

SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549

FORM 8-K

CURRENT REPORT

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

Date of Report: September 29, 2000

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(Date of earliest event reported)

UAL CORPORATION

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(Exact name of registrant as specified in its charter)

Delaware ----- (State or other jurisdiction of incorporation)	1-6033 ----- (Commission File Number)	36-2675207 ----- (I.R.S. Employer Identification No.)
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1200 Algonquin Road, Elk Grove Township, Illinois ----- (Address of principal executive offices)	60007 ----- (Zip Code)
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Registrant's telephone number, including area code (847) 700-4000  
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Not Applicable  
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(Former name or former address, if changed since last report)

ITEM 5. OTHER EVENTS.  
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UAL Corporation (the "Company") is filing herewith a summary of selected provisions from the tentative agreement between United Air Lines, Inc. and the Air Line Pilots Association, International, as Exhibit 99.1, and a press release as Exhibit 99.2.

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS.  
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Exhibit No. -----	Description -----
99.1	Summary of Selected Provisions from the Tentative Agreement between United Air Lines, Inc. and the Air Line Pilots Association, International
99.2	Press Release: UAL Corporation Expects to Post a Loss for the Third Quarter

SIGNATURES

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

UAL CORPORATION

By: /s/ Francesca M. Maher  
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Name: Francesca M. Maher  
Title: Senior Vice President,  
General Counsel and  
Secretary

Dated: September 26, 2000

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TENTATIVE UNITED-ALPA 2000 AGREEMENT - SUMMARY

The tentative agreement on a new contract for United pilots was announced by United Airlines and the Air Line Pilots Association (ALPA) on Aug. 26, 2000. ALPA's UAL Master Executive Committee endorsed the agreement on Sept. 9, and the Labor Committee of the UAL board of directors endorsed it on Sept. 13. The tentative agreement is currently under review by the pilots. If ratified, the contract will be retroactive to April 12, 2000, the amendable date of the pilots' contract, except as otherwise provided.

DURATION

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- The amendable date of the contract is Sept. 1, 2004.

SCOPE

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- The tentative contract allows United Express carriers to increase the number of small jets (SJ) beyond the current 65 limit and includes:
  - one-for-one replacement of up to 150 turboprops with SJs.
  - more SJs if United's fleet grows above 451 narrowbody and 141 widebody fleet size.
- The tentative contract allows United to acquire up to 20 percent voting equity and 20 percent non-voting equity of a Star Alliance member, or of a carrier that commits to Star membership.
- United may share profits and losses of revenue with foreign carriers with whom United has antitrust immunity, provided United gets its fair share of the flying.
- The tentative contract establishes that United will not fly or train pilots during a lawful strike by United pilots, and the no-strike clause in the former agreement has been eliminated.
- The number of guaranteed active pilot positions, total system and international block hours, mainline jet fleet and furlough protection has been updated.
- The definition of successor (purchaser of the company) has been modified to include a purchaser of 50 percent or more of the equity or value of the assets of United or its parent (1).

WAGES

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- The initial weighted average increase in wages is 23.8 percent over snapback (2).
  - The increase in first-year wages ranges between 21.5 percent and 22.5 percent for pilots of the narrowbody fleets.
  - The B777 and B747-400 fleet pilots both get a 28.7 percent increase over snapback.
- The annual increases will begin on May 1, 2001, with a 4.5 percent increase for all fleets with the exception of the 747-400, which will be 5.62 percent. The additional annual increases will occur on May 1, 2002, May 1, 2003 and May 1, 2004, with the same increases.

BENEFITS

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- The defined benefit plan-related costs have increased from benefit improvements and the effect of higher wages.
  - The multiplier for determining pension benefit has increased from 1.41 percent to 1.50 percent per year of service.
  - The early-retirement reductions have been reduced to 3 percent per year (from 6 percent) prior to age 60.
- The defined contribution benefit costs have increased due to benefit improvements and the effect of higher wages.
  - The contribution percentage has increased from 9 percent to 11 percent of wages.
- Medical and dental benefit costs have been increased modestly

due to benefit plan improvements.

- For active employees, a short-term disability benefit is paid at 55 percent of pay for three months.

#### WORK RULES

- Premiums have been established for nighttime flying and modified for international flying.
- Domestic and international hourly expense per diem has been increased to \$2.00 and \$2.50, respectively, effective April 12, 2000, and will increase \$0.10 each May 1 (starting in 2001).
- The agreement establishes "flex months," which permit scheduling of pilots by fleet up to 83 hours in as many as four months annually.
- The minimum-monthly pay guarantee has been reduced to 75 hours from 78 hours, or 77 hours in flex months.
- The agreement provides that pilots will be paid for the greater of scheduled flight time, actual flight time or credit time produced from a pilot's actual flight operation. Additionally, reserve pilots will be paid credit time in the same manner as line-holder pilots (pilots who have firm flight schedules for the month).
- Domestic scheduling has been improved to the mutual benefit of the company and the pilots as follows:
  - The level of pilot and aircraft co-pairing has been increased.
  - The length of ground time, duty period and time away from home has been limited.
  - The two-for-one rest provision, for duty periods greater than eight hours within a 24 hour period, has been eliminated to bring United in line with the rest of the industry.
- Systemwide reserve coverage requirements have been increased in accordance with the current practice:

Captain	17 percent
First Officer	15 percent
Shuttle	12 percent

#### Notes:

- (1) parent - The parent of United Airlines is UAL Corporation.
- (2) snapback - refers to the return of wages and the directed account plan contribution to their levels before the onset of United's Employee Stock Ownership Plan (ESOP), which began on July 12, 1994.

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Corporate Communications Contact:  
Media Relations (847) 700-5538

Investor Relations Contact:  
Patricia Chaplinski (847) 700-7501

UAL CORPORATION EXPECTS TO POST A LOSS IN THE THIRD QUARTER

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CHICAGO, Sept. 29, 2000 -- UAL Corporation (NYSE: UAL), the holding company whose primary subsidiary is United Airlines, today announced that it expects to post a loss for the third quarter.

"The third quarter has been a difficult period for United," said James E. Goodwin, UAL Corporation Chairman and Chief Executive Officer. "The disruptions to our operations throughout the quarter greatly inconvenienced our customers and front-line employees, reducing revenues significantly. On the cost side, while we are pleased that we were able to reach a tentative pilot contract, the financial implications of the agreement, coupled with the higher price of jet fuel, will further impact our results. Therefore, we expect to post a loss in the third quarter and probably in the fourth quarter as well."

The company experienced an abnormally high level of delays and cancellations throughout the peak travel season. In response, it adjusted its schedule to reduce the inconvenience caused by the disruptions to its customers and front-line employees, and this, combined with the effect of the disruptions themselves, had a significant effect on revenues.

Affecting the company's costs are the recent tentative pilot contract agreement and the higher cost of jet fuel. The cost of the tentative pilot agreement, as well as the expected impact of other labor agreements which the company is now negotiating, will be greater than originally anticipated. The higher price of fuel is also a cost factor. The company has a hedge program in place against crude oil cost increases for the year. However, the cost of jet fuel has risen at a higher rate than the cost of crude oil, and this will affect the company's costs for the quarter.

"While the quarter's events are negatively impacting our

financial performance," Goodwin commented, "we are making every effort to improve our operations and restore our customers' confidence in United. We believe that these efforts will help us return to profitability. I'd like to take this opportunity to thank our customers for their understanding and our front-line employees for their dedication under extreme circumstances."

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A summary of the material terms of the tentative United-ALPA 2000 contract agreement will be available today on [united.com](http://united.com).

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995: The information contained in the outlook section of this press release is forward looking and involves risks and uncertainties that could result in actual results differing materially from expected results. Some factors that could significantly impact revenues and costs include, without limitation: the airline pricing environment; industry capacity decisions; competitors' route decisions; the success of the company's cost control efforts; the cost of crude oil and jet fuel; the success of fuel hedging strategies; the results of union contract negotiation and ratification processes and their impact on labor costs; operational disruptions as a result of bad weather, air traffic control-related difficulties and the impact of labor issues; the growth of e-commerce and off-tariff distribution channels; the implementation of customer service improvement strategies; actions of the U.S., foreign and local governments; foreign currency exchange rate fluctuations; the Pacific economic environment and travel patterns; the stability of the U.S. economy; inflation; the economic environment of the airline industry and the economic environment in general.

- UAL -

The web-page address for UAL Corp. and United Airlines is  
[united.com](http://united.com)