

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: October 19, 1999

(Date of earliest event reported)

UAL CORPORATION

(Exact name of registrant as specified in its charter)

Delaware

1-6033

36-2675207

(State or other jurisdiction
of incorporation)

(Commission
File Number)

(I.R.S. Employer
Identification No.)

1200 Algonquin Road, Elk Grove Township, Illinois 60007

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code (847) 700-4000

Not Applicable

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

ITEM 5. OTHER EVENTS.

UAL Corporation (the "Company") is filing herewith a press release issued by the Company as Exhibit 99.1 which is incorporated herein by reference.

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS.

Exhibit No.	Description
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99.1	Press Release

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

Name: Francesca M. Maher

Title: Senior Vice President,
General Counsel & Secretary

Dated: October 19, 1999

UAL CORPORATION ANNOUNCES STRATEGIC
INVESTMENT IN AIR CANADA

UAL and Deutsche Lufthansa AG to provide financial package of
up to Cdn\$730 million for Air Canada

Air Canada, United Airlines and Lufthansa strengthen Star Alliance
agreements

CHICAGO, October 19, 1999 - UAL Corporation (NYSE: UAL) announced
today that it and Deutsche Lufthansa AG have agreed to provide a
financial package of up to Cdn\$730 million for Air Canada and will
amend their alliance agreements to solidify Air Canada's place in Star
Alliance, a partnership of the world's leading airlines.

UAL's investment will be made through the purchase of Air Canada
non-voting convertible preferred shares, an aircraft sale and
leaseback agreement and a guaranteed credit facility.

"We're pleased to announce this agreement which supports Canada's
leading airline," said James E. Goodwin, Chairman and Chief Executive
Officer of UAL Corporation and United Airlines. "Air Canada is an
extremely important member of Star Alliance. This agreement will
ensure that the customers we mutually serve will continue to benefit
from the extensive travel network created by our alliance."

Under the agreement announced today, UAL and Lufthansa will:

- Through a joint venture, take up Air Canada's newly-issued
perpetual convertible preferred shares in the amount of Cdn\$230
million. The joint venture will be held 60 per cent by Lufthansa and
40 per cent by UAL.
- Amend their code-share and other agreements with Air Canada by,
among other things, extending their term until the end of 2009.

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In addition, UAL Corporation will:

- Purchase from, and lease back to, Air Canada three Airbus A330
aircraft, for which UAL will invest approximately Cdn\$190 million.
- Commit to guarantee a Cdn\$160 million credit facility for Air
Canada. Lufthansa also plans to make a credit facility available for
Air Canada.

UAL Corporation is the holding company whose primary subsidiary
is United Airlines. United is the world's largest airline, and the
largest majority-employee owned company in the United States. It
operates more than 2,400 daily flights on a route network that spans

the globe.

Star Alliance was established in May, 1997. It brings together some of the world's leading airlines in a partnership designed to provide customers with the benefits of global reach and seamless travel. Current members are: Air Canada, Air New Zealand, All Nippon Airways, Ansett Australia, Lufthansa, Scandinavian Airlines System - SAS, Thai Airways International, United Airlines and Varig Brazilian Airlines. Joining Star in future will be the Austrian Airlines Aviation Group, Mexicana Airlines and Singapore Airlines.