UAL CORP /DE/
Form 424B5
November 17, 2009
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Filed pursuant to Rule 424(b)(5)
Registration No. 333-143865

Calculation of Registration Fee

Title of Each Class of Securities Offered	Maximum Aggregate Offering Price	Amount of Registration Fee(1)
Pass Through Certificates, Series 2009-2	$810,337,000	$45,216.8046

(1) Calculated in accordance with Rule 457(r) of the Securities Act of 1933.

PROSPECTUS SUPPLEMENT

(To Prospectus dated June 19, 2007)

$810,337,000

United Air Lines, Inc.

2009-2 Pass Through Trusts

PASS THROUGH CERTIFICATES, SERIES 2009-2

This prospectus supplement relates to new pass through certificates to be issued by two separate pass through trusts to be formed by United. Each certificate will represent an interest in a pass through trust. The certificates do not represent interests in or obligations of United or any of its affiliates.

The proceeds from the sale of the certificates will initially be held in escrow. The pass through trusts will use the escrowed funds to acquire equipment notes. The equipment notes will be issued by United to finance seventeen (17) Airbus aircraft and twenty (20) Boeing aircraft owned by United. Payments on the equipment notes held in each pass through trust will be passed through to the certificateholders of such trust.

Interest on the equipment notes held in the related pass through trust will be payable on January 15 and July 15 of each year, beginning on July 15, 2010. Principal paid on the equipment notes will be payable on January 15 and July 15 in scheduled years, beginning on July 15, 2010.

Distributions on the certificates will be subject to certain subordination provisions as described herein.

Goldman Sachs Bank USA will provide a liquidity facility for each of the Class A and Class B certificates. The liquidity facilities are expected to provide an amount sufficient to pay up to three semiannual interest payments on the certificates of the related pass through trust.

The payment obligations of United under the equipment notes will be fully and unconditionally guaranteed by UAL Corporation. The Class B certificates will be subject to transfer restrictions. They may be sold only to qualified institutional buyers, as defined in Rule 144A under the Securities Act of 1933, as amended, for so long as they are outstanding.

Investing in the pass through certificates involves risks. See RISK FACTORS beginning on page S-16.

Pass Through Certificates	Face Amount	Interest Rate	Final Expected Distribution Date	Price to Public[(1)]
Class A	$697,731,000	9.750%	January 15, 2017	100%
Class B	$112,606,000	12.000%	January 15, 2016	100%

(1) Plus accrued interest, if any, from the date of issuance.

The underwriters will purchase all of the certificates if any are purchased. The aggregate proceeds from the sale of the certificates will be $810,337,000. United will pay the underwriters a commission of $12,155,055. See UNDERWRITING. The underwriters expect to deliver the certificates to purchasers on November 24, 2009. The certificates will not be listed on any national securities exchange.

The Securities and Exchange Commission (the SEC) and state securities regulators have not approved or disapproved these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

Joint Bookrunners

J.P. MORGAN ***MORGAN STANLEY*** ***GOLDMAN, SACHS & CO.***

Co-Managers

CITI ***CREDIT SUISSE*** ***DEUTSCHE BANK SECURITIES***

November 16, 2009

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Prospectus Supplement

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Prospectus

You should rely only on the information contained in this prospectus supplement and the accompanying prospectus and the documents incorporated by reference in this prospectus supplement and the accompanying prospectus. We have not authorized anyone to provide you with information that is different. If anyone provides you with different or inconsistent information, you should not rely on it. This document may be used only where it is legal to sell these securities. You should not assume that the information in this prospectus supplement and the accompanying prospectus is accurate as of any date other than the date of this prospectus supplement. Also, you should not assume that there has been no change in the affairs of United or UAL Corporation since the date of this prospectus supplement.

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PRESENTATION OF INFORMATION

These offering materials consist of two documents: (1) this prospectus supplement, which describes the terms of the certificates that we are currently offering and (2) the accompanying prospectus, which provides general information about us and our certificates, some of which may not apply to the certificates that we are currently offering. **The information in this prospectus supplement replaces any inconsistent information included in the accompanying prospectus.**

We have given certain terms specific meanings for purposes of this prospectus supplement. The Glossary attached as Appendix I to this prospectus supplement defines each of these terms.

At varying places in this prospectus supplement and the accompanying prospectus, we refer you to other sections of the documents for additional information by indicating the caption heading of the other sections. The page on which each principal caption included in this prospectus supplement and the accompanying prospectus can be found is listed in the table of contents on the preceding page. All cross references in this prospectus supplement are to captions contained in this prospectus supplement and not in the accompanying prospectus, unless otherwise stated.

Certain statements contained in or incorporated by reference in this prospectus supplement and the accompanying prospectus are forward-looking and thus reflect United Air Lines, Inc. s and UAL Corporation s (together with their respective consolidated subsidiaries, United and UAL, respectively) current expectations and beliefs with respect to certain current and future events and financial performance. Such forward-looking statements are and will be subject to many risks and uncertainties relating to our operations and business environment that may cause actual results to differ materially from any future results expressed or implied in such forward-looking statements. Words such as expects, will, plans, anticipates, indicates, believes, forecast, guidance, outlook and similar expressions are intended to identify forward-lool statements.

Additionally, forward-looking statements include statements that do not relate solely to historical facts, such as statements which identify uncertainties or trends, discuss the possible future effects of current known trends or uncertainties, or which indicate that the future effects of known trends or uncertainties cannot be predicted, guaranteed or assured. All forward-looking statements contained in or incorporated by reference in this prospectus supplement and the accompanying prospectus are based upon information available to us on the date such statements are made. We undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, changed circumstances or otherwise.

UAL s and United s actual results could differ materially from these forward-looking statements due to numerous factors including, without limitation, the following: our ability to comply with the terms of our amended credit facility and other financing arrangements; the costs and availability of financing; our ability to maintain adequate liquidity; our ability to execute our operational plans; our ability to control our costs, including realizing benefits from our resource optimization efforts and cost reduction initiatives; our ability to utilize our net operating losses; our ability to attract and retain customers; demand for transportation in the markets in which we operate; an outbreak of a disease that affects travel demand or travel behavior; demand for travel and the impact the economic recession has on customer travel patterns; the increasing reliance on enhanced video-conferencing and other technology as a means of conducting virtual meetings; general economic conditions (including interest rates, foreign currency exchange rates, investment or credit market conditions, crude oil prices, costs of aviation fuel and refining capacity in relevant markets); our ability to cost-effectively hedge against increases in the price of aviation fuel; any potential realized or unrealized gains or losses related to fuel or currency hedging programs; the effects of any hostilities, act of war or terrorist attack; the ability of other air carriers with whom we have alliances or partnerships to provide the services contemplated by our respective arrangements with such carriers; the costs and availability of aviation and other insurance; the costs associated with security measures and practices; industry consolidation; competitive pressures on pricing and on demand;

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capacity decisions of United and/or our competitors; U.S. or foreign governmental legislation, regulation and other actions (including open skies agreements); labor costs; our ability to maintain satisfactory labor relations and the results of the collective bargaining agreement process with our union groups; any disruptions to operations due to any potential actions by our labor groups; weather conditions; and other risks and uncertainties, including those set forth in the SEC reports incorporated by reference in the accompanying prospectus or as stated or incorporated by reference in this prospectus supplement under the caption RISK FACTORS. Consequently, forward-looking statements should not be regarded as representations or warranties by UAL or United that such matters will be realized.

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SUMMARY

The following summary is qualified in its entirety by reference to the more detailed information and consolidated financial statements appearing elsewhere in this prospectus supplement and the accompanying prospectus, as well as the materials filed with the SEC, that are considered to be part of this prospectus supplement and the accompanying prospectus.

United Airlines

UAL is a holding company and its principal, wholly-owned subsidiary is United. We sometimes use the words we, our, the Company and us in this prospectus supplement for disclosures that relate to both UAL and United. United s operations consist primarily of the transportation of persons, property, and mail throughout the United States and abroad. United provides these services through full-sized jet aircraft (which we refer to as its Mainline operations), as well as smaller aircraft in its regional operations conducted under contract by United Express® carriers.

United is one of the largest passenger airlines in the world. The Company offers approximately 3,300 flights a day to more than 200 destinations through its Mainline and United Express® services, based on its flight schedule from October 2009 to October 2010. United offers approximately 1,200 average daily Mainline departures to approximately 115 destinations in 27 countries and two U.S. territories. United provides regional service, connecting primarily via United s domestic hubs, through marketing relationships with United Express® carriers, which provide approximately 2,100 average daily departures to approximately 175 destinations. United serves virtually every major market around the world, either directly or through its participation in the Star Alliance®, the world s largest airline network.

United and UAL were incorporated under the laws of the State of Delaware on December 30, 1968. United s and UAL s corporate headquarters is located at 77 West Wacker Drive, Chicago, Illinois 60601. The mailing address is P.O. Box 66919, Chicago, Illinois 60666 (telephone number (312) 997-8000).

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Summary of Terms of Pass Through Certificates

	Class A Certificates	Class B Certificates
Aggregate Face Amount	$697,731,000	$112,606,000
Interest Rate	9.750%	12.000%
Ratings:		
Moody s	Ba1	B1
Standard & Poor s	BBB	BB
Initial Loan to Aircraft Value Ratio (cumulative)(1)	54.0%	62.9%
Highest Loan to Aircraft Value Ratio (cumulative)(2)	54.0%	62.9%
Expected Principal Distribution Window (in years)	0.6 7.1	0.6 6.1
Initial Average Life (in years from Issuance Date)	4.9	4.0
Regular Distribution Dates	January 15 and July 15	January 15 and July 15
Final Expected Regular Distribution Date(3)	January 15, 2017	January 15, 2016
Final Legal Distribution Date(4)	July 15, 2018	July 15, 2017
Minimum Denomination	$1,000	$1,000
Section 1110 Protection	Yes	Yes
Liquidity Facility Coverage	3 semiannual interest payments	3 semiannual interest payments

(1) This percentage is calculated as of July 15, 2010, the first Regular Distribution Date, and assumes that all of the deposits have been used to finance all of the aircraft prior to such date. The initial loan to aircraft value ratios measure the ratio of (a) (x) in the case of the Class A certificates, the aggregate principal amount of the Series A Equipment Notes relating to all aircraft and (y) in the case of the Class B certificates, the aggregate principal amount of the Series A Equipment Notes and the Series B Equipment Notes relating to all aircraft to (b) the aggregate appraised maintenance adjusted base value of all aircraft (determined based on three appraisals setting forth values as of November 2, 2009, November 2, 2009 and November 6, 2009). These ratios are calculated assuming that the aggregate appraised maintenance adjusted base value of all aircraft is $1,230,053,083 on the first Regular Distribution Date. The aggregate appraised maintenance adjusted base value is only an estimate and reflects certain assumptions. See DESCRIPTION OF THE AIRCRAFT AND THE APPRAISALS.

(2) The highest loan to aircraft value ratios are based on the aggregate appraised base value of all aircraft as of a certain future date. See SUMMARY Loan to Aircraft Value Ratios. The aggregate appraised base value is only an estimate and reflects certain assumptions. See DESCRIPTION OF THE AIRCRAFT AND THE APPRAISALS.

(3) The Equipment Notes will mature on or before the Final Expected Regular Distribution Date for the certificates issued by the related pass through trust that owns such Equipment Notes.

(4) The Final Legal Distribution Date for each of the Class A certificates and Class B certificates is the Final Expected Regular Distribution Date for that class of certificates plus eighteen months, which represents the period corresponding to the applicable Liquidity Facility coverage of three semiannual interest payments.

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Equipment Notes and the Aircraft

Set forth below is certain information about the Equipment Notes to be held in the pass through trusts and the aircraft that will secure such Equipment Notes:

Aircraft Type	Aircraft Registration Number	Manufacturer s Serial Number	Original Delivery Date	Appraised Value[(1)]	Initial Principal Amount of Equipment Notes	Equipment Note Final Maturity Date
Airbus A319-131	N809UA	0825	5/19/1998	$ 18,910,000	$ 12,169,000	7/15/2015
Airbus A319-131	N810UA	0843	6/29/1998	18,650,000	12,002,000	1/15/2016
Airbus A319-131	N811UA	0847	7/2/1998	18,650,000	12,002,000	7/15/2016
Airbus A319-131	N812UA	0850	7/9/1998	19,416,667	12,495,000	7/15/2016
Airbus A319-131	N813UA	0858	7/23/1998	19,570,000	12,594,000	7/15/2016
Airbus A319-131	N814UA	0862	8/5/1998	17,850,000	11,487,000	1/15/2017
Airbus A319-131	N815UA	0867	8/11/1998	20,140,000	12,961,000	7/15/2015
Airbus A319-131	N816UA	0871	9/2/1998	19,113,333	12,300,000	1/15/2017
Airbus A319-131	N817UA	0873	9/8/1998	18,296,667	11,774,000	1/15/2017
Airbus A319-131	N818UA	0882	10/1/1998	17,256,667	11,105,000	1/15/2017
Airbus A319-131	N828UA	1031	6/16/1999	20,200,000	12,999,000	1/15/2012
Airbus A319-131	N829UA	1211	4/28/2000	21,280,000	13,694,000	1/15/2013
Airbus A320-232	N437UA	655	2/20/1997	20,960,000	13,488,000	1/15/2017
Airbus A320-232	N438UA	678	5/29/1997	21,060,000	13,553,000	1/15/2017
Airbus A320-232	N439UA	683	6/11/1997	20,070,000	12,916,000	1/15/2017
Airbus A320-232	N440UA	702	7/7/1997	20,700,000	13,321,000	1/15/2017
Airbus A320-232	N447UA	836	7/1/1998	18,970,000	12,208,000	1/15/2017
Boeing 757-222	N592UA	28143	7/10/1996	17,070,000	10,985,000	1/15/2015
Boeing 757-222	N593UA	28144	8/12/1996	16,693,333	10,743,000	1/15/2015
Boeing 757-222	N594UA	28145	9/11/1996	17,660,000	11,365,000	1/15/2015
Boeing 757-222ETOPS	N589UA	28707	11/3/1997	19,746,667	12,708,000	1/15/2017
Boeing 757-222ETOPS	N590UA	28708	12/31/1997	19,113,333	12,300,000	1/15/2017
Boeing 757-222ETOPS	N595UA	28748	2/4/1998	22,850,000	14,705,000	1/15/2017
Boeing 757-222ETOPS	N597UA	28750	1/11/1999	25,030,000	16,107,000	1/15/2017
Boeing 777-222	N778UA	26940	7/18/1996	47,970,000	30,870,000	7/15/2016
Boeing 777-222	N780UA	26944	8/6/1996	46,000,000	29,602,000	1/15/2017
Boeing 777-222	N215UA	30221	8/30/2000	58,130,000	37,408,000	1/15/2017
Boeing 777-222ER	N784UA	26951	4/29/1997	59,016,667	37,979,000	1/15/2017
Boeing 777-222ER	N785UA	26954	5/21/1997	62,060,000	39,937,000	1/15/2017
Boeing 777-222ER	N787UA	26939	6/5/1997	60,533,333	38,955,000	1/15/2017
Boeing 777-222ER	N791UA	26933	8/28/1997	61,386,667	39,504,000	1/15/2017
Boeing 777-222ER	N793UA	26946	10/7/1997	63,036,667	40,566,000	1/15/2017
Boeing 777-222ER	N797UA	26924	2/20/1998	63,970,000	41,166,000	1/15/2017
Boeing 777-222ER	N798UA	26928	2/28/1998	65,220,000	41,971,000	1/15/2017
Boeing 747-422	N119UA	28812	3/29/1999	72,580,000	46,707,000	1/15/2017
Boeing 747-422	N120UA	29166	4/12/1999	66,050,000	42,505,000	1/15/2017
Boeing 747-422	N121UA	29167	4/22/1999	64,000,000	41,186,000	1/15/2017
				$1,259,210,000	$810,337,000	

(1) The appraised value of each aircraft provided above is based on the lesser of the average and the median appraised maintenance adjusted base values (as defined in the appraisal letters) of such aircraft as appraised by three independent appraisal and consulting

firms, Aircraft Information Services, Inc. (AISI), BK Associates, Inc. (BK) and Morten Beyer & Agnew, Inc. (MBA) as of November 2, 2009, November 2, 2009 and November 6, 2009, respectively. The appraisers based the appraisals on varying assumptions and methodologies. An appraisal is only an estimate of value and you should not rely on any appraisal as an estimate of realizable value.

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Loan To Aircraft Value Ratios

The following table provides loan to aircraft value ratios (LTV ratios) for each class of Certificates as of July 15, 2010, the first Regular Distribution Date and as of each Regular Distribution Date thereafter. The table is not a forecast or prediction of expected or likely LTV ratios but a mathematical calculation based on one set of assumptions.

We compiled the following table on an aggregate basis. However, the Equipment Notes issued under an Indenture are cross-collateralized by all of the Aircraft. See DESCRIPTION OF THE EQUIPMENT NOTES Security. The relevant LTV ratios in a default situation for the Equipment Notes issued under a particular Indenture would depend on various factors, including the extent to which the debtor or trustee in bankruptcy agrees to perform United s obligations under the Indentures. Therefore, the following LTV ratios are presented for illustrative purposes only.

		Outstanding Pool Balance[3]		LTV Ratios[4]	
Date	Assumed Aggregate Aircraft Value[1][2]	Class A Certificates	Class B Certificates	Class A Certificates	Class B Certificates
July 15, 2010	$ 1,230,053,083	$ 664,048,405	$ 109,176,753	54.0%	62.9%
January 15, 2011	1,200,896,166	643,902,213	103,125,173	53.6%	62.2%
July 15, 2011	1,171,739,249	620,521,481	96,151,163	53.0%	61.2%
January 15, 2012	1,123,078,285	582,525,932	87,008,198	51.9%	59.6%
July 15, 2012	1,092,973,757	556,323,642	78,977,132	50.9%	58.1%
January 15, 2013	1,042,320,311	518,044,563	69,361,363	49.7%	56.4%
July 15, 2013	1,008,760,764	479,122,397	60,979,517	47.5%	53.5%
January 15, 2014	973,541,853	436,884,205	52,652,389	44.9%	50.3%
July 15, 2014	937,728,191	392,171,783	44,587,621	41.8%	46.6%
January 15, 2015	888,672,957	340,514,537	36,384,939	38.3%	42.4%
July 15, 2015	801,121,730	275,163,927	27,525,831	34.3%	37.8%
January 15, 2016	753,922,325	225,497,512	0	29.9%	
July 15, 2016	653,651,753	163,168,436	0	25.0%	
January 15, 2017	0	0	0		

(1) In calculating the assumed aggregate aircraft values above, we assumed that all Aircraft will be financed under this Offering prior to July 15, 2010 and that the initial appraised value of each aircraft declines by approximately 3% of the initial appraised value each year for the first 15 years after the year of delivery of the aircraft by the manufacturer, by approximately 4% each year thereafter for the next five years and by approximately 5% each year after that. Other rates or methods of depreciation may result in materially different LTV ratios. We cannot assure you that the depreciation rate and method assumed for purposes of the table are the ones most likely to occur nor can we predict the actual future value of any aircraft.

(2) The Series A and Series B Equipment Notes for certain Aircraft will mature prior to the Final Expected Regular Distribution Date. So long as no default in the payment of principal or interest or certain other amounts or other event of default has occurred and is continuing under any Indenture, such Aircraft will cease to be included in the collateral pool upon payment in full of the outstanding principal balance of the related Equipment Notes.

(3) In calculating the outstanding Pool Balance of each class of Certificates, we have assumed that the Trusts will acquire the related Equipment Notes for all of the Aircraft.

(4) The LTV ratios for each class of Certificates were obtained for each Regular Distribution Date by dividing (i) the expected outstanding pool balance of such class together with the expected outstanding pool balance of all other classes senior in right of payment to such class after giving effect to the distributions expected to be made on such date by (ii) the assumed aggregate value of all the aircraft that are expected to have outstanding Equipment Notes related thereto on such date based on the assumptions described above.

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Cash Flow/Structure Chart

The following diagram illustrates the structure of the offering of the certificates and cash flows.

(1) Each aircraft will be subject to a separate indenture with a separate loan trustee.

(2) The initial amount of the Liquidity Facility for each of the Class A and Class B certificates will cover up to three successive semiannual interest payments with respect to the certificates of the related Trust, except that neither Liquidity Facility will cover interest on the Deposits.

(3) The proceeds of the offering of each class of Certificates will initially be held in escrow and deposited with the Depositary. The Depositary will hold such funds as interest-bearing deposits. Each Trust will withdraw funds from the Deposits relating to such Trust to purchase Equipment Notes from time to time

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as each Aircraft is financed. Neither Liquidity Facility will cover interest on the Deposits. If any funds remain as Deposits with respect to a Trust at the Deposit Period Termination Date, those funds will be withdrawn by the Escrow Agent and distributed to the holders of the Certificates issued by such Trust, together with accrued and unpaid interest thereon, but without any premium. No interest will accrue with respect to the Deposits after they have been fully withdrawn.

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The Offering

Pass Through Trusts	United and Wilmington Trust Company, as Pass Through Trustee, will form two pass through trusts (each, a Trust) under two separate pass through trust supplements to a basic Pass Through Trust Agreement between United and the Pass Through Trustee.
Certificates Offered	Class A certificates Class B certificates

Each class of pass through certificates will represent 100% of the fractional undivided interest in the corresponding Trust.

No other certificates will be issued by United on the Issuance Date. However, Additional Certificates may be issued in the future. See POSSIBLE ISSUANCE OF ADDITIONAL CERTIFICATES AND REFINANCING OF CERTIFICATES .

Use of Proceeds	The proceeds from the sale of the Certificates of each Trust will initially be held in escrow and deposited with the Depositary. Each Trust will withdraw funds from the escrow relating to such Trust to acquire Equipment Notes as the Aircraft are financed. The Equipment Notes will be full recourse obligations of United.

United will issue the Equipment Notes under a separate Indenture for each aircraft. United will use the proceeds from the issuance of the Equipment Notes to refinance the existing debt on certain aircraft and for general corporate purposes.

Subordination Agent, Pass Through Trustee, Escrow Agent, Paying Agent and Loan Trustee	Wilmington Trust Company.
Liquidity Provider	Goldman Sachs Bank USA
Liquidity Guarantor	The Goldman Sachs Group, Inc.
Depositary	JPMorgan Chase Bank, N.A.
Trust Property	The property of each Trust will include: For the Class A Trust, the Series A Equipment Notes. For the Class B Trust, the Series B Equipment Notes.

All rights of such Trust under the Intercreditor Agreement described below (including all monies receivable pursuant to such rights).

All rights of such Trust to acquire the related series of Equipment Notes under the Participation Agreements.

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	For each of the Class A and Class B Trusts, all monies receivable under the Liquidity Facility for that Trust.
	Funds from time to time deposited with the Pass Through Trustee in accounts for such Trust.
UAL Guarantee	UAL will unconditionally guarantee the payment obligations of United under each Equipment Note issued by United pursuant to a guarantee agreement (the UAL Guarantee).
Regular Distribution Dates	January 15 and July 15, commencing on July 15, 2010.
Record Dates	The 15th day preceding each distribution date.
Distributions	The Pass Through Trustee will distribute all payments of principal, Make-Whole Amount, if any, and interest received on the Equipment Notes held in each Trust to the holders of the Certificates of that Trust. Distributions will be subject to the subordination provisions applicable to the Certificates.

Subject to the subordination provisions applicable to the Certificates, the Pass Through Trustee will distribute scheduled payments of principal and interest made on the Equipment Notes held by each Trust on the applicable Regular Distribution Dates. Subject to the subordination provisions applicable to the Certificates, the Pass Through Trustee will distribute payments of principal, Make-Whole Amount, if any, and interest made on any Equipment Notes held by each Trust resulting from any early redemption of such Equipment Notes on a Special Distribution Date after not less than 15 days notice to the holders of the Certificates issued by that Trust.

Intercreditor Agreement	The Pass Through Trustees, the Liquidity Providers and the Subordination Agent will enter into an intercreditor agreement.
Subordination	Under the Intercreditor Agreement, after paying certain amounts ranking senior to the distributions on the certificates, the Subordination Agent will generally make distributions on the certificates in the following order:
	first, to make distributions in respect of interest on the Class A certificates to the holders of the Class A certificates;
	second, to make distributions in respect of interest on the Preferred B Pool Balance of the Class B certificates to the holders of the Class B certificates;
	third, to make distributions in respect of the Pool Balance of the Class A certificates to the holders of the Class A certificates.

fourth, to make distributions in respect of interest on the Pool Balance of the Class B certificates not previously distributed under clause second above to the holders of the Class B certificates; and

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	fifth, to make distributions in respect of the Pool Balance of the Class B certificates to the holders of the Class B certificates.
Control of Loan Trustee	The holders of at least a majority of the outstanding principal amount of Equipment Notes issued under each Indenture will be entitled to direct the Loan Trustee under such Indenture in taking action as long as no Indenture Event of Default is continuing thereunder. If an Indenture Event of Default is continuing, subject to certain conditions, the Controlling Party will direct the Loan Trustee under such Indenture (including in exercising remedies, such as accelerating such Equipment Notes or foreclosing the lien on the aircraft securing such Equipment Notes).
The Controlling Party will be:	
	The Class A Trustee.
	Upon payment of final distributions to the holders of Class A certificates, the Class B Trustee.
	Under certain circumstances, and notwithstanding the foregoing, the Liquidity Provider with the largest amount owed to it.
Limitation on Sale of Aircraft or Equipment Notes	In exercising remedies, during the period ending on the date occurring nine months after the earlier of: (1) the acceleration of the Equipment Notes issued under any Indenture and (2) the occurrence of a United Bankruptcy Event the Controlling Party may not, without the consent of each Trustee and, if any Additional Certificates are outstanding, the Additional Trustee, direct the Subordination Agent or Loan Trustee, as applicable, to sell such Equipment Notes or the aircraft subject to the lien of that Indenture if the net proceeds from such sale would be less than (x) in the case of such aircraft, 75%, or (y) in the case of such Equipment Notes, 85% of the Appraised Current Market Value of such aircraft.
A319 Airframe Substitution	United shall have the right to substitute an A319 airframe, so long as no Indenture Event of Default has occurred and is continuing, with either an Airbus A319 or an A320 airframe manufactured not more than one year prior to the date of manufacture of the A319 airframe being substituted and with a maintenance adjusted current market value at least equal to the A319 airframe being substituted.
Lease of Aircraft as Exercise of Remedies	In exercising remedies under an Indenture, the Controlling Party may direct the Subordination Agent (to direct the Loan Trustee) or Loan Trustee, as applicable, to lease the aircraft subject to the lien of that Indenture to any person (including United) so long as in doing so the Loan Trustee acts in a commercially reasonable manner within the meaning of the Uniform Commercial Code.

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Rights to Buy Other Classes of Certificates	If United is in bankruptcy and certain specified circumstances then exist, the Class B certificateholders will have the right to purchase all but not less than all of the Class A certificates.

If an additional class of certificates is issued, the holders of such additional certificates will have the right to purchase all, but not less than all, of the Class A certificates and Class B certificates.

The purchase price in each case described above will be the outstanding balance of the applicable Class of Certificates plus accrued and unpaid interest and certain other amounts.

Liquidity Facilities for Class A and Class B certificates	Under the Liquidity Facility for each of the Class A Trust and Class B Trust, the Liquidity Provider will, if necessary, make advances in an aggregate amount that is expected to be sufficient to pay an amount equal to the interest on the Certificates of the related Trust on up to three successive semiannual Regular Distribution Dates at the interest rate for such Certificates.
	Drawings under the Liquidity Facilities cannot be used to pay any amount in respect of the Certificates other than interest and will not cover interest payable on amounts held in escrow as Deposits with the Depositary.
	Notwithstanding the subordination provisions applicable to the Certificates, the holders of the Class A and Class B certificates will be entitled to receive and retain the proceeds of drawings under the Liquidity Facility for the related Trust.
	Upon each drawing under any Liquidity Facility to pay interest, the Subordination Agent must reimburse the applicable Liquidity Provider for the amount of that drawing, together with interest on the drawing. This reimbursement obligation and all interest, fees and other amounts owing to the Liquidity Provider under each Liquidity Facility will rank equally with comparable obligations relating to the other Liquidity Facility and will rank senior to all of the Certificates in right of payment.
Escrowed Funds	Funds paid to the Escrow Agent will be placed in escrow for the holders of the Certificates of the related Trust and will be deposited with the Depositary and held as deposits pursuant to the Deposit Agreements. The rights of the holders of the Certificates to such escrowed amounts will be evidenced by Escrow Receipts issued to each certificateholder. Funds may be withdrawn by the Escrow Agent at the direction of the relevant Trustee from time to time to purchase Equipment Notes prior to the Deposit Period Termination Date. The deposits cannot be used to pay any other amount in respect of the Certificates.

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Unused Escrowed Funds	All of the Deposits held in escrow may not be used to purchase Equipment Notes by the Deposit Period Termination Date. This may occur because of issues related to the prepayment of the existing financing or other reasons. If any funds remain as Deposits with respect to any Trust after the Deposit Period Termination Date or, if earlier, the day after the Escrow Agent receives notice that the relevant Trustee s obligation to purchase Equipment Notes has been fulfilled or terminated, they will be withdrawn by the Escrow Agent for such Trust and distributed, with accrued and unpaid interest on such unused Deposits, to the holders of the Certificates of such Trust after at least 15 days prior written notice.
Obligation to Purchase Equipment Notes	The Trustees will enter into a note purchase agreement with United (the Note Purchase Agreement) pursuant to which each Trustee will agree, subject to no Triggering Event having occurred, to execute a Participation Agreement with respect to each Aircraft upon receipt of a notice from United that it intends to finance such Aircraft. Pursuant to the Participation Agreements, United will enter into a secured debt financing with respect to each Aircraft pursuant to financing agreements in the forms attached to the Note Purchase Agreement and the Trustees will be obligated to purchase the corresponding series of Equipment Notes issued by United with respect to the Aircraft.
Issuances of Additional Class of Certificates	After the Deposit Period Termination Date, an additional single class of pass through certificates of a separate pass through trust may be issued from time to time. These pass through certificates will evidence fractional undivided ownership interests in a new series of subordinated equipment notes with respect to some or all of the Aircraft. The holders of any such additional pass through certificates related to such subordinated equipment notes will have the right to purchase all of the Class A and Class B certificates under certain circumstances after a bankruptcy of United at the outstanding principal balance of the Certificates plus accrued and unpaid interest and other amounts due to certificateholders, but without a premium. Consummation of any such issuance of additional pass through certificates will be subject to satisfaction of certain conditions, including receipt of confirmation from the Rating Agencies that it will not result in a withdrawal, suspension or downgrading of any Class of Certificates that remains outstanding. See POSSIBLE ISSUANCE OF ADDITIONAL CERTIFICATES AND REFINANCING OF CERTIFICATES .
Refinancing of Series B Equipment Notes	United may elect to redeem and re-issue Series B Equipment Notes then outstanding in respect of all (but not less than all) of the Aircraft. In such case, United will fund the sale of the new Series B Equipment Notes through the sale of pass through certificates issued by a new

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	pass through trust. Such pass through certificates may have the benefit of a liquidity facility. Any such redemption and re-issuance is contingent upon each Rating Agency providing written confirmation that such actions will not result in a withdrawal, suspension, or downgrading of the rating of any Class of Certificates that remains outstanding. See POSSIBLE ISSUANCE OF ADDITIONAL CERTIFICATES AND REFINANCING OF CERTIFICATES .
Equipment Notes	
(a) Issuer	United will issue Series A Equipment Notes and Series B Equipment Notes, which will be acquired by the Class A Trust and Class B Trust, respectively.
(b) Interest	The Equipment Notes held in each Trust will accrue interest at the applicable Stated Interest Rate. Interest on the Equipment Notes will be payable on January 15 and July 15 of each year, commencing on July 15, 2010. Interest on the Series A Equipment Notes and Series B Equipment Notes will be calculated on the basis of a 360-day year consisting of twelve 30-day months.
(c) Principal	Principal payments on the Equipment Notes are scheduled to be received in specified amounts on January 15 and July 15 in specified years, commencing on July 15, 2010.
(d) Redemption	*Mandatory Redemption Aircraft Event of Loss*

If an Event of Loss occurs with respect to an Aircraft, we will redeem all of the Equipment Notes issued for such Aircraft under the related Indenture, unless we replace such Aircraft. The redemption price will be the unpaid principal amount of the related Equipment Notes, together with accrued interest, without any Make-Whole Amount.

Optional Redemption All Equipment Notes

At any time prior to maturity, United may redeem all of the Equipment Notes with respect to an Aircraft, provided that all outstanding Equipment Notes with respect to all Aircraft are simultaneously redeemed. In addition, United may elect to redeem the Series B Equipment Notes in connection with a refinancing of such Series. The redemption price will be the unpaid principal amount of the Equipment Notes, together with accrued interest, plus Make-Whole Amount, if any.

In the case of an optional redemption of the Series A or Series B Equipment Notes, United will pay a make-whole premium (the Make-Whole Amount) for any such Equipment Notes equal to an amount (as determined by an independent investment bank of national standing selected by United) equal to the excess, if any, of (a) the present value of the remaining scheduled payments of principal and interest from the determination date to maturity of such Equipment

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Note computed by discounting such payments on a semiannual basis on each Payment Date (assuming a 360-day year of twelve 30-day months) using a discount rate equal to the Treasury Yield plus the Make-Whole Spread, over (b) the outstanding principal amount of such Equipment Note plus accrued interest to the date of determination.

The Make-Whole Spread applicable to the Series A and Series B Equipment Notes is set forth below:

	Make-Whole Spread
Series A Equipment Notes	0.75%
Series B Equipment Notes	0.75%

Optional Redemption Boeing 747s and 757s

At any time prior to maturity, United may redeem all of the Equipment Notes related to any Boeing 747 Aircraft or Boeing 757 Aircraft. The redemption price will be 103% of the unpaid principal amount of the Equipment Notes relating to such Boeing 747 Aircraft or Boeing 757 Aircraft, as the case may be, together with accrued interest, but without Make-Whole Amount, provided that United delivers an officer s certificate stating that the Aircraft to which the Equipment Notes relate is to be sold or grounded.

(e) Security and Cross-Collateralization United will secure the Equipment Notes issued for each Aircraft by a security interest in the Aircraft.

In addition, the obligations under each Indenture will be cross-collateralized as each Indenture will secure all amounts owing under all the Indentures. This means that any excess proceeds from the exercise of remedies with respect to an Aircraft will be available to cover any shortfalls then due under Equipment Notes then held by the Subordination Agent issued with respect to the other Aircraft. In the absence of any such shortfall, excess proceeds, if any, will be held by the relevant Loan Trustee as additional collateral for such other Equipment Notes. Any cash collateral held as a result of the cross-collateralization of the Equipment Notes would not be entitled to the benefits of Section 1110 of the Bankruptcy Code.

The Equipment Notes for some of the Aircraft will mature prior to the Final Expected Regular Distribution Date. So long as no default in the payment of principal or interest or certain other amounts or other event of default has occurred and is continuing under any other Indenture, upon payment in full of the outstanding principal amount of the Equipment Notes for an Aircraft, such Aircraft will be released from the lien of the related Indenture. In addition, if United elects to prepay any Boeing 747 Aircraft or Boeing 757 Aircraft and so long as no default in the payment of principal or interest or certain other amounts or other event of default has occurred and is continuing under any other Indenture, such Boeing 747 Aircraft or Boeing 757

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	Aircraft, as the case may be, will be released from the lien of the related Indenture. Once the lien on an Aircraft is released, that Aircraft will no longer secure the amounts owing under any Indenture.
(f) Cross-Default	Each Indenture will contain a cross-default to each other Indenture. This means an Indenture Event of Default under one Indenture will result in an Indenture Event of Default under each other Indenture and remedies will be exercisable with respect to all Aircraft.
(g) Subordination	Payments on the Series B Equipment Notes will be subordinate and subject in right of payment to the prior payment in full of all amounts in respect of the Series A Equipment Notes.

By virtue of the Intercreditor Agreement, all of the Equipment Notes held by the Subordination Agent will be effectively cross-subordinated. This means that payments received on a junior series of Equipment Notes held by the Subordination Agent may be applied in accordance with the priority of payment provisions set forth in the Intercreditor Agreement to make distributions on a more senior class of certificates.

(h) Section 1110 Protection	Vedder Price P.C., special counsel to United, will provide an opinion to the Trustees that the benefits of Section 1110 of the Bankruptcy Code will be available for each aircraft with respect to all Equipment Notes secured thereby.
(i) Post-Default Reports	Promptly after the occurrence of a Triggering Event or an Indenture Event of Default resulting from a payment default on any Equipment Note (and on each Regular Distribution Date while such event is continuing), the Subordination Agent will prepare and distribute to the Trustees, Liquidity Providers, Rating Agencies and United a report containing certain information as to each aircraft and its status, the outstanding certificates and Equipment Notes and the Liquidity Facilities and other information as described under DESCRIPTION OF THE INTERCREDITOR AGREEMENT Reports.
Certain United States Federal Income Tax Considerations	The Trusts themselves should not be subject to federal income tax. Each certificateholder should report on its federal income tax return its pro rata share of the income from the Deposits and income from the Equipment Notes (including amounts paid by the Liquidity Provider), if any, and the other property held by the relevant Trust. See CERTAIN UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS for more detail.
ERISA Considerations	In general, employee benefit plans subject to Title I of ERISA or Section 4975 of the Code, or entities that may be deemed to hold the assets of those plans, will be eligible to purchase the Certificates, subject to the conditions and circumstances that apply to those plans.

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Each person who acquires or accepts a Certificate or an interest therein will be deemed by the acquisition or acceptance to have represented and warranted that either:

(a) no assets of a plan or an individual retirement account have been used to acquire the Certificate or an interest therein; or

(b) the purchase and holding of the Certificate or an interest therein by that person are exempt from the prohibited transaction restrictions of ERISA and the Code. See CERTAIN ERISA CONSIDERATIONS.

Transfer Restrictions for Class B Certificates	The Class B certificates may be sold only to qualified institutional buyers, as defined in Rule 144A of the Securities Act of 1933, as amended, for so long as they are outstanding.
Ratings of the Certificates	It is a condition to the issuance of the Certificates that Moody s Investors Service, Inc. (Moody s) and Standard & Poor s Ratings Services, a Standard & Poor s Financial Services LLC business (Standard & Poor s and together with Moody s, the Rating Agencies) rate the Certificates not less than the ratings set forth below:

Certificates	Moody s	Standard & Poor s
Class A	Ba1	BBB
Class B	B1	BB

A rating is not a recommendation to purchase, hold or sell Certificates. A rating does not address market price or suitability for a particular investor. We cannot assure you that the Rating Agencies will not lower or withdraw their ratings.

Threshold Rating for the Depositary	The Depositary must have a short-term unsecured debt rating of at least P-1 from Moody s and a short-term issuer credit rating of at least A-1+ from Standard & Poor s.
Depositary Rating	The Depositary meets the Depositary Threshold Rating requirement.
Threshold Rating Requirements for the Liquidity Provider	The Liquidity Provider must have a short-term unsecured debt rating of at least P-1 from Moody s and a short-term issuer credit rating of at least A-1 from Standard & Poor s.
Liquidity Provider Rating	The Goldman Sachs Group, Inc., the parent company of Goldman Sachs Bank USA, meets the Threshold Rating requirement and will guarantee Goldman Sachs Bank USA s payment obligations under the Liquidity Facilities.

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RISK FACTORS

In addition to the other information included or incorporated by reference in this prospectus supplement, including the matters addressed under PRESENTATION OF INFORMATION in this prospectus supplement and under CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS in the accompanying prospectus, you should carefully consider the following risk factors set forth below before making an investment decision with respect to the pass through certificates offered hereby.

Risks Related to the Certificates and the Offering

Appraisals should not be relied upon as a measure of realizable value of the aircraft.

Three independent appraisal and consulting firms have prepared appraisals of the aircraft. The appraisal letters are annexed to this prospectus supplement as Appendix II. The appraisals are based on the base value of the aircraft, adjusted for the maintenance status of the aircraft, and rely on varying assumptions and methodologies that may differ among the appraisers. Base value is the theoretical value of an aircraft that assumes a balanced market. The appraisals may not reflect current market conditions that could affect the current market value of the aircraft. The appraisers prepared the appraisals without a physical inspection of the aircraft and the aircraft may not be in the condition assumed by the appraisers. Appraisals that are based on other assumptions and methodologies may result in valuations that are materially different from those contained in the appraisals. For a more detailed discussion of the appraisals, see DESCRIPTION OF THE AIRCRAFT AND THE APPRAISALS The Appraisals.

An appraisal is only an estimate of value. It does not necessarily indicate the price at which an aircraft may be purchased or sold in the market. An appraisal should not be relied on as a measure of realizable value. The proceeds realized on a sale of any aircraft may be less than its appraised value. In particular, the appraisals of the aircraft are estimates of the values of the aircraft assuming the aircraft are in a certain condition, which may not be the case. If the Loan Trustee exercised remedies under one or more Indentures, the value of the related aircraft will depend on various factors, including:

- market and economic conditions;
- the supply of similar aircraft;
- the availability of buyers;
- the condition of the aircraft; and
- whether the aircraft are sold separately or as a block.

Accordingly, we cannot assure you that the proceeds realized on any exercise of remedies would be sufficient to satisfy in full payments due on the Equipment Notes for any aircraft or the full amount of distributions expected to be paid on the Certificates.

Failure to perform maintenance responsibilities may deteriorate the value of the aircraft.

To the extent described in the Indentures, we will be responsible for the maintenance, service, repair and overhaul of the aircraft. If we fail to perform adequately these responsibilities, the value of the aircraft may be reduced. In addition, the value of the aircraft may deteriorate even if we fulfill our maintenance responsibilities. As a result, it is possible that upon a liquidation, there will be less proceeds than anticipated to repay the holders of Equipment Notes. See DESCRIPTION OF THE EQUIPMENT NOTES Certain Provisions of the Indentures.

Inadequate levels of insurance may result in insufficient proceeds to repay holders of related Equipment Notes.

To the extent described in the Indentures, we must maintain public liability, property damage and all-risk aircraft hull insurance on the aircraft. If we fail to maintain adequate levels of insurance, the proceeds which

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could be obtained upon an Event of Loss of an aircraft may be insufficient to repay the holders of the related Equipment Notes. See DESCRIPTION OF THE EQUIPMENT NOTES Certain Provisions of the Indentures Insurance.

It may be difficult and expensive to exercise repossession rights with respect to an aircraft.

There will be no general geographic restrictions on our ability to operate the aircraft. Although we do not currently intend to do so, we may register the aircraft in specified foreign jurisdictions and/or lease the aircraft. It may be difficult, time-consuming and expensive for a Loan Trustee to exercise repossession rights if an aircraft is located outside the United States, is registered in a foreign jurisdiction or is leased to a foreign or domestic operator. Additional difficulties may exist if a lessee is the subject of a bankruptcy, insolvency or similar event.

In addition, some jurisdictions may allow for other liens or other third party rights to have priority over a Loan Trustee s security interest in an aircraft. As a result, the benefits of the related Loan Trustee s security interest in an aircraft may be less than they would be if the aircraft were located or registered in the United States.

Upon repossession of an aircraft, the aircraft may need to be stored and insured. The costs of storage and insurance can be significant and the incurrence of such costs could result in fewer proceeds to repay the holders of the Equipment Notes.

Payments to certificateholders will be subordinated to certain amounts payable to other parties.

Under the Intercreditor Agreement, the Liquidity Provider will receive payment of all amounts owed to it, including reimbursement of drawings made to pay interest on the Class A and Class B certificates, before the holders of any class of Certificates receive any funds. In addition, the Subordination Agent and the Pass Through Trustees will receive some payments before the holders of any class of Certificates receive distributions.

Payments of principal on the Certificates are subordinated to payments of interest on the Certificates, subject to certain limitations and certain other payments. Consequently, a payment default under any Equipment Note or a Triggering Event may cause the distribution of interest on the Certificates or such other amounts from payments received with respect to principal on one or more series of Equipment Notes. If this occurs, the interest accruing on the remaining Equipment Notes may be less than the amount of interest expected to be distributed on the remaining Certificates. This is because the interest on the Certificates may be based on a Pool Balance that exceeds the outstanding principal balance of the remaining Equipment Notes. As a result of this possible interest shortfall, the holders of the Certificates may not receive the full amount expected after a payment default under any Equipment Note even if all Equipment Notes are eventually paid in full. For a more detailed discussion of the subordination provisions of the Intercreditor Agreement, see DESCRIPTION OF THE INTERCREDITOR AGREEMENT Priority of Distributions.

The exercise of remedies will be controlled by the Controlling Party.

If an event of default under an Indenture is continuing, subject to specified conditions, the Controlling Party may direct the Loan Trustee under the related Indenture to exercise remedies under the Indenture, including accelerating the applicable Equipment Notes or foreclosing the lien on the aircraft securing such Equipment Notes. See DESCRIPTION OF THE CERTIFICATES Indenture Events of Default and Certain Rights Upon An Indenture Event of Default.

The Controlling Party will be:

- The Class A Trustee.
- Upon payment of Final Distributions to the holders of Class A certificates, the Class B Trustee.
- Under specified circumstances, and notwithstanding the foregoing, the Liquidity Provider with the largest amount owed to it.

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As a result of the foregoing, if the Trustee for a class of Certificates is not the Controlling Party with respect to an Indenture, the certificateholders of that class will have no rights to participate in directing the exercise of remedies under such Indenture.

The proceeds from the disposition of any aircraft or Equipment Notes may not be sufficient to pay all amounts distributable to the holders of Certificates.

The market for any aircraft or Equipment Notes, as the case may be, during any event of default under an Indenture may be very limited, and we cannot assure you as to the price at which they could be sold.

Some certificateholders will receive a smaller amount of principal distributions than anticipated and will not have any claim for the shortfall against us (except in the second bullet point below), any Loan Trustee or any Trustee if the Controlling Party takes the following actions:

- It sells any Equipment Notes for less than their outstanding principal amount; or

- It sells any aircraft for less than the outstanding principal amount of the related Equipment Notes.

The Equipment Notes will be cross-collateralized and the Indentures will be cross-defaulted. Any default arising under an Indenture solely by reason of the cross-default in such Indenture may not be of a type required to be cured under Section 1110 of the Bankruptcy Code. In such circumstances, if the Equipment Notes issued under one or more Indentures are in default and the only default under the remaining Indentures is the cross-default, no remedies will be exercisable under such remaining Indentures.

The ratings of the Certificates may be lowered or withdrawn in the future.

It is a condition to the issuance of the Certificates that Moody s and Standard & Poor s rate the Certificates not less than the ratings set forth below:

Certificates	Moody s	Standard & Poor s
Class A	Ba1	BBB
Class B	B1	BB

A rating is not a recommendation to purchase, hold or sell the Certificates and the rating does not address market price of the Certificates or suitability of investing in the Certificates for a particular investor. A rating may not remain for any given period of time and a Rating Agency may lower or withdraw entirely a rating if in its judgment circumstances in the future so warrant. These circumstances may include a downgrading of the debt of United, the Depositary or any Liquidity Provider by a Rating Agency.

The rating of the Certificates is based primarily on the default risk of the Equipment Notes and the Depositary, the availability of the Liquidity Facilities for the benefit of holders of the Class A and Class B certificates, the collateral value provided by the aircraft relating to the Equipment Notes, the cross-collateralization provisions applicable to the Indentures and the subordination provisions applicable to the Certificates. These ratings address the likelihood of timely payment of interest (at the Stated Interest Rate and without any premium or break amount) when due on the Certificates and the ultimate payment of principal distributable under the Certificates by the Final Legal Distribution Date. The ratings do not address the possibility of certain defaults, optional redemptions or other circumstances, which could result in the payment of the outstanding principal amount of the Certificates prior to the Final Expected Regular Distribution Date. Standard & Poor s has indicated that its rating applies to a unit consisting of Certificates representing the Trust Property and Escrow Receipts initially representing interests in $810,337,000 of Deposits. Amounts deposited under the Escrow Agreement are not property of United and are not entitled to the benefits of Section 1110 of the Bankruptcy Code. Any cash collateral held as a result of the cross-collateralization of the Equipment Notes will not be entitled to the benefits of Section 1110 of the Bankruptcy Code. The ratings apply only to the Certificates and not the Equipment Notes.

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The reduction, suspension or withdrawal of the ratings of the Certificates will not, by itself, constitute an event of default under the pass through trust agreements.

The Certificates will not provide any protection against highly leveraged or extraordinary transactions.

The Certificates, the Equipment Notes and the underlying agreements will not contain any financial or other covenants or event risk provisions protecting the certificateholders in the event of a highly leveraged or other extraordinary transaction affecting us or our affiliates.

There are no restrictive covenants in the transaction documents relating to our ability to incur future indebtedness.

The Certificates, Equipment Notes and the underlying agreements will not (i) require us to maintain any financial ratios or specified levels of net worth, revenues, income, cash flow or liquidity and therefore do not protect certificateholders in the event that we experience significant adverse changes in our financial condition or results of operations, (ii) limit our ability to incur additional indebtedness or (iii) restrict our ability to pledge our assets. In light of the absence of such restrictions, we may conduct our business in a manner that may cause the market price of the certificates to decline or otherwise restrict or impair our ability to pay amounts due under the Equipment Notes and/or the related agreements.

The ability to resell the Certificates may be limited and the Class B certificates are subject to transfer restrictions.

Prior to this Offering, there has been no public market for the Certificates. Neither we nor any Trust intends to apply for listing of the Certificates on any securities exchange or otherwise. The underwriters may assist in resales of the Certificates, but they are not required to do so, and any market-making activity may be discontinued at any time without notice at the sole discretion of each underwriter. A secondary market for the Certificates may not develop. If a secondary market does develop, it might not continue or it might not be sufficiently liquid to allow you to resell any of your Certificates. If an active public market does not develop, the market price and liquidity of the Certificates may be adversely affected. Neither the Certificates nor the Escrow Receipts may be separately assigned or transferred.

In addition, the Class B certificates will be subject to transfer restrictions. They may be sold only to qualified institutional buyers, as defined in Rule 144A under the Securities Act of 1933, as amended, for so long as they are outstanding. This additional restriction may make it more difficult for you to resell any of your Class B certificates, even if a secondary market does develop.

Escrowed funds may be returned if they are not used to purchase Equipment Notes.

All of the funds held in escrow as Deposits may not be used to purchase Equipment Notes by the Deposit Period Termination Date. See DESCRIPTION OF THE DEPOSIT AGREEMENTS Unused Deposits . If any funds remain as Deposits after the Deposit Period Termination Date, they will be withdrawn by the Escrow Agent and be distributed, with accrued and unpaid interest, but without any Make-Whole Amount, to the relevant certificateholders.

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USE OF PROCEEDS

The proceeds from the sale of the Certificates of each Trust will be used by the applicable Trustee to acquire the Equipment Notes to be held by that Trust. We will issue the Equipment Notes under 37 separate Indentures. We will use the proceeds from the issuance of the Equipment Notes to refinance the existing debt secured by 33 of the Aircraft which were financed pursuant to our issuance of equipment notes in connection with our 2000-2 pass through certificates (the 2000-2 EETC) and for general corporate purposes, possibly including the repayment of indebtedness, financing of capital expenditures or funding of potential acquisitions or other business transactions. The following table sets forth certain information regarding the 2000-2 EETC:

CUSIP	Security	Interest Rate
909317 AU3	Class A-1 PTC	7.032%
909317 AV1	Class A-2 PTC	7.186%
909317 AW9	Class B PTC	7.811%
909317 AX7	Class C PTC	7.762%

United expects to receive approximately $290,000,000 in net proceeds from the completion of the refinancing of the 2000-2 EETC, after accounting for all transaction-related fees and expenses.

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MANAGEMENT S DISCUSSION AND ANALYSIS OF

FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This MANAGEMENT S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS should be read in conjunction with USE OF PROCEEDS and with our financial statements and related notes, which are incorporated by reference in this prospectus supplement.

The information presented in Three Year Period Ended December 31, 2008 relates to the period covered by our audited consolidated financial statements as of and for the year ended December 31, 2008 and should be read together with the information presented in Quarters Ended September 30, 2009 and 2008, which presents information related to the period covered by our unaudited consolidated financial statements as of and for the quarters ended September 30, 2009 and 2008. The information in Quarters Ended September 30, 2009 and 2008 replaces any inconsistent information included in Three Year Period Ended December 31, 2008.

Three Year Period Ended December 31, 2008

Overview

As discussed below in BUSINESS, UAL and United (together with their consolidated subsidiaries, the Company) derive virtually all of their revenues from airline related activities. The most significant source of airline revenues is passenger revenues; however, Mileage Plus® Frequent Flyer Program (Mileage Plus), United Cargo and United Services are also major sources of operating revenues. The airline industry is highly competitive and is characterized by intense price competition. Fare discounting by United s competitors has historically had a negative effect on the Company s financial results because United has generally been required to match competitors fares to maintain passenger traffic. Future competitive fare adjustments may negatively impact the Company s future financial results. The Company s most significant operating expense is jet fuel. Jet fuel prices are extremely volatile and are largely uncontrollable by the Company. The Company s historical and future earnings have been and will continue to be significantly impacted by jet fuel prices.

As UAL consolidates United for financial statement purposes, disclosures that relate to activities of United also apply to UAL, unless otherwise noted. United s operating revenues and operating expenses comprise nearly 100% of UAL s revenues and operating expenses. In addition, United comprises approximately the entire balance of UAL s assets, liabilities and operating cash flows. Therefore, the following qualitative discussion is applicable to both UAL and United, unless otherwise noted. Any significant differences between UAL and United results are separately disclosed and explained.

Bankruptcy Matters. On December 9, 2002, UAL, United and 26 direct and indirect wholly-owned subsidiaries filed voluntary petitions to reorganize their business under Chapter 11 of the Bankruptcy Code. The Company emerged from bankruptcy on February 1, 2006, under the Debtors Second Amended Joint Plan of Reorganization pursuant to Chapter 11 of the Bankruptcy Code (the Plan of Reorganization) that was approved by the U.S. Bankruptcy Court for the Northern District of Illinois, Eastern Division (the Bankruptcy Court). In connection with its emergence from Chapter 11 bankruptcy protection, the Company adopted fresh-start reporting, which resulted in significant changes in post-emergence financial statements, as compared to the Company s historical financial statements. See Three Year Period Ended December 31, 2008 Financial Results below, for further discussion. See Note 4, Voluntary Reorganization Under Chapter 11 Significant Matters Remaining to be Resolved in Chapter 11 Cases, under Item 8. Financial Statements and Supplementary Data in our Current Report on Form 8-K dated May 1, 2009, incorporated by reference herein, for further information regarding bankruptcy matters.

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Recent Developments for the Year Ended December 31, 2008. The unprecedented increase in fuel prices and a worsening global recession have created an extremely challenging environment for the airline industry. While the Company significantly improved its financial performance in 2006 and 2007, the Company was not able to financially compensate for the substantial increase in fuel prices during 2008. The Company s average consolidated fuel price per gallon, including net hedge losses that are classified in fuel expense, increased 59% from 2007 to 2008. The increased cost of fuel purchases and hedging losses drove the $3.1 billion increase in the Company s consolidated fuel costs. The Company s fuel hedge losses that are classified in nonoperating expense also had a significant negative impact on its 2008 liquidity and results of operations.

Although the Company was adversely impacted by fuel costs and special items in this recessionary environment, the Company s commitment to cost reduction was a contributory factor to the year-over-year reduction in other areas of operating expenses as presented in the table below. The following table presents the unit cost of various components of total operating expenses and year-over-year changes.

(In millions, except unit costs)	2008	2008 expense per ASM (in cents)	2007	2007 expense per ASM (in cents)	% change per ASM
Mainline ASMs	135,861		141,890		(4.2)
Mainline fuel expense	$ 7,722	5.68	$ 5,003	3.53	60.9
United Aviation Fuel Corporation (UAFC)	4		36	0.02	(100.0)
Impairments, special items and other charges[a]	2,807	2.07	(44)	(0.03)	
Other operating expenses	10,851	7.99	11,170	7.87	1.5
Total Mainline operating expense	21,384	15.74	16,165	11.39	38.2
Regional Affiliates expense	3,248		2,941		
Consolidated operating expense	$ 24,632		$ 19,106		

(a) These amounts are summarized in the Summary Results of Operations table in Three Year Period Ended December 31, 2008 Financial Results below.

In 2008, the Company focused on mitigating a portion of the negative impact of higher fuel costs and the weakening economy through cost reductions, fleet optimization, generation of higher revenues, executing on initiatives to enhance liquidity and other strategies as discussed below. Overall, the Company has characterized its business approach as Focus on Five, which refers to a comprehensive set of priorities that focus on the fundamentals of running a good airline: one that runs on time, with clean planes and courteous employees, that delivers industry-leading revenues and competitive costs, and does so safely. Building on this foundation, United aims to regain its industry-leading position in key metrics reported by the U.S. Department of Transportation (the DOT) as well as industry-leading revenue driven by products, services, schedules and routes that are valued by the Company s customers. The goal of this approach is intended to enable United to achieve best-in-class safety performance, exceptional customer satisfaction and experience and industry-leading margin and cash flow. Although results of operations in 2008 were disappointing and economic conditions continue to present a challenge for the Company, we believe we are taking the necessary steps to position the Company for improved financial and operational performance in 2009.

Some of these actions include the following:

The Company significantly reduced its Mainline domestic and international capacity in response to high fuel costs and the weakening global economy. Mainline domestic and international capacity decreased 14% and 8%, respectively, during the fourth quarter of 2008 as compared to the year-ago period. Mainline domestic capacity decreased 8% while international capacity increased 1% for the full year of 2008, as compared to 2007. Consolidated capacity was approximately 11% and 4% lower in the fourth quarter and the full year of 2008, respectively, as compared to the year-ago periods. The

Company will implement additional capacity reductions in 2009 as it completes the removal of 100 aircraft, as discussed below, of which 51 aircraft had been removed from service as of December 31, 2008.

The Company is permanently removing 100 aircraft from its fleet, including its entire fleet of 94 B737 aircraft and six B747 aircraft. These aircraft are some of the oldest and least fuel efficient in the Company s fleet. This reduction reflects the Company s efforts to eliminate unprofitable capacity and divest the Company of assets that currently do not provide an acceptable return, particularly in the current economic environment with volatile fuel prices and a global economy in recession. The Company continues to review the deployment of all of its aircraft in various markets and the overall composition of its fleet to ensure that we are using our assets appropriately to provide the best available return.

The Company continues to refit its wide body international aircraft with new first and business class premium seats, entertainment systems and other product enhancements. As of December 31, 2008, the Company had completed upgrades on 25 international aircraft with new premium travel equipment featuring, among other improvements, 180-degree, lie-flat beds in business class. The Company expects its remaining 66 wide body international aircraft to be upgraded by 2011. The upgrade of this equipment is expected to allow the Company to generate revenue premiums from its first and business class international cabins. This new product will reduce premium seat counts by more than 20%.

In 2008, the Company ceased operations to Ft. Lauderdale and West Palm Beach, Florida, two markets served by Ted, which uses an all-economy seating configuration to serve primarily leisure markets. In addition, during 2008, as part of its operational plans the Company ceased operations in certain non-Ted markets and also reduced frequencies in several Ted and non-Ted markets. In light of these planned capacity reductions and other factors, the Company also determined that it would eliminate its entire B737 fleet by the end of 2009. With the reduced need for Ted aircraft in leisure markets and an increased need for narrow body aircraft in non-Ted markets due to the elimination of the B737 fleet, the Company decided to reconfigure the entire Ted fleet of all-economy Airbus aircraft to include first class, as well as Economy Plus and economy seats. The reconfigured Airbus aircraft will provide United a consistent product offering for our customers and employees, and increases our fleet flexibility to redeploy aircraft onto former Ted and other narrow body routes as market conditions change. The reconfiguration of the Ted aircraft will occur in stages with expected completion by the end of 2009.

The Company was able to pass some of the higher fuel costs in 2008 to customers through passenger and cargo fuel surcharges, among other means. The Company created new revenue streams through unbundling products, offering new a la carte services and expanding choices for customers. The Company s existing Travel Options, such as Economy Plus and Premium Cabin upsell have been extremely successful and the Company continues to implement new revenue initiatives such as a $15 fee for the first checked bag, as well as a $25 fee to check a second bag on domestic flights. Additional new Travel Options offered by United include Mileage Plus Award Accelerator, which allows customers to multiply their earned miles for each trip by purchasing accelerator miles upon ticket purchase, and Door-to-Door Baggage, which allows customers to avoid the hassle of taking their luggage to the airport by arranging for the luggage to be picked up from their home and shipped to their final destination. In addition, various ticket change fees have increased, including Mileage Plus close-in fees.

The Company reduced its capital expenditures in 2008 as compared to 2007 by more than $200 million as discussed in Three Year Period Ended December 31, 2008 Liquidity below. In addition, the Company further plans to limit capital spending to $450 million during 2009.

The Company is streamlining its operations and corporate functions in order to match the size of its workforce to the size of its reduced capacity. The Company expects a total workforce reduction of approximately 9,000 positions by the end of 2009, of which approximately 6,000 positions were

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eliminated as of December 31, 2008. The total expected reduction will consist of approximately 2,500 salaried and management positions and approximately 6,500 represented positions. The Company has offered furlough-mitigation programs such as voluntary early-out options, primarily to certain union groups, to reduce the required involuntary furloughs. Of the total expected represented workforce reduction, approximately 40% have been through voluntary furloughs through January 2009.

A transatlantic aviation agreement to replace the existing bilateral arrangements between the U.S. government and the 27 EU member states became effective in 2008. The future effects of this agreement on our financial position and results of operations cannot be predicted with certainty due to the diverse nature of its potential impacts, including increased competition at London s Heathrow Airport as well as throughout the EU member states. However, we have already taken actions to capitalize on opportunities under the new agreement. Upon the effective date of the transatlantic aviation agreement, the DOT s approval of United s application for antitrust immunity with bmi also became effective, allowing the two airlines to deepen their commercial relationship and adding bmi to the multilateral group of Star Alliance carriers that had already been granted antitrust immunity by the DOT.

United and Continental Airlines announced their plan to form a new partnership that will link the airlines networks and services worldwide to the benefit of customers, employees and shareholders, creating new revenue opportunities, cost savings and other efficiencies.

The Company also took certain actions to maintain adequate liquidity and minimize its financing costs during this challenging economic environment. During 2008, the Company generated unrestricted cash of approximately $1.9 billion through new financing agreements, amendments to our Mileage Plus co-branded credit card agreement and our largest credit card processing agreement and other means. Some of these agreements are summarized below. See Three Year Period Ended December 31, 2008 Liquidity and Capital Resources Financing Activities below, for additional information related to these agreements.

During the fourth quarter of 2008, UAL began a public offering of up to $200 million of UAL common stock, generating gross proceeds of $172 million in 2008 and January 2009. UAL may issue additional shares during 2009 until it reaches $200 million in proceeds.

United completed a $241 million credit agreement secured by 26 of the Company s currently owned and mortgaged A319 and A320 aircraft. Borrowings under the agreement were at a variable interest rate based on LIBOR plus a margin. The credit agreement requires periodic principal and interest payments through its final maturity in June 2019. The Company may not prepay the loan prior to July 2012. This agreement did not change the number of the Company s unencumbered aircraft as the Company used available equity in these previously owned and mortgaged aircraft as collateral for this financing.

United entered into an $84 million loan agreement secured by three aircraft, including two Airbus A320 and one Boeing B777 aircraft. Borrowings under the agreement were at a variable interest rate based on LIBOR plus a margin. The loan requires principal and interest payments every three months and has a final maturity in June 2015.

During 2008 and January 2009, United also entered into three aircraft sale-leaseback agreements. The Company sold these aircraft for approximately $370 million and has leased them back.

The Company completed an amendment of its marketing services agreement with its Mileage Plus co-branded bankcard partner and its largest credit card processor to amend the terms of their existing agreements to, among other things, extend the terms of the agreements. These amendments resulted in an immediate increase in the Company s cash position by approximately $1.0 billion, which included a total of $600 million for the advanced purchase of miles and the licensing extension payment, as well as the release of approximately $357 million in previously restricted cash for reserves required under the credit card processing agreement. Approximately $100 million of additional cash receipts

are expected over the next two years based on the amended terms of the co-brand agreement as compared to cash that would have been generated under the terms of the previous co-brand agreement. This amount is less than the Company s initial estimate primarily due to the severe weakening of the global economy. As part of the transaction, United granted a first lien of specified intangible Mileage Plus assets and a second lien on certain other assets. The term of the amended co-branded agreement is through December 31, 2017. See Three Year Period Ended December 31, 2008 Liquidity below, for additional terms of this agreement.

The Company also made the following significant changes to its international route network:

United commenced daily, non-stop service between Washington Dulles and Dubai in October 2008.

The Company announced new daily service from Washington Dulles to Moscow and Geneva, commencing in March and April 2009, respectively.

The Company will reinstate daily seasonal service from Denver to London Heathrow effective March 2009.

Financial Results. UAL and United adopted fresh-start reporting in accordance with SOP 90-7 upon emerging from bankruptcy. Thus, the consolidated financial statements before February 1, 2006 reflect results based upon the historical cost basis of the Company while the post-emergence consolidated financial statements reflect the new basis of accounting, which incorporates fair value and other adjustments recorded from the application of SOP 90-7. Therefore, financial statements for the post-emergence periods are not comparable to the pre-emergence period financial statements. References to Successor Company refer to UAL and/or United on or after February 1, 2006, after giving effect to the adoption of fresh-start reporting. References to Predecessor Company refer to UAL and/or United before their exit from bankruptcy on February 1, 2006.

For purposes of the discussion of financial results, management utilizes the combined results of the Successor Company and Predecessor Company for the twelve months ended December 31, 2006. The combined results for the twelve months ended December 31, 2006 are non-GAAP measures; however, management believes that the combined results provide a more meaningful comparison to the years ended December 31, 2008 and 2007.

The air travel business is subject to seasonal fluctuations and historically, the Company s results of operations are better in the second and third quarters as compared to the first and fourth quarters of each year, since our first and fourth quarter results normally reflect weaker travel demand. The Company s results of operations can be impacted by adverse weather, air traffic control delays, fuel price volatility and other factors in any period. The table below presents certain financial statement items to provide an overview of the Company s financial performance for the three years ended December 31, 2008, 2007 and 2006. The most significant contributors to the Company s net loss in 2008 were increased fuel prices and asset impairments. The table below also highlights that the Company, through its past and on-going cost reduction initiatives, was able to effectively manage costs in non-fuel and other areas, although the benefits of these cost savings initiatives and higher revenues were not sufficient to offset the dramatic increase in fuel cost.

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Summary Results of Operations

(In millions)	Successor 2008	Successor 2007	Combined 2006[e]	Successor Period from February 1 to December 31, 2006	Predecessor Period from January 1 to January 31, 2006
UAL Information					
Revenues	$ 20,194	$ 19,852	$ 19,340	$ 17,882	$ 1,458
Special revenue items[a]		45			
Revenues due to Mileage Plus policy change[a]		246			
Total revenues	20,194	20,143	19,340	17,882	1,458
Mainline fuel purchase cost	7,114	5,086	4,798	4,436	362
Operating non-cash fuel hedge (gain)/loss	568	(20)	2	2	
Operating cash fuel hedge (gain)/loss	40	(63)	24	24	
Regional Affiliates fuel expense[b]	1,257	915	834	772	62
Reorganization gain			(22,934)		(22,934)
Goodwill impairment[c]	2,277				
Other impairments and special items[c]	339	(44)	(36)	(36)	
Other charges (see table below)	191				
Total impairments, special items and other charges	2,807	(44)	(36)	(36)	
Other operating expenses	12,846	13,232	13,271	12,185	1,086
Nonoperating non-cash fuel hedge (gain)/loss	279				
Nonoperating cash fuel hedge (gain)/loss	249				
Other nonoperating expense[d]	455	380	502	471	31
Income tax expense (benefit)	(25)	297	21	21	
Net income (loss)	$ (5,396)	$ 360	$ 22,858	$ 7	$ 22,851
United net income (loss)	$ (5,354)	$ 359	$ 22,640	$ 14	$ 22,626

(a) These significant items affecting the Company s results of operations are discussed in Three Year Period Ended December 31, 2008 Results of Operations below.

(b) Regional Affiliates fuel expense is classified as part of Regional Affiliates expense in the Company s audited consolidated financial statements.

(c) As described in Three Year Period Ended December 31, 2008 Results of Operations below, impairment charges were recorded as a result of interim asset impairment testing performed as of May 31, 2008 and December 31, 2008.

(d) Includes non-cash interest expense of $48 million, $43 million and $18 million in 2008, 2007 and 2006 (Successor) periods, respectively, related to the retrospective adoption of APB 14-1. Also includes equity in earnings of affiliates.

(e) The combined period includes the results for one month ended January 31, 2006 (Predecessor Company) and eleven months ended December 31, 2006 (Successor Company).

Additional details of significant variances in 2008 as compared to 2007 results, as presented in the table above, include the following:

UAL recorded the following impairment and other charges, as further discussed below, during the year ended December 31, 2008:

(In millions)		Year Ended December 31, 2008	Income statement classification
Goodwill impairment	$	2,277	Goodwill impairment
Intangible asset impairments		64	
Aircraft and related deposit impairments		250	
Total other impairments		314	
Lease termination and other charges		25	
Total other impairments and special items		339	Other impairments and special items
Severance		106	Salaries and related costs
Employee benefit obligation adjustment		57	Salaries and related costs
Litigation-related settlement gain		(29)	Other operating expenses
Charges related to terminated/deferred projects		26	Purchased services
Net gain on asset sales		(3)	Depreciation and amortization
Accelerated depreciation		34	Depreciation and amortization
Total other charges		191	
Operating non-cash fuel hedge loss		568	Aircraft fuel
Nonoperating non-cash fuel hedge loss		279	Miscellaneous, net
Tax benefit on intangible asset impairments and asset sales		(31)	Income tax benefit
Total impairments and other charges	$	3,623	

The relatively small income tax benefit in 2008 is related to the impairment and sale of certain indefinite-lived intangible assets, partially offset by the impact of an increase in state tax rates. In 2007, UAL recognized income tax expense of $297 million.

Liquidity. The following table provides a summary of the Company s cash, restricted cash and short-term investments at December 31, 2008 and 2007.

(In millions)	As of December 31, 2008	2007
Cash and cash equivalents	$ 2,039	$ 1,259
Short-term investments		2,295
Restricted cash	272	756
Cash, short-term investments & restricted cash	$ 2,311	$ 4,310

The decrease in the Company s cash, restricted cash and short-term investments balances was primarily due to a $3.4 billion unfavorable reduction in cash flows from operations in 2008 as compared to 2007. The operating cash decrease was primarily due to increased cash expenses, mainly fuel and fuel hedge cash settlements, as discussed in Three Year Period Ended December 31, 2008 Results of Operations below. Fuel hedge collateral requirements also used operating cash of approximately $965 million in the year ended December 31, 2008. This unfavorable variance was partly offset by approximately $600 million of proceeds received from the amendment of the co-brand credit card agreement, as discussed above. Restricted cash decreased in 2008 primarily due to an amendment to our largest credit card processing agreement and posting of letters of credit, as further discussed below.

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The increase in net cash used by investing activities was primarily due to a reallocation of excess cash from short-term investments to cash and cash equivalents. Investing cash flows benefited from a reduction in restricted cash of $484 million. This benefit was primarily due to the amendment of the credit card processing agreement in association with the co-branded amendment described above, which decreased restricted cash by $357 million, and the substitution of letters of credit for cash deposits related to workers compensation obligations. In addition, UAL financing outflows included approximately $253 million to pay a $2.15 per common share special distribution in January 2008.

The Company expects its cash flows from operations and its available capital to be sufficient to meet its future operating expenses, lease obligations and debt service requirements in the next twelve months; however, the Company s future liquidity could be impacted by increases or decreases in fuel prices, fuel hedge collateral requirements, inability to adequately increase revenues to offset high fuel prices, softening revenues resulting from reduced demand, failure to meet future debt covenants and other factors. See Three Year Period Ended December 31, 2008 Liquidity and Capital Resources below and Item 7A. Quantitative and Qualitative Disclosures about Market Risk in our Annual Report on Form 10-K for the year ended December 31, 2008, incorporated by reference herein, for a discussion of these factors and the Company s significant operating, investing and financing cash flows.

Capital Commitments. At December 31, 2008, the Company s future commitments for the purchase of property and equipment include approximately $2.4 billion of nonbinding aircraft commitments and $0.6 billion of binding commitments. The nonbinding commitments of $2.4 billion are related to 42 A319 and A320 aircraft. These orders may be cancelled which would result in the forfeiture of $91 million of advance payments provided to the manufacturer. United believes it is highly unlikely that it will take delivery of the remaining aircraft in the future and therefore believes it will be required to forfeit its $91 million of advance delivery deposits. Based on this determination, the Company recorded an impairment charge in 2008 to decrease the value of the deposits and related capitalized interest of $14 million to zero in the Company s audited consolidated financial statements. In addition, the Company s capital commitments include commitments related to its international premium cabin enhancement program. During 2008, the Company reduced the scope of this project by six aircraft, from the originally disclosed number of 97 aircraft. As of December 31, 2008, the Company had completed upgrades on 25 aircraft and had remaining capital commitments to complete enhancements on an additional 66 aircraft. For further details, see Note 14, Commitments, Contingent Liabilities and Uncertainties, under Item 8. Financial Statements and Supplementary Data in Exhibit 99.1 to our Current Report on Form 8-K dated May 1, 2009, incorporated by reference herein.

Contingencies. During the course of its Chapter 11 proceedings, the Company successfully reached settlements with most of its creditors and resolved most pending claims against the Debtors. We are a party to numerous long-term agreements to lease certain airport and maintenance facilities that are financed through tax-exempt municipal bonds issued by various local municipalities to build or improve airport and maintenance facilities. United was advised during its restructuring that these municipal bonds may have been unsecured (or in certain instances, partially secured) pre-petition debt. In 2006, certain of United s Los Angeles International Airport (LAX) municipal bond obligations were conclusively adjudicated through the Bankruptcy Court as financings and not true leases; however, there remains pending litigation to determine the value of the security interests, if any, that the bondholders have in our underlying leaseholds. See Note 4, Voluntary Reorganization Under Chapter 11, under Item 8. Financial Statements and Supplementary Data in our Current Report on Form 8-K dated May 1, 2009, incorporated by reference herein, for further information on this matter and the resolution of the separate San Francisco International Airport (SFO) municipal bond matter in 2008.

United has guaranteed $270 million of the City and County of Denver, Colorado Special Facilities Airport Revenue Bonds (United Air Lines Project) Series 2007A (the Denver Bonds). This guarantee replaces our prior guarantee of $261 million of bonds issued by the City and County of Denver, Colorado in 1992. These bonds are callable by United. The outstanding bonds and related guarantee are not recorded in the Company s audited consolidated financial statements. However, the related lease agreement is accounted for on a straight-line basis resulting in a ratable accrual of the final $270 million payment over the lease term.

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Legal and Environmental. The Company has certain contingencies resulting from litigation and claims incident to the ordinary course of business. Management believes, after considering a number of factors, including (but not limited to) the information currently available, the views of legal counsel, the nature of contingencies to which the Company is subject and prior experience, that the ultimate disposition of the litigation and claims will not materially affect the Company s consolidated financial position or results of operations. When appropriate, the Company accrues for these matters based on its assessments of the likely outcomes of their eventual disposition. The amounts of these liabilities could increase or decrease in the near term, based on revisions to estimates relating to the various claims.

The Company anticipates that if ultimately found liable, its damages from claims arising from the events of September 11, 2001, could be significant; however, the Company believes that, under the Air Transportation Safety and System Stabilization Act of 2001, its liability will be limited to its insurance coverage.

The Company continues to analyze whether any potential liability may result from air cargo/passenger surcharge cartel investigations following the receipt of a Statement of Objections that the European Commission (the Commission) issued to 26 companies on December 18, 2007. The Statement of Objections sets out evidence related to the utilization of fuel and security surcharges and exchange of pricing information that the Commission views as supporting the conclusion that an illegal price-fixing cartel had been in operation in the air cargo transportation industry. United received a copy of the Statement of Objections and has provided written and oral responses vigorously disputing the Commission s allegations against the Company. Nevertheless, United will continue to cooperate with the Commission s ongoing investigation. Based on its evaluation of all information currently available, the Company has determined that no reserve for potential liability is required and will continue to defend itself against all allegations that it was aware of or participated in cartel activities. However, penalties for violation of European competition laws can be substantial and a finding that the Company engaged in improper activity could have a material adverse impact on our consolidated financial position and results of operations.

Many aspects of United s operations are subject to increasingly stringent federal, state and local laws protecting the environment. Future environmental regulatory developments, such as in regard to climate change, in the United States and abroad could adversely affect operations and increase operating costs in the airline industry. There are a few climate change laws and regulations that have gone into effect that apply to United, including environmental taxes for certain international flights, some limited greenhouse gas reporting requirements and some land-based planning laws which could apply to airports and ultimately impact airlines depending upon the circumstances. In addition, the EU has adopted legislation to include aviation within the EU s existing greenhouse gas emission trading scheme effective in 2012. There are significant questions that remain as to the legality of applying the scheme to non-EU airlines and the United States and other governments are considering filing a legal challenge to the EU s unilateral inclusion of non-EU carriers. While such a measure could significantly increase the costs of carriers operating in the EU, the precise cost to United is difficult to calculate with certainty due to a number of variables, and it is not clear whether the scheme will withstand legal challenge. There may be future regulatory actions taken by the U.S. government, state governments within the United States, foreign governments, the International Civil Aviation Organization, or through a new climate change treaty to regulate the emission of greenhouse gases by the aviation industry. Such future regulatory actions are uncertain at this time (in terms of either the regulatory requirements or their applicability to United), but the impact to the Company and its industry would likely be adverse and could be significant, including the potential for increased fuel costs, carbon taxes or fees, or a requirement to purchase carbon credits.

See Note 14, Commitments, Contingent Liabilities and Uncertainties, under Item 8. Financial Statements and Supplementary Data in Exhibit 99.1 to our Current Report on Form 8-K dated May 1, 2009, incorporated by reference herein, for further discussion of the above contingencies.

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Results of Operations

Operating Revenues

2008 Compared to 2007

The table below illustrates the year-over-year percentage change in UAL and United operating revenues.

	Year Ended December 31,		$	%
(In millions)	**2008**	**2007**	**Change**	**Change**
Passenger-United Airlines	$ 15,337	$ 15,254	$ 83	0.5
Passenger-Regional Affiliates	3,098	3,063	35	1.1
Cargo	854	770	84	10.9
Special operating items		45	(45)	(100.0)
Other operating revenues	905	1,011	(106)	(10.5)
UAL total	$ 20,194	$ 20,143	$ 51	0.3
United total	$ 20,237	$ 20,131	$ 106	0.5

The 2007 special item of $45 million relates to an adjustment of the estimated obligation associated with certain bankruptcy administrative claims, of which $37 million and $8 million relates to the Mainline and United Express reporting units, respectively. The table below presents selected UAL and United passenger revenues and operating data from our Mainline segment, broken out by geographic region with an associated allocation of the special item, and from our United Express segment, expressed as year-over-year changes.

Domestic	Pacific	Atlantic