
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

**FORM 8-K
CURRENT REPORT**

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

Date of Report (Date of earliest event reported): **December 5, 2007**

UAL CORPORATION

(Exact name of registrant as specified in its charter)

Delaware
(State of Incorporation)

001-06033
(Commission File Number)

36-2675207
(IRS Employer Identification
Number)

77 W. Wacker Drive, Chicago, IL 60601
(Address of principal executive offices)

Registrant's telephone number, including area code: **(312) 997-8000**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act
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Item 1.01 Entry into a Material Definitive Agreement.

The information described under Item 2.03 below "Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant" is incorporated herein by reference.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

As more fully summarized below, on December 5, 2007, United Air Lines, Inc. ("United"), a wholly owned subsidiary of UAL Corporation (the "Company"), entered into an amendment (the "Amendment") to its amended and restated revolving credit, term loan and guaranty agreement (the "Credit Facility").

The Credit Facility was provided by a syndicate of banks and other financial institutions led by J.P. Morgan Securities Inc. and Citicorp Global Markets, Inc., as joint lead arrangers and joint bookrunners, JPMorgan Chase Bank, N.A. ("JPMCB") and Citicorp USA, Inc. ("CITI"), as co-administrative agents and co-collateral agents, Credit Suisse Securities (USA) LLC, as syndication agent, and JPMCB, as paying agent. The Credit Facility provides \$2.055 billion of financing, comprised of two separate tranches: (i) a Tranche A consisting of a \$255 million revolving commitment available for Tranche A loans and standby letters of credit to be issued in the ordinary course of business of United or one of its subsidiary guarantors and (ii) a Tranche B consisting of a term loan commitment of \$1.8 billion which was available at the time of closing. Additional loan commitments of up to \$450 million are available upon, among other things, United's request and demonstration that no default or event of default has occurred and is continuing under the Credit Facility. The Tranche A loans mature on February 1, 2012, and the Tranche B loans mature on February 1, 2014.

Pursuant to the Amendment, the Company prepaid \$500,000,000 of its Tranche B Loans at par plus accrued interest. In exchange therefor, the Company received flexibility to make certain shareholder initiative payments. Shareholder initiatives are subject to (i) prepayments of the Tranche B Loans in an amount sufficient to maintain the ratio of (x) the aggregate dollar amount of such optional prepayments of Tranche B Loans to (y) the aggregate dollar amount of shareholder initiative payments made of equal to or greater than 1.0:1.0, (ii) maintenance of credit ratings of at least B by Standard and Poors and B2 by Moody's (with each such rating having no worse than a negative outlook) and (iii) pro forma unrestricted cash balance of at least \$2.0 billion. The Amendment also permits United and the companies who are Guarantors on the loans to pay dividends or other distributions or payments to United and any other Guarantor (including UAL Corporation) in connection with outsourcing initiatives or corporate reorganizations. The Amendment also increases United's capacity to invest in, and extend guarantees to, travel and airline related businesses as well as enhancing its capacity for other investments. Finally, the Amendment makes minor adjustments to further existing provisions that permit consolidation transactions and certain types of investments.

The Amendment is attached hereto as Exhibit 4.1 and is incorporated herein by reference. The foregoing summary does not purport to be complete and is qualified in its entirety by reference to the Amendment which is filed as Exhibit 4.1 to this Form 8-K.

Item 7.01 Regulation FD Disclosure.

On December 7, 2007, the Company issued a press release announcing that its lenders approved a credit facility amendment and announcing a special distribution. A copy of the press release is attached hereto as Exhibit 99.1, is incorporated herein by reference and is hereby filed.

Item 9.01 Financial Statements and Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
4.1	First Amendment, dated as of December 5, 2007, to the Amended and Restated Revolving Credit, Term Loan and Guaranty Agreement, dated as of February 2, 2007, among United Air Lines, Inc., as borrower, and UAL Corporation, the parent, and the subsidiaries of United Air Lines, Inc. and UAL Corporation, as guarantors, and the lenders party hereto, and JPMorgan Chase Bank, N.A., as co-administrative agent, co-collateral agent and paying agent, Citicorp USA, Inc., as co-administrative agent and co-collateral agent, J.P. Morgan Securities Inc., as joint lead arranger and joint bookrunner, Citigroup Global Markets, Inc., as joint lead arranger and joint bookrunner, and Credit Suisse Securities (USA) LLC, as syndication agent
99.1	Press Release dated December 7, 2007

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/ Paul R. Lovejoy
Name: Paul R. Lovejoy
Title: Senior Vice President,
General Counsel and Secretary

Date: December 7, 2007

EXHIBIT INDEX

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99.1*	Press Release dated December 7, 2007

* Filed herewith electronically.

**FIRST AMENDMENT
TO REVOLVING CREDIT, TERM LOAN AND
GUARANTY AGREEMENT**

FIRST AMENDMENT dated as of December 5, 2007 (the "Amendment") to the AMENDED AND RESTATED REVOLVING CREDIT, TERM LOAN AND GUARANTY AGREEMENT, dated as of February 2, 2007, among UNITED AIR LINES, INC., a Delaware corporation (the "Borrower"), UAL CORPORATION, a Delaware corporation and the parent company of the Borrower (the "Parent"), and the direct and indirect domestic subsidiaries of the Parent signatory thereto (such subsidiaries, together with the Parent, each a "Guarantor" and collectively the "Guarantors"), JPMORGAN CHASE BANK, N.A., a national banking corporation ("JPMCB"), CITICORP USA, INC., a Delaware corporation ("CITI"), each of the other financial institutions from time to time party thereto (together with JPMCB and CITI, the "Lenders"), JPMCB and CITI, as co-administrative agents (each, an "Agent" and together, the "Agents") and co-collateral agents for the Lenders (each, a "Collateral Agent" and together, the "Collateral Agents") and JPMCB, as paying agent for the Lenders (in such capacity, the "Paying Agent").

WITNESSETH:

WHEREAS, the Borrower, the Guarantors, the Lenders, the Collateral Agents, the Paying Agent and the Agents are parties to that certain Amended and Restated Revolving Credit, Term Loan and Guaranty Agreement, dated as of February 2, 2007 (as heretofore amended, modified or supplemented, and as in effect on the date hereof, the "Credit Agreement"); and

WHEREAS, the Borrower and the Guarantors have requested that, subject to the occurrence of the Effective Date (as hereinafter defined), the Lenders agree to amend the Credit Agreement as set forth in Article II hereof, all subject to and upon the terms and conditions set forth herein.

NOW, THEREFORE, the parties hereto hereby agree as follows:

ARTICLE I. Definitions

1. As used herein, all terms that are defined in the Credit Agreement after giving effect to this Amendment shall have the same meanings herein.

ARTICLE II. Amendment

2. Amendments to Section 1.01. Section 1.01 of the Credit Agreement is hereby amended by (A) inserting the following new defined term:

“Shareholder Initiative Payment” shall mean any Restricted Payment with respect to any Equity Interests in the Parent”; and

(B) amending and restating in their entirety each of the definitions of the terms “Parent”, “Permitted Holder”, “Permitted Holder Acquisition” and “Restricted Payment” as follows:

““Parent” shall have the meaning set forth in the first paragraph of this Agreement and shall include all of such Person’s successors; provided, however, that if a Permitted Holder exists or is created, the provisions of Sections 5.01(a), (b) and (c), 6.09, and 7.01(g), (h), (i) and (j) will apply to the Permitted Holder in the same manner as such sections apply to the Parent (except as may be otherwise provided in such sections).”

““Permitted Holder” shall mean any corporation or limited liability company organized under the laws of the United States of America or any state thereof so long as the Controlling Person (as defined in the definition of Affiliate) of such entity, or such entity itself, is a publicly traded major U.S. airline or a holding company which has (or will simultaneously acquire) as its other principal investment another major U.S. airline.”

““Permitted Holder Acquisition” shall mean (i) an acquisition consummated by a Permitted Holder in accordance with clause (y) of the definition of Permitted Acquisition or (ii) a merger involving the Parent or a Subsidiary of Parent permitted by Section 6.02(d) in connection with which the conditions appearing in the definition of Permitted Acquisition are satisfied.”

““Restricted Payment” shall mean any dividend or other distribution (whether in cash, securities or other property) with respect to any Equity Interests in the Borrower or any Guarantor, or any payment (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, cancellation or termination of any such Equity Interests in the Borrower or a Guarantor or any option, warrant or other right to acquire any such Equity Interests in the Borrower or a Guarantor.”

3. Amendment to Section 5.15. Section 5.15 of the Credit Agreement is hereby amended by deleting the words “twenty (20) Business Days after any Subsidiary” appearing therein and inserting in lieu thereof the words “twenty (20) Business Days after any of its Subsidiaries”.

4. Amendments to Section 6.02. Section 6.02 of the Credit Agreement is hereby amended by (A) replacing all references therein to “any Loan Party” with references to “the Borrower or any Guarantor” and (B) deleting in clause (d) thereof the following “acquisitions (including stock or asset purchases, and mergers or other business combinations in which the Borrower is the surviving entity)” and replacing it with the following “acquisitions, including Permitted Acquisitions and Permitted Holder Acquisitions (provided that both the (i) the Borrower is a surviving entity and (ii) either (A) UAL Corporation is a surviving entity or (B) Parent’s successor agrees to assume all Obligations of UAL Corporation under the Loan Documents)”.

5. Amendment to Section 6.07. Section 6.07 of the Credit Agreement is hereby amended by (A) amending and restating clause (d) thereof in its entirety as follows “for any guaranty by the Borrower or the Guarantors of Indebtedness or other obligations of joint ventures, and for any guaranty by the Borrower and the Guarantors of Indebtedness or other obligations of other Persons, in each case to the extent permitted by Section 6.10(i)”, (B) inserting at the end of clause (e) thereof the words “for purposes other than those described in

Section 6.10(i)” and (C) inserting the words “, and in connection with outsourcing initiatives permitted hereunder,” after the word “business” at the end of clause (g) thereof.

6. Amendment to Section 6.08. Section 6.08 of the Credit Agreement is hereby amended by: (A) deleting the word “and” appearing at the end of clause (h) thereof and inserting in lieu thereof a comma; and (B) inserting the following new clauses (j) and (k) at the end of Section 6.08:

“(j) the Parent may make any Shareholder Initiative Payment and the Borrower and any Guarantor may pay dividends or make any other distributions or payments to the Parent to effectuate same; provided, however, that no Shareholder Initiative Payment may be made unless (1) the Borrower has from and after October 29, 2007 made voluntary prepayments of the Tranche B Loans pursuant to Section 2.12 (for the avoidance of doubt not including amortization payments or mandatory prepayments of the Tranche B Loans effectuated in accordance with Sections 2.09 or 2.11 hereof) in an aggregate amount sufficient such that immediately following the making of any such Shareholder Initiative Payment, the ratio of (x) the aggregate dollar amount of such optional prepayments of Tranche B Loans to (y) the aggregate dollar amount of Shareholder Initiative Payments made, is equal to or greater than 1.0:1.0, (2) the Borrower has achieved and has maintained at the time of making any Shareholder Initiative Payment a corporate credit rating of at least B (or the equivalent thereof) from S&P and at least B2 (or the equivalent thereof) from Moody’s (with each such rating having no worse than a negative outlook) and (3) immediately prior to, and immediately following, the making of such Shareholder Initiative Payment, the Borrower and the Guarantors shall have at least \$2,000,000,000 of Unrestricted Cash; and

(k) the Borrower or any Guarantor may make dividends or distributions to the Borrower or any other Guarantor (including Parent) relating to Investments permitted by Section 6.10(w) or corporate reorganizations.”

7. Amendment to Section 6.10(d). Section 6.10(d) of the Credit Agreement is hereby amended and restated in its entirety as follows: “(d) Investments by the Borrower or any Guarantor in the Borrower or any other Guarantor”.

8. Amendment to Section 6.10(i). Section 6.10(i) of the Credit Agreement is hereby amended by: (A) deleting the reference to “\$500,000,000” appearing therein and inserting in lieu thereof a reference to “\$750,000,000”; and (B) inserting the word “and” immediately before the designation “(2)” appearing therein.

9. Amendment to Section 6.10(x). Section 6.10(x) of the Credit Agreement is hereby amended by deleting the reference to “\$100,000,000” appearing therein and inserting in lieu thereof a reference to “\$250,000,000”.

10. Schedules. Schedule 6.10 is amended and restated in its entirety as set forth on Exhibit A attached hereto.

ARTICLE III. Miscellaneous

11. **Conditions to Effectiveness.** The amendments set forth in Article II of this Amendment shall not become effective until the date (the "**Effective Date**") on which (A) this Amendment shall have been executed by the Borrower, the Guarantors and Lenders constituting Required Lenders, and each Agent shall have received evidence reasonably satisfactory to it of such execution, (B) each Agent shall have received payment or reimbursement of any and all fees, expenses and other amounts owed by Borrower and the Guarantors pursuant to or in connection with the Credit Agreement or this Amendment and (C) between October 29, 2007 and the Effective Date, the Borrower shall have pre-paid at least \$500,000,000 of the Tranche B Loans pursuant to Section 2.12 (for the avoidance of doubt not including amortization payments or mandatory prepayments of the Tranche B Loans effectuated in accordance with Sections 2.09 or 2.11 hereof).

12. **Ratification.** Except to the extent hereby amended, the Credit Agreement and each of the Loan Documents remain in full force and effect and are hereby ratified and affirmed.

13. **Costs and Expenses.** The Borrower agrees that its obligations set forth in Section 10.04 of the Credit Agreement shall extend to the preparation, execution and delivery of this Amendment.

14. **Representations and Warranties.** The Borrower represents and warrants to the Lenders, to induce the Lenders to enter into this Amendment, that no Default or Event of Default exists on the date hereof and that each of the representations and warranties made by the Borrower in the Credit Agreement and each other Loan Document are true and correct in all material respects as of the date hereof except where such representation or warranty relates to a specific date, in which case such representation or warranty was true and correct in all material respects as of such date.

15. **References.** This Amendment shall be limited precisely as written and shall not be deemed (a) to be a consent granted pursuant to, or a waiver or modification of, any other term or condition of the Credit Agreement or any of the instruments or agreements referred to therein or (b) to prejudice any right or rights which the Agents or the Lenders may now have or have in the future under or in connection with the Credit Agreement or any of the instruments or agreements referred to therein. Whenever the Credit Agreement is referred to in the Credit Agreement or any of the instruments, agreements or other documents or papers executed or delivered in connection therewith, such reference shall be deemed to mean the Credit Agreement as modified by this Amendment.

16. **Counterparts.** This Amendment may be executed in any number of counterparts and by the different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute but one and the same instrument. A fax copy or .pdf copy of a counterpart signature page shall serve as the functional equivalent of a manually executed copy for all purposes.

17. **Applicable Law.** This Amendment shall be governed by, and construed in accordance with, the laws of the State of New York.

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

[Signature pages and exhibit intentionally omitted]



Worldwide Press Office: 312-997-8640

UAL CORP. ANNOUNCES \$250 MILLION DISTRIBUTION TO SHAREHOLDERS

United Airlines Pays Down \$500 Million of Term Loan

**Amendment to United's Credit Agreement
Allows For Further Shareholder Initiatives**

CHICAGO, Dec. 7, 2007 — United Airlines (Nasdaq: UAA) today announced that the UAL Corporation Board of Directors approved a special distribution of \$2.15 per share to holders of UAL common stock, or approximately \$250 million. The distribution will be made on Jan. 23, 2008 to holders of UAL Corporation common stock on Jan. 9, 2008. United also announced that it paid down \$500 million of the term loan under its existing credit agreement.

Both the distribution and the term loan prepayment follow the approval by United's lenders of an amendment to the company's credit agreement. Under the amendment, the company can undertake an additional \$250 million in shareholder initiatives without any additional prepayment. In addition, the amendment provides that the company can carry out further shareholder initiatives in an amount equal to future term loan prepayments.

"This shareholder distribution underscores our commitment to creating value for our investors," said Glenn Tilton, chairman, president and CEO. "On behalf of our board of directors, we are pleased to make this decision to provide a distribution to our shareholders while strengthening our balance sheet and investing in our business. We compete for shareholders just as we compete for customers."

The United Building, 77 West Wacker Drive, Chicago, Illinois 60601



Since exiting bankruptcy, United has reduced its total net debt by \$2.7 billion through the end of the third quarter. United has generated more than \$2 billion in operating cash flow in the first nine months of the year. The company also plans to invest \$4 billion in its business over the next five years.

For the 5% Senior Convertible Notes due 2021 (the "O'Hare Notes"), the 4.5% Senior Limited-Subordination Convertible Notes due 2021 (the "Employee Notes") and the PBGC 2% Convertible Preferred Stock ("PBGC Preferred Stock"), the conversion price and the ratios will be adjusted in accordance with their respective terms.

About United

United Airlines (NASDAQ: UAU) operates more than 3,300* flights a day on United, United Express and Ted to more than 200 U.S. domestic and international destinations from its hubs in Los Angeles, San Francisco, Denver, Chicago and Washington, D.C. With key global air rights in the Asia-Pacific region, Europe and Latin America, United is one of the largest international carriers based in the United States. United also is a founding member of Star Alliance, which provides connections for our customers to 855 destinations in 155 countries worldwide. United's 55,000 employees reside in every U.S. state and in many countries around the world. News releases and other information about United can be found at the company's Web site at united.com.

*Based on the flight schedule between Jan. 1, 2007 and Dec. 31, 2007.

The United Building, 77 West Wacker Drive, Chicago, Illinois 60601



The information included in this press release contains certain statements that are “Forward-Looking Statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are subject to a number of assumptions, risks and uncertainties related to the Company’s operations and the business environment in which it operates. Actual results may differ materially from any future results expressed or implied in such Forward-Looking Statements due to numerous factors, many of which are beyond the Company’s control, including factors set forth in the Company’s Form 10-K for 2006 and other subsequent Company reports filed with the United States Securities and Exchange Commission. Persons reviewing this press release are cautioned that the Forward-Looking Statements speak only as of the date made and are not guarantees of future performance. The Company undertakes no obligation to update any Forward-Looking Statements.



The United Building, 77 West Wacker Drive, Chicago, Illinois 60601