended and Restated By-Laws of the Company (the "By-laws") in accordance with Paragraph 50 of the By-laws, effective as of March 9, 2009:

1. Paragraph 7 of the By-laws is hereby amended by inserting the following sentence at the end of Paragraph 7:

If any instrument or agreement to which the Corporation is a party and that has been approved by the Board of Directors specifies a different voting standard for any matter to be considered at a meeting of the stockholders, that voting standard shall apply in addition to the requirements set forth herein.

2. Except as otherwise set forth in this First Amendment to the By-laws, all other terms and provisions of the By-laws shall remain in full force and effect.

GAYLORD ENTERTAINMENT COMPANY
and
COMPUTERSHARE TRUST COMPANY, N.A.
Amended and Restated
Rights Agreement
Dated as of March 9, 2009

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This Amended and Restated Rights Agreement ("Agreement"), dated as of March 9, 2009, between Gaylord Entertainment Company, a Delaware corporation (the "Company"), and Computershare Trust Company, N.A., a federally chartered trust company, as rights agent (the "Rights Agent") amends and restates in its entirety the Rights Agreement, dated as of August 12, 2008, between the Company and the Rights Agent (the "Original Agreement").

On August 12, 2008, the Board of Directors of the Company authorized and declared a dividend of one preferred share purchase right (a "Right") for each Common Share (as hereinafter defined) of the Company outstanding on August 25, 2008 (the "Record Date"), each Right representing the right to purchase one one-hundredth of a Preferred Share (as hereinafter defined), upon the terms and subject to the conditions herein set forth, and further authorized and directed the issuance of one Right with respect to each Common Share that shall become outstanding between the Record Date and the earliest of the Distribution Date, the Redemption Date and the Final Expiration Date (as such terms are hereinafter defined).

The Board of Directors of the Company has determined that the amendment and restatement of the Original Agreement as set forth herein is desirable and in the best interests of the Company and its stockholders.

Accordingly, in consideration of the premises and the mutual agreements herein set forth, the parties hereby agree as follows:

Section 1. Definitions. For purposes of this Agreement, the following terms have the meanings indicated:

(a) "Acquiring Person" shall mean any Person who or which, together with all Affiliates and Associates of such Person, shall be the Beneficial Owner of 22% or more of the Common Shares of the Company then outstanding, but shall not include (i) the Company, any Subsidiary of the Company, any employee benefit or stock ownership plan of the Company or any Subsidiary of the Company, or any entity holding Common Shares for or pursuant to the terms of any such plan or (ii) any Person who becomes the Beneficial Owner of 22% or more of the Common Shares of the Company then outstanding as the result of the consummation of a Qualified Offer and seeks to complete a second-step transaction in accordance with Section 1(q)(viii)(A). Notwithstanding the foregoing, no Person shall become an "Acquiring Person" as the result of an acquisition of Common Shares by the Company which, by reducing the number of Common Shares of the Company outstanding, increases the proportionate number of Common Shares of the Company beneficially owned by such Person to 22% or more of the Common Shares of the Company then outstanding; provided, however, that, if a Person shall become the Beneficial Owner of 22% or more of the Common Shares of the Company then outstanding by reason of share purchases by the Company and shall, after such share purchases by the Company, become the Beneficial Owner of any additional Common Shares of the Company, then such Person shall be deemed to be an "Acquiring Person." Notwithstanding the foregoing, if the Board of Directors of the Company determines in good faith that a Person who would otherwise be an "Acquiring Person," as defined pursuant to the foregoing provisions of this paragraph (a), has become such inadvertently, and such Person divests as promptly as practicable a sufficient number of Common Shares, so that such Person would no longer be an "Acquiring Person," as defined pursuant to the foregoing provisions of this paragraph (a), then such Person shall not be deemed to be an "Acquiring Person" for any purposes of this Agreement.

(b) “Affiliate” 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 of this Agreement.

(c) “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 of this Agreement.

(d) A Person shall be deemed the “Beneficial Owner” of and shall be deemed to “beneficially own” any securities:

(i) which such Person or any of such Person’s Affiliates or Associates, directly or indirectly, beneficially owns, within the meaning of Rule 13d-3 of the General Rules and Regulations promulgated under the Exchange Act as in effect on the date of this Agreement;

(ii) which such Person or any of such Person’s Affiliates or Associates has (A) the right to acquire (whether such right is exercisable immediately or only after the passage of time or upon the satisfaction of any condition, whether or not within the control of such Person, Affiliate or Associate) pursuant to any agreement, arrangement or understanding (whether or not in writing, but other than customary agreements with and between underwriters and selling group members with respect to a bona fide public offering of securities), or upon the exercise of conversion rights, exchange rights, rights (other than these Rights), warrants or options, or otherwise; provided, however, that a Person shall not be deemed the Beneficial Owner of, or to beneficially own, 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; or (B) the right to vote pursuant to any agreement, arrangement or understanding (whether or not in writing); provided, however, that a Person shall not be deemed the Beneficial Owner of, or to beneficially own, any security if the agreement, arrangement or understanding to vote such security (1) arises solely from a revocable proxy or consent given to such Person in response to a public proxy or consent solicitation made pursuant to, and in accordance with, the applicable rules and regulations promulgated under the Exchange Act and (2) is not also then reportable on Schedule 13D under the Exchange Act (or any comparable or successor report); or

(iii) which are beneficially owned, directly or indirectly, by any other Person with which such Person or any of such Person’s Affiliates or Associates has any agreement, arrangement or understanding (whether or not in writing, but other than customary agreements with and between underwriters and selling group members with respect to a bona fide public offering of securities) for the purpose of acquiring, holding, voting (except to the extent contemplated by the proviso to Section 1(d)(ii)(B) hereof) or disposing of any securities of the Company.

Notwithstanding anything in this definition of Beneficial Ownership to the contrary, (i) the phrase “then outstanding,” when used with reference to a Person’s Beneficial Ownership of securities of the Company, shall mean the number of such securities then issued and outstanding together with the number of such securities not then actually issued and

outstanding which such Person would be deemed to own beneficially hereunder and (ii) nothing in this Section 1(d) shall cause a Person (A) engaged in business as an underwriter of securities to be the "Beneficial Owner" of, or to "beneficially own," any securities acquired through such Person's participation in good faith in a firm commitment underwriting until the expiration of forty days after the date of such acquisition, and then only if such securities continue to be owned by such Person at such expiration of forty days or (B) that commences and continues a Qualified Offer to be the "Beneficial Owner" of, or to "beneficially own," any securities offered to be acquired in such Qualified Offer solely by virtue of commencing and continuing such Qualified Offer.

(e) "Business Day" shall mean any day other than a Saturday, a Sunday, or a day on which banking institutions in Boston, Massachusetts are authorized or obligated by law or executive order to close.

(f) "Close of Business" on any given date shall mean 5:00 P.M., Boston, Massachusetts time, on such date; provided, however, that, if such date is not a Business Day, it shall mean 5:00 P.M., Boston, Massachusetts time, on the next succeeding Business Day.

(g) "Common Shares" when used with reference to the Company shall mean the shares of common stock, par value \$.01 per share, of the Company. "Common Shares" when used with reference to any Person other than the Company shall mean the capital stock (or equity interest) with the greatest voting power of such other Person or, if such other Person is a Subsidiary of another Person, the Person or Persons which ultimately control such first-mentioned Person.

(h) "Distribution Date" shall have the meaning set forth in Section 3(a) hereof.

(i) "Exchange Act" shall mean the Securities Exchange Act of 1934, as amended.

(j) "Exchange Ratio" shall have the meaning set forth in Section 24(a) hereof.

(k) "Final Expiration Date" shall have the meaning set forth in Section 7(a) hereof.

(l) "NYSE" shall mean the New York Stock Exchange.

(m) "Outside Meeting Date" shall have the meaning set forth in Section 23(b) hereof.

(n) "Person" shall mean any individual, firm, corporation, partnership, limited liability company, limited liability partnership, association, trust, syndicate or other entity, and shall include any successor (by merger or otherwise) of such entity, as well as any unincorporated group of individuals or entities that, by formal or informal agreement or arrangement (whether or not in writing), have embarked on a common purpose or act.

(o) "Preferred Shares" shall mean shares of Series A Junior Participating Preferred Stock, par value \$.01 per share, of the Company having the rights and preferences set forth in the Form of Certificate of Designations attached to this Agreement as Exhibit A.

(p) "Purchase Price" shall have the meaning set forth in Section 4 hereof.

(q) “Qualified Offer” shall mean an offer for all of the outstanding Common Shares which meets all of the following requirements:

(i) such offer has been commenced within the meaning of Rule 14d-2(a) of the General Rules and Regulations under the Exchange Act and is made by a Person (including such Person’s Affiliates and Associates) that beneficially owns less than 22% of the outstanding Common Shares as of the date of such commencement;

(ii) such offer is an all cash tender offer, or an exchange offer offering securities of the Person making such offer, or a combination thereof, in each case, in which the same consideration per share (both with respect to the type and amount of consideration) is offered for all Common Shares in the offer and is to be paid promptly following consummation of the offer for all Common Shares tendered in the offer;

(iii) the per share offer price with respect to such offer is greater than the higher of (a) an amount that is 25% higher than the 12-month moving average share price (determined as of the Trading Day immediately preceding the commencement of such offer within the meaning of Rule 14d-2(a) of the General Rules and Regulations under the Exchange Act as set forth below in this Section 1(q)) of the Common Shares and (b) an amount that is 25% higher than the closing price (as “closing price” is determined pursuant to Section 11(d)(i) below) per share for the Common Shares on the Trading Day immediately preceding the commencement of such offer within the meaning of Rule 14d-2(a) of the General Rules and Regulations under the Exchange Act; provided, however, that, if, at the time that any offer is commenced within the meaning of Rule 14d-2(a) of the General Rules and Regulations under the Exchange Act, any other offer that is a Qualified Offer has been commenced and remains open, the per share offer price with respect to such subsequent offer must equal or exceed the per share price with respect to such earlier Qualified Offer (in lieu of exceeding the thresholds set forth in clauses (a) and (b) above) (the minimum per share offer price as determined in accordance with this Section 1(q)(iii), the “Minimum Per Share Offer Price”); and, provided, further, that (x) to the extent that an offer that includes equity securities that are listed or admitted to trading on a national securities exchange (“publicly-traded equity securities”), such per-share offer price with respect to such publicly-traded equity securities will be determined for purposes of the foregoing provision to be the average of the daily closing prices (as “closing price” is determined pursuant to Section 11(d)(i) below) per share for such equity securities of the offering Person for the 30 Trading Days immediately preceding the commencement of such offer within the meaning of Rule 14d-2(a) under the Exchange Act, and (y) to the extent that an offer includes any non-cash consideration that does not consist of publicly-traded equity securities, such per-share offer price with respect to such non-cash consideration will be determined based on the fair market value of such non-cash consideration as set forth in a written opinion (and, to the extent that such opinion states a range of values for such non-cash consideration, the average of the high and low ends of the range) of a nationally-recognized investment banking firm which will accompany such offer (and specify in reasonable detail the basis for such determination) and be addressed to the Company, with the express written consent of such firm to furnish such opinion to the Company’s stockholders (other than the Person making the offer);

(iv) on or prior to the date such offer is commenced within the meaning of Rule 14d-2(a) of the General Rules and Regulations under the Exchange Act, the Person making such offer:

(A) has on hand cash or cash equivalents for the full amount necessary to consummate such offer and has irrevocably committed in writing to the Company to utilize such cash or cash equivalents for purposes of such offer if consummated and to set apart and maintain available such cash or cash equivalents for such purposes until the offer is consummated or withdrawn; or

(B) has all financing in the full amount necessary to consummate such offer and has entered into, and provided to the Company certified copies of, definitive financing agreements (including exhibits and related documents) in customary form for funds for such offer which, when added to the amount of cash and cash equivalents available, committed in writing, set apart and maintained in the same manner as described in clause (A) above, are in an amount not less than the full amount necessary to consummate such offer, which agreements are with one or more responsible financial institutions or other entities having the necessary financial capacity and ability to provide such funds, constitute firm commitments to provide the funding described above without market or company maximum limitations, and are subject only to customary terms and conditions (which shall in no event include conditions requiring access by such financial institutions to non-public information to be provided by the Company or conditions requiring the Company to make any representations, warranties or covenants in connection with such financing);

provided that, "the full amount necessary to consummate such offer" in either clause (A) or (B) above shall be an amount sufficient to pay for all of the outstanding Common Shares (other than Common Shares beneficially owned by the Person making such offer and such Person's Affiliates and Associates) on a fully diluted basis in cash pursuant to the offer and the second-step transaction required by clause (viii)(A) below (except to the extent to which any such offer and second-step transaction consists of non-cash consideration to the extent permitted by the terms hereof) and all related expenses;

(v) such offer is conditioned on a minimum of at least 51% of the outstanding Common Shares not held by the Person making such offer (and such Person's Affiliates and Associates) being tendered and not withdrawn as of the offer's expiration date, which condition shall not be waivable;

(vi) prior to or on the date that such offer is commenced within the meaning of Rule 14d-2(a) of the General Rules and Regulations under the Exchange Act, the Person making such offer makes an irrevocable written commitment to the Company that the offer will remain open for at least the earlier of (x) 106 Business Days (as such period may be extended consistent with an extension of the Outside Meeting Date pursuant to Section 23(b)) and (y) the Business Day immediately following the date on which the results of the vote adopting any Redemption Resolution at any Special Meeting in accordance with Section 23(b) are certified as official by the appointed inspectors of election for the Special Meeting;

(vii) prior to or on the date that such offer is commenced within the meaning of Rule 14d-2(a) of the General Rules and Regulations under the Exchange Act, the Person making such offer makes an irrevocable written commitment to the Company that, in addition to the minimum time periods specified above in Section 1(q)(vi), the offer, if it is otherwise to expire prior thereto, will be extended for at least 10 Business Days after any increase in the consideration being offered; provided, however, that such offer need not remain open, as a result of Section 1(q)(vi) and this Section 1(q)(vii), beyond (A) the time that any other offer satisfying the criteria for a Qualified Offer is then required to be kept open under such Section 1(q)(vi) and this Section 1(q)(vii) or (B) the expiration date, as such date may be extended by public announcement (with prompt written notice to the Rights Agent) in compliance with Rule 14e-1 of the General Rules and Regulations under the Exchange Act, of any other tender or exchange offer for the Common Shares with respect to which the Board of Directors of the Company has agreed to redeem the Rights immediately prior to acceptance for payment of Common Shares thereunder (unless such other offer is terminated prior to its expiration without any Common Shares having been purchased thereunder);

(viii) prior to or on the date that such offer is commenced within the meaning of Rule 14d-2(a) of the General Rules and Regulations under the Exchange Act, such Person makes an irrevocable written commitment to the Company:

(A) to commence and seek to consummate as promptly as practicable upon successful completion of the offer a second-step transaction whereby all Common Shares not tendered into the offer would be acquired at the same consideration per share (with respect to the amount of each type of consideration) actually paid pursuant to the offer, subject to stockholders' statutory appraisal rights, if any;

(B) that no amendments will be made to the offer to reduce the consideration being offered or to otherwise change the terms of the offer in a way that is materially adverse to a tendering stockholder (for the avoidance of doubt, extensions of the offer for reasonable periods shall not be deemed materially adverse to a tendering stockholder); and

(C) that neither such Person nor any of its Affiliates or Associates will make any tender or exchange offer at a lower price for any equity securities of the Company for a period of the earlier of (x) one year after the commencement of the original offer or (y) August 12, 2011, if such original offer does not result in the tender of the number of Common Shares required to be purchased pursuant to clause (v) above, unless another tender or exchange offer by another party for all outstanding Common Shares is commenced that (a) constitutes a Qualified Offer (in which event, any new offer by such Person or of any Affiliates or Associates must be at a price no less than that provided for in such original offer) or (b) is approved by the Board of Directors of the Company (in which event, any new offer by such Person or of any of its Affiliates or Associates must provide for consideration per share, as determined by the Board of Directors of the Company, no less than that provided for in such approved offer);

(ix) an offer that is subject to only the minimum tender condition described in Section 1(q)(v) above and other customary terms and conditions (including a condition that the Agreement shall have been terminated), which conditions shall not include (x) any requirements with respect to the offeror or its agents being permitted or otherwise being satisfied with any due

diligence with respect to the books, records, management, accountants or other outside advisors of the Company, or (y) any condition that stockholder approval of the Person making such offer or any other Person be obtained;

(x) if the offer includes non-cash consideration, the Company has received the written representation and certification of the Person making such offer and the written representations and certifications of such offering Person's Chief Executive Officer and Chief Financial Officer, acting in such capacities, that (A) all facts about such offering Person that would be material to making an investor's decision to accept the offer in light of the circumstances under which disclosure is being made, have been disclosed as of the date of the commencement of the offer within the meaning of Rule 14d-2(a) under the Exchange Act, and (B) all such new material facts will be so disclosed on a prompt basis during the entire period during which the offer remains open; and

(xi) if the offer includes non-cash consideration, an offer pursuant to which (A) the Person making such offer shall permit representatives of the Company (including a nationally-recognized investment banking firm retained by the Board of Directors of the Company and legal counsel and an accounting firm designated by the Company) to have access to such offering Person's books, records, management, accountants and other appropriate advisors for the purposes of permitting such representatives to conduct a reasonable due diligence review of the offering Person, subject to execution of a reasonable confidentiality agreement and to applicable legal requirements, in order to allow the Board of Directors of the Company to evaluate the offer and make an informed decision and, if requested by the Board of Directors of the Company, to permit such investment banking firm (relying as appropriate on the advice of such legal counsel) to be able to render a written opinion to the Board of Directors of the Company as set forth below, and (B) within ten Business Days after such representatives of the Company (including a nationally-recognized investment banking firm retained by the Board of Directors of the Company and legal counsel and an accounting firm designated by the Company) shall have notified the Company and such offering Person that it had completed such reasonable due diligence review to its satisfaction (or, following completion of such reasonable due diligence review, within ten Business Days after any increase in the consideration being offered), such investment banking firm does not render a written opinion to the Board of Directors of the Company that the fair market value of the non-cash consideration being offered to the stockholders of the Company is such that, when taking into account any cash consideration being offered to the stockholders, the per share offer price with respect to such offer is less than the Minimum Per Share Offer Price.

If an offer qualifies as a Qualified Offer in accordance with this definition, but subsequently ceases to be a Qualified Offer as a result of the failure at a later date to continue to satisfy any of the requirements of this definition, such offer shall cease to be a Qualified Offer.

For purposes of this Section 1(q), "12-month moving average share price" on any date shall be deemed to be the average of the daily closing prices (as "closing price" is determined pursuant to Section 11(d)(i) below) per share of the Common Shares for the Trading Days in the 12 months immediately prior to such date; provided, however, that, in the event that the 12-month moving average share price of the Common Shares is determined during a period following the announcement by the Company of (A) a dividend or distribution on the Common

Shares payable in Common Shares or securities convertible into Common Shares, or (B) any subdivision, combination or reclassification of the Common Shares and prior to the expiration of 12 months after the ex-dividend date for such dividend or distribution, or the record date for such subdivision, combination or reclassification, then, and in each such case, the 12-month moving average share price shall be appropriately adjusted to reflect the 12-month moving average share price equivalent of the Common Shares.

(r) "Record Date" shall have the meaning set forth in the second paragraph hereof.

(s) "Redemption Date" shall have the meaning set forth in Section 7(a) hereof.

(t) "Redemption Price" shall have the meaning set forth in Section 23(a) hereof.

(u) "Redemption Resolution" shall have the meaning set forth in Section 23(b) hereof.

(v) "Reduced Threshold" shall have the meaning set forth in Section 27 hereof.

(w) "Right" shall have the meaning set forth in the second paragraph hereof.

(x) "Right Certificate" shall have the meaning set forth in Section 3(a) hereof.

(y) "Shares Acquisition Date" shall mean the first date of public announcement by the Company or an Acquiring Person that an Acquiring Person has become such.

(z) "Special Meeting" shall have the meaning set forth in Section 23(b) hereof.

(aa) "Subsidiary" of any Person shall mean any corporation or other entity of which a majority of the voting power of the voting equity securities or equity interest is owned, directly or indirectly, by such Person.

(bb) "Summary of Rights" shall have the meaning set forth in Section 3(b) hereof.

(cc) "Trading Day" shall have the meaning set forth in Section 11(d) hereof.

Section 2. Appointment of Rights Agent. The Company hereby appoints the Rights Agent to act as agent for the Company in accordance with the terms and conditions hereof, and the Rights Agent hereby accepts such appointment. The Company may from time to time appoint such co-Rights Agents as it may deem necessary or desirable, upon ten (10) days' prior written notice to the Rights Agent. The Rights Agent shall have no duty to supervise, and shall in no event be liable for, the acts or omissions of any such co-Rights Agent.

Section 3. Issue of Right Certificates. (a) Until the earlier of (i) the Close of Business on the tenth day after the Shares Acquisition Date or (ii) the Close of Business on the tenth Business Day (or such later date as may be determined by action of the Board of Directors of the Company prior to such time as any Person becomes an Acquiring Person) after the date of the commencement by any Person (other than the Company, any Subsidiary of the Company, any employee benefit or stock ownership plan or of the Company or of any Subsidiary of the Company or any entity holding Common Shares of the Company for or pursuant to the terms of

any such plan) of a tender or exchange offer (other than a Qualified Offer, for so long as such offer qualifies as a Qualified Offer) the consummation of which would result in any Person becoming the Beneficial Owner of Common Shares of the Company aggregating 22% or more of the then outstanding Common Shares of the Company (including any such date which is after the date of this Agreement and prior to the issuance of the Rights; the earlier of such dates being herein referred to as the "Distribution Date"), (x) the Rights will be evidenced (subject to the provisions of Section 3(b) hereof) by the balances indicated in the book-entry account system of the transfer agent for the Common Shares registered in the names of the holders thereof (which Common Shares shall also be deemed to represent Right Certificates) or, in the case of certificated shares, the certificates for Common Shares of the Company registered in the names of the holders thereof (which certificates shall also be deemed to be Right Certificates) and not by separate Right Certificates, and (y) the right to receive Right Certificates will be transferable only in connection with the transfer of Common Shares of the Company. As soon as practicable after the Distribution Date, the Company will prepare and execute, the Rights Agent will countersign, and the Company will send or cause to be sent (and the Rights Agent will, if requested, send) by first-class, insured, postage-prepaid mail, to each record holder of Common Shares of the Company as of the Close of Business on the Distribution Date, at the address of such holder shown on the records of the Company, a Right Certificate, in substantially the form of Exhibit B hereto (a "Right Certificate"), evidencing one Right for each Common Share so held. As of the Distribution Date, the Rights will be evidenced solely by such Right Certificates.

(b) On the Record Date, or as soon as practicable thereafter, the Company will send a copy of a Summary of Rights to Purchase Preferred Shares, in substantially the form of Exhibit C hereto (the "Summary of Rights"), by first-class, postage-prepaid mail, to each record holder of Common Shares as of the Close of Business on the Record Date, at the address of such holder shown on the records of the Company. At any time following the Record Date, the Company will send a copy of the Summary of Rights, by first-class, postage-prepaid mail, to any record holder of Common Shares who requests a copy of the Summary of Rights, at the address of such holder shown on the records of the Company. With respect to certificates for Common Shares of the Company outstanding as of the Record Date, until the Distribution Date, the Rights will be evidenced by the balances indicated in the book-entry account system of the transfer agent for the Common Shares or, in the case of certificated shares, such certificates registered in the names of the holders thereof together with a copy of the Summary of Rights attached thereto. Until the Distribution Date (or the earlier of the Redemption Date or the Final Expiration Date), the surrender for transfer of any certificate for Common Shares of the Company outstanding on the Record Date, with or without a copy of the Summary of Rights attached thereto, shall also constitute the transfer of the Rights associated with the Common Shares of the Company represented thereby.

(c) Rights shall be issued in respect of all Common Shares issued (or delivered from the Company's treasury) after the Record Date but prior to the earliest of the Distribution Date, the Redemption Date or the Final Expiration Date and shall be evidenced by the following legends:

- (i) Confirmation and account statements sent to holders of Common Shares in book-entry form (which Common Shares shall also be deemed to represent certificates for Rights) shall bear the following legend:

The shares of Common Stock, par value \$0.01 per share, of Gaylord Entertainment Company (the "Corporation") entitle the holder thereof to certain Rights as set forth in a Rights Agreement between the Corporation and Computershare Trust Company, N.A., dated as of August 12, 2008 (the "Rights Agreement"), the terms of which are hereby incorporated herein by reference and a copy of which is on file at the principal executive offices of the Corporation. Under certain circumstances, as set forth in the Rights Agreement, such Rights will be evidenced by separate certificates and will no longer be evidenced by the shares to which this statement relates. The Corporation will mail (or cause the Rights Agent to mail) to the holder of shares to which this statement relates a copy of the Rights Agreement without charge promptly after receipt of a written request therefor. Under certain circumstances set forth in the Rights Agreement, Rights issued to an Acquiring Person or any Associate or Affiliate thereof (as such terms are defined in the Rights Agreement) may be null and void. The Rights shall not be exercisable, and shall be void so long as held, by a holder in any jurisdiction where the requisite qualification for the issuance to such holder, or the exercise by such holder of the Rights in such jurisdiction, shall not have been obtained or be obtainable.

With respect to Common Shares in book-entry form for which there has been sent a confirmation or account statement containing the foregoing legend, until the earliest of the Distribution Date, the Redemption Date or the Final Expiration Date, the Rights associated with the Common Shares shall be evidenced by such Common Shares alone and registered holders of Common Shares shall also be the registered holders of the associated Rights, and the transfer of any of such Common Shares shall also constitute the transfer of the Rights associated with such shares of Common Shares.

(ii) In the case of certificated shares, certificates for Common Shares which become outstanding (including, without limitation, reacquired Common Shares referred to in the last sentence of this paragraph (c)) after the Record Date but prior to the earliest of the Distribution Date, the Redemption Date or the Final Expiration Date shall have impressed on, printed on, written on or otherwise affixed to them the following legend:

This certificate also evidences and entitles the holder hereof to certain rights as set forth in an Agreement between Gaylord Entertainment Company (the "Corporation") and Computershare Trust Company, N.A., as Rights Agent, dated as of August 12, 2008, as it may be amended from time to time (the "Agreement"), the terms of which are hereby incorporated herein by reference and a copy of which is on file at the principal executive offices of the Corporation. Under certain circumstances, as set forth in the Agreement, such Rights (as defined in the Agreement) will be evidenced by separate certificates and will no longer be evidenced by this certificate. The Corporation will mail (or cause the Rights Agent to mail) to the holder of this certificate a copy of the Agreement without charge after receipt of a written request therefor. As set forth in the Agreement, Rights beneficially owned by any Person (as defined in the Agreement) who becomes an Acquiring Person (as defined in the Agreement) become null and void.

With respect to such certificates containing the foregoing legend, until the earliest of the Distribution Date, the Redemption Date or the Final Expiration Date, the Rights associated with the Common Shares of the Company represented by such certificates shall be evidenced by such

certificates alone, and the surrender for transfer of any such certificate shall also constitute the transfer of the Rights associated with the Common Shares of the Company represented thereby. In the event that the Company purchases or acquires any Common Shares of the Company after the Record Date but prior to the Distribution Date, the Redemption Date or the Final Expiration Date, any Rights associated with such Common Shares of the Company shall be deemed cancelled and retired so that the Company shall not be entitled to exercise any Rights associated with the Common Shares of the Company which are no longer outstanding.

Section 4. Form of Right Certificates. The Right Certificates (and the forms of election to purchase Preferred Shares and of assignment to be printed on the reverse thereof) shall be substantially the same as Exhibit B hereto, and may have such marks of identification or designation and such legends, summaries or endorsements printed thereon as the Company may deem appropriate and as are not inconsistent with the provisions of this Agreement, or as may be required to comply with any applicable law or with any applicable rule or regulation made pursuant thereto or with any applicable rule or regulation of any stock exchange, trading market or automated quotation system on which the Right Certificates may from time to time be listed, or to conform to customary usage. Subject to the provisions of Section 22 hereof, the Right Certificates shall be dated as of the Record Date and on their face shall entitle the holders thereof to purchase such number of one one-hundredths of a Preferred Share as shall be set forth therein at the price per one one-hundredth of a Preferred Share set forth therein (the "Purchase Price"), but the number of such one one-hundredths of a Preferred Share and the Purchase Price shall be subject to adjustment as provided herein.

Section 5. Countersignature and Registration. The Right Certificates shall be executed on behalf of the Company by its Chairman of the Board, its Chief Executive Officer, its President, any of its Vice Presidents or its Treasurer, either manually or by facsimile signature, shall have affixed thereto the Company's seal or a facsimile thereof, and shall be attested by the Secretary or an Assistant Secretary of the Company, either manually or by facsimile signature. The Right Certificates shall be countersigned by the Rights Agent, either manually or by facsimile signature, and shall not be valid for any purpose unless countersigned. In case any officer of the Company who shall have signed any of the Right Certificates shall cease to be such officer of the Company before countersignature by the Rights Agent and issuance and delivery by the Company, such Right Certificates, nevertheless, may be countersigned by the Rights Agent and issued and delivered by the Company with the same force and effect as though the individual who signed such Right Certificates had not ceased to be such officer of the Company; and any Right Certificate may be signed on behalf of the Company by any individual who, at the actual date of the execution of such Right Certificate, shall be a proper officer of the Company to sign such Right Certificate, although at the date of the execution of this Agreement any such individual was not such an officer.

Following the Distribution Date, the Rights Agent will keep or cause to be kept, at its principal office, books for registration and transfer of the Right Certificates issued hereunder. Such books shall show the names and addresses of the respective holders of the Right Certificates, the number of Rights evidenced on its face by each of the Right Certificates and the date of each of the Right Certificates.

Section 6. Transfer, Split Up, Combination and Exchange of Right Certificates; Mutilated, Destroyed, Lost or Stolen Right Certificates. Subject to the provisions of Section 14 hereof, at any time after the Close of Business on the Distribution Date, and at or prior to the Close of Business on the earlier of the Redemption Date or the Final Expiration Date, any Right Certificate or Right Certificates (other than Right Certificates representing Rights that have become void pursuant to Section 11(a)(ii) hereof or that have been exchanged pursuant to Section 24 hereof) may be transferred, split up, combined or exchanged for another Right Certificate or Right Certificates entitling the registered holder to purchase a like number of one one-hundredths of a Preferred Share as the Right Certificate or Right Certificates surrendered then entitled such holder to purchase. Any registered holder desiring to transfer, split up, combine or exchange any Right Certificate or Right Certificates shall make such request in writing delivered to the Rights Agent, and shall surrender the Right Certificate or Right Certificates to be transferred, split up, combined or exchanged at the principal office of the Rights Agent. Thereupon the Rights Agent shall countersign and deliver to the Person entitled thereto a Right Certificate or Right Certificates, as the case may be, as so requested. The Company may require payment of a sum sufficient to cover any tax or governmental charge that may be imposed in connection with any transfer, split up, combination or exchange of Right Certificates.

Upon receipt by the Company and the Rights Agent of evidence reasonably satisfactory to them of the loss, theft, destruction or mutilation of a Right Certificate, and, in case of loss, theft or destruction, of indemnity or security reasonably satisfactory to them, and, at the Company's request, reimbursement to the Company and the Rights Agent of all reasonable expenses incidental thereto, and upon surrender to the Rights Agent and cancellation of the Right Certificate if mutilated, the Company will make and deliver a new Right Certificate of like tenor to the Rights Agent for delivery to the registered holder in lieu of the Right Certificate so lost, stolen, destroyed or mutilated.

Section 7. Exercise of Rights; Purchase Price; Expiration Date of Rights. (a) The registered holder of any Right Certificate may exercise the Rights evidenced thereby (except as otherwise provided herein), in whole or in part, at any time after the Distribution Date, upon surrender of the Right Certificate, with the form of election to purchase on the reverse side thereof duly executed, to the Rights Agent at the principal office of the Rights Agent, together with payment of the Purchase Price for each one one-hundredth of a Preferred Share as to which the Rights are exercised, at or prior to the earliest of (i) the Close of Business on August 12, 2011, or such later date as determined by the Board of Directors of the Company (so long as such determination is made prior to August 12, 2011) (the "Final Expiration Date"), (ii) the time at which the Rights are redeemed as provided in Section 23 hereof (the "Redemption Date"), or (iii) the time at which such Rights are exchanged as provided in Section 24 hereof.

(b) The Purchase Price for each one one-hundredth of a Preferred Share purchasable pursuant to the exercise of a Right shall initially be \$95.00, and shall be subject to adjustment from time to time as provided in Section 11 or 13 hereof, and shall be payable in lawful money of the United States of America in accordance with paragraph (c) below.

(c) Upon receipt of a Right Certificate representing exercisable Rights, with the form of election to purchase duly executed, accompanied by payment of the Purchase Price for the shares to be purchased and an amount equal to any applicable transfer tax required to be paid by the holder of such Right Certificate in accordance with Section 9 hereof by certified check, cashier's check or money order payable to the order of the Company, the Rights Agent shall thereupon promptly (i) (A) requisition from any transfer agent of the Preferred Shares certificates for the number of Preferred Shares to be purchased and the Company hereby irrevocably authorizes any such transfer agent to comply with all such requests, or (B) requisition from the depository agent depository receipts representing such number of one one-hundredths of a Preferred Share as are to be purchased (in which case certificates for the Preferred Shares represented by such receipts shall be deposited by the transfer agent of the Preferred Shares with such depository agent) and the Company hereby directs such depository agent to comply with such request; (ii) when appropriate, requisition from the Company the amount of cash to be paid in lieu of issuance of fractional shares in accordance with Section 14 hereof; (iii) promptly after receipt of such certificates or depository receipts, cause the same to be delivered to or upon the order of the registered holder of such Right Certificate, registered in such name or names as may be designated by such holder; and (iv) when appropriate, after receipt, promptly deliver such cash to or upon the order of the registered holder of such Right Certificate.

(d) In case the registered holder of any Right Certificate shall exercise less than all the Rights evidenced thereby, a new Right Certificate evidencing Rights equivalent to the Rights remaining unexercised shall be issued by the Rights Agent to the registered holder of such Right Certificate or to such holder's duly authorized assigns, subject to the provisions of Section 14 hereof.

Section 8. **Cancellation and Destruction of Right Certificates.** All Right Certificates surrendered for the purpose of exercise, transfer, split up, combination or exchange shall, if surrendered to the Company or to any of its agents, be delivered to the Rights Agent for cancellation or in cancelled form, or, if surrendered to the Rights Agent, shall be cancelled by it, and no Right Certificates shall be issued in lieu thereof except as expressly permitted by any of the provisions of this Agreement. The Company shall deliver to the Rights Agent for cancellation and retirement, and the Rights Agent shall so cancel and retire, any other Right Certificate purchased or acquired by the Company otherwise than upon the exercise thereof. The Rights Agent shall deliver all cancelled Right Certificates to the Company, or shall, at the written request of the Company, destroy such cancelled Right Certificates, and, in such case, shall deliver a certificate of destruction thereof to the Company.

Section 9. **Availability of Preferred Shares.** (a) The Company covenants and agrees that it will cause to be reserved and kept available out of its authorized and unissued Preferred Shares or any Preferred Shares held in its treasury the number of Preferred Shares that will be sufficient to permit the exercise in full of all outstanding Rights in accordance with Section 7 hereof.

(b) The Company shall use its reasonable best efforts to (i) file, as soon as practicable following the earliest date after any Person, alone or together with its Affiliates and Associates, becomes an Acquiring Person, or as soon as is required by law following the Distribution Date, as the case may be, a registration statement under the Securities Act of 1933, as amended, with respect to the securities purchasable upon exercise of the Rights on an appropriate form, (ii) cause such registration statement to become effective as soon as practicable after such filing, and (iii) cause such registration statement to remain effective (with a prospectus at all times meeting the requirements of the Act) until the earlier of (A) the date as of which the Rights are no longer

exercisable for such securities, and (B) the date of the expiration of the Rights. The Company will also take such action as may be appropriate under, or to ensure compliance with, the securities or "blue sky" laws of the various states in connection with the exercisability of the Rights. The Company may temporarily suspend, for a period of time not to exceed 120 days after the date set forth in clause (i) of the first sentence of this Section 9(b), the exercisability of the Rights in order to prepare and file such registration statement and permit it to become effective. Upon any such suspension, the Company shall issue a public announcement stating that the exercisability of the Rights has been temporarily suspended, as well as a public announcement at such time as the suspension is no longer in effect. Notwithstanding any provision of this Agreement to the contrary, the Rights shall not be exercisable in any jurisdiction unless the requisite qualification in such jurisdiction shall have been obtained.

(c) The Company covenants and agrees that it will take all such action as may be necessary to ensure that all Preferred Shares delivered upon exercise of Rights shall, at the time of delivery of the certificates for such Preferred Shares (subject to payment of the Purchase Price), be duly and validly authorized and issued and fully paid and nonassessable shares.

(d) The Company further covenants and agrees that it will pay when due and payable any and all federal and state transfer taxes and charges which may be payable in respect of the issuance or delivery of the Right Certificates or of any Preferred Shares upon the exercise of Rights. The Company shall not, however, be required to pay any transfer tax which may be payable in respect of any transfer or delivery of Right Certificates to a Person other than, or the issuance or delivery of certificates or depositary receipts or entries in the book-entry account system of the transfer agent for the Preferred Shares in a name other than that of, the registered holder of the Right Certificate evidencing Rights surrendered for exercise or to issue or to deliver any certificates for Preferred Shares or depositary receipts or entries in the book-entry account system of the transfer agent for Preferred Shares upon the exercise of any Rights until any such tax shall have been paid (any such tax being payable by the holder of such Right Certificate at the time of surrender) or until it has been established to the Company's satisfaction that no such tax is due.

Section 10. Preferred Shares Record Date. Each Person in whose name any certificate or entry in the book-entry account system of the transfer agent for a number of one one-hundredths of a Preferred Share is issued upon the exercise of Rights shall for all purposes be deemed to have become the holder of record of the Preferred Shares represented thereby on, and such certificate or entry in the book-entry account system of the transfer agent shall be dated, the date upon which the Right Certificate evidencing such Rights was duly surrendered and payment of the Purchase Price (and any applicable transfer taxes) was made; provided, however, that, if the date of such surrender and payment is a date upon which the Preferred Shares transfer books of the Company are closed, such Person shall be deemed to have become the record holder of such shares on, and such certificate or entry in the book-entry account system of the transfer agent shall be dated, the next succeeding Business Day on which the Preferred Shares transfer books of the Company are open. Prior to the exercise of the Rights evidenced thereby, the holder of a Right Certificate shall not be entitled to any rights of a stockholder of the Company with respect to shares for which the Rights shall be exercisable, including, without limitation, the right to vote, to receive dividends or other distributions or to exercise any preemptive rights, and shall not be entitled to receive any notice of any proceedings of the Company, except as provided herein.

Section 11. Adjustment of Purchase Price, Number of Shares or Number of Rights. The Purchase Price, the number of Preferred Shares covered by each Right and the number of Rights outstanding are subject to adjustment from time to time as provided in this Section 11.

(a) (i) In the event the Company shall at any time after the date of this Agreement (A) declare a dividend on the Preferred Shares payable in Preferred Shares, (B) subdivide the outstanding Preferred Shares, (C) combine the outstanding Preferred Shares into a smaller number of Preferred Shares or (D) issue any shares of its capital stock in a reclassification of the Preferred Shares (including any such reclassification in connection with a consolidation or merger in which the Company is the continuing or surviving corporation), except as otherwise provided in this Section 11(a), the Purchase Price in effect at the time of the record date for such dividend or of the effective date of such subdivision, combination or reclassification, and the number and kind of shares of capital stock issuable on such date, shall be proportionately adjusted so that the holder of any Right exercised after such time shall be entitled to receive, upon payment of the Purchase Price then in effect, the aggregate number and kind of shares of capital stock which, if such Right had been exercised immediately prior to such date and at a time when the Preferred Shares transfer books of the Company were open, such holder would have owned upon such exercise and been entitled to receive by virtue of such dividend, subdivision, combination or reclassification; provided, however, that in no event shall the consideration to be paid upon the exercise of one Right be less than the aggregate par value of the shares of capital stock of the Company issuable upon exercise of one Right.

If an event occurs which would require an adjustment under both Section 11(a)(i) and Section 11(a)(ii), the adjustment provided for in this Section 11(a)(i) shall be in addition to, and shall be made prior to, any adjustment required pursuant to Section 11(a)(ii).

(ii) Subject to Section 24 hereof, in the event any Person becomes an Acquiring Person, each holder of a Right shall thereafter have a right to receive, upon exercise thereof at a price equal to the then current Purchase Price multiplied by the number of one one-hundredths of a Preferred Share for which a Right is then exercisable, in accordance with the terms of this Agreement and in lieu of Preferred Shares, such number of Common Shares of the Company as shall equal the result obtained by (A) multiplying the then current Purchase Price by the number of one one-hundredths of a Preferred Share for which a Right is then exercisable, and dividing that product by (B) 50% of the then current per share market price of the Common Shares of the Company (determined pursuant to Section 11(d) hereof) on the date of the occurrence of such event. In the event that any Person shall become an Acquiring Person and the Rights shall then be outstanding, the Company shall not take any action which would eliminate or diminish the benefits intended to be afforded by the Rights.

From and after the occurrence of such event, any Rights that are or were acquired or beneficially owned by any Acquiring Person (or any Associate or Affiliate of such Acquiring Person) shall be void, and any holder of such Rights shall thereafter have no right to exercise such Rights under any provision of this Agreement. No Right Certificate shall be issued pursuant to Section 3 hereof that represents Rights beneficially owned by an Acquiring Person

whose Rights would be void pursuant to the preceding sentence or any Associate or Affiliate thereof; no Right Certificate shall be issued at any time upon the transfer of any Rights to an Acquiring Person whose Rights would be void pursuant to the preceding sentence or any Associate or Affiliate thereof or to any nominee of such Acquiring Person, Associate or Affiliate; and any Right Certificate delivered to the Rights Agent for transfer to an Acquiring Person whose Rights would be void pursuant to the preceding sentence shall be cancelled.

(iii) In the event that there shall not be sufficient Common Shares issued but not outstanding or authorized but unissued to permit the exercise in full of the Rights in accordance with subparagraph (ii) above, the Company shall take all such action as may be necessary to authorize additional Common Shares for issuance upon exercise of the Rights. In the event the Company shall, after good faith effort, be unable to take all such action as may be necessary to authorize such additional Common Shares, the Company shall substitute, for each Common Share that would otherwise be issuable upon exercise of a Right, a number of Preferred Shares or fraction thereof such that the current per share market price of one Preferred Share (determined pursuant to Section 11(d) hereof) multiplied by such number or fraction is equal to the current per share market price of one Common Share as of the date of issuance of such Preferred Shares or fraction thereof.

(b) In case the Company shall fix a record date for the issuance of rights, options or warrants to all holders of Preferred Shares entitling them (for a period expiring within 45 calendar days after such record date) to subscribe for or purchase Preferred Shares (or shares having the same rights, privileges and preferences as the Preferred Shares ("equivalent preferred shares") or securities convertible into Preferred Shares or equivalent preferred shares) at a price per Preferred Share or equivalent preferred share (or having a conversion price per share, if a security convertible into Preferred Shares or equivalent preferred shares) less than the then current per share market price of the Preferred Shares on such record date, the Purchase Price to be in effect after such record date shall be determined by multiplying the Purchase Price in effect immediately prior to such record date by a fraction, the numerator of which shall be the number of Preferred Shares outstanding on such record date plus the number of Preferred Shares which the aggregate offering price of the total number of Preferred Shares and/or equivalent preferred shares so to be offered (and/or the aggregate initial conversion price of the convertible securities so to be offered) would purchase at such current market price and the denominator of which shall be the number of Preferred Shares outstanding on such record date plus the number of additional Preferred Shares and/or equivalent preferred shares to be offered for subscription or purchase (or into which the convertible securities so to be offered are initially convertible); provided, however, that in no event shall the consideration to be paid upon the exercise of one Right be less than the aggregate par value of the shares of capital stock of the Company issuable upon exercise of one Right. In case such subscription price may be paid in a consideration part or all of which shall be in a form other than cash, the value of such consideration shall be as determined in good faith by the Board of Directors of the Company, whose determination shall be described in a statement filed with the Rights Agent and shall be binding on the Rights Agent and holders of the Rights. Preferred Shares owned by or held for the account of the Company shall not be deemed outstanding for the purpose of any such computation. Such adjustment shall be made successively whenever such a record date is fixed; and, in the event that such rights, options or warrants are not so issued, the Purchase Price shall be adjusted to be the Purchase Price which would then be in effect if such record date had not been fixed.

(c) In case the Company shall fix a record date for the making of a distribution to all holders of the Preferred Shares (including any such distribution made in connection with a consolidation or merger in which the Company is the continuing or surviving corporation) of evidences of indebtedness or assets (other than a regular quarterly cash dividend or a dividend payable in Preferred Shares) or subscription rights or warrants (excluding those referred to in Section 11(b) hereof), the Purchase Price to be in effect after such record date shall be determined by multiplying the Purchase Price in effect immediately prior to such record date by a fraction, the numerator of which shall be the then-current per share market price of the Preferred Shares on such record date, less the fair market value (as determined in good faith by the Board of Directors of the Company, whose determination shall be described in a statement filed with the Rights Agent and shall be binding on the Rights Agent and holders of the Rights) of the portion of the assets or evidences of indebtedness so to be distributed or of such subscription rights or warrants applicable to one Preferred Share and the denominator of which shall be such then-current per share market price of the Preferred Shares on such record date; provided, however, that in no event shall the consideration to be paid upon the exercise of one Right be less than the aggregate par value of the shares of capital stock of the Company to be issued upon exercise of one Right. Such adjustments shall be made successively whenever such a record date is fixed; and, in the event that such distribution is not so made, the Purchase Price shall again be adjusted to be the Purchase Price which would then be in effect if such record date had not been fixed.

(d) (i) For the purpose of any computation hereunder, the "current per share market price" of any security (other than the Preferred Shares, whose current per share market price will be determined in accordance with Section 11(d)(ii) below) (a "Security," for the purpose of this Section 11(d)(i)) on any date shall be deemed to be the average of the daily closing prices per share of such Security for the 30 consecutive Trading Days (as such term is hereinafter defined) immediately prior to such date; provided, however, that, in the event that the current per share market price of the Security is determined during a period following the announcement by the issuer of such Security of (A) a dividend or distribution on such Security payable in shares of such Security or Securities convertible into such shares, or (B) any subdivision, combination or reclassification of such Security and prior to the expiration of 30 Trading Days after the ex-dividend date for such dividend or distribution, or the record date for such subdivision, combination or reclassification, then, and in each such case, the current per share market price shall be appropriately adjusted to reflect the current market price per share equivalent of such Security. The closing price for each day shall be the last sale price, regular way, reported at or prior to 4:00 P.M. Eastern time or, in case no such sale takes place on such day, the average of the bid and asked prices, regular way, reported as of 4:00 P.M. Eastern time, in either case, as reported in the principal consolidated transaction reporting system with respect to securities listed or admitted to trading on NYSE or, if the Security is not listed or admitted to trading on NYSE, as reported in the principal consolidated transaction reporting system with respect to securities listed on the principal national securities exchange on which the Security is listed or admitted to trading or, if the Security is not listed or admitted to trading on any national securities exchange, the last quoted price reported at or prior to 4:00 P.M. Eastern time or, if not so quoted, the average of the high bid and low asked prices in the over-the-counter market, as reported as of 4:00 P.M. Eastern time by NYSE or such other system then in use, or, if on any such date the Security is not quoted by any such organization, the average of the closing bid and asked prices as furnished by a professional market maker making a market in the Security selected by the Board of Directors. The term "Trading Day," shall mean a day on which the

principal national securities exchange on which the Security is listed or admitted to trading is open for the transaction of business, or, if the Security is not listed or admitted to trading on any national securities exchange but are quoted on NYSE, a day on which NYSE is in operation or if the Security is neither listed nor admitted to trading on any national securities exchange, a Business Day. If the current per share market price of the Security cannot be determined in the manner provided above, or if the Security is not publicly held or not so listed or traded, "current per share market price" of the Security shall mean the fair value per share as determined in good faith by the Board of Directors, whose determination shall be described in a statement filed with the Rights Agent and shall be conclusive for all purposes.

(ii) For the purpose of any computation hereunder, the "current per share market price" of the Preferred Shares shall be determined in accordance with the method set forth in Section 11(d)(i), other than the last sentence thereof. If the Preferred Shares are not publicly traded, the "current per share market price" of the Preferred Shares shall be conclusively deemed to be the current per share market price of the Common Shares as determined pursuant to Section 11(d)(i) hereof (appropriately adjusted to reflect any stock split, stock dividend or similar transaction occurring after the date hereof), multiplied by one hundred. If neither the Common Shares nor the Preferred Shares are publicly held or so listed or traded, "current per share market price" shall mean the fair value per share as determined in good faith by the Board of Directors of the Company, whose determination shall be described in a statement filed with the Rights Agent and shall be conclusive for all purposes.

(e) No adjustment in the Purchase Price shall be required unless such adjustment would require an increase or decrease of at least 1% in the Purchase Price; provided, however, that any adjustments which by reason of this Section 11(e) are not required to be made shall be carried forward and taken into account in any subsequent adjustment. All calculations under this Section 11 shall be made to the nearest cent or to the nearest one one-millionth of a Preferred Share or one ten-thousandth of any other share or security as the case may be. Notwithstanding the first sentence of this Section 11(e), any adjustment required by this Section 11 shall be made no later than the earlier of (i) three years from the date of the transaction which requires such adjustment or (ii) the date of the expiration of the right to exercise any Rights.

(f) If, as a result of an adjustment made pursuant to Section 11(a) hereof, the holder of any Right thereafter exercised shall become entitled to receive any shares of capital stock of the Company other than Preferred Shares, thereafter the number of such other shares so receivable upon exercise of any Right shall be subject to adjustment from time to time in a manner and on terms as nearly equivalent as practicable to the provisions with respect to the Preferred Shares contained in Section 11(a) through (c) hereof, inclusive, and the provisions of Sections 7, 9, 10 and 13 hereof with respect to the Preferred Shares shall apply on like terms to any such other shares.

(g) All Rights originally issued by the Company subsequent to any adjustment made to the Purchase Price hereunder shall evidence the right to purchase, at the adjusted Purchase Price, the number of one one-hundredths of a Preferred Share purchasable from time to time hereunder upon exercise of the Rights, all subject to further adjustment as provided herein.

(h) Unless the Company shall have exercised its election as provided in Section 11(i) hereof, upon each adjustment of the Purchase Price as a result of the calculations made in Sections 11(b) and (c) hereof, each Right outstanding immediately prior to the making of such adjustment shall thereafter evidence the right to purchase, at the adjusted Purchase Price, that number of one one-hundredths of a Preferred Share (calculated to the nearest one one-millionth of a Preferred Share) obtained by (A) multiplying (x) the number of one one-hundredths of a share covered by a Right immediately prior to this adjustment by (y) the Purchase Price in effect immediately prior to such adjustment of the Purchase Price and (B) dividing the product so obtained by the Purchase Price in effect immediately after such adjustment of the Purchase Price.

(i) The Company may elect, on or after the date of any adjustment of the Purchase Price, to adjust the number of Rights in substitution for any adjustment in the number of one one-hundredths of a Preferred Share purchasable upon the exercise of a Right. Each of the Rights outstanding after such adjustment of the number of Rights shall be exercisable for the number of one one-hundredths of a Preferred Share for which a Right was exercisable immediately prior to such adjustment. Each Right held of record prior to such adjustment of the number of Rights shall become that number of Rights (calculated to the nearest one ten-thousandth) obtained by dividing the Purchase Price in effect immediately prior to adjustment of the Purchase Price by the Purchase Price in effect immediately after adjustment of the Purchase Price. The Company shall make a public announcement of its election to adjust the number of Rights, indicating the record date for the adjustment, and, if known at the time, the amount of the adjustment to be made. This record date may be the date on which the Purchase Price is adjusted or any day thereafter, but, if the Right Certificates have been issued, shall be at least 10 days later than the date of the public announcement. If Right Certificates have been issued, upon each adjustment of the number of Rights pursuant to this Section 11(i), the Company shall, as promptly as practicable, cause to be distributed to holders of record of Right Certificates on such record date Right Certificates evidencing, subject to Section 14 hereof, the additional Rights to which such holders shall be entitled as a result of such adjustment, or, at the option of the Company, shall cause to be distributed to such holders of record in substitution and replacement for the Right Certificates held by such holders prior to the date of adjustment, and upon surrender thereof, if required by the Company, new Right Certificates evidencing all the Rights to which such holders shall be entitled after such adjustment. Right Certificates so to be distributed shall be issued, executed and countersigned in the manner provided for herein, and shall be registered in the names of the holders of record of Right Certificates on the record date specified in the public announcement.

(j) Irrespective of any adjustment or change in the Purchase Price or in the number of one one-hundredths of a Preferred Share issuable upon the exercise of the Rights, the Right Certificates theretofore and thereafter issued may continue to express the Purchase Price and the number of one one-hundredths of a Preferred Share which were expressed in the initial Right Certificates issued hereunder.

(k) Before taking any action that would cause an adjustment reducing the Purchase Price below one one-hundredth of the then par value, if any, of the Preferred Shares issuable upon exercise of the Rights, the Company shall take any corporate action which may, in the opinion of its counsel, be necessary in order that the Company may validly and legally issue fully paid and nonassessable Preferred Shares at such adjusted Purchase Price.

(l) In any case in which this Section 11 shall require that an adjustment in the Purchase Price be made effective as of a record date for a specified event, the Company may elect to defer until the occurrence of such event the issuing to the holder of any Right exercised after such record date of the Preferred Shares and other capital stock or securities of the Company, if any, issuable upon such exercise over and above the Preferred Shares and other capital stock or securities of the Company, if any, issuable upon such exercise on the basis of the Purchase Price in effect prior to such adjustment; provided, however, that the Company shall deliver to such holder a due bill or other appropriate instrument evidencing such holder's right to receive such additional shares upon the occurrence of the event requiring such adjustment.

(m) Anything in this Section 11 to the contrary notwithstanding, the Company shall be entitled to make such reductions in the Purchase Price, in addition to those adjustments expressly required by this Section 11, as and to the extent that it, in its sole discretion, shall determine to be advisable in order that any consolidation or subdivision of the Preferred Shares, issuance wholly for cash of any Preferred Shares at less than the current market price, issuance wholly for cash of Preferred Shares or securities which by their terms are convertible into or exchangeable for Preferred Shares, dividends on Preferred Shares payable in Preferred Shares or issuance of rights, options or warrants referred to in Section 11(b) hereof, hereafter made by the Company to holders of the Preferred Shares shall not be taxable to such stockholders.

(n) In the event that, at any time after the date of this Agreement and prior to the Distribution Date, the Company shall (i) declare or pay any dividend on the Common Shares payable in Common Shares, or (ii) effect a subdivision, combination or consolidation of the Common Shares (by reclassification or otherwise than by payment of dividends in Common Shares) into a greater or lesser number of Common Shares, then, in any such case, (A) the number of one one-hundredths of a Preferred Share purchasable after such event upon proper exercise of each Right shall be determined by multiplying the number of one one-hundredths of a Preferred Share so purchasable immediately prior to such event by a fraction, the numerator of which is the number of Common Shares outstanding immediately before such event and the denominator of which is the number of Common Shares outstanding immediately after such event, and (B) each Common Share outstanding immediately after such event shall have issued with respect to it that number of Rights which each Common Share outstanding immediately prior to such event had issued with respect to it. The adjustments provided for in this Section 11(n) shall be made successively whenever such a dividend is declared or paid or such a subdivision, combination or consolidation is effected.

Section 12. Certificate of Adjusted Purchase Price or Number of Shares. Whenever an adjustment is made as provided in Section 11 or 13 hereof, the Company shall promptly (a) prepare a certificate setting forth such adjustment and a brief statement of the facts accounting for such adjustment, (b) file with the Rights Agent and with each transfer agent for the Common Shares or the Preferred Shares and the Securities and Exchange Commission a copy of such certificate and (c) if such adjustment occurs at any time after the Distribution Date, mail a brief summary thereof to each holder of a Right Certificate in accordance with Section 25 hereof.

Section 13. Consolidation, Merger or Sale or Transfer of Assets or Earning Power. In the event, directly or indirectly, at any time after a Person has become an Acquiring Person, (a) the Company shall consolidate with, or merge with and into, any other Person, (b) any Person shall

consolidate with the Company, or merge with and into the Company and the Company shall be the continuing or surviving corporation of such merger and, in connection with such merger, all or part of the Common Shares shall be changed into or exchanged for stock or other securities of any other Person (or the Company) or cash or any other property, or (c) the Company shall sell or otherwise transfer (or one or more of its Subsidiaries shall sell or otherwise transfer), in one or more transactions, assets or earning power aggregating 50% or more of the assets or earning power of the Company and its Subsidiaries (taken as a whole) to any other Person other than the Company or one or more of its wholly-owned Subsidiaries, then, and in each such case, proper provision shall be made so that (i) each holder of a Right (except as otherwise provided herein) shall thereafter have the right to receive, upon the exercise thereof at a price equal to the then current Purchase Price multiplied by the number of one one-hundredths of a Preferred Share for which a Right is then exercisable, in accordance with the terms of this Agreement and in lieu of Preferred Shares, such number of Common Shares of such other Person (including the Company as successor thereto or as the surviving corporation) as shall equal the result obtained by (A) multiplying the then current Purchase Price by the number of one one-hundredths of a Preferred Share for which a Right is then exercisable and dividing that product by (B) 50% of the then current per share market price of the Common Shares of such other Person (determined pursuant to Section 11(d) hereof) on the date of consummation of such consolidation, merger, sale or transfer; (ii) the issuer of such Common Shares shall thereafter be liable for, and shall assume, by virtue of such consolidation, merger, sale or transfer, all the obligations and duties of the Company pursuant to this Agreement; (iii) the term "Company" shall thereafter be deemed to refer to such issuer; and (iv) such issuer shall take such steps (including, but not limited to, the reservation of a sufficient number of its Common Shares in accordance with Section 9 hereof) in connection with such consummation as may be necessary to assure that the provisions hereof shall thereafter be applicable, as nearly as reasonably may be, in relation to the Common Shares of the Company thereafter deliverable upon the exercise of the Rights. The Company shall not consummate any such consolidation, merger, sale or transfer unless, prior thereto, the Company and such issuer shall have executed and delivered to the Rights Agent a supplemental agreement so providing. The Company shall not enter into any transaction of the kind referred to in this Section 13 if at the time of such transaction there are any rights, warrants, instruments or securities outstanding or any agreements or arrangements which, as a result of the consummation of such transaction, would eliminate or substantially diminish the benefits intended to be afforded by the Rights. The provisions of this Section 13 shall similarly apply to successive mergers or consolidations or sales or other transfers.

Section 14. Fractional Rights and Fractional Shares. (a) The Company shall not be required to issue fractions of Rights or to distribute Right Certificates which evidence fractional Rights. If the Company elects not to issue such fractional Rights, the Company shall pay, in lieu of such fractional Rights, to the registered holders of the Right Certificates with regard to which such fractional Rights would otherwise be issuable, an amount in cash equal to the same fraction of the current market value of a whole Right. For the purposes of this Section 14(a), the current market value of a whole Right shall be the closing price of the Rights for the Trading Day immediately prior to the date on which such fractional Rights would have been otherwise issuable. The closing price for any day shall be the last sale price, regular way, or, in case no such sale takes place on such day, the average of the closing bid and asked prices, regular way, in either case, as reported in the principal consolidated transaction reporting system with respect to securities listed or admitted to trading on NYSE or, if the Rights are not listed or admitted to

trading on NYSE, as reported in the principal consolidated transaction reporting system with respect to securities listed on the principal national securities exchange on which the Rights are listed or admitted to trading or, if the Rights are not listed or admitted to trading on any national securities exchange, the last quoted price or, if not so quoted, the average of the high bid and low asked prices in the over-the-counter market, as reported by NYSE or such other system then in use or, if on any such date the Rights are not quoted by any such organization, the average of the closing bid and asked prices as furnished by a professional market maker making a market in the Rights selected by the Board of Directors of the Company. If on any such date no such market maker is making a market in the Rights, the fair value of the Rights on such date as determined in good faith by the Board of Directors of the Company shall be used.

(b) The Company shall not be required to issue fractions of Preferred Shares (other than fractions which are integral multiples of one one-hundredth of a Preferred Share) upon exercise of the Rights or to distribute certificates or make any entries in the book-entry account system of the transfer agent that evidence fractional Preferred Shares (other than fractions which are integral multiples of one one-hundredth of a Preferred Share). Fractions of Preferred Shares in integral multiples of one one-hundredth of a Preferred Share may, at the election of the Company, be evidenced by depositary receipts, pursuant to an appropriate agreement between the Company and a depositary selected by it; provided that such agreement shall provide that the holders of such depositary receipts shall have all the rights, privileges and preferences to which they are entitled as beneficial owners of the Preferred Shares represented by such depositary receipts. If the Company elects not to issue such fractional Preferred Shares that are not integral multiples of one one-hundredth of a Preferred Share, the Company shall pay, in lieu of such fractional Preferred Shares, to the registered holders of Right Certificates at the time such Rights are exercised as herein provided an amount in cash equal to the same fraction of the current market value of one Preferred Share. For the purposes of this Section 14(b), the current market value of a Preferred Share shall be the closing price of a Preferred Share (as determined pursuant to the second sentence of Section 11(d)(i) hereof) for the Trading Day immediately prior to the date of such exercise.

(c) Notwithstanding anything in this Agreement to the contrary, the Company shall not be required to issue fractions of Common Shares upon exercise of the Rights or to distribute certificates or make any entries in the book-entry account system of the transfer agent which evidence fractional Common Shares. If the Company elects not to issue such fractional Common Shares, the Company shall pay, in lieu of fractional Common Shares, to the registered holders of Right Certificates at the time such Rights are exercised as herein provided an amount in cash equal to the same fraction of the current market value of Common Share. For purposes of this Section 14(c), the current market value of one Common Share shall be the closing price of one Common Share (as determined pursuant to Section 11(d)(i)) for the Trading Day immediately prior to the date of such exercise.

(d) The holder of a Right, by the acceptance of the Right, expressly waives such holder's right to receive any fractional Rights or any fractional shares upon exercise of a Right (except as provided above).

Section 15. Rights of Action. All rights of action in respect of this Agreement, excepting the rights of action vested in the Rights Agent pursuant to Section 18 hereof, are vested in the respective registered holders of the Right Certificates (and, prior to the Distribution Date, the registered holders of the Common Shares); and any registered holder of any Right Certificate (or, prior to the Distribution Date, of the Common Shares), without the consent of the Rights Agent or of the holder of any other Right Certificate (or, prior to the Distribution Date, of the Common Shares), may, in such holder's own behalf and for such holder's own benefit, enforce, and may institute and maintain any suit, action or proceeding against the Company to enforce, or otherwise act in respect of, such holder's right to exercise the Rights evidenced by such Right Certificate in the manner provided in such Right Certificate and in this Agreement. Without limiting the foregoing or any remedies available to the holders of Rights, it is specifically acknowledged that the holders of Rights would not have an adequate remedy at law for any breach of this Agreement, and will be entitled to specific performance of the obligations under, and injunctive relief against actual or threatened violations of the obligations of any Person subject to, this Agreement.

Section 16. Agreement of Right Holders. Every holder of a Right, by accepting the same, consents and agrees with the Company and the Rights Agent and with every other holder of a Right that:

- (a) prior to the Distribution Date, the Rights will be evidenced by the balances indicated in the book-entry account system of the transfer agent for the Common Shares registered in the names of the holders of the Common Shares (which Common Shares shall also be deemed to represent certificates for Rights) or, in the case of certificated shares, the certificates for the Common Shares registered in the names of the holders of the Common Shares (which certificates for shares of Common Shares shall also constitute certificates for Rights) and each Right will be transferable only in connection with the transfer of Common Shares;
- (b) after the Distribution Date, the Right Certificates are transferable only on the registry books of the Rights Agent if surrendered at the principal office of the Rights Agent, duly endorsed or accompanied by a proper instrument of transfer;
- (c) the Company and the Rights Agent may deem and treat the person in whose name the Right Certificate (or, prior to the Distribution Date, the associated balance indicated in the book-entry account system of the transfer agent for the Common Stock or, in the case of certificated shares, the associated Common Shares certificate) is registered as the absolute owner thereof and of the Rights evidenced thereby (notwithstanding any notations of ownership or writing on the Right Certificate or the associated balance indicated in the book-entry account system of the transfer agent for the Common Stock or, in the case of certificated shares, the associated Common Shares certificate made by anyone other than the Company or the Rights Agent) for all purposes whatsoever, and neither the Company nor the Rights Agent shall be affected by any notice to the contrary; and
- (d) notwithstanding anything in this Agreement to the contrary, neither the Company nor the Rights Agent shall have any liability to any holder of a Right or other Person as a result of its inability to perform any of its obligations under this Agreement by reason of any preliminary or permanent injunction or other order, decree or ruling issued by a court of competent jurisdiction or by a governmental, regulatory or administrative agency or commission, or any statute, rule, regulation or executive order promulgated or enacted by any governmental authority, prohibiting

or otherwise restraining performance of such obligation; provided, however, the Company must use its reasonable best efforts to have any such order, decree or ruling lifted or otherwise overturned as soon as possible.

Section 17. Right Certificate Holder Not Deemed a Stockholder. No holder, as such, of any Right Certificate shall be entitled to vote, receive dividends or be deemed for any purpose the holder of the Preferred Shares or any other securities of the Company which may at any time be issuable on the exercise of the Rights represented thereby, nor shall anything contained herein or in any Right Certificate be construed to confer upon the holder of any Right Certificate, as such, any of the rights of a stockholder of the Company or any right to vote for the election of directors or upon any matter submitted to stockholders at any meeting thereof, or to give or withhold consent to any corporate action, or to receive notice of meetings or other actions affecting stockholders (except as provided in Section 25 hereof), or to receive dividends or subscription rights, or otherwise, until the Right or Rights evidenced by such Right Certificate shall have been exercised in accordance with the provisions hereof.

Section 18. Concerning the Rights Agent. The Company agrees to pay to the Rights Agent reasonable compensation for all services rendered by it hereunder, and, from time to time, on demand of the Rights Agent, its reasonable expenses and counsel fees and other disbursements incurred in the administration and execution of this Agreement and the exercise and performance of its duties hereunder. The Company also agrees to indemnify the Rights Agent for, and to hold it harmless against, any loss, liability, or expense incurred without gross negligence, bad faith or willful misconduct on the part of the Rights Agent, for anything done or omitted by the Rights Agent in connection with the acceptance and administration of this Agreement, including the costs and expenses of defending against any claim of liability in the premises.

The Rights Agent shall be protected and shall incur no liability for, or in respect of any action taken, suffered or omitted by it in connection with, its administration of this Agreement in reliance upon any Right Certificate or certificate for the Preferred Shares or Common Shares or any balance indicated in the book-entry account system of the transfer agent, or, for other securities of the Company, instrument of assignment or transfer, power of attorney, endorsement, affidavit, letter, notice, direction, consent, certificate, statement, or other paper or document believed by it to be genuine and to be signed, executed and, where necessary, verified or acknowledged, by the proper person or persons, or otherwise upon the advice of counsel as set forth in Section 20 hereof.

Section 19. Merger or Consolidation or Change of Name of Rights Agent. Any corporation into which the Rights Agent or any successor Rights Agent may be merged or with which it may be consolidated, or any corporation resulting from any merger or consolidation to which the Rights Agent or any successor Rights Agent shall be a party, or any entity succeeding to the stock transfer or corporate trust powers of the Rights Agent or any successor Rights Agent, shall be the successor to the Rights Agent under this Agreement without the execution or filing of any paper or any further act on the part of any of the parties hereto; provided that such corporation would be eligible for appointment as a successor Rights Agent under the provisions of Section 21. The purchase of all or substantially all of the Rights Agent's assets employed in the performance of transfer agent activities shall be deemed a merger or consolidation for purposes of this Section 19. In case at the time such successor Rights Agent shall succeed to the agency

created by this Agreement, any of the Right Certificates shall have been countersigned but not delivered, any such successor Rights Agent may adopt the countersignature of the predecessor Rights Agent and deliver such Right Certificates so countersigned; and, in case at that time any of the Right Certificates shall not have been countersigned, any successor Rights Agent may countersign such Right Certificates either in the name of the predecessor Rights Agent or in the name of the successor Rights Agent; and, in all such cases, such Right Certificates shall have the full force provided in the Right Certificates and in this Agreement.

In case at any time the name of the Rights Agent shall be changed and at such time any of the Right Certificates shall have been countersigned but not delivered, the Rights Agent may adopt the countersignature under its prior name and deliver Right Certificates so countersigned; and, in case at that time any of the Right Certificates shall not have been countersigned, the Rights Agent may countersign such Right Certificates either in its prior name or in its changed name; and, in all such cases, such Right Certificates shall have the full force provided in the Right Certificates and in this Agreement.

Section 20. Duties of Rights Agent. The Rights Agent undertakes the duties and obligations imposed by this Agreement upon the following terms and conditions, by all of which the Company and the holders of Right Certificates, by their acceptance thereof, shall be bound:

- (a) The Rights Agent may consult with legal counsel (who may be legal counsel for the Company), and the opinion of such counsel shall be full and complete authorization and protection to the Rights Agent as to any action taken or omitted by it in good faith and in accordance with such opinion.
- (b) Whenever in the performance of its duties under this Agreement the Rights Agent shall deem it necessary or desirable that any fact or matter be proved or established by the Company prior to taking or suffering any action hereunder, such fact or matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a certificate signed by any one of the Chairman of the Board, the Chief Executive Officer, the President, any Vice President, the Treasurer or the Secretary of the Company and delivered to the Rights Agent; and such certificate shall be full authorization to the Rights Agent for any action taken or suffered in good faith by it under the provisions of this Agreement in reliance upon such certificate.
- (c) The Rights Agent shall be liable hereunder to the Company and any other Person only for its own gross negligence, bad faith or willful misconduct.
- (d) The Rights Agent shall not be liable for or by reason of any of the statements of fact or recitals contained in this Agreement or in the Right Certificates (except its countersignature thereof) or be required to verify the same, but all such statements and recitals are and shall be deemed to have been made by the Company only.
- (e) The Rights Agent shall not be under any responsibility in respect of the validity of this Agreement or the execution and delivery hereof (except the due execution hereof by the Rights Agent) or in respect of the validity or execution of any Right Certificate (except its countersignature thereof); nor shall it be responsible for any breach by the Company of any

covenant or condition contained in this Agreement or in any Right Certificate; nor shall it be responsible for any change in the exercisability of the Rights (including the Rights becoming void pursuant to Section 11(a)(ii) hereof) or any adjustment in the terms of the Rights (including any adjustment required under the provisions of Sections 11 or 13 or the manner, method or amount thereof) provided for in Section 3, 11, 13, 23 or 24 hereof, or the ascertaining of the existence of facts that would require any such change or adjustment (except with respect to the exercise of Rights evidenced by Right Certificates after actual notice that such change or adjustment is required); nor shall it by any act hereunder be deemed to make any representation or warranty as to the authorization or reservation of any Preferred Shares to be issued pursuant to this Agreement or any Right Certificate or as to whether any Preferred Shares will, when issued, be validly authorized and issued, fully paid and nonassessable.

(f) The Company agrees that it will perform, execute, acknowledge and deliver or cause to be performed, executed, acknowledged and delivered all such further and other acts, instruments and assurances as may reasonably be required by the Rights Agent for the carrying out or performing by the Rights Agent of the provisions of this Agreement.

(g) The Rights Agent is hereby authorized and directed to accept instructions with respect to the performance of its duties hereunder from any one of the Chairman of the Board, the Chief Executive Officer, the President, any Vice President, the Secretary or the Treasurer of the Company, and to apply to such officers for advice or instructions in connection with its duties, and it shall not be liable for any action taken or suffered by it in good faith in accordance with instructions of any such officer or for any delay in acting while waiting for those instructions.

(h) The Rights Agent and any stockholder, director, officer or employee of the Rights Agent may buy, sell or deal in any of the Rights or other securities of the Company or become pecuniarily interested in any transaction in which the Company may be interested, or contract with or lend money to the Company or otherwise act as fully and freely as though it were not Rights Agent under this Agreement. Nothing herein shall preclude the Rights Agent from acting in any other capacity for the Company or for any other legal entity.

(i) The Rights Agent may execute and exercise any of the rights or powers hereby vested in it or perform any duty hereunder either itself or by or through its attorneys or agents, and the Rights Agent shall not be answerable or accountable for any act, default, neglect or misconduct of any such attorneys or agents or for any loss to the Company resulting from any such act, default, neglect or misconduct, provided that reasonable care was exercised in the selection and continued employment thereof.

Section 21. Change of Rights Agent. The Rights Agent or any successor Rights Agent may resign and be discharged from its duties under this Agreement upon 30 days' notice in writing mailed to the Company and to each transfer agent of the Common Shares or Preferred Shares by registered or certified mail, and to the holders of the Right Certificates by first-class mail. In the event the transfer agency relationship in effect between the Company and the Rights Agent terminates, the Rights Agent will be deemed to have resigned automatically and be discharged from its duties under this Agreement as of the effective date of such termination, and the Company shall be responsible for sending any required notice. The Company may remove the Rights Agent or any successor Rights Agent upon 30 days' notice in writing, mailed to the

Rights Agent or successor Rights Agent, as the case may be, and to each transfer agent of the Common Shares or Preferred Shares by registered or certified mail, and to the holders of the Right Certificates by first-class mail. If the Rights Agent shall resign or be removed or shall otherwise become incapable of acting, the Company shall appoint a successor to the Rights Agent. If the Company shall fail to make such appointment within a period of 30 days after giving notice of such removal or after it has been notified in writing of such resignation or incapacity by the resigning or incapacitated Rights Agent or by the holder of a Right Certificate (which holder shall, with such notice, submit such holder's Right Certificate for inspection by the Company), then the registered holder of any Right Certificate may apply to any court of competent jurisdiction for the appointment of a new Rights Agent. Any successor Rights Agent, whether appointed by the Company or by such a court, shall be a corporation or other entity organized and doing business under the laws of the United States or of the Commonwealth of Massachusetts (or of any other state of the United States so long as such corporation or other entity is authorized to do business as a banking institution such other state), in good standing, which is authorized under such laws to exercise corporate trust or stock transfer powers and is subject to supervision or examination by federal or state authority and which has at the time of its appointment as Rights Agent a combined capital and surplus, along with its Affiliates, of at least \$50 million. After appointment, the successor Rights Agent shall be vested with the same powers, rights, duties and responsibilities as if it had been originally named as Rights Agent without further act or deed; but the predecessor Rights Agent shall deliver and transfer to the successor Rights Agent any property at the time held by it hereunder, and execute and deliver any further assurance, conveyance, act or deed necessary for the purpose. Not later than the effective date of any such appointment, the Company shall file notice thereof in writing with the predecessor Rights Agent and each transfer agent of the Common Shares or Preferred Shares, and mail a notice thereof in writing to the registered holders of the Right Certificates. Failure to give any notice provided for in this Section 21, however, or any defect therein, shall not affect the legality or validity of the resignation or removal of the Rights Agent or the appointment of the successor Rights Agent, as the case may be.

Section 22. Issuance of New Right Certificates. Notwithstanding any of the provisions of this Agreement or of the Rights to the contrary, the Company may, at its option, issue new Right Certificates evidencing Rights in such form as may be approved by the Board of Directors of the Company to reflect any adjustment or change in the Purchase Price and the number or kind or class of shares or other securities or property purchasable under the Right Certificates made in accordance with the provisions of this Agreement.

Section 23. Redemption. (a) The Board of Directors of the Company may, at its option, at any time prior to 10 days after such time that any Person becomes an Acquiring Person, redeem all but not less than all the then outstanding Rights at a redemption price of \$0.001 per Right, appropriately adjusted to reflect any stock split, stock dividend or similar transaction occurring after the date hereof (such redemption price being hereinafter referred to as the "Redemption Price"). The redemption of the Rights by the Board of Directors of the Company may be made effective at such time, on such basis and with such conditions as the Board of Directors of the Company, in its sole discretion, may establish.

(b) (i) If the Company receives a Qualified Offer (which has not terminated prior thereto and which continues to be a Qualified Offer) and the Board of Directors of the Company has not redeemed the outstanding Rights in accordance with Section 23(a) above or exempted such offer from the terms of this Agreement, the Board of Directors of the Company may, but is not obligated to, call a special meeting of stockholders of the Company (the "Special Meeting") for the purpose of voting on a resolution authorizing the redemption at the Redemption Price of all, but not less than all, of the Rights outstanding as of the date on which the results of the vote adopting such resolution are certified as official by the appointed inspectors of election for the Special Meeting (the "Redemption Resolution") by including a proposal relating to adoption of the Redemption Resolution in the proxy materials of the Company for the Special Meeting.

(ii) Subject to the requirements of applicable law, the Board of Directors of the Company may take a position in favor of or opposed to the adoption of the Redemption Resolution, or no position with respect to the Redemption Resolution, as it determines to be appropriate in the exercise of its fiduciary duties. In the event that (A) no Person has become an Acquiring Person prior to the effective date of redemption referred to below in this sentence, (B) the Qualified Offer continues to be a Qualified Offer and (C) either (1) the Special Meeting is not held within 105 Business Days after the date the Qualified Offer was commenced within the meaning of Rule 14d-2(a) of the General Rules and Regulations under the Exchange Act (unless the failure to hold such meeting is the result of failure to obtain clearance by the Securities and Exchange Commission of the proxy statement for the Special Meeting after reasonable efforts by the Company, in which case such 105 Business Day period shall be extended by the number of Business Days it takes to receive clearance from the Securities and Exchange Commission) (the "Outside Meeting Date") or (2) at the Special Meeting at which a quorum is present, the holders of a majority of the Common Shares outstanding as of the record date for the Special Meeting (excluding from both the numerator and the denominator for purposes of such calculation Common Shares beneficially owned by the Person making the Qualified Offer and such Person's Affiliates and Associates), shall vote in favor of the Redemption Resolution, then all of the Rights shall be deemed redeemed at the Redemption Price by such failure to hold the Special Meeting or as a result of the adoption of the Redemption Resolution by the stockholders of the Company (or the Board of Directors of the Company shall take such other action as may be necessary to prevent the existence of the Rights from interfering with the consummation of the Qualified Offer and a second-step transaction), any such redemption to be effective, as the case may be, (x) as of the close of business on the first Business Day following the Outside Meeting Date if a Special Meeting is not held on or prior to such Outside Meeting Date or (y) if a Special Meeting is held on or prior to the Outside Meeting Date, as of the close of business on the date on which the results of the vote adopting the Redemption Resolution at the Special Meeting are certified as official by the appointed inspectors of election for the Special Meeting.

(c) Immediately upon the action of the Board of Directors of the Company ordering the redemption of the Rights pursuant to paragraph (a) of this Section 23 or the effectiveness of a redemption of the Rights pursuant to paragraph (b) of this Section 23, in either case, and without any further action and without any notice, the right to exercise the Rights will terminate and the only right thereafter of the holders of Rights shall be to receive the Redemption Price. The Company shall promptly give public notice of any such redemption; provided, however, that the failure to give, or any defect in, any such notice shall not affect the validity of such redemption. Within 10 days after such action of the Board of Directors of the Company or the stockholders ordering the redemption of the Rights pursuant to paragraphs (a) or (b), respectively, of this Section 23, the Company shall mail a notice of redemption to all the holders of the then

outstanding Rights at their last addresses as they appear upon the registry books of the Rights Agent or, prior to the Distribution Date, on the registry books of the transfer agent for the Common Shares. Any notice which is mailed in the manner herein provided shall be deemed given, whether or not the holder receives the notice. Each such notice of redemption will state the method by which the payment of the Redemption Price will be made. Neither the Company nor any of its Affiliates or Associates may redeem, acquire or purchase for value any Rights at any time in any manner other than that specifically set forth in this Section 23 or in Section 24 hereof, and other than in connection with the purchase of Common Shares prior to the Distribution Date.

Section 24. **Exchange.** (a) The Board of Directors of the Company may, at its option, at any time after any Person becomes an Acquiring Person, exchange all or part of the then outstanding and exercisable Rights (which shall not include Rights that have become void pursuant to the provisions of Section 11(a)(ii) hereof) for Common Shares at an exchange ratio of one Common Share per Right, appropriately adjusted to reflect any adjustment in the number of Rights pursuant to Section 11(i) (such exchange ratio being hereinafter referred to as the "Exchange Ratio"). Notwithstanding the foregoing, the Board of Directors of the Company shall not be empowered to effect such exchange at any time after any Person (other than the Company, any Subsidiary of the Company, any employee benefit or stock ownership plan of the Company or any such Subsidiary, or any entity holding Common Shares for or pursuant to the terms of any such plan), together with all Affiliates and Associates of such Person, becomes the Beneficial Owner of 50% or more of the Common Shares then outstanding.

(b) Immediately upon the action of the Board of Directors of the Company ordering the exchange of any Rights pursuant to paragraph (a) of this Section 24 and without any further action and without any notice, the right to exercise such Rights shall terminate and the only right thereafter of a holder of such Rights shall be to receive that number of Common Shares equal to the number of such Rights held by such holder multiplied by the Exchange Ratio. The Company shall promptly give public notice of any such exchange; provided, however, that the failure to give, or any defect in, such notice shall not affect the validity of such exchange. The Company promptly shall mail a notice of any such exchange to all of the holders of such Rights at their last addresses as they appear upon the registry books of the Rights Agent. Any notice which is mailed in the manner herein provided shall be deemed given, whether or not the holder receives the notice. Each such notice of exchange will state the method by which the exchange of the Common Shares for Rights will be effected, and, in the event of any partial exchange, the number of Rights which will be exchanged. Any partial exchange shall be effected pro rata based on the number of Rights (other than Rights which have become void pursuant to the provisions of Section 11(a)(ii) hereof) held by each holder of Rights.

(c) In the event that there shall not be sufficient Common Shares issued but not outstanding or authorized but unissued to permit any exchange of Rights as contemplated in accordance with this Section 24, the Company shall take all such action as may be necessary to authorize additional Common Shares for issuance upon exchange of the Rights. In the event the Company shall, after good faith effort, be unable to take all such action as may be necessary to authorize such additional Common Shares, the Company shall substitute, for each Common Share that would otherwise be issuable upon exchange of a Right, a number of Preferred Shares or fraction thereof such that the current per share market price of one Preferred Share multiplied by such number or fraction is equal to the current per share market price of one Common Share as of the date of issuance of such Preferred Shares or fraction thereof.

(d) The Company shall not be required to issue fractions of Common Shares or to distribute certificates or make any entries in the book-entry account system of the transfer agent which evidence fractional Common Shares. In lieu of such fractional Common Shares, the Company shall pay to the registered holders of the Right Certificates with regard to which such fractional Common Shares would otherwise be issuable an amount in cash equal to the same fraction of the current market value of a whole Common Share. For the purposes of this paragraph (d), the current market value of a whole Common Share shall be the closing price of a Common Share (as determined pursuant to the second sentence of Section 11(d)(i) hereof) for the Trading Day immediately prior to the date of exchange pursuant to this Section 24.

Section 25. Notice of Certain Events. (a) In case the Company shall, at any time after the Distribution Date, propose (i) to pay any dividend payable in stock of any class to the holders of the Preferred Shares or to make any other distribution to the holders of the Preferred Shares (other than a regular quarterly cash dividend), (ii) to offer to the holders of the Preferred Shares rights or warrants to subscribe for or to purchase any additional Preferred Shares or shares of stock of any class or any other securities, rights or options, (iii) to effect any reclassification of the Preferred Shares (other than a reclassification involving only the subdivision of outstanding Preferred Shares), (iv) to effect any merger, consolidation or other combination into or with, or to effect any sale or other transfer (or to permit one or more of its Subsidiaries to effect any sale or other transfer), in one or more transactions, of 50% or more of the assets, cash flow or earning power of the Company and its Subsidiaries (taken as a whole) to, any other Person, (v) to effect the liquidation, dissolution or winding up of the Company, or (vi) to declare or pay any dividend on the Common Shares payable in Common Shares or to effect a subdivision, combination or consolidation of the Common Shares (by reclassification or otherwise than by payment of dividends in Common Shares), then, in each such case, the Company shall give to each holder of a Right Certificate, in accordance with Section 26 hereof, a notice of such proposed action, which shall specify the record date for the purposes of such stock dividend, or distribution of rights or warrants, or the date on which such reclassification, consolidation, merger, sale, transfer, liquidation, dissolution, or winding up is to take place and the date of participation therein by the holders of the Common Shares and/or Preferred Shares, if any such date is to be fixed, and such notice shall be so given in the case of any action covered by clause (i) or (ii) above at least 10 days prior to the record date for determining holders of the Preferred Shares for purposes of such action, and, in the case of any such other action, at least 10 days prior to the date of the taking of such proposed action or the date of participation therein by the holders of the Common Shares and/or Preferred Shares, whichever shall be the earlier.

(b) In case the event set forth in Section 11(a)(ii) hereof shall occur, then the Company shall, as soon as practicable thereafter, give to each holder of a Right Certificate, in accordance with Section 26 hereof, a notice of the occurrence of such event, which notice shall describe such event and the consequences of such event to holders of Rights under Section 11(a)(ii) hereof.

Section 26. Notices. Notices or demands authorized by this Agreement to be given or made by the Rights Agent or by the holder of any Right Certificate to or on the Company shall be sufficiently given or made if sent by first-class mail, postage prepaid, addressed (until another address is filed in writing with the Rights Agent) as follows:

Gaylord Entertainment Company
One Gaylord Drive
Nashville, Tennessee 37214
Attention: General Counsel

Subject to the provisions of Section 21 hereof, any notice or demand authorized by this Agreement to be given or made by the Company or by the holder of any Right Certificate to or on the Rights Agent shall be sufficiently given or made if sent by overnight delivery service or first-class mail, postage prepaid, addressed (until another address is filed in writing with the Company) as follows:

Computershare Trust Company, N.A.
7530 Lucerne Drive
Suite 100
Cleveland, OH 44130

Notices or demands authorized by this Agreement to be given or made by the Company or the Rights Agent to the holder of any Right Certificate shall be sufficiently given or made if sent by overnight delivery service or first-class mail, postage prepaid, addressed to such holder at the address of such holder as shown on the registry books of the Company.

Section 27. Supplements and Amendments. The Company may from time to time supplement or amend this Agreement without the approval of any holders of Right Certificates in order to cure any ambiguity, to correct or supplement any provision contained herein which may be defective or inconsistent with any other provisions herein, or to make any other provisions with respect to the Rights which the Company may deem necessary or desirable, any such supplement or amendment to be evidenced by a writing signed by the Company and the Rights Agent; provided, however, that, from and after such time as any Person becomes an Acquiring Person, this Agreement shall not be amended in any manner which would adversely affect the interests of the holders of Rights (other than an Acquiring Person or an Affiliate or Associate thereof). Without limiting the foregoing, the Company may at any time prior to such time as any Person becomes an Acquiring Person amend this Agreement to lower the thresholds set forth in Section 1(a) and 3(a) hereof to not less than 10% (the "Reduced Threshold") provided, however, that no Person who beneficially owns a number of Common Shares equal to or greater than the Reduced Threshold shall become an Acquiring Person unless such Person shall, after the public announcement of the Reduced Threshold, increase its beneficial ownership of the then outstanding Common Shares (other than as a result of an acquisition of Common Shares by the Company) to an amount equal to or greater than the greater of (x) the Reduced Threshold or (y) the sum of (i) the lowest beneficial ownership of such Person as a percentage of the outstanding Common Shares as of any date on or after the date of the public announcement of such Reduced Threshold plus (ii) .001%. Notwithstanding the foregoing, the Company, with or without the approval of any holders of Right Certificates, may not delete, amend or supplement the provisions of this Agreement (including but not limited to the definitions of Acquiring Person, Beneficial Owner, Outside Meeting Date, Qualified Offer, Special Meeting and Section 23(b))

and Section 27) the effect of which would be to materially hinder, delay or interfere with the ability of any Person to make a Qualified Offer and commence and consummate a second-step transaction as permitted under this Agreement as in effect on March [9], 2009.

Section 28. Successors. All the covenants and provisions of this Agreement by or for the benefit of the Company or the Rights Agent shall bind and inure to the benefit of their respective successors and assigns hereunder.

Section 29. Determinations and Actions by the Board of Directors, etc. For all purposes of this Agreement, any calculation of the number of Common Shares outstanding at any particular time, including for purposes of determining the particular percentage of such outstanding Common Shares of which any Person is the Beneficial Owner, shall be made in accordance with the last sentence of Rule 13d-3(d)(1)(i) of the General Rules and Regulations under the Exchange Act. The Board of Directors of the Company shall have the exclusive power, authority and discretion to administer this Agreement and to exercise all rights and powers specifically granted to such Board of Directors or to the Company, or as may be necessary or advisable in the administration of this Agreement, including, without limitation, the right and power to (i) interpret the provisions of this Agreement, and (ii) make all determinations deemed necessary or advisable for the administration of this Agreement (including, but not limited to, a determination to redeem or not redeem the Rights, to amend the Agreement or to find or to announce publicly that any Person has become an Acquiring Person). All such actions, calculations, interpretations and determinations (including, for purposes of clauses (i) and (iii) below, all omissions with respect to the foregoing) which are done or made by the Board of Directors of the Company or the Company (i) shall be within the discretion of the Board of Directors, (ii) shall be final, conclusive and binding on the Company, the Rights Agent, the holders of the Right Certificates and all other parties, and (iii) shall not subject the Board of Directors of the Company to any liability to the holders of the Rights and Right Certificates. Nothing contained in this Agreement shall be deemed to be in derogation of the obligation of the Board of Directors of the Company to exercise its fiduciary duty. Without limiting the foregoing, nothing contained herein shall be construed to suggest or imply that the Board of Directors of the Company shall not be entitled (subject to the last sentence of Section 27) to oppose any Qualified Offer or any other tender or exchange offer or other acquisition proposal, or to recommend that holders of Common Shares reject any Qualified Offer or any other tender or exchange offer or other acquisition proposal, or to take any other action (including, without limitation, the commencement, prosecution, defense or settlement of any litigation and the submission of additional or alternative offers or other proposals) with respect to any Qualified Offer or any other tender or exchange offer or other acquisition proposal that the Board of Directors of the Company believes is necessary or appropriate in the exercise of such fiduciary duty.

Section 30. Benefits of this Agreement. Nothing in this Agreement shall be construed to give to any Person other than the Company, the Rights Agent and the registered holders of the Right Certificates (and, prior to the Distribution Date, the Common Shares) any legal or equitable right, remedy or claim under this Agreement; but this Agreement shall be for the sole and exclusive benefit of the Company, the Rights Agent and the registered holders of the Right Certificates (and, prior to the Distribution Date, the Common Shares).

Section 31. Severability. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction or other authority to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

Section 32. Governing Law. This Agreement and each Right Certificate issued hereunder shall be deemed to be a contract made under the laws of the State of Delaware and for all purposes shall be governed by and construed in accordance with the laws of such state applicable to contracts to be made and performed entirely within such state.

Section 33. Counterparts. This Agreement may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original, and all such counterparts shall together constitute but one and the same instrument.

Section 34. Descriptive Headings. Descriptive headings of the several Sections of this Agreement are inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions hereof.

Section 35. Force Majeure. Notwithstanding anything to the contrary contained herein, the Rights Agent shall not be liable for any delays or failures in performance resulting from acts beyond its reasonable control including, without limitation, acts of God, terrorist acts, shortage of supply, breakdowns or malfunctions, interruptions or malfunction of computer facilities, or loss of data due to power failures or mechanical difficulties with information storage or retrieval systems, labor difficulties, war, or civil unrest.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and attested, all as of the day and year first above written.

Attest:

By /s/ Carter R. Todd
Name: Carter R. Todd
Title: EVP, General Counsel and Secretary

Attest:

By /s/ Brian P. Frechette
Name: Brian P. Frechette
Title: Relationship Manager

GAYLORD ENTERTAINMENT COMPANY

By /s/ Colin V. Reed
Name: Colin V. Reed
Title: Chairman and Chief Executive Officer

COMPUTERSHARE TRUST COMPANY, N.A.

By /s/ Dennis V. Moccia
Name: Dennis V. Moccia
Title: Manager, Contract Administration

FORM
of
CERTIFICATE OF DESIGNATIONS
of
SERIES A JUNIOR PARTICIPATING PREFERRED STOCK
of
GAYLORD ENTERTAINMENT COMPANY
(Pursuant to Section 151 of the
Delaware General Corporation Law)

Gaylord Entertainment Company, a corporation organized and existing under the General Corporation Law of the State of Delaware (hereinafter called the "Corporation"), hereby certifies that the following resolution was adopted by the Board of Directors of the Corporation as required by Section 151 of the General Corporation Law at a meeting duly called and held on August 12, 2008:

RESOLVED, that pursuant to the authority granted to and vested in the Board of Directors of this Corporation (hereinafter called the "Board of Directors" or the "Board") in accordance with the provisions of the Certificate of Incorporation, the Board of Directors hereby creates a series of Preferred Stock, par value \$.01 per share, of the Corporation (the "Preferred Stock"), and hereby states the designation and number of shares, and fixes the relative rights, preferences, and limitations thereof as follows:

Series A Junior Participating Preferred Stock:

Section 1. Designation and Amount. The shares of such series shall be designated as "Series A Junior Participating Preferred Stock" (the "Series A Preferred Stock") and the number of shares constituting the Series A Preferred Stock shall be 10,000,000. Such number of shares may be increased or decreased by resolution of the Board of Directors; provided, that no decrease shall reduce the number of shares of Series A Preferred Stock to a number less than the number of shares then outstanding plus the number of shares reserved for issuance upon the exercise of outstanding options, rights or warrants or upon the conversion of any outstanding securities issued by the Corporation convertible into Series A Preferred Stock.

Section 2. Dividends and Distributions.

(A) Subject to the rights of the holders of any shares of any series of Preferred Stock (or any similar stock) ranking prior and superior to the Series A Preferred Stock with

respect to dividends, the holders of shares of Series A Preferred Stock, in preference to the holders of Common Stock, par value \$.01 per share (the "Common Stock"), of the Corporation, and of any other junior stock, shall be entitled to receive, when, as and if declared by the Board of Directors out of funds legally available for the purpose, quarterly dividends payable in cash on the first day of March, June, September and December in each year (each such date being referred to herein as a "Quarterly Dividend Payment Date"), commencing on the first Quarterly Dividend Payment Date after the first issuance of a share or fraction of a share of Series A Preferred Stock, in an amount per share (rounded to the nearest cent) equal to the greater of (a) \$1 or (b) subject to the provision for adjustment hereinafter set forth, 100 times the aggregate per share amount of all cash dividends, and 100 times the aggregate per share amount (payable in kind) of all non-cash dividends or other distributions, other than a dividend payable in shares of Common Stock or a subdivision of the outstanding shares of Common Stock (by reclassification or otherwise), declared on the Common Stock since the immediately preceding Quarterly Dividend Payment Date or, with respect to the first Quarterly Dividend Payment Date, since the first issuance of any share or fraction of a share of Series A Preferred Stock. In the event the Corporation shall at any time declare or pay any dividend on the Common Stock payable in shares of Common Stock, or effect a subdivision or combination or consolidation of the outstanding shares of Common Stock (by reclassification or otherwise than by payment of a dividend in shares of Common Stock) into a greater or lesser number of shares of Common Stock, then in each such case the amount to which holders of shares of Series A Preferred Stock were entitled immediately prior to such event under clause (b) of the preceding sentence shall be adjusted by multiplying such amount by a fraction, the numerator of which is the number of shares of Common Stock outstanding immediately after such event and the denominator of which is the number of shares of Common Stock that were outstanding immediately prior to such event.

(B) The Corporation shall declare a dividend or distribution on the Series A Preferred Stock as provided in paragraph (A) of this Section immediately after it declares a dividend or distribution on the Common Stock (other than a dividend payable in shares of Common Stock); provided that, in the event no dividend or distribution shall have been declared on the Common Stock during the period between any Quarterly Dividend Payment Date and the next subsequent Quarterly Dividend Payment Date, a dividend of \$1 per share on the Series A Preferred Stock shall nevertheless be payable on such subsequent Quarterly Dividend Payment Date.

(C) Dividends shall begin to accrue and be cumulative on outstanding shares of Series A Preferred Stock from the Quarterly Dividend Payment Date next preceding the date of issue of such shares, unless the date of issue of such shares is prior to the record date for the first Quarterly Dividend Payment Date, in which case dividends on such shares shall begin to accrue from the date of issue of such shares, or unless the date of issue is a Quarterly Dividend Payment Date or is a date after the record date for the determination of holders of shares of Series A Preferred Stock entitled to receive a quarterly dividend and before such Quarterly Dividend Payment Date, in either of which events such dividends shall begin to accrue and be cumulative from such Quarterly Dividend Payment Date. Accrued but unpaid dividends shall not bear interest. Dividends paid on

the shares of Series A Preferred Stock in an amount less than the total amount of such dividends at the time accrued and payable on such shares shall be allocated pro rata on a share-by-share basis among all such shares at the time outstanding. The Board of Directors may fix a record date for the determination of holders of shares of Series A Preferred Stock entitled to receive payment of a dividend or distribution declared thereon, which record date shall be not more than 60 days prior to the date fixed for the payment thereof.

Section 3. Voting Rights. The holders of shares of Series A Preferred Stock shall have the following voting rights:

(A) Subject to the provision for adjustment hereinafter set forth, each share of Series A Preferred Stock shall entitle the holder thereof to 100 votes on all matters submitted to a vote of the stockholders of the Corporation. In the event the Corporation shall at any time declare or pay any dividend on the Common Stock payable in shares of Common Stock, or effect a subdivision or combination or consolidation of the outstanding shares of Common Stock (by reclassification or otherwise than by payment of a dividend in shares of Common Stock) into a greater or lesser number of shares of Common Stock, then in each such case the number of votes per share to which holders of shares of Series A Preferred Stock were entitled immediately prior to such event shall be adjusted by multiplying such number by a fraction, the numerator of which is the number of shares of Common Stock outstanding immediately after such event and the denominator of which is the number of shares of Common Stock that were outstanding immediately prior to such event.

(B) Except as otherwise provided herein, in any other Certificate of Designations creating a series of Preferred Stock or any similar stock, or by law, the holders of shares of Series A Preferred Stock and the holders of shares of Common Stock and any other capital stock of the Corporation having general voting rights shall vote together as one class on all matters submitted to a vote of stockholders of the Corporation.

(C) Except as set forth herein, or as otherwise provided by law, holders of Series A Preferred Stock shall have no special voting rights and their consent shall not be required (except to the extent they are entitled to vote with holders of Common Stock as set forth herein) for taking any corporate action.

Section 4. Certain Restrictions.

(A) Whenever quarterly dividends or other dividends or distributions payable on the Series A Preferred Stock as provided in Section 2 are in arrears, thereafter and until all accrued and unpaid dividends and distributions, whether or not declared, on shares of Series A Preferred Stock outstanding shall have been paid in full, the Corporation shall not:

(i) declare or pay dividends, or make any other distributions, on any shares of stock ranking junior (either as to dividends or upon liquidation, dissolution or winding up) to the Series A Preferred Stock;

(ii) declare or pay dividends, or make any other distributions, on any shares of stock ranking on a parity (either as to dividends or upon liquidation, dissolution or winding up) with the Series A Preferred Stock, except dividends paid ratably on the Series A Preferred Stock and all such parity stock on which dividends are payable or in arrears in proportion to the total amounts to which the holders of all such shares are then entitled;

(iii) redeem or purchase or otherwise acquire for consideration shares of any stock ranking junior (either as to dividends or upon liquidation, dissolution or winding up) to the Series A Preferred Stock, provided that the Corporation may at any time redeem, purchase or otherwise acquire shares of any such junior stock in exchange for shares of any stock of the Corporation ranking junior (either as to dividends or upon dissolution, liquidation or winding up) to the Series A Preferred Stock; or

(iv) redeem or purchase or otherwise acquire for consideration any shares of Series A Preferred Stock, or any shares of stock ranking on a parity with the Series A Preferred Stock, except in accordance with a purchase offer made in writing or by publication (as determined by the Board of Directors) to all holders of such shares upon such terms as the Board of Directors, after consideration of the respective annual dividend rates and other relative rights and preferences of the respective series and classes, shall determine in good faith will result in fair and equitable treatment among the respective series or classes.

(B) The Corporation shall not permit any subsidiary of the Corporation to purchase or otherwise acquire for consideration any shares of stock of the Corporation unless the Corporation could, under paragraph (A) of this Section 4, purchase or otherwise acquire such shares at such time and in such manner.

Section 5. Reacquired Shares. Any shares of Series A Preferred Stock purchased or otherwise acquired by the Corporation in any manner whatsoever shall be retired and cancelled promptly after the acquisition thereof. All such shares shall upon their cancellation become authorized but unissued shares of Preferred Stock and may be reissued as part of a new series of Preferred Stock subject to the conditions and restrictions on issuance set forth herein, in the Certificate of Incorporation, or in any other Certificate of Designations creating a series of Preferred Stock or any similar stock or as otherwise required by law.

Section 6. Liquidation, Dissolution or Winding Up. Upon any liquidation, dissolution or winding up of the Corporation, no distribution shall be made (1) to the holders of shares of stock ranking junior (either as to dividends or upon liquidation, dissolution or winding up) to the Series A Preferred Stock unless, prior thereto, the holders of shares of Series A Preferred Stock shall have received \$100 per share, plus an amount equal to accrued and unpaid dividends and distributions thereon, whether or not declared, to the date of such payment, provided that the holders of shares of Series A Preferred Stock shall be entitled to receive an aggregate amount per share, subject to the provision for adjustment hereinafter set forth, equal to 100 times the aggregate amount to be distributed per share to holders of shares of Common Stock, or (2) to the holders of shares of stock ranking on a parity (either as to dividends or upon liquidation,

dissolution or winding up) with the Series A Preferred Stock, except distributions made ratably on the Series A Preferred Stock and all such parity stock in proportion to the total amounts to which the holders of all such shares are entitled upon such liquidation, dissolution or winding up. In the event the Corporation shall at any time declare or pay any dividend on the Common Stock payable in shares of Common Stock, or effect a subdivision or combination or consolidation of the outstanding shares of Common Stock (by reclassification or otherwise than by payment of a dividend in shares of Common Stock) into a greater or lesser number of shares of Common Stock, then in each such case the aggregate amount to which holders of shares of Series A Preferred Stock were entitled immediately prior to such event under the proviso in clause (1) of the preceding sentence shall be adjusted by multiplying such amount by a fraction the numerator of which is the number of shares of Common Stock outstanding immediately after such event and the denominator of which is the number of shares of Common Stock that were outstanding immediately prior to such event.

Section 7. Consolidation, Merger, etc. In case the Corporation shall enter into any consolidation, merger, combination or other transaction in which the shares of Common Stock are exchanged for or changed into other stock or securities, cash and/or any other property, then in any such case each share of Series A Preferred Stock shall at the same time be similarly exchanged or changed into an amount per share, subject to the provision for adjustment hereinafter set forth, equal to 100 times the aggregate amount of stock, securities, cash and/or any other property (payable in kind), as the case may be, into which or for which each share of Common Stock is changed or exchanged. In the event the Corporation shall at any time declare or pay any dividend on the Common Stock payable in shares of Common Stock, or effect a subdivision or combination or consolidation of the outstanding shares of Common Stock (by reclassification or otherwise than by payment of a dividend in shares of Common Stock) into a greater or lesser number of shares of Common Stock, then in each such case the amount set forth in the preceding sentence with respect to the exchange or change of shares of Series A Preferred Stock shall be adjusted by multiplying such amount by a fraction, the numerator of which is the number of shares of Common Stock outstanding immediately after such event and the denominator of which is the number of shares of Common Stock that were outstanding immediately prior to such event.

Section 8. No Redemption. The shares of Series A Preferred Stock shall not be redeemable.

Section 9. Rank. The Series A Preferred Stock shall rank, with respect to the payment of dividends and the distribution of assets, junior to all series of any other class of the Corporation's Preferred Stock.

Section 10. Amendment. The Certificate of Incorporation of the Corporation shall not be amended in any manner which would materially alter or change the powers, preferences or special rights of the Series A Preferred Stock so as to affect them adversely without the affirmative vote of the holders of at least two-thirds of the outstanding shares of Series A Preferred Stock, voting together as a single class.

Section 11. Fractional Shares. The Series A Preferred Stock may be issued in fractions of a share (in one one-hundredths (1/100) of a share and integral multiples thereof), which shall entitle the holder, in proportion to such holder's fractional shares, to exercise voting rights, receive dividends, participate in distributions and to have the benefit of all other rights of holders of Series A Preferred Stock.

IN WITNESS WHEREOF, this Certificate of Designations is executed on behalf of the Corporation this ____ day of _____, 2008.

By: _____
Name:
Title:

Attest:

By: _____
Name:
Title:

Form of Right Certificate

Certificate No. R-

___ Rights

NOT EXERCISABLE AFTER AUGUST 12, 2011 OR SUCH LATER DATE AS DETERMINED BY THE COMPANY'S BOARD OR EARLIER IF REDEMPTION OR EXCHANGE OCCURS. THE RIGHTS ARE SUBJECT TO REDEMPTION AT \$.001 PER RIGHT AND TO EXCHANGE ON THE TERMS SET FORTH IN THE AGREEMENT.

Right Certificate

GAYLORD ENTERTAINMENT COMPANY

This certifies that _____, or registered assigns, is the registered owner of the number of Rights set forth above, each of which entitles the owner thereof, subject to the terms, provisions and conditions of the Agreement, dated as of August 12, 2008, as amended and restated on March 9, 2009 (the "Agreement"), between Gaylord Entertainment Company, a Delaware corporation (the "Company"), and Computershare Trust Company, N.A. (the "Rights Agent"), to purchase from the Company at any time after the Distribution Date (as such term is defined in the Agreement) and prior to 5:00 P.M., Boston, Massachusetts time, on August 12, 2011 (or such later date as determined by the Board of Directors of the Company (so long as such determination is made prior to August 12, 2011)) at the principal office of the Rights Agent, or at the office of its successor as Rights Agent, one one-hundredth of a fully paid non-assessable share of Series A Junior Participating Preferred Stock, par value \$.01 per share, of the Company (the "Preferred Shares"), at a purchase price of \$ _____ per one one-hundredth of a Preferred Share (the "Purchase Price"), upon presentation and surrender of this Right Certificate with the Form of Election to Purchase duly executed. The number of Rights evidenced by this Right Certificate (and the number of one one-hundredths of a Preferred Share which may be purchased upon exercise hereof) set forth above, and the Purchase Price set forth above, are the number and Purchase Price as of, ____, _____ based on the Preferred Shares as constituted at such date. As provided in the Agreement, the Purchase Price and the number of one one-hundredths of a Preferred Share which may be purchased upon the exercise of the Rights evidenced by this Right Certificate are subject to modification and adjustment upon the happening of certain events.

This Right Certificate is subject to all of the terms, provisions and conditions of the Agreement, which terms, provisions and conditions are hereby incorporated herein by reference and made a part hereof and to which Agreement reference is hereby made for a full description of the rights, limitations of rights, obligations, duties and immunities hereunder of the Rights Agent, the Company and the holders of the Right Certificates. Copies of the Agreement are on file at the principal executive offices of the Company and the offices of the Rights Agent.

This Right Certificate, with or without other Right Certificates, upon surrender at the principal office of the Rights Agent, may be exchanged for another Right Certificate or Right Certificates of like tenor and date evidencing Rights entitling the holder to purchase a like aggregate number of Preferred Shares as the Rights evidenced by the Right Certificate or Right Certificates surrendered shall have entitled such holder to purchase. If this Right Certificate shall be exercised in part, the holder shall be entitled to receive upon surrender hereof another Right Certificate or Right Certificates for the number of whole Rights not exercised.

Subject to the provisions of the Agreement, the Rights evidenced by this Right Certificate (i) may be redeemed by the Company at a redemption price of \$.001 per Right or (ii) may be exchanged in whole or in part for Preferred Shares or shares of the Company's Common Stock, par value \$.01 per share.

No fractional Preferred Shares will be issued upon the exercise of any Right or Rights evidenced hereby (other than fractions which are integral multiples of one one-hundredth of a Preferred Share, which may, at the election of the Company, be evidenced by depositary receipts), but, in lieu thereof, a cash payment will be made, as provided in the Agreement.

No holder of this Right Certificate shall be entitled to vote or receive dividends or be deemed for any purpose the holder of the Preferred Shares or of any other securities of the Company which may at any time be issuable on the exercise hereof, nor shall anything contained in the Agreement or herein be construed to confer upon the holder hereof, as such, any of the rights of a stockholder of the Company or any right to vote for the election of directors or upon any matter submitted to stockholders at any meeting thereof, or to give or withhold consent to any corporate action, or to receive notice of meetings or other actions affecting stockholders (except as provided in the Agreement), or to receive dividends or subscription rights, or otherwise, until the Right or Rights evidenced by this Right Certificate shall have been exercised as provided in the Agreement.

This Right Certificate shall not be valid or obligatory for any purpose until it shall have been countersigned by the Rights Agent.

WITNESS the facsimile signature of the proper officers of the Company and its corporate seal. Dated as of _____, 2008.

ATTEST:

GAYLORD ENTERTAINMENT COMPANY

Name:
Title:

By _____
Name:
Title:

Countersigned:

[_____]

By _____
Name:
Title:

Form of Reverse Side of Right Certificate

FORM OF ASSIGNMENT

(To be executed by the registered holder if such holder desires to transfer the Right Certificate.)

FOR VALUE RECEIVED _____ hereby sells, assigns and transfers unto _____

(Please print name and address of transferee)

this Right Certificate, together with all right, title and interest therein, and does hereby irrevocably constitute and appoint _____ Attorney, to transfer the within Right Certificate on the books of the within-named Company, with full power of substitution.

Dated: _____

Signature

Signature Guaranteed:

Signatures must be guaranteed by an eligible guarantor institution which is a participant in the Securities Transfer Agents Medallion Program ("STAMP"), the New York Stock Exchange, Inc. Medallion Signature Program ("MSP"), or the Stock Exchanges Medallion Program ("SEMP"), pursuant to Rule 17Ad-15 promulgated under the Securities Exchange Act of 1934, as amended. Guarantees by a notary public are not acceptable.

The undersigned hereby certifies that the Rights evidenced by this Right Certificate are not beneficially owned by an Acquiring Person or an Affiliate or Associate thereof (as defined in the Agreement).

Signature

Form of Reverse Side of Right Certificate — continued

FORM OF ELECTION TO PURCHASE

(To be executed if holder desires to exercise
Rights represented by the Right Certificate.)

To: GAYLORD ENTERTAINMENT COMPANY

The undersigned hereby irrevocably elects to exercise _____ Rights represented by this Right Certificate to purchase the Preferred Shares issuable upon the exercise of such Rights and requests that certificates for such Preferred Shares be issued in the name of:

Please insert social security
or other identifying number

(Please print name and address)

If such number of Rights shall not be all the Rights evidenced by this Right Certificate, a new Right Certificate for the balance remaining of such Rights shall be registered in the name of and delivered to:

Please insert social security
or other identifying number

(Please print name and address)

Dated: _____

Signature

Signature Guaranteed:

Signatures must be guaranteed by an eligible guarantor institution which is a participant in the Securities Transfer Agents Medallion Program ("STAMP"), the New York Stock Exchange, Inc. Medallion Signature Program ("MSP"), or the Stock Exchanges Medallion Program ("SEMP"), pursuant to Rule 17Ad-15 promulgated under the Securities Exchange Act of 1934, as amended. Guarantees by a notary public are not acceptable.

The undersigned hereby certifies that the Rights evidenced by this Right Certificate are not beneficially owned by an Acquiring Person or an Affiliate or Associate thereof (as defined in the Agreement).

Signature

NOTICE

The signature in the Form of Assignment or Form of Election to Purchase, as the case may be, must conform to the name as written upon the face of this Right Certificate in every particular, without alteration or enlargement or any change whatsoever.

In the event the certification set forth above in the Form of Assignment or the Form of Election to Purchase, as the case may be, is not completed, the Company and the Rights Agent will deem the beneficial owner of the Rights evidenced by this Right Certificate to be an Acquiring Person or an Affiliate or Associate thereof (as defined in the Agreement) and such Assignment or Election to Purchase will not be honored.

SUMMARY OF RIGHTS TO PURCHASE
PREFERRED SHARES

(as revised on March 9, 2009)

in connection with the amendment and restatement of the Original Agreement)

Introduction

On August 12, 2008, the Board of Directors of our Company, Gaylord Entertainment Company, a Delaware corporation, declared a dividend of one preferred share purchase right (a "Right") for each outstanding share of common stock, par value \$.01 per share, pursuant to a Rights Agreement between our Company and Computershare Trust Company, N.A., as the Rights Agent, dated as of August 12, 2008, and amended and restated on March 9, 2009 (such agreement, as amended, the "Rights Agreement"). The dividend was payable on August 25, 2008 to the stockholders of record on August 25, 2008.

Our Board adopted this Rights Agreement to protect stockholders from coercive or otherwise unfair takeover tactics. In general terms, it works by imposing a significant penalty upon any person or group that acquires 22% or more of our outstanding common stock without the approval of our Board. The Rights Agreement should not interfere with any merger or other business combination approved by our Board.

For those interested in the specific terms of the Rights Agreement, we provide the following summary description. Please note, however, that this description is only a summary, and is not complete, and should be read together with the entire Rights Agreement, as amended and restated, which has been filed with the Securities and Exchange Commission as an exhibit to a Current Report on Form 8-K dated March 10, 2009. A copy of the agreement is available free of charge from our Company.

The Rights. Our Board authorized the issuance of a Right with respect to each outstanding share of common stock on August 25, 2008. The Rights will initially trade with, and will be inseparable from, the common stock. The Rights are evidenced only by the balances indicated in the book-entry account system of the transfer agent for our common stock or, in the case of certificated shares, the certificates that represent such shares of common stock. New Rights will accompany any new shares of common stock we issue after August 25, 2008 until the Distribution Date described below.

Exercise Price. Each Right will allow its holder to purchase from our Company one one-hundredth of a share of Series A Junior Participating Preferred Stock ("Preferred Share") for \$95.00, once the Rights become exercisable. This portion of a Preferred Share will give the stockholder approximately the same dividend, voting, and liquidation rights as would one share of common stock. Prior to exercise, the Right does not give its holder any dividend, voting, or liquidation rights.

Exercisability. The Rights will not be exercisable until

- 10 days after the public announcement that a person or group has become an “Acquiring Person” by obtaining beneficial ownership of 22% or more of our outstanding common stock, or, if earlier,
- 10 business days (or a later date determined by our Board before any person or group becomes an Acquiring Person) after a person or group begins a tender or exchange offer (other than a Qualified Offer, for so long as such offer qualifies as a Qualified Offer) which, if completed, would result in that person or group becoming an Acquiring Person.

We refer to the date when the Rights become exercisable as the “Distribution Date.” Until that date, the balances in the book-entry accounting system of the transfer agent for our common stock or, in the case of certificated shares, common stock certificates will also evidence the Rights, and any transfer of shares of common stock or, in the case of certificated shares, certificates for common stock will constitute a transfer of Rights. After that date, the Rights will separate from the common stock and be evidenced solely by Rights certificates that we will mail to all eligible holders of common stock. Any Rights held by an Acquiring Person or any Associate or Affiliate thereof are void and may not be exercised.

Consequences of a Person or Group Becoming an Acquiring Person.

- *Flip In.* If a person or group becomes an Acquiring Person, all holders of Rights except the Acquiring Person or any Associate or Affiliate thereof may, for \$95.00, purchase shares of our common stock with a market value of \$190.00, based on the market price of the common stock prior to such acquisition.
- *Flip Over.* If our Company is later acquired in a merger or similar transaction after the Distribution Date, all holders of Rights except the Acquiring Person or any Associate or Affiliate thereof may, for \$95.00, purchase shares of the acquiring corporation with a market value of \$190.00 based on the market price of the acquiring corporation’s stock, prior to such merger.

Preferred Share Provisions.

Each one one-hundredth of a Preferred Share, if issued:

- will not be redeemable.
- will entitle holders to quarterly dividend payments of \$.01 per one one-hundredth of a share, or an amount equal to the dividend paid on one share of common stock, whichever is greater.
- will entitle holders upon liquidation either to receive \$1 per one one-hundredth of a share or an amount equal to the payment made on one share of common stock, whichever is greater.
- will have the same voting power as one share of common stock.

- if shares of our common stock are exchanged via merger, consolidation, or a similar transaction, will entitle holders to a per share payment equal to the payment made on one share of common stock.

The value of one one-hundredth interest in a Preferred Share should approximate the value of one share of common stock.

Expiration. The Rights will expire on August 12, 2011, or such later date as determined by the Board of Directors of the Company (so long as such determination is made prior to August 12, 2011).

Redemption. Our Board may redeem the Rights for \$.001 per Right at any time prior to 10 days after such time that any person or group becomes an Acquiring Person. If our Board redeems any Rights, it must redeem all of the Rights. Once the Rights are redeemed, the only right of the holders of Rights will be to receive the redemption price of \$.001 per Right. The redemption price will be adjusted if we have a stock split or stock dividends of our common stock.

In the event that the Company receives a Qualified Offer (as described below), our Board may, but is not obligated to, call a special meeting of stockholders for the purpose of voting on a resolution to accept the Qualified Offer and to authorize the redemption of the Rights pursuant to the provisions of the Rights Agreement. Such an action by stockholders requires the affirmative vote of the holders of a majority of the Common Shares outstanding as of the record date for the Special Meeting (excluding for purposes of such calculation Common Shares beneficially owned by the Person making the Qualified Offer and such Person's Affiliates and Associates). If either (i) such a special meeting is not held within 105 business days following commencement of the Qualified Offer or (ii) at such a special meeting stockholders approve such action, then the Rights will be redeemed.

A "Qualified Offer" is an tender or exchange offer for all of our outstanding common stock that (i) is fully financed, (ii) has an offer price per share exceeding the greater of (x) 25% of the 12-month moving average closing price of our common stock, and (y) 25% of the closing price of our common stock on the day immediately preceding commencement of the offer, (iii) remains open until at least the earlier of (x) 106 business days following the commencement of the offer, or (y) the business day immediately following the date on which the results of the vote adopting any redemption resolution at any special meeting of stockholders as set forth above is certified, (iv) is conditioned on the offeror being tendered at least 51% of our common stock not held by the offeror (and the offeror's Affiliates and Associates), (v) assures a prompt second-step acquisition of shares not purchased in the initial offer at the same consideration (both with respect to amount and type of consideration) as the initial offer, (vi) if such offer includes non-cash consideration, such consideration must consist solely of the securities of the person making the offer, and the Company and its representatives must be given access to conduct a reasonable due diligence review of the offeror, and (vii) meets other requirements set forth in the Rights Agreement.

Exchange. After a person or group becomes an Acquiring Person, but before an Acquiring Person owns 50% or more of our outstanding common stock, our Board may extinguish the

Rights by exchanging one share of common stock or an equivalent security for each Right, other than Rights held by the Acquiring Person.

Anti-Dilution Provisions. Our Board may adjust the purchase price of the Preferred Shares, the number of Preferred Shares issuable and the number of outstanding Rights to prevent dilution that may occur from a stock dividend, a stock split, a reclassification of the Preferred Shares or common stock. No adjustments to the Exercise Price of less than 1% will be made.

Amendments. The terms of the Rights Agreement may be amended by our Board without the consent of the holders of the Rights. However, our Board may not amend the Rights Agreement to lower the threshold at which a person or group becomes an Acquiring Person to below 10% of our outstanding common stock. In addition, the Board may not cause a person or group to become an Acquiring Person by lowering this threshold below the percentage interest that such person or group already owns. After a person or group becomes an Acquiring Person, our Board may not amend the agreement in a way that adversely affects holders of the Rights. The Rights Agreement may not be amended, with or without the approval of the holders of the Rights, in any way that would materially hinder, delay or interfere with the ability of any party to make a Qualified Offer and commence and consummate a second-step transaction.

SETTLEMENT AGREEMENT

SETTLEMENT AGREEMENT dated this 9th day of March 2009 (this "Agreement"), by and between TRT Holdings, Inc., a Delaware corporation ("TRT"), and Gaylord Entertainment Company, a Delaware corporation (the "Company").

BACKGROUND

TRT (i) has submitted to the Company notice by letter dated January 28, 2009 (the "Notice") of its intention to nominate four individuals for election to the Company's Board of Directors (the "Board") at the 2009 annual meeting of stockholders of the Company (the "2009 Annual Meeting") and to solicit proxies for the election of its nominees (the "Proxy Solicitation") and (ii) has taken certain actions in furtherance thereof, including, but not limited to, requesting production of stockholder list information pursuant to a letter dated January 15, 2009 and other communications related thereto, and requesting to inspect the Company's books and records pursuant to Section 220 of the Delaware General Corporation Law (the "DGCL") pursuant to a letter dated January 23, 2009 (such letters and related requests, the "Demand").

TRT and the Company have agreed that it is in their mutual interests to enter into this Agreement, which, among other things, sets forth their agreement regarding the nomination of certain candidates for election to the Board at the 2009 Annual Meeting and the voting by TRT of any shares of common stock, par value \$0.01 per share, of the Company ("Common Stock") that TRT may own from time to time.

AGREEMENT

THEREFORE, in consideration of the foregoing and the respective representations, warranties, covenants, agreements, and conditions set forth in this Agreement, and, intending to be legally bound, the parties agree as follows:

Section 1. ~~Board Action; Board Composition; Recommendation; Company Proxy.~~

(a) As a condition to the effectiveness of this Agreement:

(1) The Company will, and the Company covenants and agrees to, simultaneously with the execution and delivery of this Agreement, enter into the Amended and Restated Rights Agreement between the Company and Computershare Trust Company, N.A. (the "Rights Agent") in the form attached hereto as Schedule A (the "A&R Rights Agreement") and deliver a copy of the A&R Rights Agreement, duly executed by the Company and the Rights Agent.

(2) The Company will, and the Company covenants and agrees to, deliver to TRT a duly adopted, binding resolution of the Board, in form and substance reasonably acceptable to TRT, (x) expressly approving, for purposes of Section 203 of the DGCL ("Section 203"), the acquisition by TRT and its "affiliates" and "associates" (as those terms are defined in Section 203), in a single transaction or in a series of transactions, of additional shares of Common Stock such that TRT and its "affiliates" and "associates" (as defined in Section 203) may "own" (as defined in Section 203) in excess of 15% of the issued

and outstanding Common Stock of the Company, and (y) providing that neither TRT nor any of its “affiliates” or “associates” (as defined in Section 203) will be or be deemed to be an “interested stockholder” (as defined in Section 203) if TRT and its “affiliates” or “associates” (as defined in Section 203) become the “owners” (as defined in Section 203) of more than 15% of the issued and outstanding Common Stock.

(3) In order that TRT and its Affiliates, on the one hand, and the Company and its Affiliates, on the other (each of TRT and its Affiliates, on the one hand, and the Company and its Affiliates, on the other, being a “Renouncing Party”), be able to conduct their business without any liability to the other party arising out of any claim against any of them for an interest in or expectancy of participation in the business opportunity of the Renouncing Party, each Renouncing Party does hereby irrevocably, subject only to the following sentence, renounce (which action has been duly taken by each Renouncing Party’s Board of Directors) any interest or expectancy of each Renouncing Party in or in being offered any opportunity to participate in, the business opportunities of the other party or any of its Affiliates that are presented to the Renouncing Party or one or more of such Renouncing Party’s respective officers, directors, or stockholders to the fullest extent permissible under Section 122(17) of the DGCL. Notwithstanding the foregoing renunciation for the purposes of Section 122(17) of the DGCL, TRT and the Company agree that in the event that (i) any Permitted Recipient has (directly or indirectly) communicated Confidential Information about a particular business opportunity to TRT or any TRT Controlled Party (other than a Permitted Recipient) or has used any Confidential Information in breach of this Agreement in connection with a particular business opportunity; and (ii) such Confidential Information influenced the manner in which such business opportunity was pursued by TRT or such TRT Controlled Party to the detriment of the Company, then the renunciation in the foregoing sentence will not be effective with respect to such business opportunity, and each party will have all such rights, defenses, claims, remedies, and liabilities as though such renunciation had never occurred. The parties agree that the foregoing renunciation pursuant to Section 122(17) of the DGCL does not affect any other rights or remedies that may be available to the Company against TRT or any TRT Controlled Party for wrongful disclosure of information and will not be deemed to constitute the standard for establishing the breach of any other duty owed by Rowling to the Company or any defense available to TRT, Rowling, or any TRT Controlled Party. In addition, the Company represents and warrants that the Board has affirmed that no action taken or omitted to be taken by TRT or any TRT Controlled Party in connection with any business opportunity (other than with respect to communication or use in breach of this Agreement of Confidential Information as set forth above) will constitute the basis for the removal of any TRT Nominee from the Board “for cause” in accordance with Article VII(B)(5) of the Company’s Restated Certificate of Incorporation.

(4) The Company will, and the Company covenants and agrees to, deliver to TRT a duly adopted resolution of the Board, in form and substance reasonably acceptable to TRT, (x) affirming that the Board has carefully considered this Agreement and its terms and, as a result of such consideration, concluded that the Company’s execution and performance of this Agreement are in the best interests of the Company and its stockholders and (y) approving the Company’s execution of this Agreement.

(b) The Company agrees and acknowledges that by virtue of TRT’s entry into this Agreement, TRT’s taking the actions required by this Agreement, and the Company’s

performance for the benefit of TRT under this Agreement, neither TRT nor any of its Affiliates is or will become an "Acquiring Person" under the A&R Rights Agreement.

(c) The Company agrees that as soon as practicable following the date of this Agreement, the Company will set a date for the 2009 Annual Meeting, which date will be no later than May 22, 2009, and will establish a record date for the 2009 Annual Meeting, which record date will be within sixty days of the date of the 2009 Annual Meeting.

(d) The Company agrees that the Company and the Board will cause the size of the Board to be set at eleven directors (and will maintain the size of the Board at eleven directors), and will cause the slate of nominees standing for election, and recommended by the Board, at the 2009 Annual Meeting to include (x) seven incumbent directors (the "Incumbent Nominees"), (y) each of Robert B. Rowling and David W. Johnson (the "TRT Nominees") and (z) two other qualified Independent directors identified by the Nominating and Corporate Governance Committee of the Company (the "Nominating and Corporate Governance Committee") after consultation with the Company's stockholders (including their successor(s)), the "Other New Independent Nominees," and together with the TRT Nominees, the "New Independent Nominees," and the New Independent Nominees together with the Incumbent Nominees, the "2009 Nominees", and specifically the Company agrees to:

(1) nominate and reflect in the 2009 Company Proxy (defined below) the nomination of each of the 2009 Nominees (including the New Independent Nominees) for election at the 2009 Annual Meeting as a director of the Company with a term expiring at the 2010 annual meeting of stockholders of the Company (the "2010 Annual Meeting");

(2) recommend and reflect in the 2009 Company Proxy the recommendation of each of the 2009 Nominees (including the New Independent Nominees) for election as directors of the Company at the 2009 Annual Meeting, and cause the Company to use its reasonable best efforts to solicit proxies in favor of the election of each of the 2009 Nominees (including the New Independent Nominees); and

(3) cause all proxies received by the Company to be voted in the manner specified by such proxies and cause all proxies for which a vote is not specified to be voted for the 2009 Nominees (including the New Independent Nominees).

(e) The Company agrees that the Company and the Board will cause the size of the Board to be set at eleven directors (and will maintain the size of the Board at eleven directors), and will cause the slate of nominees standing for election, and recommended by the Board, at the 2010 Annual Meeting to include the New Independent Nominees (the eleven nominees for director, including the New Independent Nominees, the "2010 Nominees"), and specifically the Company agrees to:

(1) nominate and reflect in the 2010 Company Proxy (defined below) the nomination of each of the 2010 Nominees (including the New Independent Nominees) for election at the 2010 Annual Meeting as a director of the Company with a term expiring at the 2011 annual meeting of stockholders of the Company (the "2011 Annual Meeting");

(2) recommend and reflect in the 2010 Company Proxy the recommendation of each of the 2010 Nominees (including the New Independent Nominees) for election as directors of the Company at the 2010 Annual Meeting, and cause the Company to use its reasonable best efforts to solicit proxies in favor of the election of each of the New Independent Nominees; and

(3) cause all proxies received by the Company to be voted in the manner specified by such proxies and cause all proxies for which a vote is not specified to be voted for each of the 2010 Nominees (including the New Independent Nominees).

(f) The Company agrees that the Company and the Board will cause the size of the Board to be set at eleven directors (and will maintain the size of the Board at eleven directors), and will cause the slate of nominees standing for election, and recommended by the Board, at the 2011 Annual Meeting to include the New Independent Nominees (the eleven nominees for director, including the New Independent Nominees, the "2011 Nominees"), and specifically the Company agrees to:

(1) nominate and reflect in the 2011 Company Proxy (defined below) the nomination of each of the 2011 Nominees (including the New Independent Nominees) for election at the 2011 Annual Meeting as a director of the Company with a term expiring at the 2012 annual meeting of stockholders of the Company (the "2012 Annual Meeting");

(2) recommend and reflect in the 2011 Company Proxy the recommendation of each of the 2011 Nominees (including the New Independent Nominees) for election as directors of the Company at the 2011 Annual Meeting, and cause the Company to use its reasonable best efforts to solicit proxies in favor of the election of each of the New Independent Nominees; and

(3) cause all proxies received by the Company to be voted in the manner specified by such proxies and cause all proxies for which a vote is not specified to be voted for each of the 2011 Nominees (including the New Independent Nominees).

(g) The Company agrees that the Company and the Board will not increase the size of the Board to more than eleven directors at any time prior to the 2012 Annual Meeting.

(h) Prior to the execution of this Agreement, the Company (1) reviewed the Notice, the questionnaires submitted by the TRT Nominees in connection with the Notice, and the other information provided by TRT and the TRT Nominees, (2) determined that the Notice (together with the questionnaires submitted in connection with the Notice), is sufficient for the purposes of the advance notice provisions of the Second Amended and Restated By-Laws of the Company (the "Bylaws"), (3) assuming the completeness and accuracy of the information provided in the Notice and in the questionnaires, determined that each of the New Independent Nominees (x) is Independent, and is "independent" in accordance with the requirements of the Bylaws, the corporate governance guidelines of the Company and all other applicable rules and policies of the Company and (y) is otherwise qualified to serve as a member of the Board and (4) acknowledges that, assuming the completeness and accuracy of the information provided in the Notice and in the questionnaires, and taking account of the facts and circumstances known to the

Company as of the date hereof, the Company does not intend to seek the removal of any TRT Nominee from the Board for failure to comply with Legal Requirements. From the date hereof until the date of the TRT Nominee's resignation or removal from, or expiration of term of service without re-election to, the Board, the TRT Nominee will provide to the Nominating and Corporate Governance Committee upon the Nominating and Corporate Governance Committee's request information that the Nominating and Corporate Governance Committee reasonably and in good faith determines is necessary, based on consultations with outside legal counsel, to determine whether the TRT Nominee is Independent and is eligible to serve under applicable Legal Requirements on an ongoing basis. Any information requested from the Nominating and Corporate Governance Committee will be consistent in all material respects with information required from the Company's other directors, and the basis upon which the Company determines the Independence and the eligibility under applicable Legal Requirements of each nominee of TRT will be consistent in all material respects with that applied to all other directors of the Board. In the event the Nominating and Corporate Governance Committee determines reasonably and in good faith that a sitting TRT Nominee is no longer Independent or eligible to serve under applicable Legal Requirements, with such determination based on standards or policies applicable to all directors of the Company, the Nominating and Corporate Governance Committee will inform the TRT Nominee of its determination and the basis therefor in writing and in reasonable detail and will allow a reasonable opportunity for the TRT Nominee to evaluate the determination, including through meetings and discussions with the Nominating and Corporate Governance Committee regarding the circumstances of his independence and eligibility to serve under applicable Legal Requirements, for a period not less than 20 business days. Following such discussions, if the Nominating and Corporate Governance Committee, acting reasonably and in good faith, has not reversed its determination that the TRT Nominee is no longer Independent or eligible to serve under applicable Legal Requirements as contemplated in this Section 1(h), the TRT Nominee will, if requested by the Nominating and Corporate Governance Committee, promptly tender his resignation from the Board, and the resulting vacancy will be filled pursuant to Section 1(q). Prior to the 2009 Annual Meeting, each TRT Nominee will resign from his position, if any, as a director, officer of employee of TRT or any Affiliate of TRT that competes with the Company or its subsidiaries. Following his election to the Board, until the date of his resignation or removal from, or expiration of term of service without re-election to, the Board, no TRT Nominee will serve as a director, officer or employee of TRT or any Affiliate of TRT that competes with the Company or its subsidiaries.

(i) At least one of the New Independent Nominees will serve on each of the standing committees of the Board (except to the extent, if any, that none of the New Independent Nominees is eligible to serve on such a committee under applicable Legal Requirements), including the specific committee assignments set forth in this Section 1(i). The Company agrees that the Company and the Board will take all actions necessary and appropriate to (1) increase the size of the Executive Committee of the Board (the "Executive Committee") to five directors (and maintain the size of the Executive Committee at five directors) and effect the appointment of each of the individuals identified on Schedule B (or their successors) to the Executive Committee and (2) effect the appointment of each TRT Nominee set forth on Schedule B (or his successor) to the other committees of the Board indicated on Schedule B, in each case: (x) if the applicable TRT Nominee is elected to the Board at the 2009 Annual Meeting, at the first meeting of the Board following such stockholder meeting, which Board meeting will be held immediately following the conclusion of the 2009 Annual Meeting, (y) if the applicable TRT Nominee is

elected to the Board at the 2010 Annual Meeting, at the first meeting of the Board following such stockholder meeting, which Board meeting will be held immediately following the conclusion of the 2010 Annual Meeting, and (z) if the applicable TRT Nominee is elected to the Board at the 2011 Annual Meeting, at the first meeting of the Board following such stockholder meeting, which Board meeting will be held immediately following the conclusion of the 2011 Annual Meeting. Each TRT Nominee will serve on the committees of the Board indicated on Schedule B for the duration of such TRT Nominee's service on the Board. The Company hereby confirms that it is not the Company's intention to create any additional committees of the Board other than a Conflicts Committee (as described below), but in the event that a new committee other than the Conflicts Committee is created at any time during which a TRT Nominee is serving as a director, the Company agrees that the Board will appoint at least one TRT Nominee to serve on such committee; *provided*, that at least one TRT Nominee is Independent and meets applicable Legal Requirements for eligibility to serve on such committee, which determination will be made reasonably and in good faith by the Nominating and Corporate Governance Committee on a basis reasonably consistent with the Company's evaluation of other proposed members of such committee. In addition, the Company hereby confirms that each member of the Board who is Independent will be entitled to attend each meeting of each committee of the Board as an observer, unless any such committee is considering an issue as to which the observing director would have a conflict of interest. The Company agrees that the Company and the Board will promptly take all actions necessary and appropriate to create a Conflicts Committee of the Board (the "*Conflicts Committee*"), which committee will be composed of three directors all of whom will be Independent (and to maintain the size of the Conflicts Committee at three directors) as contemplated on Schedule B. Upon request by senior management of the Company, the Conflicts Committee will consider whether a member of the Board should not be provided with specified sensitive, competitive confidential information concerning the Company. Notwithstanding anything contained herein to the contrary, if the Conflicts Committee determines by unanimous vote of the committee members that a director should not be given such information, then the Company will not provide such information to the director at issue. TRT acknowledges and agrees that any such determination by the Conflicts Committee with respect to any TRT Nominee will constitute a reasonable restriction on the information to be given to such TRT Nominee, and TRT will cause each TRT Nominee to comply with the Conflicts Committee's determination. The Company will use reasonable efforts in connection with implementing procedures such as the foregoing to endeavor to assist TRT in complying with its obligations under Section 1(k)(3) hereof.

(j) The Company agrees that each of the TRT Nominees, upon election or appointment to the Board, will serve as an integral member of the Board and, subject to the terms and conditions set forth in this Agreement, will be governed by the same protections and obligations regarding confidentiality, conflicts of interest, fiduciary duties, trading and disclosure policies, and other governance guidelines, and will have the same rights and benefits, including with respect to insurance coverage, indemnification rights, exculpation, advancement of expenses, and compensation and fees, access to personnel and information as are applicable to all Independent directors of the Company; *provided*, that in the event of any dispute between TRT and the Company arising out of, relating to or in connection with this Agreement, Rowling will not be entitled to indemnification or advancement or reimbursement of expenses pursuant to the Company's Restated Certificate of Incorporation, the Bylaws or the Company's corporate

governance guidelines in respect of such dispute by virtue of Rowling's service as a director of the Company.

(k) Without the prior written consent of the Company, TRT shall, and will cause each TRT Nominee and Permitted Recipient to, refrain from, directly or indirectly:

(1) from the date hereof until the first anniversary of the later to occur of (x) the Termination Date or (y) the date of the final TRT Nominee's resignation or removal from, or expiration of term of service without re-election to, the Board, disclosing any Confidential Information to any Representative of TRT or any of its Affiliates or any other lodging or hospitality company with which such TRT Nominee is affiliated other than a Permitted Recipient, or otherwise using Confidential Information to the material detriment of the Company and its subsidiaries;

(2) from the date hereof until the later to occur of (x) the Termination Date or (y) the date of the final TRT Nominee's resignation or removal from, or expiration of term of service without re-election to, the Board, disclosing any material nonpublic information of TRT or any of its Affiliates, or any other lodging or hospitality company with which such TRT Nominee is affiliated, to the Company or any of its Affiliates or Representatives; and

(3) otherwise engaging in any communications in any manner, or taking any actions, that violate applicable Legal Requirements with respect to antitrust, unfair competition, or restraint on trade.

(l) The Company agrees that as promptly as practicable following the date of this Agreement, the Company will take all steps reasonably necessary to file with the SEC a proxy statement on Schedule 14A for the 2009 Annual Meeting (the "2009 Company Proxy") that includes the TRT Nominees and the other 2009 Nominees as nominees for election to the Board at the 2009 Annual Meeting. The Company agrees that its proxy statement on Schedule 14A for the 2010 Annual Meeting (the "2010 Company Proxy") will include eleven nominees (including the TRT Nominees) for election to the Board at the 2010 Annual Meeting and that its proxy statement on Schedule 14A for the 2011 Annual Meeting (the "2011 Company Proxy") will include eleven nominees (including the TRT Nominees) for election to the Board at the 2011 Annual Meeting. The Company agrees that each of the 2009 Company Proxy and all other solicitation materials to be delivered to stockholders of the Company in connection with the 2009 Annual Meeting, the 2010 Company Proxy and all other solicitation materials to be delivered to stockholders of the Company in connection with the 2010 Annual Meeting, and the 2011 Company Proxy and all other solicitation materials to be delivered to stockholders of the Company in connection with the 2011 Annual Meeting will be prepared in accordance with, and in furtherance of, this Agreement. The Company will provide TRT with copies of any proxy materials to be delivered to stockholders of the Company in connection with the 2009 Annual Meeting, the 2010 Annual Meeting, and the 2011 Annual Meeting at least five business days, and will use its reasonable efforts to provide other solicitation materials in connection with such meetings, at least two business days, in advance of filing such materials with the SEC or disseminating the same (whichever occurs earlier) in order to permit TRT and its counsel a reasonable opportunity to review and comment on such materials, which comments of TRT and its counsel, to the extent the Company determines them to be reasonable and appropriate, acting

in good faith, will be incorporated into such materials by the Company prior to the filing of such materials with the SEC or the dissemination of the same. TRT will provide, as promptly as reasonably practicable, all information relating to the TRT Nominees (and other information, if any) to the extent required under applicable law to be included in the 2009 Company Proxy, the 2010 Company Proxy, and the 2011 Company Proxy and in any other solicitation materials to be delivered to stockholders of the Company in connection with the 2009 Annual Meeting, the 2010 Annual Meeting, and the 2011 Annual Meeting. The 2009 Company Proxy, the 2010 Company Proxy, and the 2011 Company Proxy will each contain the same type of information concerning the TRT Nominees as provided for other nominees for election to the Board.

(m) Except as expressly approved by TRT, the Company agrees that no matters will be presented by the Board for a vote of stockholders of the Company at the 2009 Annual Meeting other than the election of the 2009 Nominees (as specified herein) and the ratification of the Company's independent registered public accounting firm.

(n) Notwithstanding anything to the contrary herein, at any time between the date hereof and the 2012 Annual Meeting, (1) if TRT and its Affiliates Beneficially Own less than 10% of the outstanding shares of Common Stock, but 5% or more of the outstanding shares of Common Stock, TRT will be entitled to representation on the Board of one TRT Nominee and (2) if TRT and its Affiliates Beneficially Own less than 5% of the outstanding shares of Common Stock, TRT will not be entitled to any representation on the Board. If TRT's Beneficial Ownership of Common Stock falls below the aforementioned requisite thresholds, TRT will promptly notify the Company thereafter and will promptly cause the appropriate number of TRT Nominees to resign.

(o) If (1) any TRT Nominee is not elected to the Board at the 2009 Annual Meeting or, after election to the Board, thereafter is removed, resigns, or is otherwise unable to serve as a director of the Company except pursuant to Section 1(i); (2) any TRT Nominee is not elected to the Board at the 2010 Annual Meeting or, after election to the Board, thereafter is removed, resigns, or is otherwise unable to serve as a director of the Company except pursuant to Section 1(i); or (3) any TRT Nominee is not elected to the Board at the 2011 Annual Meeting or, after election to the Board, thereafter is removed, resigns, or is otherwise unable to serve as a director of the Company except pursuant to Section 1(i), then (x) TRT will be entitled to appoint a non-voting advisory or emeritus director of the Company, serving without compensation from and without reimbursement of expenses by the Company, but otherwise having the greatest access to personnel and information, and the greatest right to observe meetings of the Board and meetings of Board committees, in each case as permitted by applicable law but in no event greater than the access to personnel and information and the right to observe such meetings that would be afforded to such individual if he or she were a director, unless the Company is advised in writing by its counsel that the appointee's service as an advisory or emeritus director would violate applicable law; *provided*, however, that only one such non-voting advisory or emeritus director may serve at any time, regardless of whether multiple TRT Nominees are not elected to the Board or are thereafter removed, resigned or otherwise unable to serve as a director of the Company; and (y) TRT will, in addition, be entitled to select a new designee to serve as a director, which designee (A) will qualify as Independent and (B) will be chosen by TRT subject to a determination by the Nominating and Corporate Governance Committee that such designee is eligible to serve as a director under applicable Legal Requirements, such determination to be

made promptly, reasonably and in good faith on a basis reasonably consistent with the Company's evaluation of all other directors, and the Board will promptly appoint such designee to the Board (and to the committees of the Board on which the TRT Nominee being replaced served, *provided* that such designee meets the applicable independence standards and applicable Legal Requirements for eligibility to serve on such committee, as contemplated in this Agreement) to serve until the next annual meeting of stockholders of the Company after such appointment. Any such designee will be deemed a TRT Nominee for all purposes under this Agreement and TRT agrees to cause any advisory or emeritus director or designee appointed pursuant to this Section 1(q) to comply with all obligations of TRT and TRT Nominees under this Agreement. The Company will take any action necessary or appropriate to facilitate the discharge of its obligations under this Section 1(q), including increasing the number of seats on the Board or amending its Bylaws and its other governing documents.

(p) The Company will invite TRT to participate in any process that may be initiated by the Board during the term of this Agreement that seeks proposals for the acquisition of all or substantially all of the outstanding Voting Securities or assets of the Company; provided, that (1) the Board may choose not to initiate any such process and, if it does commence such a process it may discontinue the process for any reason at any time, and (2) TRT will be required to comply with the terms and conditions generally applicable to the other participants in any sale process.

(q) Promptly after the execution of this Agreement, the Company will issue a press release in the form attached hereto as Schedule C (the "Press Release").

(r) Except (1) as contemplated in Section 1(a)(1), (2) to shorten the term of its effectiveness, or (3) as approved by TRT, the Company will not amend the A&R Rights Agreement in any manner without first submitting any such proposed amendment to the holders of Common Stock for their approval, which approval will be deemed to be obtained upon the affirmative vote of the holders of a majority of the votes represented by the outstanding Common Stock then entitled to vote generally for the election of directors.

(s) The Company covenants and agrees that, except to the extent required by Legal Requirements, it will not amend its existing corporate governance guidelines or adopt new corporate governance guidelines, in each case with the purpose or intent of discriminating unfairly against the TRT Nominees or the rights of TRT to representation on the Board as contemplated by this Agreement.

Section 2. Proxy Solicitation; Voting; Company Form 8-K; TRT Schedule 13D; Proxy and Demand.

(a) Concurrently with the execution of this Agreement, TRT will cease, and will cause all TRT Controlled Parties immediately to cease, any and all efforts with respect to the Proxy Solicitation, except as provided in this Agreement.

(b) Subject to the Company's compliance with Sections 1(a), 1(d)(1) and (2), and 1(i), TRT hereby withdraws the nominations of Robert B. Rowling, Michael J. Dickman, David W. Johnson and Mark Langdale and the related Notice. The Company acknowledges and

agrees that, should it fail to comply in full with Sections 1(a), 1(d)(1) and (2), and 1(i), then such nominations of TRT will automatically, with no further action on the part of TRT, be reinstated in full and without prejudice.

(c) Subject to the compliance in all material respects of the Company and the Board with their obligations under this Agreement, from the date of this Agreement until the Termination Date, TRT will not make, and will cause each TRT Controlled Party not to make, any objection to the election of each of the 2009 Nominees (including the TRT Nominees) at the 2009 Annual Meeting, the election of each of the 2010 Nominees (including the TRT Nominees) at the 2010 Annual Meeting, and the election of each of the 2011 Nominees (including the TRT Nominees) at the 2011 Annual Meeting. TRT will, and will cause each of its controlled Affiliates to:

(1) vote all shares of Voting Securities that it is entitled to vote at the 2009 Annual Meeting in favor of the election of each of the 2009 Nominees (including the TRT Nominees) at the 2009 Annual Meeting;

(2) vote all shares of Voting Securities that it is entitled to vote at the 2010 Annual Meeting in favor of the election of each of the 2010 Nominees (including the TRT Nominees) at the 2010 Annual Meeting;

(3) vote all shares of Voting Securities that it is entitled to vote at the 2011 Annual Meeting in favor of the election of each of the 2011 Nominees (including the TRT Nominees) at the 2011 Annual Meeting;

(4) vote all shares of Voting Securities that it is entitled to vote at the 2009 Annual Meeting, the 2010 Annual Meeting and the 2011 Annual Meeting against any stockholder nominations for director which are not approved and recommended by the Board for election at such meetings; and

(5) vote all shares of Voting Securities that it is entitled to vote at the 2009 Annual Meeting, the 2010 Annual Meeting, the 2011 Annual Meeting and any other meeting of the Company's stockholders between the date hereof and the Termination Date (x) in accordance with the recommendation of the Board on any stockholder proposal that is put to a vote of stockholders at any such meeting and (y) in favor of any proposal made by the Company unless Rowling (or any other TRT Nominee that is an Affiliate of TRT or any TRT Controlled Party) has voted against such proposal in his capacity as a member of the Board; *provided*, however, that TRT and its controlled Affiliates will have no obligation pursuant to this Section 2(c) with respect to the voting of their shares of Voting Securities to the extent necessary to participate in a specific, pending Extraordinary Transaction proposed by a Third Party, with respect to which TRT and its Affiliates may vote, or withhold or abstain from voting, in their sole discretion.

(d) The Company will promptly file with the SEC a Current Report on Form 8-K reporting the entry into this Agreement and appending this Agreement and the Press Release as exhibits thereto (the "8-K"); *provided* that the Company will provide a draft of the 8-K to TRT in advance of filing the same with the SEC in order to permit TRT and its counsel a reasonable

opportunity to review and comment on the 8-K, which comments of TRT and its counsel, to the extent the Company determines them to be reasonable and appropriate, acting in good faith, will be incorporated into the 8-K by the Company prior to the filing of the 8-K with the SEC. TRT will promptly file an amendment to the Schedule 13D filed with the SEC on July 21, 2008, as amended (the "Schedule 13D"), reporting the entry into this Agreement, amending applicable items to conform to its obligations under this Agreement and appending this Agreement and the Press Release as exhibits thereto.

(e) TRT hereby withdraws its Demand, and will promptly return to the Company or destroy, in its sole discretion, all materials and summaries or duplicates thereof that have been delivered to TRT or its Representatives pursuant to the Demand prior to the date of this Agreement.

(f) TRT will promptly take all actions necessary and appropriate to secure the entry of a final order dismissing with prejudice all claims made in the lawsuit captioned TRT Holdings, Inc. v. Gaylord Entertainment Company, Case Number 4320-VCL, filed by TRT in the Court of Chancery of the State of Delaware on January 29, 2009 (the "Delaware Litigation").

Section 3. Standstill.

(a) Without the prior written consent of the Board specifically expressed in a written resolution adopted by a majority vote of the entire Board, TRT will not, and will cause each TRT Controlled Party and each of TRT's and the TRT Controlled Parties' Representatives (provided, that the restrictions in this Section 3 will not apply to actions of Representatives not acting for or on behalf of TRT or any TRT Controlled Party) not to, directly or indirectly, do any of the following during the period beginning on the date of this Agreement and continuing until the Termination Date:

(1) acquire, offer or propose to acquire, or agree to acquire (except by way of stock dividends or other distributions), directly or indirectly, whether by purchase, tender or exchange offer, through the acquisition of control of another Person, by joining a partnership, limited partnership, syndicate or other "group" (within the meaning of Section 13(d)(3) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")), or otherwise, any Voting Securities, if, after giving effect to such acquisition, TRT (together with all controlled Affiliates and controlled Associates of TRT) would Beneficially Own 22% or more of the outstanding Voting Securities; provided, however, that neither TRT nor any TRT Controlled Party will be deemed to be in breach of this provision if the increase in the beneficial ownership of Voting Securities to 22% or more of the outstanding Voting Securities results from a reduction in the number of outstanding Voting Securities (provided that after such reduction neither TRT nor any TRT Controlled Party becomes the Beneficial Owner of any additional Voting Securities in violation of this Section 3(a)(1) at a time when such parties Beneficially Own 22% or more of the outstanding Voting Securities) or if the Board determines in good faith that the accumulation by TRT or any TRT Controlled Party of Voting Securities in excess of such 22% threshold was inadvertent (provided that TRT or the applicable TRT Controlled Party, as the case may be, will promptly divest a sufficient number of Voting Securities in accordance with Section 4 so that TRT or such TRT Controlled Party would no longer Beneficially Own 22% or more of the Voting Securities then outstanding, it being understood that for the purposes of computing the

Beneficial Ownership of TRT or any TRT Controlled Party at the time of any purchase, the number of outstanding Voting Securities will be determined by the amount of such outstanding Voting Securities reported in the latest available Company filing with the SEC, subject to any adjustment for any stock dividends, combinations or splits after the date of the filing and subject to adjustment to include the number of such securities not then actually issued and outstanding which TRT or such TRT Controlled Party would be deemed to Beneficially Own under this Agreement pursuant to Section 11(a)(3) (but specifically excluding any Voting Securities issued or awarded to Rowling by the Company due to his service as a director of the Company);

(2) engage, or in any way participate, directly or indirectly, in any "solicitation" (as such term is defined in Rule 14a-1(l) promulgated by the SEC under the Exchange Act) of proxies or consents (whether or not relating to the election or removal of directors), seek to advise, encourage, or influence any Person with respect to the voting of any Voting Securities (including in connection with the election of directors), in each case in opposition to a recommendation of the Board; initiate, propose or otherwise "solicit" (as such term is defined in Rule 14a-1(l) promulgated by the SEC under the Exchange Act) stockholders of the Company for the approval of stockholder proposals, whether made pursuant to Rule 14a-8 or Rule 14a-4 under the Exchange Act or otherwise, in opposition to the recommendation of the Board; initiate or propose any stockholder proposal, whether made pursuant to Rule 14a-8 or Rule 14a-4 under the Exchange Act or otherwise, or otherwise seek the election or appointment to, or representation on, or the nomination of any candidate to, the Board except as expressly permitted by this Agreement; effect or attempt to effect the removal of any members of the Board, excluding any TRT Nominees; or induce or attempt to induce any other Person to initiate any such stockholder proposal; *provided*, however, that nothing in this Agreement will limit the ability of TRT or any TRT Controlled Party to issue any communication contemplated by Rule 14a-1(l)(2)(iv) stating how TRT or such TRT Controlled Party intend to vote and the reasons therefor with respect to any Extraordinary Transaction of any kind or nature between the Company and any Third Party;

(3) (x) seek, propose, or make any statements to any Third Party with respect to, any Extraordinary Transaction, other than in connection with any action by TRT or any TRT Controlled Party otherwise permitted by this Section 3 or (y) acquire, offer or propose to acquire, or agree to acquire, ownership of any of the assets, indebtedness or businesses of the Company or any of its Affiliates other than in connection with any action by TRT or any TRT Controlled Party otherwise permitted by this Section 3; *provided*, however, that nothing in this Section 3(a)(3) will prohibit TRT or any TRT Controlled Party from (i) owning any Bonds that are owned by TRT or any TRT Controlled Party as of the date of this Agreement, or (ii) acquiring or agreeing to acquire any Bonds or other publicly traded indebtedness of the Company, unless and to the extent all directors of the Company are restricted from acquiring or agreeing to acquire Bonds or other publicly traded indebtedness of the Company under any policy or agreement of the Company disclosed to the directors of the Company;

(4) form, join, or in any way participate in any "group" (within the meaning of Section 13(d)(3) of the Exchange Act) with respect to any Voting Securities in connection with any "election contest" with respect to the Company's directors, other than a "group" that (x) includes all or some lesser number of the Persons identified as "Reporting Persons" (or controlled Affiliates thereof) in the Schedule 13D and the signatories to this

Agreement and (y) does not include any other members who are not currently identified as Reporting Persons (or controlled Affiliates thereof) or the signatories to this Agreement;

(5) deposit any Voting Securities in any voting trust or subject any Voting Securities to any arrangement or agreement with respect to the voting of any Voting Securities, except (x) as expressly set forth in this Agreement, (y) for any such trust, arrangement or agreement solely among TRT and any TRT Controlled Party, and (z) in connection with any action by TRT or any TRT Controlled Party otherwise permitted by this Section 3;

(6) make any demand to inspect the books and records of the Company or its Subsidiaries, including pursuant to Section 220(b) of the DGCL;

(7) publicly make any proposal (including publicly disclosing or discussing any proposal) or enter into any understandings with a Third Party regarding any of the foregoing, or publicly make any proposal, statement or inquiry, or publicly disclose any intention, plan, or arrangement (whether written or oral), in each case inconsistent with any of the foregoing, or publicly disclose any request to amend, waive, or terminate any provision of this Agreement;

(8) have any discussions or communications, or enter into any arrangements, understanding, or agreements (whether written or oral) with, or advise, finance, assist, induce, or encourage, any Third Party either in connection or inconsistent with any of the foregoing provisions of this Section 3(a); or

(9) otherwise take or cause any action inconsistent with any of the foregoing provisions of this Section 3(a).

(b) Notwithstanding the foregoing provisions of this Section 3, the parties to this Agreement acknowledge and agree that:

(1) subject to Sections 1(b) and 1(k), nothing in this Agreement will (x) limit any actions that may be taken by any TRT Nominee acting as a director of the Company consistent with his fiduciary duties or as otherwise required by Legal Requirements, (y) require TRT or any Affiliate of TRT to vote in any way on matters put to stockholders of the Company for their approval except as expressly set forth in Section 2(c), or (z) in any way limit TRT's, any TRT Controlled Party's, or any of their respective Affiliates' ability to privately make suggestions, recommendations, or proposals to the Company, the Board or any of the directors of the Company;

(2) nothing in this Agreement will (x) limit the ability of TRT or any TRT Controlled Party to acquire, offer or propose to acquire, or agree to acquire Voting Securities or assets of the Company in connection with a transaction contemplated by Section 1(p), or (y) limit the ability of TRT or any TRT Controlled Party to make an offer that meets all of the requirements of a "Qualified Offer" (as such term is defined in the A&R Rights Agreement);

(3) the restrictions set forth in this Section 3 will immediately terminate and will be of no further force and effect in the event that either (x) a publicly

announced tender or exchange offer for Voting Securities which, when added to the Voting Securities Beneficially Owned by the offering Person and its Affiliates, constitute at least 51% of the Voting Securities of the Company then outstanding, is commenced within the meaning of Rule 14d-2(a) under the Exchange Act by any Third Party (a "Third Party Offer"), or (y) any Third Party makes a proposal to the Company or publicly announces a proposal with a view toward the acquisition from the Company or from other Person(s) of Voting Securities of the Company which, when added to the Voting Securities Beneficially Owned by the offering Person and its Affiliates, constitute at least 51% of the Voting Securities of the Company then outstanding or the acquisition of all or substantially all of the assets of the Company (a "Third Party Acquisition") and, in either such case in this clause (y), the Board undertakes material, substantive negotiations with such Third Party or any other Third Party with a view toward the consummation of such Third Party Acquisition or related transaction; *provided*, however, that, in the event of a Third Party Offer as described in clause (x) above, upon the date that is 90 days following the consummation, withdrawal or expiration of such Third Party Offer, the exception described in this Section 3(b)(3) will no longer apply and the restrictions set forth in Section 3(a) and any restrictions set forth in this Agreement that have been suspended will be reinstated as binding obligations of TRT and any TRT Controlled Party in accordance with the terms of this Agreement unless TRT or any TRT Controlled Party, prior to the expiration of such 90-day period, commences within the meaning of Rule 14d-2(a) under the Exchange Act a tender or exchange offer for Voting Securities which constitute at least 51% of the Voting Securities of the Company then outstanding that are not Beneficially Owned by TRT or any TRT Controlled Party, or otherwise makes a *bona fide*, fully-financed proposal to the Company with a view toward consummating an Extraordinary Transaction involving the acquisition of the Company or the acquisition of all or substantially all of the outstanding Voting Securities or assets of the Company;

(4) nothing in this Agreement will limit the ability of TRT, any TRT Controlled Party, or any of their respective Affiliates to vote its Voting Securities or engage in or in any way participate, directly or indirectly, in any "solicitation" (as such term is defined in Rule 14a-1(l) promulgated by the SEC under the Exchange Act) of proxies or consents relating to or in connection with a proposed Extraordinary Transaction between the Company and any Person who is not TRT or a TRT Controlled Party that is being submitted to a vote for the stockholders of the Company; *provided*, however, that TRT and the TRT Controlled Parties may only participate in any "solicitation" of proxies or consents relating to or in connection with a proposed Extraordinary Transaction if Rowling or any other TRT Nominee that is an Affiliate of TRT or any TRT Controlled Party has voted against such proposed Extraordinary Transaction in their capacity as members of the Board; and

(5) notwithstanding the provisions of this Section 3(b), the remaining terms of this Agreement will remain valid and binding obligations of TRT, enforceable in accordance with the terms of the Agreement.

Section 4. Dispositions of Voting Securities. Without limiting any other remedies that may be available to the Company, if TRT or any TRT Controlled Party acquires any Voting Securities in violation of Section 3(a)(1), it will promptly dispose of such Voting Securities to Persons that are not Affiliates of TRT.

Section 5. Representations and Warranties.

(a) TRT represents and warrants as follows:

(1) TRT has the power and authority to execute, deliver, and perform this Agreement and to consummate the transactions contemplated by this Agreement.

(2) This Agreement has been duly and validly authorized, executed, and delivered by TRT, constitutes a valid and binding obligation and agreement of TRT and is enforceable against TRT in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, fraudulent conveyance or similar laws affecting the enforcement of creditors' rights generally and subject to general principles of equity (regardless of whether enforcement is sought in a proceeding of law or in equity).

(3) TRT, together with all TRT Controlled Parties, has the sole power to vote the number of shares of Common Stock as set forth on Schedule D and such shares of Common Stock constitute all of the Voting Securities of the Company Beneficially Owned by TRT and the TRT Controlled Parties.

(4) To the knowledge of TRT, each of the TRT Nominees is Independent. TRT confirms that it has no knowledge of any fact or circumstance that would prevent either TRT Nominee from serving as an independent director of the Company as contemplated in Section 14 of the Bylaws.

(5) To the knowledge of TRT, each of the TRT Nominees is qualified to serve as a member of the Board.

(b) The Company hereby represents and warrants as follows:

(1) The Company has the power and authority to execute, deliver, and perform this Agreement and to consummate the transactions contemplated by this Agreement.

(2) This Agreement has been duly and validly authorized, executed, and delivered by the Company, constitutes a valid and binding obligation and agreement of the Company and is enforceable against the Company in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, fraudulent conveyance or similar laws affecting the enforcement of creditors' rights generally and subject to general principles of equity (regardless of whether enforcement is sought in a proceeding of law or in equity).

(3) None of the actions required by the terms of this Agreement to be taken by the Company or TRT through the Termination Date will cause a change of control, default, event of default, or acceleration of any award or benefit under any employee agreements or employee benefit arrangements with any employee of the Company or any of its subsidiaries or under any other material agreement to which the Company or any of its Affiliates is a party or by which any of them is bound.

(4) The Company has (x) reviewed the information contained in the Notice, the questionnaires submitted by the TRT Nominees, and the other information provided by TRT and the TRT Nominees, and, (y) assuming the completeness and accuracy of the information provided in the Notice and in the questionnaires, determined that each of the TRT Nominees is Independent, and is "independent" in accordance with the requirements of the Bylaws, the corporate governance guidelines of the Company and all other applicable rules and policies of the Company and is otherwise qualified to serve as a member of the Board.

Section 6. Specific Performance. Each of TRT and the Company acknowledges and agrees that irreparable injury to the other party to this Agreement would occur in the event any provision of this Agreement was not performed in accordance with its specific terms or was otherwise breached and that such injury would not be adequately compensable in damages. It is accordingly agreed that TRT and the Company will each be entitled to specific enforcement of, and injunctive relief to prevent any violation of, the terms of this Agreement without the posting of a bond or other security and the other party to this Agreement will not take any action, directly or indirectly, in opposition to the party seeking relief on the grounds that any other remedy or relief is available at law or in equity.

Section 7. Termination and Survival.

(a) Except as set forth in this Section 7, the provisions of this Agreement will terminate upon, and the parties will have no further obligations hereunder after, the Termination Date, except as follows:

(1) if the Termination Date is established pursuant to clause (i), (iii) or (iv) of Section 11(a)(15), then the provisions set forth in this Section 7, Section 6, Section 1(k), Section 9, Section 11, and Sections 13 through 18 and 20 through 24 will survive the termination of this Agreement in accordance with their terms; or

(2) if the Termination Date is established pursuant to clause (j) of Section 11(a)(15), then the provisions set forth in this Section 7, Section 1(g), Section 1(b), Section 1(i), Section 1(f), Section 1(k), Section 1(u), Section 6, Section 9, Section 11 and Sections 13 through 18 and 20 through 24 will survive the termination of this Agreement in accordance with their terms.

(b) Notwithstanding the foregoing, that termination of this Agreement will not preclude a party from bringing a claim against the other party to this Agreement for a breach arising prior to such termination pursuant to the terms and conditions set forth herein.

Section 8. Press Release and Other Public Disclosures. Immediately following the execution and delivery of this Agreement, the Company and TRT will issue the Press Release. None of the parties to this Agreement will (a) make any public statements (including in any filing with the SEC or any other regulatory or governmental agency, including any stock exchange, that are inconsistent with, or otherwise contrary to, the statements in the Press Release issued pursuant to this Section 8; or (b) except as required by applicable law, issue or cause the publication of any press release or other public announcement with respect to this Agreement, without the prior written consent of the other party to this Agreement.

Section 9. Release.

(a) TRT, for itself and the TRT Controlled Parties, and the assigns and successors, past and present, of any of the foregoing (each individually, a “TRT Releasing Party”) does hereby expressly, absolutely and forever fully release and discharge the Company and each Affiliate, officer, director, stockholder, agent, employee, attorney, assign, predecessor, and successor, past and present, of the Company (each individually, a “Company Released Party”) from, and forever fully releases and discharges each Company Released Party of, any and all rights, claims, warranties, demands, debts, obligations, liabilities, costs, attorneys’ fees, expenses, suits, losses, and causes of action (“Claims”) of any kind or nature whatsoever (including those arising under contract, statute or common law and whether federal, state, or local in nature), whether known or unknown, contingent or absolute, suspected or unsuspected, arising in respect of or in connection with (1) the Proxy Solicitation, (2) the nomination and election of directors at the 2009 Annual Meeting, (3) the Delaware Litigation and the allegations made therein, (4) the Demand and any issues, requests or demands related thereto, and (5) TRT or any TRT Controlled Party being a direct or indirect holder of any Voting Securities or other securities of the Company or any of its Affiliates at any time prior to the date of this Agreement, or being a stockholder or holder of indebtedness of the Company or any of its Affiliates at any time prior to the date of this Agreement, in each case that any TRT Releasing Party ever had or owned arising at any time prior to the date of this Agreement; *provided*, however, that the foregoing release does not apply to (x) any Claim relating to the performance of obligations under this Agreement or for breach of or to enforce this Agreement and (y) any Claims that cannot be waived by law (the Claims referred to in clauses (x) and (y) together, the “TRT Excluded Claims”). The Claims released pursuant to this Section 9(a) are referred to herein as “TRT Claims.” TRT, on behalf of itself and the TRT Releasing Parties, hereby acknowledges full and complete satisfaction of, and irrevocably covenants to refrain from asserting any claim or demand, or commencing, instituting or causing to be commenced, any proceeding of any kind against any Company Released Party based upon any TRT Claim. TRT represents and warrants to the Company that there has been no assignment or other transfer of any interest in any TRT Claim and that it has full power and right to release, waive and agree never to assert the TRT Claims.

(b) The Company, for itself and its Affiliates, officers, directors, assigns, agents, and successors, past and present (each individually, a “Company Releasing Party”) does hereby expressly, absolutely and forever fully release and discharge TRT and each Affiliate, officer, director, stockholder, agent, employee, nominees in connection with the Proxy Solicitation, attorney, assign, predecessor, and successor, past and present of TRT (each individually, a “TRT Released Party”) from, and forever fully releases and discharges each TRT Released Party of, any and all Claims of any kind or nature whatsoever (including those arising under contract, statute or common law and whether federal, state, or local in nature), whether known or unknown, contingent or absolute, suspected or unsuspected, arising in respect of or in connection with (1) the Proxy Solicitation, (2) the nomination and election of directors at the 2009 Annual Meeting, (3) the Delaware Litigation and the allegations made therein, (4) the Demand and any issues, requests or demands related thereto, and (5) the Schedule 13D, in each case that any Company Releasing Party ever had or owned arising at any time prior to the date of this Agreement; *provided*, however, that the foregoing release does not apply to (x) any Claim relating to the performance of obligations under this Agreement or for breach of or to enforce

this Agreement and (y) any Claims that cannot be waived by law (the Claims referred to in clauses (x) and (y) together, the “*Company Excluded Claims*”). The Claims released pursuant to this Section 9(b) are referred to herein as “*Company Claims*.” The Company, on behalf of itself and the Company Releasing Parties, hereby acknowledges full and complete satisfaction of, and irrevocably covenants to refrain from asserting any claim or demand, or commencing, instituting or causing to be commenced, any proceeding of any kind against any TRT Released Party based upon any Company Claim. The Company represents and warrants to TRT that there has been no assignment or other transfer of any interest in any Company Claim and that it has full power and right to release, waive and agree never to assert the Company Claims.

(c) The parties to this Agreement hereby acknowledge and agree that the TRT Released Parties and the Company Released Parties are intended third party beneficiaries of the provisions of this Section 9 and may take any and all action to enforce the obligations and agreements of the releasing parties set forth in this Section 9.

Section 10. Non-Disparagement; Cooperation.

(a) The Company (on its own behalf and on behalf of its Representatives (insofar as they are acting for or on behalf of the Company or any of its Affiliates), while they are serving as such, and on behalf of its Affiliates and their Representatives (collectively, the “*Company Group*”, and, each individually, a “*member of the Company Group*”)) agrees that, from the date hereof until the Termination Date, no member of the Company Group will directly or indirectly, individually or in concert with others, engage in any conduct or solicit, make, or cause to be made, any statement or opinion or communicate any information (whether oral or written) (collectively, “*Conduct*”) that is calculated to or reasonably could be expected to have the effect of (1) undermining, impugning, disparaging, or otherwise in any way reflecting adversely or detrimentally upon any member of the TRT Group (defined below) or any of TRT’s nominees in the Proxy Solicitation or (2) accusing or implying that any member of the TRT Group or any of TRT’s nominees in the Proxy Solicitation engaged in any wrongful, unlawful, or improper conduct; except, in each case, with respect to any Company Excluded Claim. The foregoing will not apply to (w) any good faith Conduct by any member of the Company Group in connection with and reasonably related to any proposal, event, circumstance, or transaction contemplated by Sections 3(b)(2)(y), 3(b)(3), and 3(b)(4); (x) non—public oral statements made by the Company or its executive officers or directors directly to TRT or its Representatives, (y) any compelled testimony or production, either by legal process, subpoena or otherwise and (z) any response to any request for information from any governmental authority having jurisdiction over any member of the Company Group so long as no action of any member of the Company Group invited or suggested such request; *provided*, however, in the event that any member of the Company Group is requested pursuant to, or required by, applicable law, regulation, or legal process to testify or otherwise respond to a request for information from any governmental authority, the Company will notify TRT promptly (to the extent allowed by any such law, regulation or legal process) so that TRT may seek a protective order or other appropriate remedy or, in TRT’s sole discretion, waive compliance with the terms of this Section 10(a). In the event that no such protective order or other remedy is obtained, or TRT waives compliance with the terms of this Section 10(a), the member of the Company Group will furnish only such information as it has been advised by counsel is legally required and will

exercise reasonable efforts to obtain reliable assurance that such information will be accorded confidential treatment.

(b) TRT (on its own behalf and on behalf of its respective Representatives, insofar as they are acting for or on behalf of TRT, and on behalf of all TRT Controlled Parties and their Representatives, insofar as they are acting for or on behalf of any TRT Controlled Party (collectively, the “TRT Group”, and, each individually, a “member of the TRT Group”)) agrees that, from the date hereof until the Termination Date, no member of the TRT Group will directly or indirectly, individually or in concert with others, engage in any conduct or solicit, make, or cause to be made, any statement, observation or opinion or communicate any information (whether oral or written) that is calculated to or reasonably could be expected to have the effect of (1) undermining, impugning, disparaging, or otherwise in any way reflecting adversely or detrimentally upon any member of the Company Group or (2) accusing or implying that the Company or any member of the Company Group engaged in any wrongful, unlawful, or improper conduct; except, in each case, with respect to any TRT Excluded Claim. The foregoing will not apply to (w) any good faith Conduct by any member of the TRT Group in connection with and reasonably related to any proposal, event, circumstance, or transaction contemplated by Sections 3(b)(2)(y), 3(b)(3), and 3(b)(4); (x) non—public oral statements made by any member of the TRT Group directly to the Company or to the Company’s Representatives, (y) any compelled testimony or production, either by legal process, subpoena or otherwise and (z) any response to any request for information from any governmental authority having jurisdiction over any member of the TRT Group so long as no action of any member of the TRT Group invited or suggested such request; *provided*, however, in the event that any member of the TRT Group is requested pursuant to, or required by, applicable law, regulation, or legal process to testify or otherwise respond to a request for information from any governmental authority, TRT will notify the Company promptly (to the extent allowed by any such law, regulation or legal process) so that the Company may seek a protective order or other appropriate remedy or, in the Company’s sole discretion, waive compliance with the terms of this Section 10(b). In the event that no such protective order or other remedy is obtained, or the Company waives compliance with the terms of this Section 10(b), the member of the TRT Group will furnish only such information as it has been advised by counsel is legally required and will exercise reasonable efforts to obtain reliable assurance that such information will be accorded confidential treatment.

(c) The Company and TRT agree, on behalf of themselves and their controlled Affiliates, that they will cooperate reasonably and in good faith to (1) make any filing, give any notice, and obtain any consent or approval required from any governmental authority, judicial tribunal, or other Person, public or private, necessary in connection with the execution, delivery, and performance of this Agreement or the election to the Board of, and the service on the Board by, the TRT Nominees and (2) address and resolve any legal or regulatory issue that may arise out of or relate to the execution, delivery, or performance of this Agreement by either party or the election to the Board of, and service on the Board by, the TRT Nominees.

Section 11. Construction.

(a) As used in this Agreement the term:

(1) "Affiliates" has the meaning set forth in Rule 12b-2 under the Exchange Act and will include Persons who become Affiliates of any Person subsequent to the date hereof;

(2) "Associates" has the meaning set forth in Rule 12b-2 under the Exchange Act and will include Persons who become Associates of any Person subsequent to the date hereof;

(3) The terms "Beneficial Owner" and "Beneficially Own" will have the same meanings as set forth in the A&R Rights Agreement;

(4) "Bonds" means the Company's 8% Senior Notes due November 15, 2013 and 6.75% Senior Notes due November 15, 2014;

(5) "Confidential Information" means any nonpublic information relating to the Company and its Affiliates' businesses and operations that might be of use to competitors of the Company or any of its Affiliates, or harmful to the Company or any of its Affiliates or customers. The term "Confidential Information" will not include information which (a) is or becomes generally available to the public, other than as a result of a disclosure by TRT, any TRT Controlled Party, any TRT Nominee or any Representative of any of the foregoing; (b) was available to TRT, such TRT Controlled Party, such TRT Nominee or such Representative on a non-confidential basis prior to its disclosure by or on behalf of the Company or any of its Affiliates; *provided* that the source of such information was not known by TRT, such TRT Controlled Party, such TRT Nominee or such Representative, after reasonable inquiry, to be bound by a confidentiality agreement with, or other contractual, legal or fiduciary obligation of confidentiality to, the Company or any of its Affiliates; (c) is or becomes available to TRT, such TRT Controlled Party, such TRT Nominee or such Representative on a non-confidential basis from a source other than the Company or any of its Affiliates or Representatives; *provided* that such source was not known by TRT, such TRT Controlled Party, such TRT Nominee or such Representative, after reasonable inquiry, to be bound by a confidentiality agreement with, or other contractual, legal or fiduciary obligation of confidentiality to, the Company or any of its Affiliates; or (d) is or was independently developed or discovered by TRT, such TRT Controlled Party, such TRT Nominee or such Representative without use of or reference to the Confidential Information;

(6) "Exchange" means the New York Stock Exchange or such other principal national securities exchange on which the Company's Common Stock is admitted or listed for trading;

(7) "Extraordinary Transaction" means any merger, consolidation, business combination, tender or exchange offer, sale or purchase of a substantial amount of assets other than in the ordinary course of business, sale or purchase of securities, dissolution, liquidation, restructuring, recapitalization, or similar transaction with or involving the Company or any of its Affiliates;

(8) "Independent" means that a Person satisfies the requirements for being an independent director of the Company pursuant to applicable requirements of the Exchange and the SEC;

(9) "Legal Requirements" means (i) rules and regulations of the SEC, (ii) rules and regulations of the Exchange, (iii) applicable law, and (iv) to the extent necessary, case law and statutory law with respect to "disinterestedness";

(10) "Permitted Recipient" means each of Rowling, James D. Caldwell, Michael G. Smith, Brandon Bean, Greg Crooks, and Blake Rowling (and their successors from time to time) and any individual approved of in writing by the General Counsel of the Company from time to time, *provided* that each such person agrees to be bound to the same extent as Rowling and TRT with respect to the obligations concerning Confidential Information under this Agreement as though a party to this Agreement;

(11) "Person" means any individual, partnership, corporation, group, syndicate, trust, government or agency thereof, or any other association or entity;

(12) "Representative" of a Person means that Person's directors, officers, employees, accountants, financial advisors, legal advisors and other agents;

(13) "Rowling" means Robert B. Rowling, an individual residing in the State of Texas;

(14) "SEC" means the Securities and Exchange Commission;

(15) "Termination Date" means the earliest to occur of (i) the consummation of a Qualified Offer (as defined in the A&R Rights Agreement), (ii) May 15, 2011, (iii) the date of the resignation of the last TRT Nominee remaining on the Board pursuant to Section 1(u), or (iv) a material breach by the Company of this Agreement that has not been cured within 30 days of written notice of such material breach from TRT to the Company specifying in reasonable detail the nature of such material breach; *provided*, however, that if the Company notifies TRT within such 30-day period that it disputes either the occurrence of such material breach or whether such material breach has been cured, which notice will be in writing specifying in reasonable detail the basis for the dispute, then the Termination Date pursuant to this clause (iv) will be the rendering of a final arbitration award pursuant to Section 19 finding the occurrence of such material breach and the Company's failure to cure such material breach within such 30-day period;

(16) "Third Party" means any Person other than (i) TRT, any TRT Controlled Party, the TRT Nominees, the Company, the Board or any director or officer of the Company and (ii) legal counsel to TRT, *provided*, that any discussions or other communications between TRT and its legal counsel including with respect to matters contemplated by this Agreement will be subject to attorney-client privilege, which privilege will not be waived;

(17) "TRT Controlled Party," means Rowling, and any Affiliate or Associate of TRT or Rowling over which TRT or Rowling, directly or indirectly, exercises, or has the ability to exercise, control; and

(18) "Voting Securities" means the Company's Common Stock and any other securities of the Company entitled to vote in the election of directors, or securities convertible into, or exercisable or exchangeable for Common Stock.

(b) Unless the context otherwise clearly requires:

- (1) the word "or" will not be exclusive;
- (2) inclusion of items in a list will not be deemed to exclude other similar terms;
- (3) all parties will be considered to have drafted this Agreement together, with the benefit of counsel, and no provision will be strictly construed against any Person by reason of having drafted such provision;
- (4) the word "include" and its derivations means to include without limitation;
- (5) use of terms that imply gender will include all genders;
- (6) defined terms will have their meanings in the plural and singular case;
- (7) reference to Sections, Schedules, and Exhibits, if any, is to the Sections, Schedules, and Exhibits to this Agreement;
- (8) the headings in this Agreement are for convenience and reference only and are not part of the substance of this Agreement;
- (9) the word "will" will not be deemed to be a mere prediction of future occurrences; and
- (10) any provisions of this Agreement pertaining to the voting of shares of Voting Securities will apply equally to actions to be taken without a meeting by written consent.

Section 12. Expenses. As promptly as practicable after the date hereof but in no event later than March 13, 2009, the Company will reimburse TRT for one-half of its expenses incurred in connection with the Proxy Solicitation, the Demand, the Delaware Litigation, the preparation of this Agreement, and other related matters, up to a maximum aggregate reimbursement of \$200,000.

Section 13. TRT Liability. TRT will be liable for any breach by any TRT Controlled Party, any Permitted Recipient, any TRT Nominee, any non-voting advisory or emeritus director appointed pursuant to Section 1(g) or of any Representative of any of the foregoing of his or its obligations under this Agreement.

Section 14. No Waiver; Amendment. Any waiver by any party of a breach of any provision of this Agreement will not operate as or be construed to be a waiver of any other breach of such provision or of any breach of any other provision of this Agreement. The failure of a party to insist upon strict adherence to any term of this Agreement on one or more occasions will not be considered a waiver or deprive that party of the right thereafter to insist upon strict adherence to that term or any other term of this Agreement. This Agreement may be amended and the provisions of this Agreement waived only by a written instrument duly executed by the parties or their respective successors or assigns.

Section 15. Successors and Assigns. Neither this Agreement nor any right, interest or obligation hereunder may be assigned by any party hereto without the prior written consent of the other parties hereto, and any attempt to do so will be void. Subject to the preceding sentence, all the terms and provisions of this Agreement will inure to the benefit of and will be enforceable by the successors and assigns of the parties hereto.

Section 16. Entire Agreement; Amendments. This Agreement and the confidentiality agreement, dated as of January 30, 2009 by and between TRT and the Company, contain the entire understanding of the parties with respect to the subject matter hereof and thereof. There are no prior written or prior or contemporaneous oral restrictions, agreements, promises, representations, warranties, covenants, or other undertakings other than those expressly set forth in this Agreement and in such confidentiality agreement.

Section 17. Notices. All notices, demands, and other communications to be given or delivered under or by reason of the provisions of this Agreement must be in writing and will be deemed to have been given (a) when delivered by hand (with written confirmation of receipt); (b) upon sending if sent by electronic mail or facsimile, with electronic confirmation of sending, *provided*, however, that a copy is sent on the same day by registered mail, return receipt requested, in each case to the appropriate mailing and electronic mail or facsimile addresses set forth below; (c) one day after being sent by nationally recognized overnight carrier to the addresses set forth below; or (d) when actually delivered if sent by any other method that results in delivery (with written confirmation of receipt):

If to the Company:

Gaylord Entertainment Company
One Gaylord Drive
Nashville, Tennessee 37214
Attn: Carter Todd, Esq.
Facsimile: (615) 316-6544

with a copy to (which will not constitute notice):

Bass, Berry & Sims PLC
315 Deaderick Street
Suite 2700
Nashville, Tennessee 37238
Attn: F. Mitchell Walker, Jr., Esq.
Facsimile: (615) 742-2775

If to TRT:

TRT Holdings, Inc.
600 E. Las Colinas Blvd.
Suite 1900
Irving, Texas 75039
Attn: James D. Caldwell, Esq.
Michael G. Smith, Esq.
Facsimile: (214) 283-8501

with a copy to (which will not constitute notice):

Fulbright & Jaworski L.L.P.
2200 Ross Avenue
Suite 2800
Dallas, Texas 75201
Attn: Glen J. Hettinger
Facsimile: (214) 855-8200

in each case, or to such other address as the Person to whom notice is given may have previously furnished to the others in writing in the manner set forth above.

Section 18. Governing Law; Jurisdiction; Forum. This Agreement, and any claims arising out of, relating to or associated with this Agreement will be governed by and construed and enforced in accordance with the laws of the State of Delaware without reference to the conflict of laws principles or any other principle that could require the application of the laws of any other jurisdiction. Each of the parties (a) agrees that, subject to Section 19, it will not bring any suit, action or proceeding arising out of, relating to or associated with this Agreement in any court other than the federal or state courts of the States of Delaware, Tennessee and Texas, (b) in the event of the commencement of any suit, action or proceeding brought by another party to this Agreement in one of the jurisdictions specified in the preceding clause (a), consents to submit itself to the personal jurisdiction of the federal or state courts in the state in which such suit, action or proceeding is brought, (c) agrees that it will not attempt to deny or defeat such personal jurisdiction by motion or other request for leave from any such court, and (d) irrevocably waives, and agrees not to assert, to the fullest extent permitted by applicable law, that (1) the suit, action or proceeding in any such court is brought in an inconvenient forum, (2) the venue of such suit, action or proceeding is improper or (3) this Agreement, or the subject matter hereof, may not be enforced in or by such courts.

Section 19. Arbitration.

(a) In the event that TRT alleges any material breach of this Agreement by the Company, the determination of whether such material breach has occurred or whether such material breach has been cured within 30 days following written notice thereof to the Company will be made by binding arbitration as set forth in this Section 19. Unless the parties mutually

agree otherwise, such arbitration will be conducted in Wilmington, Delaware under the American Arbitration Association Commercial Arbitration Rules with Expedited Procedures in effect on the date of this Agreement, except as modified by this [Section 19](#). There will be a single arbitrator appointed in accordance with Rule E-4 of the Commercial Arbitration Rules, unless the parties agree otherwise.

(b) There will be no substantive motions or discovery, except that the arbitrator may authorize such discovery to the extent necessary to ensure a fair hearing.

(c) The arbitrator will apply the laws of the State of Delaware and will enter a judgment only on the issues of whether a material breach of this Agreement has occurred and, if so, whether such material breach has been cured within 30 days following written notice thereof to the Company. The arbitrator will not have the power to award any other remedy or judgment, including any other remedy or judgment that could be awarded by a court of law in any court having jurisdiction pursuant to [Section 18](#). The award rendered by arbitration will be final and binding upon the parties hereto, and final judgment on the arbitration award may be entered in any court having jurisdiction pursuant to [Section 18](#) of this Agreement.

(d) Each party will bear its own expenses with respect to arbitration and the parties will share equally the fees and expenses of the American Arbitration Association and the arbitrator.

Section 20. [Counterparts](#). This Agreement may be executed in counterparts, each of which will be an original, but all of which together will constitute one and the same Agreement.

Section 21. [No Admission](#). Nothing contained herein will constitute an admission by any party of liability or wrongdoing.

Section 22. [Severability](#). If any provision of this Agreement or the application of such provision to any Person or circumstance is determined by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions of this Agreement, or the application of such provision to Persons or circumstances other than those as to which it has been held invalid or unenforceable, will remain in full force and effect and will in no way be affected, impaired, or invalidated thereby, so long as the economic or legal substance of the transactions contemplated by this Agreement is not affected in any manner materially adverse to any party. Upon such determination, the parties will negotiate in good faith in an effort to agree upon a suitable and equitable substitute provision to effect the original intent of the parties.

Section 23. [Further Assurances](#). Each party agrees that it will execute and provide, at the request of the other party, any and all such other documents or other written instruments as may be reasonably necessary to effectuate the purposes of this Agreement.

Section 24. [Third Party Beneficiaries](#). Unless otherwise specifically set forth in this Agreement, nothing contained in this Agreement will create any rights in, or be deemed to have been executed for the benefit of, any Person that is not a party hereto or a successor or permitted assignee of such party.

[Remainder of page intentionally left blank.]

GAYLORD ENTERTAINMENT COMPANY

By: /s/ Colin V. Reed
Name: Colin V. Reed
Title: Chairman and Chief Executive Officer

TRT HOLDINGS, INC.

By: /s/ James D. Caldwell
Name: James D. Caldwell
Title: President

[Signature page to Settlement Agreement]

A&R Rights Agreement

Filed as Exhibit 4.1 to the Company's Current Report on Form 8-K filed on March 10, 2009.

Board/Committee Appointments

Executive Committee

Chief Executive Officer of the Company
Lead Director
Robert B. Rowling (or if not then a director of the Company, another TRT Nominee)
Two Independent directors

Human Resources Committee

Robert B. Rowling (or if not then a director of the Company, another TRT Nominee)

Nominating and Corporate Governance Committee

David W. Johnson, or another TRT Nominee

Conflicts Committee

Three Independent directors (excluding any TRT Nominee)

**Gaylord Entertainment Company and TRT Holdings Inc.
Settle Proxy Contest**

Filed as Exhibit 99.1 to the Company's Current Report on Form 8-K filed on March 10, 2009.

**Beneficial Ownership of Shares of Common Stock, par value \$0.01 per share,
of Gaylord Entertainment Company ("Common Stock")**

As of the date of the Settlement Agreement, TRT, together with all TRT Controlled Parties, has the sole power to vote the number of shares of Common Stock as set forth in the table below and such shares of Common Stock constitute all of the Voting Securities of the Company Beneficially Owned by TRT and the TRT Controlled Parties.

<u>Name</u>	<u>Number of Shares</u>
TRT	6,131,930

GAMCO Asset Management, Inc.
One Corporate Center
Suite 1900
Rye, New York 10580-1435-1422

March 9, 2009

Gaylord Entertainment Company
One Gaylord Drive
Nashville, Tennessee 37214
Attn: Carter Todd, Esq.

Ladies and Gentlemen:

This letter constitutes the agreement (the "**Agreement**") between Gaylord Entertainment Company (the "**Company**") on the one hand, and GAMCO Asset Management, Inc. ("**GAMCO**"), with respect to the matters set forth below:

1. **Board Matters.** The Company agrees that the Company and the Company's Board of Directors (the "**Board**") will increase the size of the Board to eleven directors, and will cause the slate of nominees standing for election, and recommended by the Board, at the 2009 annual meeting of shareholders of the Company (the "**2009 Annual Meeting**") to include (i) seven incumbent directors (the "**Incumbent Nominees**"), (ii) each of Glenn Angiolillo and Robert S. Prather, Jr. (the "**GAMCO Nominees**") and (iii) two other independent directors satisfactory to the Company and another holder of Company common stock (such four directors, together with the seven incumbent directors, the "**2009 Nominees**"). GAMCO will, and will cause each of its controlled affiliates to, vote all shares of Voting Securities that it is entitled to vote at the 2009 Annual Meeting in favor of the election of each of the 2009 Nominees (including the GAMCO Nominees) at the 2009 Annual Meeting. GAMCO will use its reasonable best efforts to cause the GAMCO Nominees to cooperate fully with the Company in connection with the Company's process for selecting, evaluating and appointing directors to serve on the Board. If, prior to the 2010 annual meeting of shareholders of the Company, either Glenn Angiolillo and Robert S. Prather, Jr. (or any replacement thereof) (each, a "**GAMCO Nominee**") is unable or unwilling to serve as a director, then GAMCO (and no other person, group, or entity) shall select a replacement director, and the Company shall take any and all action to fill such vacancy with such replacement director, subject to the reasonable determination of the Nominating and Corporate Governance Committee that any proposed replacement meets the independence and qualification standards with respect to serving as a director. The Company represents and warrants the execution, delivery and performance of this Agreement will not cause a default or event of default under any material agreement to which the Company or any of its subsidiaries is a party.

2. **Withdrawal of Nominations; Termination of Proxy Solicitation.** GAMCO has submitted to the Company notice by letters dated February 3, 2009, and February 5, 2009 (collectively, the "**Notice**") of its intention to nominate four individuals for election to the Board at the 2009 Annual Meeting. Subject to the Company's compliance with Section 1 hereof, GAMCO hereby withdraws these nominations and the related Notice. Concurrently with the execution of this Agreement, GAMCO will cease, and will cause all of its controlled affiliates to cease, any and all efforts with respect to any proxy solicitation in connection with such nominations, except as provided in Section 1.

3. **Role of GAMCO Nominees.** The Company agrees that each of the GAMCO Nominees, upon election or appointment to the Board, will serve as an integral member of the Board and will be governed by the same protections and obligations regarding confidentiality, conflicts of interest, fiduciary duties, trading and disclosure policies, and other governance guidelines, and will have the same rights and benefits, including with respect to insurance coverage, indemnification and contribution rights, exculpation, advancement of expenses, and compensation and fees, access to personnel and information as are applicable to all independent directors of the Company. So long as any GAMCO Nominee is a member of the Board, the Company will appoint a GAMCO Nominee to each committee of the Board.

4. **Rights Agreement.** The Company represents and warrants that it has amended and restated, subject to the execution of this Agreement, that certain Rights Agreement, dated August 12, 2008, by and between the Company and Computershare Trust Company, N.A. (the "**Rights Agreement**"), in order to permit a "qualified offer," as such term will be defined in the amended and restated Rights Agreement, and to increase the triggering ownership percentage under the Rights Agreement to 22% of the outstanding shares of common stock of the Company. A copy of the Rights Agreement, as so amended, is attached hereto as Exhibit A. Effective upon the amendment to the Rights Agreement, GAMCO hereby withdraws its stockholder proposal, dated August 18, 2008, recommending redemption of the rights issued pursuant to the Rights Agreement. To the best of the Company's knowledge, the Rights Agreement has not been triggered on or before the execution of this Agreement.

5. **Indemnification.** In connection with the GAMCO Nominees' indemnification rights, the Company agrees to pay all expenses (including attorney's fees) incurred by a GAMCO Nominee, who, at the time of such action, suit or proceeding, is a former director, to the same extent as if he or she was a present director of the Company.

6. **Press Release.** A copy of the press release to be issued immediately after the execution of this Agreement is attached hereto as Exhibit B. The Company shall consult with GAMCO before issuing any other press release with respect to this Agreement or any GAMCO Nominee.

7. **Specific Performance.** Each of GAMCO and the Company acknowledges and agrees that irreparable injury to the other party to this Agreement would occur in the event any provision of this Agreement was not performed in accordance with its specific terms. It is accordingly agreed that GAMCO and the Company will each be entitled to specific enforcement of, and injunctive relief to prevent any violation of, the terms of this Agreement, and in either case no bond or other security shall be required in connection therewith.

8. **Governing Law; Entire Agreement.** This Agreement, and any claim arising out of, relating to or associated with this Agreement will be governed by and construed and enforced in accordance with the laws of the State of Delaware without reference to the conflict of laws principles or any other principle that could require the application of the laws of any other jurisdiction. This Agreement contains the entire understanding of the parties with respect to the subject matter hereof.

GAMCO ASSET MANAGEMENT, INC.

By: /s/ Peter D. Goldstein
Name: Peter D. Goldstein
Title: Director of Regulatory Affairs

Accepted and agreed:

GAYLORD ENTERTAINMENT COMPANY

By: /s/ Carter R. Todd
Name: Carter R. Todd
Title: Executive Vice President, General Counsel And Secretary

Rights Agreement

Filed as Exhibit 4.1 to the Company's Current Report on Form 8-K filed on March 10, 2009.

Press Release

Filed as Exhibit 99.1 to the Company's Current Report on Form 8-K filed on March 10, 2009.



**GAYLORD ENTERTAINMENT REACHES AGREEMENTS WITH TWO MAJOR
SHAREHOLDERS ON BOARD NOMINEES AND SHAREHOLDER RIGHTS PLAN**

NASHVILLE, TN — March 9, 2009 — Gaylord Entertainment Co. (NYSE: GET) today announced that it has reached agreements with TRT Holdings, Inc., a major shareholder, and GAMCO Asset Management Inc., a money manager that owns shares of Gaylord on behalf of its clients, on Gaylord's board nominees for the 2009 Annual Meeting and on amendments to Gaylord's shareholder rights plan. Under the agreements, TRT and GAMCO will withdraw their previous board nominations and resolutions and vote their shares for Gaylord's nominees.

Gaylord will increase the size of its board from nine to 11 directors. The Gaylord nominees will include seven current directors, TRT nominees Robert Rowling and David Johnson, and GAMCO nominees Robert S. Prather, Jr. and Glenn J. Angiolillo. The current directors who will stand for reelection are Colin V. Reed, Michael Bender, E. K. Gaylord II, Ralph Horn, Ellen Levine, Michael D. Rose and Michael I. Roth.

Gaylord will amend its shareholder rights plan to increase the ownership trigger from 15% to 22% and to include a "qualifying offer" exception for fully financed offers that are (i) valued at least 25% above the Company's then current and 12-month moving average stock prices and (ii) receive tenders of at least 51% of shares not owned by the potential acquirer.

TRT has agreed to a standstill agreement through May 15, 2011 under which it will support Gaylord's board slate including two TRT designees. The agreement also includes non-disparagement provisions.

"We are pleased to have reached agreements with two major shareholders that are in the best interests of all Gaylord shareholders and will avoid the significant costs and distraction of a proxy contest," said Colin V. Reed, chairman and chief executive officer of Gaylord Entertainment. "We look forward to the insights and experience these four new directors will bring to the board and to working together to enhance value for all shareholders in today's difficult operating environment."

"We appreciate the efforts of management in working with us to reach this agreement and avoid a proxy contest," said Robert Rowling, owner of TRT Holdings. "We are looking forward to working with Colin and his team to continue building Gaylord and creating value for all shareholders."

TRT and GAMCO and its affiliates, own approximately 14.9% and 13.36%, respectively, of Gaylord's outstanding shares.

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About Gaylord Entertainment

Gaylord Entertainment (NYSE: GET), a leading hospitality and entertainment company based in Nashville, Tenn., owns and operates Gaylord Hotels (www.gaylordhotels.com), its network of upscale, meetings-focused resorts, and the Grand Ole Opry (www.opry.com), the weekly showcase of country music's finest performers for more than 80 consecutive years. The Company's entertainment brands and properties include the Radisson Hotel Opryland, Ryman Auditorium, General Jackson Showboat, Gaylord Springs Golf Links, Wildhorse Saloon, and WSM-AM. For more information about the Company, visit www.GaylordEntertainment.com.

Gaylord Entertainment Company (the "Company") and its directors and certain executive officers may be deemed to be participants in the solicitation of proxies from stockholders in connection with the Company's 2009 Annual Meeting of Stockholders (the "Annual Meeting"). The Company plans to file a proxy statement with the Securities and Exchange Commission (the "SEC") in connection with the solicitation of proxies for the Annual Meeting (the "2009 Proxy Statement"). Information regarding the names of these directors and executive officers and their respective interests in the Company by security holdings or otherwise is set forth in soliciting material filed by the Company with the SEC pursuant to Rule 14a-12 under the Securities Exchange Act of 1934 on February 5, 2009, which may be obtained free of charge at the SEC's website at <http://www.sec.gov> and the Company's website at <http://www.gaylordentertainment.com>. Additional information regarding the interests of such potential participants will be included in the 2009 Proxy Statement and other relevant documents to be filed with the SEC in connection with the Annual Meeting.

Promptly after filing its definitive 2009 Proxy Statement for the Annual Meeting with the SEC, the Company will mail the definitive 2009 Proxy Statement and a proxy card to each stockholder entitled to vote at the Annual Meeting. WE URGE INVESTORS TO READ THE 2009 PROXY STATEMENT (INCLUDING ANY SUPPLEMENTS THERETO) AND ANY OTHER RELEVANT DOCUMENTS THAT THE COMPANY WILL FILE WITH THE SEC WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION. Stockholders will be able to obtain, free of charge, copies of the 2009 Proxy Statement and any other documents filed by the Company with the SEC in connection with the Annual Meeting at the SEC's website at <http://www.sec.gov>, at the Company's website at <http://www.gaylordentertainment.com> or by contacting Mark Fioravanti, Gaylord Entertainment Company, One Gaylord Drive, Nashville, TN 37214.

This press release contains statements as to the Company's beliefs and expectations of the outcome of future events that are forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. These forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from the statements made. These include the risks and uncertainties associated with economic conditions affecting the hospitality business generally, the timing of the opening of new hotel facilities, increased costs and other risks associated with building and developing new hotel facilities, the geographic concentration of our hotel properties, business levels at the Company's hotels, our ability to successfully operate our hotels and our ability to obtain financing for new developments. Other factors that could cause operating and financial results to differ are described in the filings made from time to time by the Company with the Securities and Exchange Commission and include the risk factors described in our Annual Report on Form 10-K for the fiscal year ended December 31, 2008. The Company does not undertake any obligation to release publicly any revisions to forward-looking statements made by it to reflect events or circumstances occurring after the date hereof or the occurrence of unanticipated events.

Investor Relations Contacts:	Media Contacts:
David Kloppel, President and CFO	Brian Abrahamson, Vice President of Corporate Communications
Gaylord Entertainment	Gaylord Entertainment
(615) 316-6101	(615) 316-6302
dkloppel@gaylordentertainment.com	babrahamson@gaylordentertainment.com
~*~	~*~
Mark Fioravanti, Senior Vice President of Finance and Treasurer	Josh Hochberg
Gaylord Entertainment	Sloane & Company
615-316-6588	(212) 446-1892
mfioravanti@gaylordentertainment.com	jhochberg@sloanepr.com