

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

**FORM 10-Q**

**(Mark One)**  
 **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2013

OR

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number	Exact Name of Registrant as Specified in its Charter, Principal Office Address and Telephone Number	State of Incorporation	I.R.S. Employer Identification No
001-06033	<b>United Continental Holdings, Inc.</b> 233 South Wacker Drive, Chicago, Illinois 60606 (312) 997-8000	Delaware	36-2675207
001-10323	<b>United Airlines, Inc.</b> 233 South Wacker Drive, Chicago, Illinois 60606 (312) 997-8000	Delaware	74-2099724

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

United Continental Holdings, Inc. Yes  No  United Airlines, Inc. Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this Chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

United Continental Holdings, Inc. Yes  No  United Airlines, Inc. Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

United Continental Holdings, Inc.	Large accelerated filer <input checked="" type="checkbox"/>	Accelerated filer <input type="checkbox"/>	Non-accelerated filer <input type="checkbox"/>	Smaller reporting company <input type="checkbox"/>
United Airlines, Inc.	Large accelerated filer <input type="checkbox"/>	Accelerated filer <input type="checkbox"/>	Non-accelerated filer <input checked="" type="checkbox"/>	Smaller reporting company <input type="checkbox"/>

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

United Continental Holdings, Inc. Yes  No   
 United Airlines, Inc. Yes  No

The number of shares outstanding of each of the issuer's classes of common stock as of July 15, 2013 is shown below:

United Continental Holdings, Inc.	355,903,723 shares of common stock (\$0.01 par value)
United Airlines, Inc.	1,000 (100% owned by United Continental Holdings, Inc.)
	There is no market for United Airlines, Inc. common stock.

**OMISSION OF CERTAIN INFORMATION**

This combined Form 10-Q is separately filed by United Continental Holdings, Inc. and United Airlines, Inc. United Airlines, Inc. meets the conditions set forth in General Instruction H(1)(a) and (b) of Form 10-Q and is therefore filing this form with the reduced disclosure format allowed under that General Instruction.

[Table of Contents](#)

**United Continental Holdings, Inc.**  
**United Airlines, Inc.**  
**Report on Form 10-Q**  
**For the Quarter Ended June 30, 2013**

	<u>Page</u>
<u>PART I. FINANCIAL INFORMATION</u>	
<u>Item 1. Financial Statements</u>	
United Continental Holdings, Inc.:	
<a href="#">Statements of Consolidated Operations</a>	3
<a href="#">Statements of Consolidated Comprehensive Income (Loss)</a>	4
<a href="#">Consolidated Balance Sheets</a>	5-6
<a href="#">Condensed Statements of Consolidated Cash Flows</a>	7
United Airlines, Inc.:	
<a href="#">Statements of Consolidated Operations</a>	8
<a href="#">Statements of Consolidated Comprehensive Income (Loss)</a>	9
<a href="#">Consolidated Balance Sheets</a>	10-11
<a href="#">Condensed Statements of Consolidated Cash Flows</a>	12
<a href="#">Combined Notes to Condensed Consolidated Financial Statements</a>	
<a href="#">(United Continental Holdings, Inc. and United Airlines, Inc.)</a>	13
<a href="#">Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations</a>	31
<a href="#">Item 3. Quantitative and Qualitative Disclosures About Market Risk</a>	43
<a href="#">Item 4. Controls and Procedures</a>	43
<u>PART II. OTHER INFORMATION</u>	
<a href="#">Item 1. Legal Proceedings</a>	44
<a href="#">Item 1A. Risk Factors</a>	44
<a href="#">Item 6. Exhibits</a>	47
<a href="#">Signatures</a>	48
<a href="#">Exhibit Index</a>	49

## PART I. FINANCIAL INFORMATION

## ITEM 1. FINANCIAL STATEMENTS

**UNITED CONTINENTAL HOLDINGS, INC.**  
**STATEMENTS OF CONSOLIDATED OPERATIONS (UNAUDITED)**  
(In millions, except per share amounts)

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2013	2012	2013	2012
Operating revenue:				
Passenger—Mainline	\$ 6,829	\$ 6,944	\$12,767	\$12,898
Passenger—Regional	1,839	1,824	3,460	3,378
Total passenger revenue	8,668	8,768	16,227	16,276
Cargo	236	265	463	529
Other operating revenue	1,097	906	2,032	1,736
	<u>10,001</u>	<u>9,939</u>	<u>18,722</u>	<u>18,541</u>
Operating expense:				
Aircraft fuel	3,068	3,408	6,118	6,637
Salaries and related costs	2,175	2,024	4,302	3,921
Regional capacity purchase	628	643	1,216	1,259
Landing fees and other rent	507	503	1,004	972
Aircraft maintenance materials and outside repairs	480	432	918	839
Depreciation and amortization	425	378	833	758
Distribution expenses	347	345	675	682
Aircraft rent	235	251	475	502
Special charges (Note 10)	52	206	144	370
Other operating expenses	1,314	1,174	2,531	2,297
	<u>9,231</u>	<u>9,364</u>	<u>18,216</u>	<u>18,237</u>
Operating income	770	575	506	304
Nonoperating income (expense):				
Interest expense	(194)	(213)	(395)	(429)
Interest capitalized	12	9	23	17
Interest income	6	7	11	12
Miscellaneous, net	(123)	(38)	(100)	(11)
	<u>(299)</u>	<u>(235)</u>	<u>(461)</u>	<u>(411)</u>
Income (loss) before income taxes	471	340	45	(107)
Income tax expense (benefit)	2	1	(7)	2
Net income (loss)	<u>\$ 469</u>	<u>\$ 339</u>	<u>\$ 52</u>	<u>\$ (109)</u>
Earnings (loss) per share, basic	<u>\$ 1.37</u>	<u>\$ 1.02</u>	<u>\$ 0.15</u>	<u>\$ (0.33)</u>
Earnings (loss) per share, diluted	<u>\$ 1.21</u>	<u>\$ 0.89</u>	<u>\$ 0.15</u>	<u>\$ (0.33)</u>

The accompanying Combined Notes to Consolidated Financial Statements are an integral part of these statements.

**UNITED CONTINENTAL HOLDINGS, INC.**  
**STATEMENTS OF CONSOLIDATED COMPREHENSIVE INCOME (LOSS) (UNAUDITED)**  
**(In millions)**

	<u>Three Months Ended</u> <u>June 30,</u>		<u>Six Months Ended</u> <u>June 30,</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Net income (loss)	\$ 469	\$ 339	\$ 52	\$ (109)
Other comprehensive income (loss), net:				
Net change related to fuel derivative financial instruments	(10)	(224)	(10)	(100)
Net change related to employee benefit plans	459	5	480	9
Net change related to investments and other	9	—	7	9
	<u>458</u>	<u>(219)</u>	<u>477</u>	<u>(82)</u>
Total comprehensive income (loss), net	<u>\$ 927</u>	<u>\$ 120</u>	<u>\$ 529</u>	<u>\$ (191)</u>

The accompanying Combined Notes to Consolidated Financial Statements are an integral part of these statements.

**UNITED CONTINENTAL HOLDINGS, INC.**  
**CONSOLIDATED BALANCE SHEETS**  
**(In millions, except shares)**

	(Unaudited) June 30, 2013	December 31, 2012
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 4,143	\$ 4,770
Short-term investments	1,821	1,773
Total unrestricted cash, cash equivalents and short-term investments	5,964	6,543
Restricted cash	40	65
Receivables, less allowance for doubtful accounts (2013 — \$21; 2012 — \$13)	1,732	1,338
Aircraft fuel, spare parts and supplies, less obsolescence allowance (2013 — \$145; 2012 — \$125)	555	695
Deferred income taxes	540	543
Prepaid expenses and other	790	865
	<u>9,621</u>	<u>10,049</u>
Operating property and equipment:		
Owned—		
Flight equipment	18,145	17,561
Other property and equipment	3,527	3,269
	21,672	20,830
Less — Accumulated depreciation and amortization	(5,638)	(5,006)
	<u>16,034</u>	<u>15,824</u>
Purchase deposits for flight equipment	610	462
Capital leases—		
Flight equipment	1,489	1,484
Other property and equipment	235	235
	1,724	1,719
Less — Accumulated amortization	(784)	(713)
	<u>940</u>	<u>1,006</u>
	<u>17,584</u>	<u>17,292</u>
Other assets:		
Goodwill	4,523	4,523
Intangibles, less accumulated amortization (2013 — \$864; 2012 — \$792)	4,523	4,597
Restricted cash	395	382
Other, net	822	785
	<u>10,263</u>	<u>10,287</u>
	<u>\$ 37,468</u>	<u>\$ 37,628</u>

(continued on next page)

**UNITED CONTINENTAL HOLDINGS, INC.**  
**CONSOLIDATED BALANCE SHEETS**  
**(In millions, except shares)**

	(Unaudited) June 30, 2013	December 31, 2012
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Advance ticket sales	\$ 4,801	\$ 3,360
Frequent flyer deferred revenue	2,343	2,364
Accounts payable	2,298	2,312
Accrued salaries and benefits	1,480	1,763
Current maturities of long-term debt	909	1,812
Current maturities of capital leases	119	122
Other	977	1,085
	<u>12,927</u>	<u>12,818</u>
Long-term debt	10,214	10,440
Long-term obligations under capital leases	724	792
Other liabilities and deferred credits:		
Frequent flyer deferred revenue	2,644	2,756
Postretirement benefit liability	2,642	2,614
Pension liability	1,937	2,400
Advanced purchase of miles	1,438	1,537
Deferred income taxes	1,542	1,543
Lease fair value adjustment, net	791	881
Other	1,392	1,366
	<u>12,386</u>	<u>13,097</u>
Commitments and contingencies		
Stockholders' equity:		
Preferred stock	—	—
Common stock at par, \$0.01 par value; authorized 1,000,000,000 shares; outstanding 355,889,762 and 332,472,779 shares at June 30, 2013 and December 31, 2012, respectively	4	3
Additional capital invested	7,354	7,145
Accumulated deficit	(5,534)	(5,586)
Stock held in treasury, at cost	(38)	(35)
Accumulated other comprehensive loss	(569)	(1,046)
	<u>1,217</u>	<u>481</u>
	<u>\$ 37,468</u>	<u>\$ 37,628</u>

The accompanying Combined Notes to Consolidated Financial Statements are an integral part of these statements.

**UNITED CONTINENTAL HOLDINGS, INC.**  
**CONDENSED STATEMENTS OF CONSOLIDATED CASH FLOWS (UNAUDITED)**  
**(In millions)**

	Six Months Ended	
	June 30,	
	2013	2012
<b>Cash Flows from Operating Activities:</b>		
Net cash provided by operating activities	\$ 1,541	\$ 1,083
<b>Cash Flows from Investing Activities:</b>		
Capital expenditures and aircraft purchase deposits paid	(821)	(619)
Increase in short-term and other investments, net	(41)	(96)
Proceeds from sale of property and equipment	17	145
(Increase) decrease in restricted cash, net	12	(5)
Net cash used in investing activities	(833)	(575)
<b>Cash Flows from Financing Activities:</b>		
Payments of long-term debt	(1,737)	(696)
Proceeds from issuance of long-term debt	520	86
Principal payments under capital leases	(73)	(64)
Other, net	(45)	6
Net cash used in financing activities	(1,335)	(668)
Net decrease in cash and cash equivalents	(627)	(160)
Cash and cash equivalents at beginning of the period	4,770	6,246
Cash and cash equivalents at end of the period	<u>\$ 4,143</u>	<u>\$ 6,086</u>
<b>Investing and Financing Activities Not Affecting Cash:</b>		
Net property and equipment acquired through the issuance of debt	\$ 225	\$ 341
Exchanges of certain 6% convertible senior notes for common stock (Note 3)	189	—
Airport construction financing	29	27
8% Contingent Senior Unsecured Notes, net of discount	—	48

The accompanying Combined Notes to Consolidated Financial Statements are an integral part of these statements.

**UNITED AIRLINES, INC.**  
**STATEMENTS OF CONSOLIDATED OPERATIONS (UNAUDITED)**  
(In millions)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2013	2012	2013	2012
<b>Operating revenue:</b>				
Passenger—Mainline	\$ 6,829	\$ 6,944	\$ 12,767	\$ 12,898
Passenger—Regional	1,839	1,824	3,460	3,378
Total passenger revenue	8,668	8,768	16,227	16,276
Cargo	236	265	463	529
Other operating revenue	1,099	907	2,036	1,739
	<u>10,003</u>	<u>9,940</u>	<u>18,726</u>	<u>18,544</u>
<b>Operating expense:</b>				
Aircraft fuel	3,068	3,408	6,118	6,637
Salaries and related costs	2,175	2,024	4,302	3,921
Regional capacity purchase	628	643	1,216	1,259
Landing fees and other rent	507	503	1,004	972
Aircraft maintenance materials and outside repairs	480	432	918	839
Depreciation and amortization	425	378	833	758
Distribution expenses	347	345	675	682
Aircraft rent	235	251	475	502
Special charges (Note 10)	52	206	144	370
Other operating expenses	1,313	1,173	2,530	2,295
	<u>9,230</u>	<u>9,363</u>	<u>18,215</u>	<u>18,235</u>
Operating income	773	577	511	309
<b>Nonoperating income (expense):</b>				
Interest expense	(188)	(216)	(391)	(433)
Interest capitalized	12	9	23	17
Interest income	6	7	11	12
Miscellaneous, net	(117)	(7)	(32)	35
	<u>(287)</u>	<u>(207)</u>	<u>(389)</u>	<u>(369)</u>
Income (loss) before income taxes	486	370	122	(60)
Income tax expense	2	1	—	2
Net income (loss)	<u>\$ 484</u>	<u>\$ 369</u>	<u>\$ 122</u>	<u>\$ (62)</u>

The accompanying Combined Notes to Consolidated Financial Statements are an integral part of these statements.



**UNITED AIRLINES, INC.**  
**STATEMENTS OF CONSOLIDATED COMPREHENSIVE INCOME (LOSS) (UNAUDITED)**  
**(In millions)**

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2013	2012	2013	2012
Net income (loss)	\$ 484	\$ 369	\$ 122	\$ (62)
Other comprehensive income (loss), net:				
Net change related to fuel derivative financial instruments	(10)	(224)	(10)	(100)
Net change related to employee benefit plans	459	5	480	9
Net change related to investments and other	9	(1)	8	9
Other	—	—	6	—
	<u>458</u>	<u>(220)</u>	<u>484</u>	<u>(82)</u>
Total comprehensive income (loss), net	<u>\$ 942</u>	<u>\$ 149</u>	<u>\$ 606</u>	<u>\$ (144)</u>

The accompanying Combined Notes to Consolidated Financial Statements are an integral part of these statements.

**UNITED AIRLINES, INC.**  
**CONSOLIDATED BALANCE SHEETS**  
**(In millions, except shares)**

	(Unaudited) June 30, 2013	December 31, 2012
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 4,137	\$ 4,765
Short-term investments	1,821	1,773
Total unrestricted cash, cash equivalents and short-term investments	5,958	6,538
Restricted cash	40	65
Receivables from related parties	229	226
Receivables, less allowance for doubtful accounts (2013 — \$21; 2012 — \$13)	1,732	1,338
Aircraft fuel, spare parts and supplies, less obsolescence allowance (2013 — \$145; 2012 — \$125)	555	695
Deferred income taxes	546	546
Prepaid expenses and other	777	841
	<u>9,837</u>	<u>10,249</u>
Operating property and equipment:		
Owned—		
Flight equipment	18,145	17,561
Other property and equipment	3,527	3,269
	<u>21,672</u>	<u>20,830</u>
Less — Accumulated depreciation and amortization	(5,638)	(5,006)
	<u>16,034</u>	<u>15,824</u>
Purchase deposits for flight equipment	610	462
Capital leases—		
Flight equipment	1,489	1,484
Other property and equipment	235	235
	<u>1,724</u>	<u>1,719</u>
Less — Accumulated amortization	(784)	(713)
	<u>940</u>	<u>1,006</u>
	<u>17,584</u>	<u>17,292</u>
Other assets:		
Goodwill	4,523	4,523
Intangibles, less accumulated amortization (2013 — \$864; 2012 — \$792)	4,523	4,597
Restricted cash	395	382
Other, net	1,215	1,052
	<u>10,656</u>	<u>10,554</u>
	<u>\$ 38,077</u>	<u>\$ 38,095</u>

(continued on next page)

**UNITED AIRLINES, INC.**  
**CONSOLIDATED BALANCE SHEETS**  
**(In millions, except shares)**

	(Unaudited) June 30, 2013	December 31, 2012
<b>LIABILITIES AND STOCKHOLDER'S EQUITY</b>		
Current liabilities:		
Advance ticket sales	\$ 4,801	\$ 3,360
Frequent flyer deferred revenue	2,343	2,364
Accounts payable	2,302	2,316
Accrued salaries and benefits	1,480	1,763
Current maturities of long-term debt	909	1,812
Current maturities of capital leases	119	122
Payables to related parties	47	75
Other	1,043	1,140
	<u>13,044</u>	<u>12,952</u>
Long-term debt	10,007	10,038
Long-term obligations under capital leases	724	792
Other liabilities and deferred credits:		
Frequent flyer deferred revenue	2,644	2,756
Postretirement benefit liability	2,642	2,614
Pension liability	1,937	2,400
Advanced purchase of miles	1,438	1,537
Deferred income taxes	1,472	1,470
Lease fair value adjustment	791	881
Other	1,591	1,494
	<u>12,515</u>	<u>13,152</u>
Commitments and contingencies		
Stockholder's equity:		
Common stock at par, \$0.01 par value; authorized 1,000 shares; issued and outstanding 1,000 shares at both June 30, 2013 and December 31, 2012	—	—
Additional capital invested	7,631	7,611
Accumulated deficit	(5,275)	(5,397)
Accumulated other comprehensive loss	(569)	(1,053)
	<u>1,787</u>	<u>1,161</u>
	<u>\$ 38,077</u>	<u>\$ 38,095</u>

The accompanying Combined Notes to Consolidated Financial Statements are an integral part of these statements.

**UNITED AIRLINES, INC.**  
**CONDENSED STATEMENTS OF CONSOLIDATED CASH FLOWS (UNAUDITED)**  
**(In millions)**

	Six Months Ended	
	June 30,	
	2013	2012
<b>Cash Flows from Operating Activities:</b>		
Net cash provided by operating activities	\$ 1,538	\$ 1,081
<b>Cash Flows from Investing Activities:</b>		
Capital expenditures and aircraft purchase deposits paid	(821)	(619)
Increase in short-term and other investments, net	(41)	(96)
Proceeds from sale of property and equipment	16	145
(Increase) decrease in restricted cash, net	12	(5)
Net cash used in investing activities	<u>(834)</u>	<u>(575)</u>
<b>Cash Flows from Financing Activities:</b>		
Payments of long-term debt	(1,737)	(696)
Proceeds from issuance of long-term debt	520	86
Principal payments under capital leases	(73)	(64)
Other, net	(42)	8
Net cash used in financing activities	<u>(1,332)</u>	<u>(666)</u>
Net decrease in cash and cash equivalents	(628)	(160)
Cash and cash equivalents at beginning of the period	4,765	6,240
Cash and cash equivalents at end of the period	<u>\$ 4,137</u>	<u>\$ 6,080</u>
<b>Investing and Financing Activities Not Affecting Cash:</b>		
Net property and equipment acquired through the issuance of debt	\$ 225	\$ 341
Airport construction financing	29	27
8% Contingent Senior Unsecured Notes, net of discount	—	48

The accompanying Combined Notes to Consolidated Financial Statements are an integral part of these statements.

**UNITED CONTINENTAL HOLDINGS, INC. AND UNITED AIRLINES, INC.  
COMBINED NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**

United Continental Holdings, Inc. (together with its consolidated subsidiaries, “UAL” or the “Company”) is a holding company and its principal, wholly-owned subsidiary is United Airlines, Inc. (together with its consolidated subsidiaries, “United”). This Quarterly Report on Form 10-Q is a combined report of UAL and United including their respective consolidated financial statements. 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. When appropriate, UAL and United are named specifically for their individual contractual obligations and related disclosures and any significant differences between the operations and results of UAL and United are separately disclosed and explained. We sometimes use the words “we,” “our,” “us,” and the “Company” in this report for disclosures that relate to all of UAL and United.

The UAL and United unaudited condensed consolidated financial statements shown here have been prepared as required by the U.S. Securities and Exchange Commission (the “SEC”). Some information and footnote disclosures normally included in financial statements that comply with accounting principles generally accepted in the United States (“GAAP”) have been condensed or omitted as permitted by the SEC. The financial statements include all adjustments, including normal recurring adjustments and other adjustments, which are considered necessary for a fair presentation of the Company’s financial position and results of operations. The UAL and United financial statements should be read together with the information included in the Company’s Annual Report on Form 10-K for the year ended December 31, 2012 (the “2012 Annual Report”) and Current Report on Form 8-K filed on April 25, 2013. The Company’s quarterly financial data is subject to seasonal fluctuations and historically its second and third quarter financial results, which reflect higher travel demand, are better than its first and fourth quarter financial results.

**NOTE 1—FREQUENT FLYER ACCOUNTING**

*Frequent Flyer Awards.* The Company revised the estimated selling price of miles as a prospective change in estimate, effective January 1, 2012, based on the price at which the Company sells miles to Star Alliance partners in its reciprocal frequent flyer agreements as the best estimate of the selling price for these miles. Any changes to the composition of Star Alliance airline partners could result in a change to the amount and method we use to determine the estimated selling price. On February 14, 2013, US Airways Group, Inc. announced an agreement to merge with AMR Corporation and its intent to exit Star Alliance as a result of such merger. We are currently evaluating the potential impact of any changes to the estimated selling price of miles as a result of this merger.

**NOTE 2—NEW ACCOUNTING PRONOUNCEMENTS**

In February 2013, the Financial Accounting Standards Board issued Accounting Standards Update No. 2013-02 (“ASU 2013-02”), *Comprehensive Income (Topic 220): Reporting of Amounts Reclassified Out of Accumulated Other Comprehensive Income*. Some of the key amendments require the Company to present, either on the face of the statement of operations or in the notes, the effects on the line items of net income of significant amounts reclassified out of accumulated other comprehensive income, but only if the amount reclassified is required under U.S. GAAP to be reclassified to net income in its entirety in the same reporting period. For amounts that are not required to be reclassified in their entirety to net income, the Company is required to cross-reference to other disclosures that provide additional detail about those amounts. ASU 2013-02 became effective for the Company’s annual and interim periods beginning January 1, 2013, and the required disclosures are included in Note 11 of this report.

**NOTE 3—EARNINGS (LOSS) PER SHARE**

The table below represents the computation of UAL’s basic and diluted earnings (loss) per share amounts and the number of securities that have been excluded from the computation of diluted earnings (loss) per share amounts because they were antidilutive (in millions, except per share amounts):

[Table of Contents](#)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2013	2012	2013	2012
<b>Basic earnings (loss) per share:</b>				
Net income (loss)	\$ 469	\$ 339	\$ 52	\$ (109)
Less: Income allocable to participating securities	(1)	(1)	—	—
Earnings (loss) available to common stockholders	<u>\$ 468</u>	<u>\$ 338</u>	<u>\$ 52</u>	<u>\$ (109)</u>
Basic weighted average shares outstanding	<u>341</u>	<u>331</u>	<u>337</u>	<u>331</u>
Earnings (loss) per share, basic	<u>\$ 1.37</u>	<u>\$ 1.02</u>	<u>\$0.15</u>	<u>\$ (0.33)</u>
<b>Diluted earnings (loss) per share:</b>				
Earnings (loss) available to common stockholders	\$ 468	\$ 338	\$ 52	\$ (109)
Effect of convertible notes	<u>11</u>	<u>11</u>	<u>—</u>	<u>—</u>
Earnings (loss) available to common stockholders including the effect of dilutive securities	<u>\$ 479</u>	<u>\$ 349</u>	<u>\$ 52</u>	<u>\$ (109)</u>
<b>Diluted shares outstanding:</b>				
Basic weighted-average shares outstanding	341	331	337	331
Effect of convertible notes	53	61	—	—
Effect of employee stock options	—	1	—	—
Diluted weighted-average shares outstanding	<u>394</u>	<u>393</u>	<u>337</u>	<u>331</u>
Earnings (loss) per share, diluted	<u>\$ 1.21</u>	<u>\$ 0.89</u>	<u>\$0.15</u>	<u>\$ (0.33)</u>
<b>Potentially dilutive shares excluded from diluted per share amounts:</b>				
Restricted stock and stock options	3	5	3	7
Convertible notes	—	—	57	61

During the second quarter of 2013, UAL issued approximately 22 million shares of UAL common stock pursuant to agreements that UAL entered into with certain of its securityholders in exchange for approximately \$189 million in aggregate principal amount of UAL's outstanding 6% convertible senior notes due 2029 held by such securityholders. The newly issued shares of UAL common stock are included in the determination of basic weighted average shares outstanding for the three and six months ended June 30, 2013. The Company retired the 6% convertible senior notes acquired in the exchange.

**NOTE 4—INCOME TAXES**

Our effective tax rates are lower than the federal statutory rate of 35% primarily because of the impact of changes to existing valuation allowances. We continue to provide a valuation allowance for our deferred tax assets in excess of deferred tax liabilities because we have concluded that it is more likely than not that such deferred tax assets will ultimately not be realized.

United files a consolidated federal income tax return with UAL. Under an intercompany tax allocation policy, United computes, records and pays UAL for its own tax liability as if United were a separate company filing a separate return. In determining its own tax liabilities, United takes into account all tax credits or benefits generated and utilized as a separate company and it is compensated for the aforementioned tax benefits only if it would be able to use those benefits on a separate company basis.

**NOTE 5—EMPLOYEE BENEFIT PLANS**

**Defined Benefit Pension and Other Postretirement Benefit Plans.** The Company's net periodic benefit cost includes the following components (in millions):

[Table of Contents](#)

	Pension Benefits		Other Postretirement Benefits	
	Three Months Ended		Three Months Ended	
	June 30,		June 30,	
	2013	2012	2013	2012
Service cost	\$ 32	\$ 25	\$ 14	\$ 13
Interest cost	47	46	28	32
Expected return on plan assets	(40)	(35)	—	(1)
Amortization of unrecognized (gain) loss and prior service cost	15	6	2	(1)
Curtailment loss	2	—	—	—
Settlement gain	(1)	—	—	—
Total	<u>\$ 55</u>	<u>\$ 42</u>	<u>\$ 44</u>	<u>\$ 43</u>

	Pension Benefits		Other Postretirement Benefits	
	Six Months Ended		Six Months Ended	
	June 30,		June 30,	
	2013	2012	2013	2012
Service cost	\$ 65	\$ 50	\$ 28	\$ 26
Interest cost	94	92	56	63
Expected return on plan assets	(80)	(70)	(1)	(2)
Amortization of unrecognized (gain) loss and prior service cost	33	11	5	(2)
Curtailment loss	2	—	—	—
Settlement gain	(1)	—	—	—
Total	<u>\$ 113</u>	<u>\$ 83</u>	<u>\$ 88</u>	<u>\$ 85</u>

During the three and six months ended June 30, 2013, the Company contributed \$38 million and \$79 million, respectively, to its tax-qualified defined benefit pension plans.

**Curtailments, Settlements and Plan Remeasurements.** During June 2013, the Company announced it would freeze benefits for management and administrative employees under one of its defined benefit pension plans, effective December 31, 2013. As a result, the Company recognized a \$2 million curtailment loss in earnings in the second quarter. The Company also recognized a settlement gain of \$1 million in earnings resulting from certain lump-sum payments under a separate defined benefit pension plan. Application of curtailment and settlement accounting required the Company to remeasure the assets and liabilities of the two plans in the second quarter. The Company remeasured the pension plans' liabilities using an average weighted discount rate of 4.74% compared to the year-end 2012 discount rate of 4.24%. As a result of the remeasurements, curtailment and settlement, the projected benefit obligation of the plans decreased by \$434 million and Other comprehensive loss decreased by an actuarial gain of \$442 million, of which approximately \$84 million resulted from the curtailment. These items will also result in a decrease of approximately \$30 million in the expected net periodic benefit cost for the remainder of 2013. The Company recognizes the earnings impacts of its pension plans in Salaries and related costs in the statements of consolidated operations.

**Share-Based Compensation.** In February 2013, UAL granted share-based compensation awards pursuant to the United Continental Holdings, Inc. 2008 Incentive Compensation Plan. These share-based compensation awards include approximately 0.5 million shares of restricted stock and 0.5 million restricted stock units ("RSUs") that vest pro-rata over three years on the anniversary of the grant date. The time-vested RSUs are cash-settled based on the 20-day average closing price of UAL common stock immediately prior to the vesting date. In addition, the Company granted 1.3 million performance-based RSUs that will vest based on the Company's return on invested capital for the three years ending December 31, 2015. If this performance condition is achieved, cash payments will be made after the end of the performance period based on the 20-day average closing price of UAL common stock immediately prior to the vesting date. The Company accounts for the RSUs as liability awards. The table below presents information related to share-based compensation (in millions):

## [Table of Contents](#)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2013	2012	2013	2012
Share-based compensation expense (a)	\$ 13	\$ 11	\$ 40	\$ 26
Unrecognized share-based compensation		\$45		\$33

(a) Includes \$3 million and \$11 million of expense recognized in merger integration-related costs for the three and six months ended June 30, 2013, respectively. Includes \$3 million and \$7 million of expense recognized in merger integration-related costs for the three and six months ended June 30, 2012, respectively.

**Profit Sharing Plans.** In 2013 and 2012, a majority of all employees participate in profit sharing plans, which pay 15% of total pre-tax earnings, excluding special items and share-based compensation expense, to eligible employees when pre-tax profit, excluding special items, profit sharing expense and share-based compensation program expense, exceeds \$10 million. Eligible U.S. co-workers in each participating work group receive a profit sharing payout using a formula based on the ratio of each qualified co-worker's annual eligible earnings to the eligible earnings of all qualified co-workers in all domestic workgroups. The international profit sharing plan pays eligible non-U.S. co-workers the same percentage of eligible pay that is calculated under the U.S. profit sharing plan. Profit sharing expense is recorded as a component of salaries and related costs in the consolidated statements of operations. Our profit sharing plan will change in 2014. Beginning with 2014, pilots' share of profit sharing payments will be limited to an amount that is their pro-rata share of 10% of the Company's profit up to a pre-tax margin of 6.9% and 20% of the Company's profit in excess of a pre-tax margin of 6.9%. The profit sharing plan for the other workgroups is unchanged.

### NOTE 6—FINANCIAL INSTRUMENTS AND FAIR VALUE MEASUREMENTS

The table below presents disclosures about the financial assets and financial liabilities measured at fair value on a recurring basis in the Company's financial statements (in millions):



[Table of Contents](#)

	June 30, 2013				December 31, 2012			
	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
Cash and cash equivalents	\$4,143	\$4,143	\$ —	\$ —	\$4,770	\$4,770	\$ —	\$ —
Short-term investments:								
Asset-backed securities	762	—	762	—	715	—	715	—
Corporate debt	511	—	511	—	537	—	537	—
Certificates of deposit placed through an account registry service (“CDARS”)	358	—	358	—	367	—	367	—
Auction rate securities	115	—	—	115	116	—	—	116
Other short-term investments	75	—	75	—	38	—	38	—
Enhanced equipment trust certificates (“EETC”)	62	—	—	62	63	—	—	63
Fuel derivative asset (liability), net	(23)	—	(23)	—	46	—	46	—
Foreign currency derivatives, net	1	—	1	—	—	—	—	—
Restricted cash	435	435	—	—	447	447	—	—

	United							
	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
Cash and cash equivalents	\$4,137	\$4,137	\$ —	\$ —	\$4,765	\$4,765	\$ —	\$ —
Short-term investments:								
Asset-backed securities	762	—	762	—	715	—	715	—
Corporate debt	511	—	511	—	537	—	537	—
CDARS	358	—	358	—	367	—	367	—
Auction rate securities	115	—	—	115	116	—	—	116
Other short-term investments	75	—	75	—	38	—	38	—
EETC	62	—	—	62	63	—	—	63
Fuel derivative asset (liability), net	(23)	—	(23)	—	46	—	46	—
Foreign currency derivatives, net	1	—	1	—	—	—	—	—
Restricted cash	435	435	—	—	447	447	—	—
Convertible debt derivative asset	395	—	—	395	268	—	—	268
Convertible debt option liability	(199)	—	—	(199)	(128)	—	—	(128)

**Available-for-sale investment maturities** — The short-term investments and EETC securities shown in the table above are classified as available-for-sale. Short-term investments have maturities of less than one year except for asset-backed securities, corporate debt and auction rate securities. As of June 30, 2013, asset-backed securities have remaining maturities of approximately one to 42 years, corporate debt securities have remaining maturities of approximately one to 22 years, and auction rate securities have remaining maturities of approximately one to 33 years. The EETC securities have various maturities with the final maturity in 2019.

The tables below present disclosures about the activity for “Level 3” financial assets and financial liabilities (in millions):

[Table of Contents](#)

UAL	Three Months Ended June 30,			
	2013		2012	
	Auction Rate Securities	EETC	Auction Rate Securities	EETC
Balance at March 31	\$ 108	\$ 61	\$ 112	\$ 62
Settlements	—	—	—	—
Gains (losses):				
Reported in earnings—realized	—	—	—	—
Reported in earnings—unrealized	—	—	—	—
Reported in other comprehensive income (loss)	7	1	—	1
Balance at June 30	<u>\$ 115</u>	<u>\$ 62</u>	<u>\$ 112</u>	<u>\$ 63</u>

UAL	Six Months Ended June 30,			
	2013		2012	
	Auction Rate Securities	EETC	Auction Rate Securities	EETC
Balance at January 1	\$ 116	\$ 63	\$ 113	\$ 60
Settlements	(10)	(2)	—	(2)
Gains (losses):				
Reported in earnings—realized	2	—	—	—
Reported in earnings—unrealized	1	—	(1)	—
Reported in other comprehensive income (loss)	6	1	—	5
Balance at June 30	<u>\$ 115</u>	<u>\$ 62</u>	<u>\$ 112</u>	<u>\$ 63</u>

[Table of Contents](#)

United	Three Months Ended June 30,							
	2013				2012			
	Auction Rate Securities	Convertible Debt Supplemental Derivative Asset	Convertible Debt Conversion Option Liability	EETC	Auction Rate Securities	Convertible Debt Supplemental Derivative Asset	Convertible Debt Conversion Option Liability	EETC
Balance at March 31	\$ 108	\$ 413	\$ (209)	\$ 61	\$ 112	\$ 231	\$ (119)	\$ 62
Settlements	—	—	—	—	—	—	—	—
Gains (losses):								
Reported in earnings:								
Realized	—	—	—	—	—	—	—	—
Unrealized	—	(18)	10	—	—	58	(28)	—
Reported in other comprehensive income (loss)	7	—	—	1	—	—	—	1
Balance at June 30	<u>\$ 115</u>	<u>\$ 395</u>	<u>\$ (199)</u>	<u>\$ 62</u>	<u>\$ 112</u>	<u>\$ 289</u>	<u>\$ (147)</u>	<u>\$ 63</u>

United	Six Months Ended June 30,							
	2013				2012			
	Auction Rate Securities	Convertible Debt Supplemental Derivative Asset	Convertible Debt Conversion Option Liability	EETC	Auction Rate Securities	Convertible Debt Supplemental Derivative Asset	Convertible Debt Conversion Option Liability	EETC
Balance at January 1	\$ 116	\$ 268	\$ (128)	\$ 63	\$ 113	\$ 193	\$ (95)	\$ 60
Settlements	(10)	—	—	(2)	—	—	—	(2)
Gains (losses):								
Reported in earnings:								
Realized	2	—	—	—	—	—	—	—
Unrealized	1	127	(71)	—	(1)	96	(52)	—
Reported in other comprehensive income (loss)	6	—	—	1	—	—	—	5
Balance at June 30	<u>\$ 115</u>	<u>\$ 395</u>	<u>\$ (199)</u>	<u>\$ 62</u>	<u>\$ 112</u>	<u>\$ 289</u>	<u>\$ (147)</u>	<u>\$ 63</u>

As of June 30, 2013, the Company's auction rate securities, which had a par value of \$125 million, were variable-rate debt instruments with interest rates that reset every 7, 28 or 35 days, depending on the terms of the particular instrument. These securities are backed by pools of student loans guaranteed by state-designated guaranty agencies and reinsured by the U.S. government. All of the auction rate securities that the Company holds are senior obligations under the applicable indentures authorizing the issuance of the securities.

As of June 30, 2013, United's EETC securities, which were repurchased in open market transactions in 2007, have unrealized gains of \$3 million. All changes in the fair value of these investments have been classified within accumulated other comprehensive income.

United's debt-related derivatives presented in the tables above relate to (a) supplemental indenture agreements that provide that United's convertible debt is convertible into shares of UAL common stock upon the terms and conditions specified in the indentures, and (b) the embedded conversion options in United's convertible debt that are required to be separated and accounted for as though they are free-standing derivatives as a result of the United debt becoming convertible into the common stock of a different reporting entity. The derivatives described above relate to the 6% convertible junior subordinated debentures due 2030 and the 4.5% convertible notes due 2015. These derivatives are reported in United's separate financial statements and eliminated in consolidation for UAL.

## [Table of Contents](#)

Derivative instruments and investments presented in the tables above have the same fair value as their carrying value. The table below presents the carrying values and estimated fair values of financial instruments not presented in the tables above (in millions):

### Fair Value of Debt by Fair Value Hierarchy Level

	June 30, 2013					December 31, 2012				
	Carrying Amount	Fair Value				Carrying Amount	Fair Value			
		Total	Level 1	Level 2	Level 3		Total	Level 1	Level 2	Level 3
UAL debt	\$11,123	\$12,153	\$ —	\$7,589	\$4,564	\$12,252	\$13,419	\$ —	\$8,045	\$5,374
United debt	10,916	11,553	—	6,989	4,564	11,850	12,460	—	7,086	5,374

### Quantitative Information About Level 3 Fair Value Measurements (in millions)

Item	Fair Value at June 30, 2013	Valuation Technique	Unobservable Input	Range (Weighted Average)
Auction rate securities	\$ 115	Valuation Service / Broker Quotes	Broker quotes (a)	NA
EETC	62	Discounted Cash Flows	Structure credit risk (b)	5%
Convertible debt derivative asset	395	Binomial Lattice Model	Expected volatility (c) Own credit risk (d)	45% - 60% (47%) 6%
Convertible debt option liability	(199)	Binomial Lattice Model	Expected volatility (c) Own credit risk (d)	45% - 60% (47%) 6%

(a) Broker quotes obtained by a third-party valuation service.

(b) Represents the credit risk premium of the EETC structure above the risk-free rate that the Company has determined market participants would use in pricing the instruments.

(c) Represents the range in volatility estimates that the Company has determined market participants would use when pricing the instruments.

(d) Represents the range of Company-specific risk adjustments that the Company has determined market participants would use as a model input.

**Valuation Processes—Level 3 Measurements**—Depending on the instrument, the Company utilizes broker quotes obtained from third-party valuation services, discounted cash flow methods, or option pricing methods, as indicated above. Valuations using discounted cash flow methods are generally conducted by the Company. Valuations using option pricing models are generally provided to the Company by third-party valuation experts. Each reporting period, the Company reviews the unobservable inputs used by third-party valuation experts for reasonableness utilizing relevant information available to the Company from other sources.

As of June 30, 2013, the Company began using broker quotes obtained from a valuation service (in replacement of a discounted cash flows method) for valuing auction rate securities. This approach provides the best available information.

**Sensitivity Analysis—Level 3 Measurements**—Changes in the structure credit risk would be unlikely to cause material changes in the fair value of the EETCs.

The significant unobservable inputs used in the fair value measurement of the United convertible debt derivative assets and liabilities are the expected volatility in UAL common stock and the Company's own credit risk. Significant increases (decreases) in expected stock volatility would result in a higher (lower) fair value measurement. Significant increases (decreases) in the Company's own credit risk would result in a lower (higher) fair value measurement. A change in one of the inputs would not necessarily result in a directionally similar change in the other.

Fair value of the financial instruments included in the tables above was determined as follows:

## [Table of Contents](#)

<u>Description</u>	<u>Fair Value Methodology</u>
<i>Cash and cash equivalents</i>	The carrying amounts approximate fair value because of the short-term maturity of these assets.
<i>Short-term investments and Restricted cash</i>	Fair value is based on (a) the trading prices of the investment or similar instruments, (b) an income approach, which uses valuation techniques to convert future amounts into a single present amount based on current market expectations about those future amounts when observable trading prices are not available, (c) internally-developed models of the expected future cash flows related to the securities, or (d) broker quotes obtained by third-party valuation services.
<i>Fuel derivatives</i>	Derivative contracts are privately negotiated contracts and are not exchange traded. Fair value measurements are estimated with option pricing models that employ observable inputs. Inputs to the valuation models include contractual terms, market prices, yield curves, fuel price curves and measures of volatility, among others.
<i>Foreign currency derivatives</i>	Fair value is determined with a formula utilizing observable inputs. Significant inputs to the valuation models include contractual terms, risk-free interest rates and forward exchange rates.
<i>Debt</i>	Fair values were based on either market prices or the discounted amount of future cash flows using our current incremental rate of borrowing for similar liabilities.
<i>Convertible debt derivative asset and option liability</i>	United used a binomial lattice model to value the conversion options and the supplemental derivative assets. Significant binomial model inputs that are not objectively determinable include volatility and discount rate.

### NOTE 7—HEDGING ACTIVITIES

**Aircraft Fuel Hedges.** To protect against increases in the prices of aircraft fuel, the Company routinely hedges a portion of its future fuel requirements. As of June 30, 2013, the Company had hedged approximately 47% and 18% of its projected fuel requirements (942 million and 706 million gallons, respectively) for the remainder of 2013 and 2014, respectively, with commonly used financial hedge instruments based on aircraft fuel or closely related commodities, such as heating oil, diesel fuel and crude oil. As of June 30, 2013, the Company had fuel hedges expiring through December 2014. The Company does not enter into derivative instruments for non-risk management purposes.

Upon proper qualification, the Company accounts for certain fuel derivative instruments as cash flow hedges. All derivatives designated as hedges that meet certain requirements are granted hedge accounting treatment. The types of instruments the Company utilizes that qualify for special hedge accounting treatment typically include swaps, call options, collars (which consist of a purchased call option and a sold put option) and four-way collars (a collar with a higher strike sold call option and a lower strike purchased put option). Generally, utilizing hedge accounting, all periodic changes in fair value of the derivatives designated as hedges that are considered to be effective are recorded in accumulated other comprehensive income (loss) (“AOCI”) until the underlying fuel is consumed and recorded in fuel expense. The Company is exposed to the risk that its hedges may not be effective in offsetting changes in the cost of fuel and that its hedges may not continue to qualify for hedge accounting. Hedge ineffectiveness results when the change in the fair value of the derivative instrument exceeds the change in the value of the Company’s expected future cash outlay to purchase and consume fuel. To the extent that the periodic changes in the fair value of the derivatives are not effective, that ineffectiveness is classified as Nonoperating income (expense): Miscellaneous, net in the statements of consolidated operations.

The Company also utilizes certain derivative instruments that are economic hedges but do not qualify for hedge accounting under U.S. GAAP. As with derivatives that qualify for hedge accounting, the purpose of these economic hedges is to mitigate the adverse financial impact of potential increases in the price of fuel. Currently, the only such economic hedges in the Company’s hedging portfolio are three-way collars (which consist of a collar with a cap on maximum price protection available). The Company records changes in the fair value of three-way collars to Nonoperating income (expense): Miscellaneous, net in the statements of consolidated operations.

If the Company terminates a derivative prior to its contractual settlement date, then the cumulative gain or loss recognized in AOCI at the termination date remains in AOCI until the forecasted transaction occurs. In a situation where it becomes probable that a hedged forecasted transaction will not occur, any gains and/or losses that have been recorded to AOCI would be required to be immediately reclassified into earnings. All cash flows associated with purchasing and settling derivatives are classified as operating cash flows in the condensed statements of consolidated cash flows.

## [Table of Contents](#)

The Company records each derivative instrument as a derivative asset or liability (on a gross basis) in its consolidated balance sheets, and, accordingly, records any related collateral on a gross basis.

The following tables present information about the financial statement classification of the Company's derivatives (in millions):

<u>Classification</u>	<u>Balance Sheet Location</u>	<u>June 30, 2013</u>	<u>December 31, 2012</u>
<b>Derivatives designated as cash flow hedges</b>			
<i>Assets:</i>			
Fuel contracts due within one year	Receivables	\$ 6	\$ 7
<i>Liabilities:</i>			
Fuel contracts due within one year	Current liabilities: Other	\$ 4	\$ 2
Fuel contracts with maturities greater than one year	Other liabilities and deferred credits: Other	\$ 3	\$ —
Total liabilities		\$ 7	\$ 2
<b>Derivatives not designated as hedges</b>			
<i>Assets:</i>			
Fuel contracts due within one year	Receivables	\$ 4	\$ 44
<i>Liabilities:</i>			
Fuel contracts due within one year	Current liabilities: Other	\$ 22	\$ 2
Fuel contracts with maturities greater than one year	Other liabilities and deferred credits: Other	4	1
Total liabilities		\$ 26	\$ 3
<b>Total derivatives</b>			
<i>Assets:</i>			
Fuel contracts due within one year	Receivables	\$ 10	\$ 51
<i>Liabilities:</i>			
Fuel contracts due within one year	Current liabilities: Other	\$ 26	\$ 4
Fuel contracts with maturities greater than one year	Other liabilities and deferred credits: Other	7	1
Total liabilities		\$ 33	\$ 5

The following tables present the impact of derivative instruments and their location within the Company's unaudited statements of consolidated operations (in millions):

[Table of Contents](#)

**Derivatives designated as cash flow hedges**

	Amount of Loss Recognized in AOCI on Derivatives (Effective Portion)		Loss Reclassified from AOCI into Fuel Expense		Amount of Loss Recognized in Nonoperating income (expense): Miscellaneous, net (Ineffective Portion)	
	Three Months Ended June 30,		Three Months Ended June 30,		Three Months Ended June 30,	
	2013	2012	2013	2012	2013	2012
Fuel contracts	\$ (19)	\$ (262)	\$ (9)	\$ (38)	\$ (1)	\$ (29)

**Derivatives designated as cash flow hedges**

	Amount of Loss Recognized in AOCI on Derivatives (Effective Portion)		Loss Reclassified from AOCI into Fuel Expense		Amount of Loss Recognized in Nonoperating income (expense): Miscellaneous, net (Ineffective Portion)	
	Six Months Ended June 30,		Six Months Ended June 30,		Six Months Ended June 30,	
	2013	2012	2013	2012	2013	2012
Fuel contracts	\$ (28)	\$ (169)	\$ (18)	\$ (69)	\$ (1)	\$ (4)

**Derivatives not designated as hedges**

Fuel contracts	Three Months Ended June 30,		Six Months Ended June 30,	
	2013	2012	2013	2012
Amount of loss recognized in Nonoperating income (expense):				
Miscellaneous, net	\$ (81)	\$ —	\$ (31)	\$ —

***Derivative Credit Risk and Fair Value***

The Company is exposed to credit losses in the event of nonperformance by counterparties to its derivative instruments. While the Company records derivative instruments on a gross basis, the Company monitors its net derivative position with each counterparty to monitor credit risk. Based on the fair value of our fuel derivative instruments, our counterparties may require us to post collateral when the price of the underlying commodity decreases, and we may require our counterparties to provide us with collateral when the price of the underlying commodity increases. The following table presents information related to the Company's derivative credit risk as of June 30, 2013 (in millions):

Net derivative liability with counterparties	\$ 23
Collateral posted by the Company with counterparties (classified as an other current receivable)	—
Potential loss related to the failure of the Company's counterparties to perform	1

**NOTE 8—COMMITMENTS AND CONTINGENCIES**

**Commitments.** On April 29, 2013, United entered into an agreement to purchase 30 Embraer EMB175 regional jets, scheduled for delivery in 2014 and 2015.

On June 17, 2013, United entered into supplemental agreements to United's 787 aircraft purchase agreements with The Boeing Company ("Boeing") to add to its existing firm order of Boeing 787 widebody aircraft ten Boeing 787-10 aircraft, convert an existing firm order for ten Boeing 787 aircraft into Boeing 787-10 aircraft and make certain other changes to those agreements. On June 19, 2013, United entered into amendments to its A350 purchase agreement with Airbus S.A.S. ("Airbus") to add to its existing firm order of Airbus A350 widebody aircraft ten Airbus A350-1000 aircraft, convert its existing firm order for 25 Airbus A350-900 aircraft into Airbus A350-1000 aircraft and make certain other changes to the agreement. The Company expects to take delivery of the Boeing 787-10 aircraft and Airbus A350-1000 aircraft between 2018 and 2024.

## [Table of Contents](#)

As of June 30, 2013, UAL and United had the following commitments to purchase aircraft:

**UAL Aircraft Commitments.** UAL had firm commitments to purchase 100 new Boeing 737 MAX 9 aircraft scheduled for delivery from 2018 through 2025. UAL also had options to purchase additional Boeing 737 MAX 9 aircraft. UAL intends in the future to assign its interest under the purchase agreement for the 737 MAX 9 aircraft to United.

**United Aircraft Commitments.** United had firm commitments to purchase 199 new aircraft (59 Boeing 787 aircraft, 75 Boeing 737 aircraft, 35 Airbus A350-1000 aircraft, and 30 Embraer EMB175 aircraft) scheduled for delivery from July 1, 2013 through 2025. United also had options and purchase rights for additional aircraft. In the second quarter of 2013, United took delivery of six Boeing 737-900ER. In the remainder of 2013, United expects to take delivery of twelve Boeing 737-900ER aircraft and two Boeing 787-8 aircraft.

United had arranged for EETC financing of 14 Boeing 737-900ER aircraft, six of which were delivered during the second quarter of 2013 and two of which are scheduled to be delivered during the remainder of 2013. United also has arranged for EETC financing of one Boeing 787-8 aircraft and a bank debt financing commitment for one Boeing 737-900ER aircraft scheduled for delivery in the second half of 2013. In addition, United had secured backstop financing commitments from certain of its aircraft manufacturers for a limited number of its future aircraft deliveries, subject to certain customary conditions. However, the Company does not have backstop financing or any financing currently in place for its other firm aircraft orders. Financing will be necessary to satisfy the Company's capital commitments for its firm order aircraft and other related capital expenditures. The Company can provide no assurance that any financing not already in place for aircraft and spare engine deliveries will be available to the Company on acceptable terms when necessary or at all. See Note 9 of this report for additional information on aircraft financing.

The Company has concluded its discussions with Boeing regarding certain contractual matters, including expected fuel burn, for current and future deliveries of certain Boeing 787 aircraft, and has reached a resolution with Boeing regarding compensation to be received in connection with those matters.

The table below summarizes the capital commitments of UAL and United (including those intended to be assigned from UAL) as of June 30, 2013, which primarily relate to the acquisition of aircraft and related spare engines, aircraft improvements and acquisition of information technology services and assets:

<i>(In billions)</i>	
Last six months of 2013	\$ 1.2
2014	2.5
2015	2.0
2016	2.4
2017	1.4
After 2017	14.0
	<u>\$23.5</u>

Any incremental firm aircraft orders, including through the exercise of purchase options, will increase the total future capital commitments of the Company.

### ***Aircraft Operating Leases and Capacity Purchase Agreements***

In May 2013, United entered into a capacity purchase agreement with SkyWest Airlines, Inc. ("SkyWest"), a wholly-owned subsidiary of SkyWest, Inc., to operate 40 Embraer EMB175 aircraft under the United Express brand. SkyWest will purchase these 76-seat aircraft with deliveries in 2014 and 2015. These 40 aircraft are in addition to United's April 2013 agreement to purchase 30 Embraer EMB175 aircraft, which will be operated by a different United Express carrier.

The table below summarizes the Company's future payments through the end of the terms of our capacity purchase commitments, excluding variable pass-through costs such as fuel and landing fees, among others. In addition, the table below summarizes the Company's scheduled future minimum lease payments under aircraft operating leases having initial or remaining noncancelable lease terms of more than one year and includes aircraft rent under capacity purchase agreements, including estimated commitments from the Embraer EMB175 aircraft which will be delivered starting in 2014.



## [Table of Contents](#)

<i>(In millions)</i>	<u>Capacity Purchase Agreements</u>	<u>Aircraft Operating Leases</u>
Last six months of 2013	\$ 968	\$ 714
2014	1,722	1,571
2015	1,626	1,355
2016	1,400	1,122
2017	1,278	1,009
After 2017	4,388	2,590
	<u>\$ 11,382</u>	<u>\$ 8,361</u>

### **Facility and Other Operating Leases**

In April 2013, United signed a 20-year lease extension with the Port Authority of New York and New Jersey to continue its use of Terminal C1 and C2 at Newark Liberty International Airport (“Newark”). United also committed to invest an additional \$150 million in facility upgrades at Newark to enhance the customer experience and efficiency of the operation. The table below summarizes the Company’s scheduled future minimum lease payments under facility operating leases having initial or remaining noncancelable lease terms of more than one year.

<i>(In millions)</i>	<u>Facility and Other Operating Leases</u>
Last six months of 2013	\$ 594
2014	1,038
2015	900
2016	829
2017	782
After 2017	6,814
	<u>\$ 10,957</u>

### **Guarantees and Off-Balance Sheet Financing**

**Guarantees.** United is the guarantor of approximately \$1.9 billion in aggregate principal amount of tax-exempt special facilities revenue bonds and interest thereon. These bonds, issued by various airport municipalities, are payable solely from rentals paid under long-term agreements with the respective governing bodies. The leasing arrangements associated with \$1.7 billion of these obligations are accounted for as operating leases with the associated expense recorded on a straight-line basis resulting in ratable accrual of the lease obligation over the expected lease term. The leasing arrangements associated with \$180 million of these obligations are accounted for as capital leases. All these bonds are due between 2015 and 2038.

In the Company’s financing transactions that include loans, the Company typically agrees to reimburse lenders for any reduced returns with respect to the loans due to any change in capital requirements and, in the case of loans in which the interest rate is based on the London Interbank Offered Rate (“LIBOR”), for certain other increased costs that the lenders incur in carrying these loans as a result of any change in law, subject in most cases to obligations of the lenders to take certain limited steps to mitigate the requirement for, or the amount of, such increased costs. At June 30, 2013, the Company had \$2.0 billion of floating rate debt and \$317 million of fixed rate debt, with remaining terms of up to nine years, that are subject to these increased cost provisions. In several financing transactions involving loans or leases from non-U.S. entities, with remaining terms of up to eight years and an aggregate balance of \$2.2 billion, the Company bears the risk of any change in tax laws that would subject loan or lease payments thereunder to non-U.S. entities to withholding taxes, subject to customary exclusions.

**Credit Facilities.** On March 27, 2013, United and UAL entered into a new Credit and Guaranty Agreement (the “Credit Agreement”) as the borrower and guarantor, respectively, that provides United with a \$1.0 billion revolving credit facility. As of June 30, 2013, United had its entire capacity of \$1.0 billion available under the revolving credit facility. See Note 9 of this report for more information.

## [Table of Contents](#)

**Labor Negotiations.** As of June 30, 2013, United had approximately 88,000 active employees, of whom approximately 80% were represented by various labor organizations. Having reached a ratified joint collective bargaining agreement with our pilots represented by the Air Line Pilots Association, International, we are currently in the process of negotiating joint collective bargaining agreements with our other major work groups, including our public contact co-workers, technicians, flight attendants and dispatchers.

### **NOTE 9—DEBT**

As of June 30, 2013, a substantial portion of our assets are pledged as collateral for our debt. These assets principally consist of aircraft, route authorities and loyalty program intangible assets. As of June 30, 2013, the Company was in compliance with its debt covenants.

**Unsecured 6.375% Senior Notes.** In May 2013, UAL issued \$300 million aggregate principal amount of 6.375% Senior Notes due June 1, 2018. The notes are fully and unconditionally guaranteed and recorded by United on its balance sheet as debt.

**6% Convertible Senior Notes.** During the second quarter of 2013, UAL issued approximately 22 million shares of UAL common stock pursuant to agreements that UAL entered into with certain of its securityholders in exchange for approximately \$189 million in aggregate principal amount of UAL's outstanding 6% convertible senior notes due 2029 held by such securityholders. See Note 3 of this report for more information.

**2013 Credit and Guaranty Agreement.** On March 27, 2013, United and UAL entered into the Credit Agreement as the borrower and guarantor, respectively. The Credit Agreement consists of a \$900 million term loan due April 1, 2019 and a \$1.0 billion revolving credit facility available for drawing until April 1, 2018. As of June 30, 2013, United had its entire capacity of \$1.0 billion available under the revolving credit facility. The obligations of United under the Credit Agreement are secured by liens on certain international route authorities between certain specified cities, certain take-off and landing rights and related assets of United.

Borrowings under the Credit Agreement bear interest at a variable rate equal to LIBOR, subject to a 1% floor, plus a margin of 3.0% per annum, or another rate based on certain market interest rates, plus a margin of 2.0% per annum. The principal amount of the term loan must be repaid in consecutive quarterly installments of 0.25% of the original principal amount thereof, commencing on June 30, 2013, with any unpaid balance due on April 1, 2019. United may prepay all or a portion of the loan from time to time, at par plus accrued and unpaid interest. United pays a commitment fee equal to 0.75% per annum on the undrawn amount available under the revolving credit facility.

The Credit Agreement includes covenants that, among other things, require the Company to maintain at least \$3.0 billion of unrestricted liquidity and a minimum ratio of appraised value of collateral to the outstanding obligations under the Credit Agreement of 1.67 to 1.0, and restrict the Company's ability to incur additional indebtedness, issue preferred stock, make investments or pay dividends. The Credit Agreement contains events of default customary for this type of financing, including a cross default and cross acceleration provision to certain other material indebtedness of the Company. Under the provisions of the Credit Agreement, UAL's ability to pay dividends on or repurchase UAL's common stock is restricted.

**United Amended Credit Facility.** On March 27, 2013, the Company used \$900 million from the Credit Agreement, together with approximately \$300 million of cash to retire the entire principal balance of a \$1.2 billion term loan due 2014 that was outstanding under United's Amended and Restated Revolving Credit, Term Loan and Guaranty Agreement, dated as of February 2, 2007 (the "Amended Credit Facility"). The Amended Credit Facility was terminated concurrently with the repayment of the term loan.

**\$500 Million Revolving Credit Facility.** On March 27, 2013, the Company terminated the \$500 million revolving credit facility that it had previously entered into in December 2011. There were no outstanding borrowings under the revolving credit facility.

**Debt Redemptions.** On February 1, 2013, United redeemed all of the \$400 million aggregate principal amount of its 9.875% Senior Secured Notes due 2013 and \$200 million aggregate principal amount of 12.0% Senior Second Lien Notes due 2013. On February 8, 2013, United redeemed all \$123 million aggregate principal amount of the B tranche of the 2006-1 EETC equipment notes due 2013. On April 1, 2013, United redeemed all of the \$180 million aggregate principal amount of the senior tranche of the 2006-1 EETC equipment notes due 2013.

**EETCs.** In October 2012, United created two pass-through trusts, one of which issued \$712 million aggregate principal amount of Class A pass-through certificates with a stated interest rate of 4% and the second of which issued \$132 million aggregate principal amount of Class B pass-through certificates with a stated interest rate of 5.5%. The proceeds of the issuance of the Class A and Class B pass-through certificates, which amounted to \$844 million, are used to purchase equipment notes issued by United. Of the \$844 million in proceeds raised by the pass-through trusts, United received \$696 million as of June 30, 2013,

## [Table of Contents](#)

of which \$202 million and \$403 million was received in the three and six months ended June 30, 2013, respectively. United expects to receive the remaining proceeds from the issuance through the second half of 2013 as aircraft are delivered and United issues equipment notes to the trusts. The Company records the debt obligation upon issuance of the equipment notes rather than upon the initial issuance of the pass-through certificates. The proceeds have been and are expected to fund the acquisition of new aircraft.

In December 2012, United created one pass-through trust which issued \$425 million aggregate principal amount of Class C pass-through certificates with a stated interest rate of 6.125%. The proceeds of the issuance of the Class C pass-through certificates are used to purchase equipment notes issued by United related to the aircraft financed in both the March and October 2012 EETC financings. Of the \$425 million in proceeds raised by the pass-through trust, United received \$385 million as of June 30, 2013, of which \$53 million and \$107 million was received in the three and six months ended June 30, 2013, respectively. United expects to receive the remaining proceeds from the issuance through the second half of 2013 as aircraft are delivered and United issues equipment notes to the trust. The Company records the debt obligation upon issuance of the equipment notes rather than upon the initial issuance of the pass-through certificates.

The table below presents contractual principal payments at June 30, 2013 under then-outstanding long-term debt agreements in each of the next five calendar years (in millions):

	<u>UAL</u>	<u>United</u>
Last six months of 2013	\$ 455	\$ 455
2014	940	940
2015	2,037	2,037
2016	1,014	1,014
2017	577	577
After 2017	6,260	6,104
	<u>\$11,283</u>	<u>\$11,127</u>

### NOTE 10—SPECIAL ITEMS

**Special Charges.** For the three and six months ended June 30, special charges consisted of the following (in millions):

	<u>Three Months Ended</u>		<u>Six Months Ended</u>	
	<u>June 30,</u>		<u>June 30,</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Merger integration-related costs	\$ 45	\$ 137	\$ 115	\$ 271
Additional costs associated with the temporarily grounded Boeing 787 aircraft	7	—	18	—
Voluntary severance and benefits	—	76	14	125
Gains on sale of assets and other special items, net	—	(7)	(3)	(26)
Subtotal special charges	52	206	144	370
Income tax benefit	—	—	—	(2)
Total special charges, net of income taxes	<u>\$ 52</u>	<u>\$ 206</u>	<u>\$ 144</u>	<u>\$ 368</u>

Merger integration-related costs include compensation costs related to systems integration and training, costs to repaint aircraft and other branding activities, new uniforms, costs to write-off or accelerate depreciation on systems and facilities that are no longer used or planned to be used for significantly shorter periods, relocation costs for employees and severance primarily associated with administrative headcount reductions.

During the six months ended June 30, 2013, the Company recorded \$14 million associated with a voluntary program offered by United in which flight attendants took an unpaid 13-month leave of absence. The flight attendants continue to receive medical benefits and other company benefits while on leave under this program. Approximately 1,300 flight attendants opted to participate in the program. In addition, the Company recorded \$18 million associated with the temporary grounding of its Boeing 787 aircraft, \$7 million of which was recorded during the second quarter of 2013. The charges are comprised of aircraft depreciation expense and dedicated personnel costs that the Company incurred while the aircraft were grounded. The aircraft returned to service in May 2013. Also, the Company recorded a \$5 million gain related to a contract termination and \$2 million in losses on the sale of assets.

## [Table of Contents](#)

During the three and six months ended June 30, 2012, the Company recorded \$76 million and \$125 million of severance and benefits associated with three voluntary employee programs, respectively. During the first quarter of 2012, approximately 400 mechanics offered to retire early in exchange for a cash severance payment that was based on the number of years of service each employee had accumulated. The Company also offered a voluntary leave of absence program that approximately 1,800 flight attendants accepted, which allows for continued medical coverage during the leave of absence period. During the second quarter of 2012, as part of the recently amended collective bargaining agreement with the Association of Flight Attendants, the Company offered a voluntary program for flight attendants at United to retire early in exchange for a cash severance payment. The payments are dependent on the number of years of service each employee has accumulated. Approximately 1,300 flight attendants accepted this program and the Company estimates the amount for this voluntary program to be approximately \$76 million.

In March 2013, the Company agreed to sell up to 30 Boeing 757-200 aircraft to FedEx Corporation beginning in April 2013. As of December 31, 2012, the Company operated 133 such aircraft. Given the planned sale of up to 30 of these aircraft, the Company evaluated the entire fleet and determined that no impairment existed. However, the Company adjusted the salvage value of the aircraft designated for sale to its sales price and will record additional depreciation from the agreement date to the date of sale. This additional depreciation is not classified as special. The additional depreciation in the first six months of 2013 totaled \$40 million and is estimated to be approximately \$80 million for the full year 2013.

### **Accruals**

The accrual for severance and medical costs was \$38 million as of June 30, 2013, compared to \$153 million as of June 30, 2012. In addition, the accrual balance of future lease payments on permanently grounded aircraft was \$3 million as of June 30, 2013, compared to \$8 million as of June 30, 2012.

The severance-related accrual as of June 30, 2013 is expected to be paid through 2015. Lease payments for grounded aircraft are expected to continue through 2013.

### **NOTE 11—ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)**

The tables below present the components of the Company's AOCI, net of tax (in millions):

[Table of Contents](#)

UAL	Pension and Other Postretirement Unrecognized Actuarial Gains (Losses) and Prior Service Cost	Unrealized Gain (Loss) on Derivatives	Other	Total
Balance at March 31, 2013	\$ (1,021)	\$ (10)	\$ 4	\$(1,027)
Other comprehensive income (loss) before reclassifications	—	(19)	9	(10)
Actuarial gain due to curtailment and remeasurement	442	—	—	442
Amounts reclassified from accumulated other comprehensive income	17	9	—	26
Net current-period other comprehensive income (loss)	459	(10)	9	458
Balance at June 30, 2013	\$ (562)	\$ (20)	\$ 13	\$(569)
Balance at December 31, 2012	\$ (1,042)	\$ (10)	\$ 6	\$(1,046)
Other comprehensive income (loss) before reclassifications	—	(28)	7	(21)
Actuarial gain due to curtailment and remeasurement	442	—	—	442
Amounts reclassified from accumulated other comprehensive income	38	18	—	56
Net current-period other comprehensive income (loss)	480	(10)	7	477
Balance at June 30, 2013	\$ (562)	\$ (20)	\$ 13	\$(569)

  

UAL	Pension and Other Postretirement Unrecognized Actuarial Gains (Losses) and Prior Service Cost	Unrealized Gain (Loss) on Derivatives	Other	Total
Balance at March 31, 2012	\$ (308)	\$ 25	\$ 3	\$(280)
Other comprehensive loss before reclassifications	—	(262)	—	(262)
Amounts reclassified from accumulated other comprehensive income	5	38	—	43
Net current-period other comprehensive income (loss)	5	(224)	—	(219)
Balance at June 30, 2012	\$ (303)	\$ (199)	\$ 3	\$(499)
Balance at December 31, 2011	\$ (312)	\$ (99)	\$ (6)	\$(417)
Other comprehensive income (loss) before reclassifications	—	(169)	9	(160)
Amounts reclassified from accumulated other comprehensive income	9	69	—	78
Net current-period other comprehensive income (loss)	9	(100)	9	(82)
Balance at June 30, 2012	\$ (303)	\$ (199)	\$ 3	\$(499)

[Table of Contents](#)

United	Pension and Other Postretirement Unrecognized Actuarial Gains (Losses) and Prior Service Cost	Unrealized Gain (Loss) on Derivatives	Other	Income Tax Benefit (Expense)	Total
Balance at March 31, 2013	\$ (1,021)	\$ (10)	\$ 4	\$ —	\$(1,027)
Other comprehensive income (loss) before reclassifications	—	(19)	9	—	(10)
Actuarial gain due to curtailment and remeasurement	442	—	—	—	442
Amounts reclassified from accumulated other comprehensive income	17	9	—	—	26
Net current-period other comprehensive income (loss)	459	(10)	9	—	458
Balance at June 30, 2013	<u>\$ (562)</u>	<u>\$ (20)</u>	<u>\$ 13</u>	<u>\$ —</u>	<u>\$ (569)</u>
Balance at December 31, 2012	\$ (1,042)	\$ (10)	\$ 5	\$ (6)	\$(1,053)
Other comprehensive income (loss) before reclassifications	—	(28)	8	—	(20)
Actuarial gain due to curtailment and remeasurement	442	—	—	—	442
Amounts reclassified from accumulated other comprehensive income	38	18	—	6	62
Net current-period other comprehensive income (loss)	480	(10)	8	6	484
Balance at June 30, 2013	<u>\$ (562)</u>	<u>\$ (20)</u>	<u>\$ 13</u>	<u>\$ —</u>	<u>\$ (569)</u>
United	Pension and Other Postretirement Unrecognized Actuarial Gains (Losses) and Prior Service Cost	Unrealized Gain (Loss) on Derivatives	Other	Income Tax Expense	Total
Balance at March 31, 2012	\$ (308)	\$ 25	\$ 2	\$ (6)	\$ (287)
Other comprehensive loss before reclassifications	—	(262)	(1)	—	(263)
Amounts reclassified from accumulated other comprehensive income	5	38	—	—	43
Net current-period other comprehensive income (loss)	5	(224)	(1)	—	(220)
Balance at June 30, 2012	<u>\$ (303)</u>	<u>\$ (199)</u>	<u>\$ 1</u>	<u>\$ (6)</u>	<u>\$ (507)</u>
Balance at December 31, 2011	\$ (312)	\$ (99)	\$ (8)	\$ (6)	\$ (425)
Other comprehensive income (loss) before reclassifications	—	(169)	9	—	(160)
Amounts reclassified from accumulated other comprehensive income	9	69	—	—	78
Net current-period other comprehensive income (loss)	9	(100)	9	—	(82)
Balance at June 30, 2012	<u>\$ (303)</u>	<u>\$ (199)</u>	<u>\$ 1</u>	<u>\$ (6)</u>	<u>\$ (507)</u>

**UAL**  
**Details about AOCI Components**

**Amount Reclassified from AOCI to Income**

Three Months Ended June 30,		Six Months Ended June 30,	
2013	2012	2013	2012

**Affected Line Item in the  
Statement Where Net Income  
is  
Presented**

Derivatives designated as cash flow hedges	
Fuel contracts-reclassifications of losses into earnings (a)	\$ 9    \$ 38    \$ 18    \$ 69    Aircraft fuel
Amortization of pension and post-retirement items	
Amortization of unrecognized loss and prior service cost (a)	17    5 (b)    38    9 (b)    Salaries and related costs

(a) Income tax expense offset by Company's valuation allowance.

(b) This accumulated other comprehensive income component is included in the computation of net periodic pension costs (see Note 5 of this report for additional details.)

**United**  
**Details about AOCI Components**

**Amount Reclassified from AOCI to Income**

Three Months Ended June 30,		Six Months Ended June 30,	
2013	2012	2013	2012

**Affected Line Item in  
the Statement Where  
Net Income is Presented**

Derivatives designated as cash flow hedges	
Fuel contracts-reclassifications of losses into earnings (a)	\$ 9    \$ 38    \$ 18    \$ 69    Aircraft fuel
Amortization of pension and post-retirement items	
Amortization of unrecognized loss and prior service cost	
(a)	17    5(b)    38    9(b)    Salaries and related costs
Income tax expense on other comprehensive income	—    —    6    —    Income tax expense (benefit)

(a) Income tax expense offset by Company's valuation allowance.

(b) This accumulated other comprehensive income component is included in the computation of net periodic pension costs (see Note 5 of this report for additional details.)

## ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

### Overview

United Continental Holdings, Inc. (together with its consolidated subsidiaries, "UAL" or the "Company") is a holding company and its principal, wholly-owned subsidiary is United Airlines, Inc. (together with its consolidated subsidiaries, "United"). This Quarterly Report on Form 10-Q is a combined report of UAL and United including their respective consolidated financial statements. 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. When appropriate, UAL and United are named specifically for their individual contractual obligations and related disclosures and any significant differences between the operations and results of UAL and United are separately disclosed and explained. We sometimes use the words "we," "our," "us," and the "Company" in this report for disclosures that relate to all of UAL and United.

The Company transports people and cargo through its mainline operations, which utilize jet aircraft with at least 108 seats, and regional operations, which utilize smaller aircraft that are operated under contract by United Express carriers. The Company serves virtually every major market around the world, either directly or through participation in Star Alliance®, the world's largest airline alliance. The Company offers approximately 5,500 daily departures to 381 destinations.

### Second Quarter Financial Highlights

- Second quarter 2013 net income was \$521 million, or \$1.35 diluted earnings per share, excluding \$52 million of special charges. Including special charges, second quarter 2013 net income was \$469 million, or \$1.21 diluted earnings per share.
- Passenger revenue decreased 1.1%, to \$8.7 billion, during the second quarter of 2013 as compared to the second quarter of 2012.
- Second quarter 2013 aircraft fuel cost decreased 10.0% year-over-year due mainly to an 8.2% decline in fuel prices.
- Unrestricted liquidity was \$7.0 billion, including \$1.0 billion of undrawn commitments.

### Second Quarter Operational Highlights

- For the quarter ended June 30, 2013, United recorded a U.S. Department of Transportation on-time arrival rate of 75.6% and a system completion factor of 99.1%.
- Consolidated traffic and capacity decreased 1.7% and 2.1%, respectively, during the second quarter of 2013 as compared to the second quarter of 2012. The Company's load factor for the second quarter of 2013 was 84.7%.
- The Company took delivery of six new Boeing 737-900ER aircraft during the second quarter of 2013.

### Outlook

In order to generate sustained profitability over the business cycle, the Company manages its capacity to balance with expected demand for travel. For the first six months of 2013, consolidated capacity decreased 3.5% compared to the first six months of 2012. The Company expects full-year 2013 consolidated capacity to decrease 0.75% to 1.75% year-over-year, with full-year 2013 domestic capacity to decrease 0.8% to 1.8% and full-year 2013 international capacity to decrease 0.7% to 1.7%. The Company expects full year 2013 cost per available seat mile ("CASM") excluding profit sharing, third-party business expense, fuel and special charges to increase 5.5% to 6.5% year-over-year.

## RESULTS OF OPERATIONS

The following discussion provides an analysis of results of operations and reasons for material changes therein for the three and six months ended June 30, 2013 as compared to the corresponding periods in 2012.

### Second Quarter 2013 Compared to Second Quarter 2012

The Company recorded net income of \$469 million in the second quarter of 2013 as compared to net income of \$339 million in the second quarter of 2012. Excluding special items, the Company had net income of \$521 million in the second quarter of 2013 as compared to net income of \$545 million in the second quarter of 2012. See "Reconciliation of GAAP to non-GAAP Financial Measures" at the end of this item for additional information related to accounting principles generally accepted in the United States ("GAAP") to non-GAAP financial measures. We consider a key measure of our performance to be operating income, which was \$770 million for the second quarter of 2013, as compared to \$575 million for the second quarter of 2012. Significant components of our operating results for the three months ended June 30 are as follows (in millions, except percentage changes):



## Table of Contents

	2013	2012	Increase (Decrease)	% Increase (Decrease)
Operating Revenue	\$10,001	\$9,939	\$ 62	0.6
Operating Expense	9,231	9,364	(133)	(1.4)
Operating Income	770	575	195	33.9
Nonoperating Expense	(299)	(235)	64	27.2
Income Tax Expense	2	1	1	NM
Net Income	<u>\$ 469</u>	<u>\$ 339</u>	<u>\$ 130</u>	38.3

NM—Not meaningful

Certain consolidated statistical information for the Company's operations for the three months ended June 30 are as follows:

	2013	2012	Increase (Decrease)	% Increase (Decrease)
Passengers (thousands) (a)	35,952	37,071	(1,119)	(3.0)
Revenue passenger miles ("RPMs") (millions) (b)	53,581	54,491	(910)	(1.7)
Available seat miles ("ASMs") (millions) (c)	63,251	64,616	(1,365)	(2.1)
Passenger load factor (d)	84.7%	84.3%	0.4 pts.	N/A
Passenger revenue per available seat mile ("PRASM") (cents)	13.70	13.57	0.13	1.0
Average yield per revenue passenger mile (cents) (e)	16.18	16.09	0.09	0.6
CASM (cents)	14.59	14.49	0.10	0.7
Average price per gallon of fuel, including fuel taxes	\$ 3.02	\$ 3.29	\$ (0.27)	(8.2)
Fuel gallons consumed (millions)	1,016	1,035	(19)	(1.8)
Average full-time equivalent employees	85,100	84,500	600	0.7

(a) The number of revenue passengers measured by each flight segment flown.

(b) The number of scheduled miles flown by revenue passengers.

(c) The number of seats available for passengers multiplied by the number of scheduled miles those seats are flown.

(d) Revenue passenger miles divided by available seat miles.

(e) The average passenger revenue received for each revenue passenger mile flown.

### Operating Revenue

The table below shows year-over-year comparisons by type of operating revenue for the three months ended June 30 (in millions, except for percentage changes):

	2013	2012	Increase (Decrease)	% Change
Passenger—Mainline	\$ 6,829	\$6,944	\$ (115)	(1.7)
Passenger—Regional	1,839	1,824	15	0.8
Total passenger revenue	8,668	8,768	(100)	(1.1)
Cargo	236	265	(29)	(10.9)
Other operating revenue	1,097	906	191	21.1
	<u>\$10,001</u>	<u>\$9,939</u>	<u>\$ 62</u>	0.6

The table below presents selected passenger revenue and operating data, broken out by geographic region, expressed as second quarter year-over-year changes:

## Table of Contents

	<u>Domestic</u>	<u>Pacific</u>	<u>Atlantic</u>	<u>Latin</u>	<u>Total Mainline</u>	<u>Regional</u>	<u>Consolidated</u>
Increase (decrease) from 2012 (a):							
Passenger revenue (in millions)	\$ (132)	\$ (64)	\$ 75	\$ 6	\$ (115)	\$ 15	\$ (100)
Passenger revenue	(3.8)%	(5.1)%	4.7%	0.9%	(1.7)%	0.8%	(1.1)%
Average fare per passenger	2.8%	(3.4)%	5.6%	1.3%	3.5%	(0.1)%	1.9%
Yield	(0.4)%	(4.2)%	6.1%	(0.7)%	0.5%	(0.5)%	0.6%
PRASM	—%	(3.4)%	6.1%	(0.5)%	0.7%	1.1%	1.0%
Average stage length	3.2%	0.8%	(0.8)%	3.2%	3.1%	1.5%	2.1%
Passengers	(6.4)%	(1.7)%	(0.8)%	(0.4)%	(5.0)%	0.9%	(3.0)%
RPMs (traffic)	(3.5)%	(0.9)%	(1.3)%	1.7%	(2.1)%	1.3%	(1.7)%
ASMs (capacity)	(3.8)%	(1.8)%	(1.3)%	1.4%	(2.4)%	(0.3)%	(2.1)%
Passenger load factor (points)	0.3	0.7	(0.1)	0.2	0.2	1.3	0.4

(a) See Item 6 of the Company's Annual Report on Form 10-K for the year ended December 31, 2012 for the definition of these statistics.

Consolidated passenger revenue in the second quarter of 2013 decreased 1.1% as compared to the year-ago period due to a decline of 3.0% in the number of passengers flown year-over-year as a result of a reduction in capacity of 2.1%, offset in part by an increase in the consolidated average fare per passenger of 1.9%.

Cargo revenue decreased \$29 million, or 10.9%, in the second quarter of 2013 as compared to the year-ago period due to lower volumes on freight and mail across all regions.

Other operating revenue in the second quarter of 2013 increased \$191 million, or 21.1%, as compared to the year-ago period due primarily to the sale of aircraft fuel to a third party as well as other MileagePlus and marketing-related revenue.

### Operating Expenses

The table below includes data related to the Company's operating expenses for the three months ended June 30 (in millions, except for percentage changes):

	<u>2013</u>	<u>2012</u>	<u>Increase (Decrease)</u>	<u>% Change</u>
Aircraft fuel	\$3,068	\$3,408	\$ (340)	(10.0)
Salaries and related costs	2,175	2,024	151	7.5
Regional capacity purchase	628	643	(15)	(2.3)
Landing fees and other rent	507	503	4	0.8
Aircraft maintenance materials and outside repairs	480	432	48	11.1
Depreciation and amortization	425	378	47	12.4
Distribution expenses	347	345	2	0.6
Aircraft rent	235	251	(16)	(6.4)
Special charges	52	206	(154)	NM
Other operating expenses	1,314	1,174	140	11.9
	<u>\$9,231</u>	<u>\$9,364</u>	<u>\$ (133)</u>	<u>(1.4)</u>

Aircraft fuel expense decreased \$340 million, or 10.0%, year-over-year due primarily to an 8.2% decrease in the average price per gallon of fuel and a 1.8% decrease in fuel consumption in the second quarter of 2013 as a result of reduced capacity. The table below presents the significant changes in aircraft fuel cost per gallon in the three month period ended June 30, 2013 as compared to the year-ago period:

## [Table of Contents](#)

	(In millions)			Average price per gallon		
	2013	2012	% Change	2013	2012	% Change
Total aircraft fuel purchase cost excluding fuel hedge impacts	\$3,059	\$3,370	(9.2)	\$ 3.01	\$ 3.26	(7.7)
Hedge losses reported in fuel expense	(9)	(38)	NM	(0.01)	(0.03)	NM
Fuel expense as reported	3,068	3,408	(10.0)	3.02	3.29	(8.2)
Settled hedge gains (losses) not recorded in fuel expense (a)	(1)	1	NM	—	—	—
Fuel expense including all gains (losses) from settled hedges (b)	<u>\$3,069</u>	<u>\$3,407</u>	(9.9)	<u>\$ 3.02</u>	<u>\$ 3.29</u>	(8.2)
Total fuel consumption (gallons)	1,016	1,035	(1.8)			

(a) Includes ineffectiveness gains (losses) on settled hedges and gains (losses) on settled hedges that were not designated for hedge accounting. These amounts are recorded in Nonoperating income (expense): Miscellaneous, net.

(b) This figure does not include mark-to-market ("MTM") gains or losses, which the Company records in Nonoperating income (expense): Miscellaneous, net. MTM losses were \$81 million and \$30 million for the three months ended June 30, 2013 and 2012, respectively.

Salaries and related costs increased \$151 million, or 7.5%, in the second quarter of 2013 as compared to the year-ago period primarily due to a 0.7% increase in the number of employees, higher pay rates driven by new collective bargaining agreements as well as increased pension plan costs.

Aircraft maintenance materials and outside repairs increased \$48 million, or 11.1%, in the second quarter of 2013 as compared to the year-ago period primarily due to United's reliability improvement initiatives which increased volumes of airframe checks, engine overhauls, and aircraft modification projects.

Depreciation and amortization increased \$47 million, or 12.4%, in the second quarter of 2013 as compared to the year-ago period due to additions in owned property and equipment in the current year, specifically related to aircraft and improvements at airport facilities, as well as accelerated depreciation on Boeing 757-200 aircraft in process of being sold to a third party.

Other operating expenses increased \$140 million, or 11.9%, in the second quarter of 2013 as compared to the year-ago period primarily due to the cost of aircraft fuel sold to a third party and an increase in other personnel-related expenses.

Details of the Company's special charges include the following for the three months ended June 30 (in millions):

	2013	2012
Merger integration-related costs	\$ 45	\$137
Additional costs associated with the temporarily grounded Boeing 787 aircraft	7	—
Voluntary severance and benefits	—	76
Gains on sale of assets and other special items, net	—	(7)
Special charges	<u>\$ 52</u>	<u>\$206</u>

See Note 10 to the financial statements included in Part I, Item 1 of this report.

*Nonoperating Income (Expense)*. The following table illustrates the year-over-year dollar and percentage changes in the Company's nonoperating income (expense) for the three months ended June 30 (in millions, except for percentage changes):

## [Table of Contents](#)

	<u>2013</u>	<u>2012</u>	<u>Increase (Decrease)</u>	<u>% Change</u>
Interest expense	<u>\$(194)</u>	<u>\$(213)</u>	<u>\$ (19)</u>	<u>(8.9)</u>
Interest capitalized	<u>12</u>	<u>9</u>	<u>3</u>	<u>33.3</u>
Interest income	<u>6</u>	<u>7</u>	<u>(1)</u>	<u>(14.3)</u>
Miscellaneous, net	<u>(123)</u>	<u>(38)</u>	<u>85</u>	<u>NM</u>
Total	<u><u>\$(299)</u></u>	<u><u>\$(235)</u></u>	<u><u>\$ 64</u></u>	<u>27.2</u>

Interest expense decreased \$19 million, or 8.9%, in the second quarter of 2013, compared to the year-ago period primarily due to a decrease in debt outstanding during the second quarter of 2013 as compared to debt outstanding during the year-ago period.

During the second quarter of 2013, the fuel hedge ineffectiveness loss in miscellaneous, net was \$1 million as compared to fuel hedge ineffectiveness loss of \$29 million in the year-ago period. Second quarter 2013 miscellaneous, net also included loss of \$81 million from derivatives not qualifying for hedge accounting.

United's nonoperating expense also includes net loss of \$8 million and net gain of \$30 million for the three months ended June 30, 2013 and 2012, respectively, associated with marking to market the fair value of derivative assets and liabilities related to agreements that provide for United's convertible debt to be settled with UAL common stock. This net gain/loss and related derivatives are reflected only in the United stand-alone financial statements as they are eliminated at the consolidated level. See Note 6 to the financial statements included in Part I, Item 1 of this report for additional information.

*Income Taxes.* Our effective tax rates are lower than the federal statutory rate of 35% primarily because of the impact of changes to existing valuation allowances. We continue to provide a valuation allowance for our deferred tax assets in excess of deferred tax liabilities because management has concluded that it is more likely than not that such deferred tax assets will ultimately not be realized. See Note 4 to the financial statements included in Part I, Item 1 of this report for information related to this matter.

### **First Six Months 2013 Compared to First Six Months 2012**

UAL recorded net income of \$52 million in the first six months of 2013 as compared to net loss of \$109 million in the first six months of 2012. Excluding special items, UAL had net income of \$196 million in the first six months of 2013 as compared to net income of \$259 million in the first six months of 2012. See "Reconciliation of GAAP to non-GAAP Financial Measures" at the end of this item for additional information related to GAAP to non-GAAP financial measures. We consider a key measure of our performance to be operating income, which was \$506 million for the first six months of 2013, as compared to \$304 million for the first six months of 2012. Significant components of our operating results for the first six months of 2013 are as follows (in millions, except percentage changes):

	<u>2013</u>	<u>2012</u>	<u>Increase (Decrease)</u>	<u>% Increase (Decrease)</u>
Operating Revenue	<u>\$18,722</u>	<u>\$18,541</u>	<u>\$ 181</u>	<u>1.0</u>
Operating Expense	<u>18,216</u>	<u>18,237</u>	<u>(21)</u>	<u>(0.1)</u>
Operating Income	<u>506</u>	<u>304</u>	<u>202</u>	<u>66.4</u>
Nonoperating Expense	<u>(461)</u>	<u>(411)</u>	<u>50</u>	<u>12.2</u>
Income Tax Expense (Benefit)	<u>(7)</u>	<u>2</u>	<u>(9)</u>	<u>NM</u>
Net Income (Loss)	<u><u>\$ 52</u></u>	<u><u>\$(109)</u></u>	<u><u>\$ 161</u></u>	<u>NM</u>

NM—Not meaningful

Certain consolidated statistical information for UAL's operations for the six months ended June 30 is as follows:

## Table of Contents

	2013	2012	Increase (Decrease)	% Increase (Decrease)
Passengers (thousands) (a)	68,307	69,598	(1,291)	(1.9)
RPMs (millions) (b)	100,125	101,598	(1,473)	(1.4)
ASMs (millions) (c)	120,623	124,960	(4,337)	(3.5)
Passenger load factor (d)	83.0%	81.3%	1.7 pts.	N/A
PRASM (cents)	13.45	13.02	0.43	3.3
Average yield per revenue passenger mile (cents) (e)	16.21	16.02	0.19	1.2
CASM (cents)	15.10	14.59	0.51	3.5
Average price per gallon of fuel, including fuel taxes	\$ 3.15	\$ 3.32	\$ (0.17)	(5.1)
Fuel gallons consumed (millions)	1,940	2,002	(62)	(3.1)
Average full-time equivalent employees	84,700	84,100	600	0.7

- (a) The number of revenue passengers measured by each flight segment flown.  
(b) The number of scheduled miles flown by revenue passengers.  
(c) The number of seats available for passengers multiplied by the number of scheduled miles those seats are flown.  
(d) Revenue passenger miles divided by available seat miles.  
(e) The average passenger revenue received for each revenue passenger mile flown.

## Operating Revenue

The table below shows year-over-year comparisons by type of operating revenue for the six months ended June 30 (in millions, except for percentage changes):

	2013	2012	Increase (Decrease)	% Change
Passenger—Mainline	\$12,767	\$12,898	\$ (131)	(1.0)
Passenger—Regional	3,460	3,378	82	2.4
Total passenger revenue	16,227	16,276	(49)	(0.3)
Cargo	463	529	(66)	(12.5)
Other operating revenue	2,032	1,736	296	17.1
	<u>\$18,722</u>	<u>\$18,541</u>	<u>\$ 181</u>	1.0

The table below presents selected passenger revenue and operating data, broken out by geographic region, expressed as year-over-year changes for the six months ended June 30, 2013 compared to the six months ended June 30, 2012:

	Domestic	Pacific	Atlantic	Latin	Total Mainline	Regional	Consolidated
Increase (decrease) from 2012:							
Passenger revenue (in millions)	\$ (163)	\$ (20)	\$ 71	\$ (19)	\$ (131)	\$ 82	\$ (49)
Passenger revenue	(2.6)%	(0.8)%	2.6%	(1.4)%	(1.0)%	2.4%	(0.3)%
Average fare per passenger	2.2%	(2.5)%	5.2%	(1.3)%	2.6%	0.8%	1.6%
Yield	0.3%	(1.9)%	6.5%	(3.4)%	0.8%	1.1%	1.2%
PRASM	1.6%	1.5%	8.6%	(1.7)%	2.8%	4.7%	3.3%
Average stage length	2.2%	0.2%	(1.4)%	3.5%	1.8%	0.2%	1.0%
Passengers	(4.7)%	1.6%	(2.5)%	(0.1)%	(3.6)%	1.6%	(1.9)%
RPMs (traffic)	(2.9)%	1.1%	(3.7)%	2.0%	(1.8)%	1.3%	(1.4)%
ASMs (capacity)	(4.1)%	(2.4)%	(5.5)%	0.3%	(3.7)%	(2.1)%	(3.5)%
Passenger load factor (points)	1.2	2.9	1.5	1.4	1.5	2.8	1.7

Consolidated passenger revenue in the first six months of 2013 decreased 0.3% as compared to the year-ago period primarily due to a reduction in capacity of 3.5% and a decline of 1.9% in the number of passengers flown year-over-year, offset in part by an increase in the consolidated average fare per passenger and yield of 1.6% and 1.2%, respectively.

## [Table of Contents](#)

Cargo revenue decreased \$66 million, or 12.5%, in the first six months of 2013 as compared to the year-ago period due to lower volumes on freight and mail across all regions.

Other operating revenue increased \$296 million, or 17.1%, in the first six months of 2013 as compared to the year-ago period primarily due to the sale of aircraft fuel to a third party as well as other MileagePlus and marketing-related revenue.

### **Operating Expenses**

The table below includes data related to UAL's operating expenses for the six months ended June 30 (in millions, except for percentage changes):

	2013	2012	Increase (Decrease)	% Change
Aircraft fuel	\$ 6,118	\$ 6,637	\$ (519)	(7.8)
Salaries and related costs	4,302	3,921	381	9.7
Regional capacity purchase	1,216	1,259	(43)	(3.4)
Landing fees and other rent	1,004	972	32	3.3
Aircraft maintenance materials and outside repairs	918	839	79	9.4
Depreciation and amortization	833	758	75	9.9
Distribution expenses	675	682	(7)	(1.0)
Aircraft rent	475	502	(27)	(5.4)
Special charges	144	370	(226)	NM
Other operating expenses	2,531	2,297	234	10.2
	<u>\$18,216</u>	<u>\$18,237</u>	<u>\$ (21)</u>	<u>(0.1)</u>

Aircraft fuel expense decreased \$519 million, or 7.8%, year-over-year due to a 5.1% decrease in the average price per gallon of fuel and a 3.1% decrease in fuel consumption in the first six months of 2013 as a result of reduced capacity. The table below presents the significant changes in aircraft fuel cost per gallon in the six months ended June 30, 2013 as compared to the year-ago period.

	(In millions)			Average price per gallon		
	2013	2012	% Change	2013	2012	% Change
Total aircraft fuel purchase cost excluding fuel hedge impacts	\$6,100	\$6,568	(7.1)	\$ 3.14	\$ 3.28	(4.3)
Hedge losses reported in fuel expense	(18)	(69)	NM	(0.01)	(0.04)	NM
Fuel expense as reported	6,118	6,637	(7.8)	3.15	3.32	(5.1)
Settled hedge gains not recorded in fuel expense (a)	16	—	NM	—	—	—
Fuel expense including all gains (losses) from settled hedges (b)	<u>\$6,102</u>	<u>\$6,637</u>	(8.1)	<u>\$ 3.15</u>	<u>\$ 3.32</u>	(5.1)
Total fuel consumption (gallons)	1,940	2,002	(3.1)			

(a) Includes ineffectiveness gains (losses) on settled hedges and gains (losses) on settled hedges that were not designated for hedge accounting. These amounts are recorded in Nonoperating income (expense): Miscellaneous, net.

(b) This figure does not include mark-to-market ("MTM") gains or losses, which the Company records in Nonoperating income (expense): Miscellaneous, net. MTM losses were \$48 million and \$4 million for the six months ended June 30, 2013 and 2012, respectively.

Salaries and related costs increased \$381 million, or 9.7%, in the first six months of 2013 as compared to the year-ago period due to a 0.7% increase in the number of average full-time employees and higher pay rates primarily driven by new collective bargaining agreements as well as increased pension plan costs.

Aircraft maintenance materials and outside repairs increased \$79 million, or 9.4%, in the first six months of 2013 as compared to the year-ago period primarily due to United's reliability improvement initiatives which increased volumes of airframe checks, engine overhauls, and aircraft modification projects.

## [Table of Contents](#)

Depreciation and amortization increased \$75 million, or 9.9%, in the first half of 2013 as compared to the year-ago period due to additions in owned property and equipment in the current year, specifically related to aircraft and improvements at airport facilities, as well as accelerated depreciation on Boeing 757-200 aircraft in process of being sold to a third party.

Other operating expenses increased \$234 million, or 10.2%, in the first six months of 2013 as compared to the year-ago period due to the cost of aircraft fuel sold to a third party and an increase in other personnel-related expenses.

Details of UAL's special charges include the following for the six months ended June 30 (in millions):

	<u>2013</u>	<u>2012</u>
Merger integration-related costs	\$115	\$271
Additional costs associated with the temporarily grounded Boeing 787 aircraft	18	—
Voluntary severance and benefits	14	125
Gains on sale of assets and other special items, net	(3)	(26)
Subtotal special charges	<u>\$144</u>	<u>\$370</u>

See Note 10 to the financial statements included in Part I, Item 1 of this report.

*Nonoperating Income (Expense).* The following table illustrates the year-over-year dollar and percentage changes in UAL's nonoperating income (expense) for the six months ended June 30 (in millions, except for percentage changes):

	<u>2013</u>	<u>2012</u>	<u>Increase (Decrease)</u>	<u>% Change</u>
Interest expense	\$(395)	\$(429)	\$ (34)	(7.9)
Interest capitalized	23	17	6	35.3
Interest income	11	12	(1)	(8.3)
Miscellaneous, net	(100)	(11)	89	NM
Total	<u>\$(461)</u>	<u>\$(411)</u>	<u>\$ 50</u>	12.2

Interest expense decreased \$34 million, or 7.9%, in the first six months of 2013, compared to the year-ago period primarily due to a decrease in debt outstanding during the first six months of 2013 as compared to debt outstanding during the year-ago period.

During the first six months of 2013, miscellaneous, net included a fuel hedge ineffectiveness loss of \$1 million as compared to loss of \$4 million in the year-ago period. The first six months of 2013 miscellaneous, net also included loss of \$31 million from derivatives not qualifying for hedge accounting as compared to zero in the year ago period.

United's nonoperating expense also includes net gains of \$56 million and \$44 million for the six months ended June 30, 2013 and 2012, respectively, associated with marking to market the fair value of derivative assets and liabilities related to agreements that provide for United's convertible debt to be settled with UAL common stock. This net gain and related derivatives are reflected only in the United stand-alone financial statements as they are eliminated at the consolidated level. See Note 6 to the financial statements included in Part I, Item 1 of this report for additional information.

*Income Taxes.* Our effective tax rates are lower than the federal statutory rate of 35% primarily because of the impact of changes to existing valuation allowances. We continue to provide a valuation allowance for our deferred tax assets in excess of deferred tax liabilities because management has concluded that it is more likely than not that such deferred tax assets will ultimately not be realized. See Note 4 to the financial statements contained in Part I, Item 1 of this report for information related to this matter.

## **LIQUIDITY AND CAPITAL RESOURCES**

### ***Current Liquidity***

As of June 30, 2013, the Company had \$6.0 billion in unrestricted cash, cash equivalents and short-term investments, as compared to \$6.5 billion at December 31, 2012. At June 30, 2013, the Company also had \$435 million of restricted cash and cash equivalents, which is primarily collateral for performance bonds, letters of credit, estimated future workers' compensation claims and credit card processing agreements. As of June 30, 2013, the Company had its entire commitment capacity of \$1.0 billion under the Credit Agreement available for letters of credit or borrowings.

## [Table of Contents](#)

As is the case with many of our principal competitors, we have a high proportion of debt compared to capital. We have a significant amount of fixed obligations, including debt, aircraft leases and financings, leases of airport property and other facilities, and pension funding obligations. At June 30, 2013, the Company had approximately \$12.0 billion of debt and capital lease obligations, including \$1.0 billion that will become due in the next 12 months. In addition, we have substantial non-cancelable commitments for capital expenditures, including the acquisition of new aircraft and related spare engines.

The Company will continue to evaluate opportunities to repurchase its debt in open market transactions to reduce its indebtedness and the amount of interest paid on its indebtedness.

On April 29, 2013, United entered into an agreement to purchase 30 Embraer EMB175 regional jets, scheduled for delivery in 2014 and 2015.

On June 17, 2013, United entered into supplemental agreements to United's 787 aircraft purchase agreements with The Boeing Company ("Boeing") to add to its existing firm order of Boeing 787 widebody aircraft ten Boeing 787-10 aircraft, convert an existing firm order for ten Boeing 787 aircraft into Boeing 787-10 aircraft and make certain other changes to those agreements. On June 19, 2013, United entered into amendments to its A350 purchase agreement with Airbus S.A.S. ("Airbus") to add to its existing firm order of Airbus A350 widebody aircraft ten Airbus A350-1000 aircraft, convert its existing firm order for 25 Airbus A350-900 aircraft into Airbus A350-1000 aircraft and make certain other changes to the agreement. The Company expects to take delivery of the Boeing 787-10 aircraft and Airbus A350-1000 aircraft between 2018 and 2024.

As of June 30, 2013, UAL had firm commitments to purchase 100 new Boeing 737 MAX 9 aircraft scheduled for delivery from 2018 through 2025. UAL also had options to purchase additional Boeing 737 MAX 9 aircraft. UAL intends in the future to assign its interest under the purchase agreement for the 737 MAX 9 aircraft to United.

As of June 30, 2013, United had firm commitments to purchase 199 new aircraft (59 Boeing 787 aircraft, 75 Boeing 737 aircraft, 35 Airbus A350-1000 aircraft, and 30 Embraer EMB175 aircraft) scheduled for delivery from July 1, 2013 through 2025. United also had options and purchase rights for additional aircraft. In the second quarter of 2013, United took delivery of six Boeing 737-900ER. In the remainder of 2013, United expects to take delivery of twelve Boeing 737-900ER aircraft and two Boeing 787-8 aircraft.

United had arranged for EETC financing of 14 Boeing 737-900ER aircraft, six of which were delivered during the second quarter of 2013 and two of which are scheduled to be delivered during the remainder of 2013. United also has arranged for EETC financing of one Boeing 787-8 aircraft and a bank debt financing commitment for one Boeing 737-900ER aircraft scheduled for delivery in the second half of 2013. In addition, United had secured backstop financing commitments from certain of its aircraft manufacturers for a limited number of its future aircraft deliveries, subject to certain customary conditions. However, the Company does not have backstop financing or any financing currently in place for its other firm aircraft orders. Financing will be necessary to satisfy the Company's capital commitments for its firm order aircraft and other related capital expenditures. The Company can provide no assurance that any financing not already in place for aircraft and spare engine deliveries will be available to the Company on acceptable terms when necessary or at all. See Note 9 to the financial statements included in Part I, Item 1 of this report for additional information on aircraft financing.

As of June 30, 2013, UAL and United (including those intended to be assigned from UAL) have total capital commitments primarily related to the acquisition of aircraft and related spare engines, aircraft improvements and acquisition of information technology services and assets of approximately \$23.5 billion, of which approximately \$1.2 billion, \$2.5 billion, \$2.0 billion, \$2.4 billion, \$1.4 billion and \$14.0 billion are due in the last six months of 2013 and for the full year for 2014, 2015, 2016, 2017 and thereafter, respectively.

Any incremental firm aircraft orders, including through the exercise of purchase options, will increase the total future capital commitments of the Company.

The Company has concluded its discussions with Boeing regarding certain contractual matters, including expected fuel burn, for current and future deliveries of certain Boeing 787 aircraft, and has reached a resolution with Boeing regarding compensation to be received in connection with those matters.

As of June 30, 2013, a substantial portion of the Company's assets, principally aircraft, route authorities and certain other intangible assets, were pledged under various loan and other agreements. We must sustain our profitability and/or access the capital markets to meet our significant long-term debt and capital lease obligations and future commitments for capital expenditures, including the acquisition of aircraft and related spare engines.

In May 2013, United entered into a capacity purchase agreement with SkyWest Airlines, Inc. ("SkyWest"), a wholly-owned subsidiary of SkyWest, Inc., to operate 40 Embraer EMB175 aircraft under the United Express brand. SkyWest will purchase these 76-seat aircraft with deliveries in 2014 and 2015. These 40 aircraft are in addition to United's April 2013 agreement to purchase 30 Embraer EMB175 aircraft, which will be operated by a different United Express carrier. See Note 8 to the financial statements included in Part I, Item 1 of this report for additional information.



## [Table of Contents](#)

In April 2013, United signed a 20-year lease extension with the Port Authority of New York and New Jersey to continue its use of Terminal C1 and C2 at Newark Liberty International Airport (“Newark”). United also committed to invest an additional \$150 million in facility upgrades at Newark to enhance the customer experience and efficiency of the operation. See Note 8 to the financial statements included in Part I, Item 1 of this report for additional information.

**Credit Ratings.** As of the filing date of this report, UAL and United had the following corporate credit ratings:

	<u>S&amp;P</u>	<u>Moody's</u>	<u>Fitch</u>
UAL	B	B2	B
United	B	*	B

\* The credit agency does not issue corporate credit ratings for subsidiary entities.

These credit ratings are below investment grade levels. Downgrades from these rating levels, among other things, could restrict the availability, or increase the cost of future financing for the Company.

### **Sources and Uses of Cash**

**Operating Activities.** Cash flow provided by operations for the six months ended June 30, 2013 was \$1.5 billion compared to \$1.1 billion in the same period in 2012. The increase is attributable to an increase in operating income and a change in certain other working capital items, including a decrease in receivables.

**Investing Activities.** Capital expenditures, including aircraft purchase deposits, were \$821 million and \$619 million in the six months ended June 30, 2013 and 2012, respectively. Capital expenditures for the six months ended June 30, 2013 were primarily attributable to the purchase of aircraft, facility and fleet-related costs and certain other information technology projects.

In addition to capital expenditures during the six months ended June 30, 2013, we acquired six aircraft through the issuance of debt. See “Financing Activities” below for additional information.

The purchase of short-term investments decreased to \$41 million in the six months ended June 30, 2013 from \$96 million in the six months ended June 30, 2012.

**Financing Activities.** During the six months ended June 30, 2013, the Company made debt and capital lease payments of \$1.8 billion.

During the second quarter of 2013, UAL issued approximately 22 million shares of UAL common stock pursuant to agreements that UAL entered into with certain of its securityholders in exchange for approximately \$189 million in aggregate principal amount of UAL’s outstanding 6% convertible senior notes due 2029 held by such securityholders. The newly issued shares of UAL common stock are included in the determination of basic weighted average shares outstanding for the three and six months ended June 30, 2013. The Company retired the 6% convertible senior notes acquired in the exchange.

In May 2013, UAL issued \$300 million aggregate principal amount of 6.375% Senior Notes due June 1, 2018. The notes are fully and unconditionally guaranteed and recorded by United on its balance sheet as debt.

On March 27, 2013, United and UAL entered into a new Credit and Guaranty Agreement (the “Credit Agreement”) as the borrower and guarantor, respectively. The Credit Agreement consists of a \$900 million term loan due April 1, 2019 and a \$1.0 billion revolving credit facility available for drawing until April 1, 2018. As of June 30, 2013, United had its entire capacity of \$1.0 billion available under the revolving credit facility. The obligations of United under the Credit Agreement are secured by liens on certain international route authorities between certain specified cities, certain take-off and landing rights and related assets of United.

Borrowings under the Credit Agreement bear interest at a variable rate equal to LIBOR, subject to a 1% floor, plus a margin of 3.0% per annum, or another rate based on certain market interest rates, plus a margin of 2.0% per annum. The principal amount of the term loan must be repaid in consecutive quarterly installments of 0.25% of the original principal amount thereof, commencing on June 30, 2013, with any unpaid balance due on April 1, 2019. United may prepay all or a portion of the loan from time to time, at par plus accrued and unpaid interest. United pays a commitment fee equal to 0.75% per annum on the undrawn amount available under the revolving credit facility. Certain covenants in the Credit Agreement are summarized in Note 9 to the financial statements included in Part I, Item 1 of this report. Under the provisions of the Credit Agreement, UAL’s ability to pay dividends on or repurchase UAL’s common stock is restricted.

## [Table of Contents](#)

On March 27, 2013, the Company used \$900 million from the Credit Agreement, together with approximately \$300 million of cash to retire the entire principal balance of a \$1.2 billion term loan due 2014 that was outstanding under United's Amended and Restated Revolving Credit, Term Loan and Guaranty Agreement, dated as of February 2, 2007 (the "Amended Credit Facility"). The Amended Credit Facility was terminated concurrently with the repayment of the term loan. The Company also terminated the \$500 million revolving credit facility that it had previously entered into in December 2011. There were no outstanding borrowings under the revolving credit facility.

On February 1, 2013, United redeemed all of the \$400 million aggregate principal amount of its 9.875% Senior Secured Notes due 2013 and \$200 million aggregate principal amount of 12.0% Senior Second Lien Notes due 2013. On February 8, 2013, United redeemed all \$123 million aggregate principal amount of the B tranche of the 2006-1 EETC equipment notes due 2013. On April 1, 2013, United redeemed all of the \$180 million aggregate principal amount of the senior tranche of the 2006-1 EETC equipment notes due 2013.

In October 2012, United created two pass-through trusts, one of which issued \$712 million aggregate principal amount of Class A pass-through certificates with a stated interest rate of 4% and the second of which issued \$132 million aggregate principal amount of Class B pass-through certificates with a stated interest rate of 5.5%. The proceeds of the issuance of the Class A and Class B pass-through certificates, which amounted to \$844 million, are used to purchase equipment notes issued by United. Of the \$844 million in proceeds raised by the pass-through trusts, United received \$696 million as of June 30, 2013, of which \$202 million and \$403 million was received in the three and six months ended June 30, 2013, respectively. United expects to receive the remaining proceeds from the issuance through the second half of 2013 as aircraft are delivered and United issues equipment notes to the trusts. The Company records the debt obligation upon issuance of the equipment notes rather than upon the initial issuance of the pass-through certificates. The proceeds have been and are expected to fund the acquisition of new aircraft.

In December 2012, United created one pass-through trust which issued \$425 million aggregate principal amount of Class C pass-through certificates with a stated interest rate of 6.125%. The proceeds of the issuance of the Class C pass-through certificates are used to purchase equipment notes issued by United related to the aircraft financed in both the March and October 2012 EETC financings. Of the \$425 million in proceeds raised by the pass-through trust, United received \$385 million as of June 30, 2013, of which \$53 million and \$107 million was received in the three and six months ended June 30, 2013, respectively. United expects to receive the remaining proceeds from the issuance through the second half of 2013 as aircraft are delivered and United issues equipment notes to the trust. The Company records the debt obligation upon issuance of the equipment notes rather than upon the initial issuance of the pass-through certificates.

### ***Commitments, Contingencies and Liquidity Matters***

As described in the 2012 Annual Report, the Company's liquidity may be adversely impacted by a variety of factors, including, but not limited to, obligations associated with fuel hedge settlements and related collateral requirements, pension funding obligations, reserve requirements associated with credit card processing agreements, guarantees, commitments and contingencies. See the 2012 Annual Report and Notes 5, 7, 8 and 9 to the financial statements contained in Part I, Item 1 of this report for information related to these matters.

### **RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES**

The Company evaluates its financial performance utilizing various GAAP and non-GAAP financial measures, including net income/loss and net earnings/loss per share. The non-GAAP financial measures in this report are presented because they provide management and investors the ability to measure and monitor the Company's performance on a consistent basis. The Company believes that adjusting for special charges is useful to investors because they are non-recurring items not indicative of the Company's on-going performance. A reconciliation of net income (loss) and diluted earnings (loss) per share to the non-GAAP financial measure of net income and diluted earnings per share, excluding special charges, for the three and six months ended June 30 is as follows (in millions, except per share amounts):

## [Table of Contents](#)

	Three Months Ended June 30,				Six Months Ended June 30,			
	Net Income 2013	Diluted Earnings per Share 2013	Net Income 2012	Diluted Earnings per Share 2012	Net Income 2013	Diluted Earnings per Share 2013	Net Income (Loss) 2012	Diluted Earnings (Loss) per Share 2012
Net income (loss) — GAAP	\$ 469	\$ 1.21	\$ 339	\$ 0.89	\$ 52	\$ 0.15	\$(109)	\$ (0.33)
Special charges, net	52	0.14	206	0.52	144	0.39	368	1.03
Net income excluding special charges — non-GAAP	<u>\$ 521</u>	<u>\$ 1.35</u>	<u>\$ 545</u>	<u>\$ 1.41</u>	<u>\$ 196</u>	<u>\$ 0.54</u>	<u>\$ 259</u>	<u>\$ 0.70</u>

### CRITICAL ACCOUNTING POLICIES

See “*Critical Accounting Policies*” in Management’s Discussion and Analysis of Financial Condition and Results of Operations in the 2012 Annual Report for a discussion of the Company’s critical accounting policies. See Notes 1 and 5 to the financial statements included in Part I, Item 1 of this report for a discussion of potential changes in accounting for revenue for the Company’s loyalty program and for changes related to our pension plans, respectively.

### FORWARD-LOOKING INFORMATION

Certain statements throughout Management’s Discussion and Analysis of Financial Condition and Results of Operations and elsewhere in this report are forward-looking and thus reflect our 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-looking 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 in this report are based upon information available to us on the date of this report. 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, except as required by applicable law.

The Company’s actual results could differ materially from these forward-looking statements due to numerous factors including, without limitation, the following: its ability to comply with the terms of its various financing arrangements; the costs and availability of financing; its ability to maintain adequate liquidity; its ability to execute its operational plans; its ability to control its costs, including realizing benefits from its resource optimization efforts, cost reduction initiatives and fleet replacement programs; its ability to utilize its net operating losses; its ability to attract and retain customers; demand for transportation in the markets in which it operates; an outbreak of a disease that affects travel demand or travel behavior; demand for travel and the impact that global economic conditions have on customer travel patterns; excessive taxation and the inability to offset future taxable income; general economic conditions (including interest rates, foreign currency exchange rates, investment or credit market conditions, crude oil prices, costs of aircraft fuel and energy refining capacity in relevant markets); its ability to cost-effectively hedge against increases in the price of aircraft 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 the Company has alliances or partnerships to provide the services contemplated by the respective arrangements with such carriers; the costs and availability of aviation and other insurance; industry consolidation or changes in airline alliances; competitive pressures on pricing and on demand; its capacity decisions and the capacity decisions of its competitors; U.S. or foreign governmental legislation, regulation and other actions (including open skies agreements and environmental regulations); labor costs; its ability to maintain satisfactory labor relations and the results of the collective bargaining agreement process with its union groups; any disruptions to operations due to any potential actions by its labor groups; weather conditions; the possibility that expected merger synergies will not be realized or will not be realized within the expected time period; and other risks and uncertainties set forth under Item 1A., “Risk Factors” of the 2012 Annual Report and Part II, Item 1A., “Risk Factors” of this report, as well as other risks and uncertainties set forth from time to time in the reports the Company files with the U.S. Securities and Exchange Commission (the “SEC”).

**ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.**

There have been no material changes in market risk from the information provided in Item 7A. “Quantitative and Qualitative Disclosures About Market Risk” in our 2012 Annual Report except as follows:

Aircraft Fuel. As of June 30, 2013, the Company had hedged approximately 47% and 18% of its projected fuel requirements (942 million and 706 million gallons, respectively) for 2013 and 2014, respectively, with commonly used financial hedge instruments based on aircraft fuel or closely related commodities, such as heating oil, diesel fuel and crude oil. As of June 30, 2013, the Company had fuel hedges expiring through December 2014.

At June 30, 2013, fuel derivatives were in a net liability position of \$23 million. See Note 7 to the financial statements included in Part I, Item 1 of this report for additional information related to fuel hedges.

**ITEM 4. CONTROLS AND PROCEDURES.**

The Company maintains controls and procedures that are designed to ensure that information required to be disclosed in the reports filed or submitted to the SEC is recorded, processed, summarized and reported, within the time periods specified by the SEC’s rules and forms, and is accumulated and communicated to management, including the Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure. The Company’s management, including the Chief Executive Officer and Chief Financial Officer, performed an evaluation to conclude with reasonable assurance that UAL’s and United’s disclosure controls and procedures were designed and operating effectively to report the information each company is required to disclose in the reports they file with the SEC on a timely basis. Based on that evaluation, the Chief Executive Officer and the Chief Financial Officer of UAL and United have concluded that as of June 30, 2013, disclosure controls and procedures of each of UAL and United were effective.

***Changes in Internal Control over Financial Reporting during the Quarter Ended June 30, 2013***

During the three months ended June 30, 2013, there were no changes in UAL’s or United’s internal controls over financial reporting that materially affected, or are reasonably likely to materially affect, their internal controls over financial reporting (as defined in rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934).

## PART II. OTHER INFORMATION

### ITEM 1. LEGAL PROCEEDINGS.

See Part I, Item 3., “Legal Proceedings” of the 2012 Annual Report for a description of legal proceedings. The disclosure below includes updates to the legal proceedings disclosures included in the 2012 Annual Report, which are in addition to, and not in lieu of, those disclosures contained in the 2012 Annual Report.

#### *Litigation Associated with September 11, 2001 Terrorism*

Families of 94 victims of the September 11, 2001, terrorist attacks filed lawsuits asserting a variety of claims against the airline industry. United and American Airlines (the “aviation defendants”), as the two carriers whose flights were hijacked on September 11, 2001, are the central focus of the litigation, but a variety of additional parties, including Continental Airlines, Inc. (“Continental”), have been sued on a number of legal theories ranging from collective responsibility for airport screening and security systems that allegedly failed to prevent the attacks to faulty design and construction of the World Trade Center towers. World Trade Center Properties, Inc., as lessee, also filed claims against the aviation defendants and The Port Authority of New York and New Jersey (the “Port Authority”), the owner of the World Trade Center, for property and business interruption damages. The Port Authority has also filed cross-claims against the aviation defendants in both the wrongful death litigation and for property damage sustained in the attacks. The insurers of various tenants at the World Trade Center filed subrogation claims for damages as well. By statute, these matters were consolidated in the U.S. District Court for the Southern District of New York and the aviation defendants’ exposure was capped at the limit of the liability coverage maintained by each carrier at the time of the attacks. In September 2011, United settled the last remaining wrongful death claim in connection with this matter. In 2010, insurers for the aviation defendants reached a settlement with all of the subrogated insurers and most of the uninsured plaintiffs with property and business interruption claims, which was approved by the court and has been affirmed by the U.S. Court of Appeals for the Second Circuit. The U.S. District Court for the Southern District of New York dismissed a claim for environmental cleanup damages filed by a neighboring property owner, Cedar & Washington Associates, LLC. This dismissal order has been appealed to the U.S. Court of Appeals for the Second Circuit. In January 2013, Continental was dismissed from the litigation in its entirety. On July 18, 2013, after a four day hearing, the U.S. District Court for the Southern District of New York ruled that World Trade Center Properties, Inc.’s claims against the aviation defendants would be dismissed, holding that previous insurance recoveries by World Trade Center Properties, Inc. precluded it from seeking damages in tort against the aviation defendants. World Trade Center Properties, Inc. stated it will appeal the ruling to the U.S. Court of Appeals for the Second Circuit. In the aggregate, claims related to the events of September 11, 2001 are estimated to be well in excess of \$10 billion. The Company believes that it will have no financial exposure for claims arising out of the events of September 11, 2001 in light of the provisions of the Air Transportation Safety and System Stabilization Act of 2001 limiting claimants’ recoveries to insurance proceeds, the resolution of the wrongful death and personal injury cases by settlement, the resolution of the majority of the property damage claims and the withdrawal of all related proofs of claim from UAL Corporation’s Chapter 11 bankruptcy proceeding.

#### *EEOC Claim Under the Americans with Disabilities Act*

On June 5, 2009, the U.S. Equal Employment Opportunity Commission (“EEOC”) filed a lawsuit on behalf of five named individuals and other similarly situated employees alleging that United’s reasonable accommodation policy for employees with medical restrictions does not comply with the requirements of the Americans with Disabilities Act. The EEOC maintains that qualified disabled employees should be placed into available open positions for which they are minimally qualified, even if there are better qualified candidates for these positions. Under United’s accommodation policy, employees who are medically restricted and who cannot be accommodated in their current position are given the opportunity to apply and compete for available positions. If the medically restricted employee is similarly qualified to others who are competing for an open position, under United’s policy, the medically restricted employee will be given a preference for the position. If, however, there are candidates that have superior qualifications competing for an open position, then no preference will be given. United successfully transferred the venue of the case to the United States Federal Court for the Northern District of Illinois. Following the district court’s dismissal of the matter and the EEOC’s subsequent appeal to the Seventh Circuit Court of Appeals, on September 7, 2012, the Seventh Circuit overruled previous precedent and held that there may be an obligation to place a minimally qualified disabled worker in a position over a more qualified non-disabled worker. After the case was remanded to district court and the district court’s grant of United’s motion to stay this mandate during appeal, United filed a Petition for Certiorari with the Supreme Court of the United States (the “Supreme Court”) on December 5, 2012. On May 28, 2013, the Supreme Court rejected United’s Petition for Certiorari and remanded the case back to the district court for further litigation.

### ITEM 1A. RISK FACTORS.

See Part I, Item 1A., “Risk Factors,” of the 2012 Annual Report and Part II, Item 1A., “Risk Factors” of the Company’s Form 10-Q for the quarter ended March 31, 2013 (the “First Quarter 2013 Form 10-Q”) for a detailed discussion of the risk factors affecting UAL and United. The disclosure below includes updates to certain risk factor disclosures included in the 2012 Annual Report, which are in addition to, and not in lieu of, those disclosures contained in the 2012 Annual Report and the First Quarter 2013 Form 10-Q.

***Extensive government regulation could increase the Company's operating costs and restrict its ability to conduct its business.***

Airlines are subject to extensive regulatory and legal oversight. Compliance with U.S. and international regulations imposes significant costs and may have adverse effects on the Company. Laws, regulations, taxes and airport rates and charges, both domestically and internationally, have been proposed from time to time that could significantly increase the cost of airline operations or reduce airline revenue. The Company cannot provide any assurance that current laws and regulations, or laws or regulations enacted in the future, will not adversely affect its financial condition or results of operations.

United provides air transportation under certificates of public convenience and necessity issued by the U.S. Department of Transportation (the "DOT"). If the DOT altered, amended, modified, suspended or revoked these certificates, it could have a material adverse effect on the Company's business. The DOT is also responsible for promulgating consumer protection and other regulations that may impose significant compliance costs on the Company. The Federal Aviation Administration ("FAA") regulates the safety of United's operations. United operates pursuant to an air carrier operating certificate issued by the FAA. From time to time, the FAA also issues orders, airworthiness directives and other regulations relating to the maintenance and operation of aircraft that require material expenditures or operational restrictions by the Company. These FAA orders and directives could include the temporary grounding of an entire aircraft type if the FAA identifies design, manufacturing, maintenance or other issues requiring immediate corrective action. For example, in January 2013, the FAA announced a review of the Boeing 787 aircraft's critical systems and in-service issues and issued an emergency airworthiness directive that required U.S. Boeing 787 operators, including the Company, to temporarily cease operations of such aircraft. In April 2013, the FAA approved Boeing's design modifications to the Boeing 787 battery system and provided clearance to U.S. Boeing 787 operators to resume operations of the aircraft, subject to operators retrofitting the aircraft with modified battery systems. The Company resumed commercial flights of its Boeing 787 aircraft on May 20, 2013. FAA requirements cover, among other things, retirement of older aircraft, security measures, collision avoidance systems, airborne windshear avoidance systems, noise abatement and other environmental concerns, aircraft operation and safety and increased inspections and maintenance procedures to be conducted on older aircraft. These FAA directives or requirements could have a material adverse effect on the Company.

In addition, the Company's operations may be adversely impacted due to the existing antiquated air traffic control ("ATC") system utilized by the U.S. government. During peak travel periods in certain markets, the current ATC system's inability to handle existing travel demand has led to short-term capacity constraints imposed by government agencies and resulted in delays and disruptions of air traffic. In addition, the current system will not be able to effectively handle projected future air traffic growth. Imposition of these ATC constraints on a long-term basis may have a material adverse effect on our results of operations. Failure to update the ATC system in a timely manner, and the substantial funding requirements of a modernized ATC system that may be imposed on air carriers may have an adverse impact on the Company's financial condition or results of operations.

The airline industry is subject to extensive federal, state and local taxes and fees that increase the cost of the Company's operations. In addition to taxes and fees that the Company is currently subject to, proposed taxes and fees are currently pending and if imposed, would increase the Company's operating expenses.

Access to landing and take-off rights, or "slots," at several major U.S. airports and many foreign airports served by the Company are, or recently have been, subject to government regulation. Certain of the Company's major hubs are among increasingly congested airports in the United States and have been or could be the subject of regulatory action that might limit the number of flights and/or increase costs of operations at certain times or throughout the day. The FAA may limit the Company's airport access by limiting the number of departure and arrival slots at high density traffic airports, which could affect the Company's ownership and transfer rights, and local airport authorities may have the ability to control access to certain facilities or the cost of access to its facilities, which could have an adverse effect on the Company's business. The FAA historically has taken actions with respect to airlines' slot holdings that airlines have challenged; if the FAA were to take actions that adversely affect the Company's slot holdings, the Company could incur substantial costs to preserve its slots. Further, the Company's operating costs at airports at which it operates, including the Company's major hubs, may increase significantly because of capital improvements at such airports that the Company may be required to fund, directly or indirectly. In some circumstances, such costs could be imposed by the relevant airport authority without the Company's approval and may have a material adverse effect on the Company's financial condition.

The ability of carriers to operate flights on international routes between airports in the U.S. and other countries may be subject to change. Applicable arrangements between the United States and foreign governments may be amended from time to time, government policies with respect to airport operations may be revised, and the availability of appropriate slots or facilities may change. The Company currently operates a number of flights on international routes under government arrangements,

## [Table of Contents](#)

regulations or policies that designate the number of carriers permitted to operate on such routes, the capacity of the carriers providing services on such routes, the airports at which carriers may operate international flights, or the number of carriers allowed access to particular airports. Any further limitations, additions or modifications to such arrangements, regulations or policies could have a material adverse effect on the Company's financial position and results of operations. Additionally, a change in law, regulation or policy for any of the Company's international routes, such as open skies, could have a material adverse impact on the Company's financial position and results of operations and could result in the impairment of material amounts of related tangible and intangible assets. In addition, competition from revenue-sharing joint ventures and other alliance arrangements by and among other airlines could impair the value of the Company's business and assets on the open skies routes. The Company's plans to enter into or expand U.S. antitrust immunized alliances and joint ventures on various international routes are subject to receipt of approvals from applicable U.S. federal authorities and obtaining other applicable foreign government clearances or satisfying the necessary applicable regulatory requirements. There can be no assurance that such approvals and clearances will be granted or will continue in effect upon further regulatory review or that changes in regulatory requirements or standards can be satisfied.

Many aspects of the Company's operations are also subject to increasingly stringent federal, state, local and international laws protecting the environment. Future environmental regulatory developments, such as climate change regulations in the United States and abroad could adversely affect operations and increase operating costs in the airline industry. There are certain climate change laws and regulations that have already gone into effect and that apply to the Company, including the European Union Emissions Trading Scheme (which is subject to international dispute), the State of California's cap and trade regulations, environmental taxes for certain international flights, limited greenhouse gas reporting requirements and land-use planning laws which could apply to airports and could affect airlines in certain circumstances. In addition, there is the potential for additional regulatory actions in regard to the emission of greenhouse gases by the aviation industry. The precise nature of future requirements and their applicability to the Company are difficult to predict, but the financial impact to the Company and the aviation industry would likely be adverse and could be significant.

The Company's business and operations may also be impacted by the Budget Control Act of 2011 and related sequestration procedures of federal agencies. In April 2013, the FAA announced the implementation of furloughs of air traffic controllers through its capacity reduction plan, resulting in flight delays throughout the United States, including to the Company's flights, until the U.S. Congress passed a bill suspending such furloughs. There can be no assurance that future sequestration obligations under the Budget Control Act of 2011 by the FAA, the Transportation Security Administration, the U.S. Customs and Border Protection or other federal agencies will not occur in future periods, potentially resulting in a material adverse impact on the Company.

See Item 1, Business-Industry Regulation, of the 2012 Annual Report for further information on government regulation impacting the Company.

---

[Table of Contents](#)

**ITEM 6. EXHIBITS.**

A list of exhibits included as part of this Form 10-Q is set forth in an Exhibit Index that immediately precedes the exhibits.



**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, each registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized. The signature for each undersigned company shall be deemed to relate only to matters having reference to such company or its subsidiaries.

United Continental Holdings, Inc.  
(Registrant)

Date: July 25, 2013

By: /s/ John D. Rainey  
John D. Rainey  
Executive Vice President and Chief Financial Officer  
(principal financial officer)

Date: July 25, 2013

By: /s/ Chris Kenny  
Chris Kenny  
Vice President and Controller  
(principal accounting officer)

United Airlines, Inc.  
(Registrant)

Date: July 25, 2013

By: /s/ John D. Rainey  
John D. Rainey  
Executive Vice President and Chief Financial Officer  
(principal financial officer)

Date: July 25, 2013

By: /s/ Chris Kenny  
Chris Kenny  
Vice President and Controller  
(principal accounting officer)

**EXHIBIT INDEX**

<u>Exhibit No.</u>	<u>Registrant</u>	<u>Exhibit</u>
3.1	UAL	Amended and Restated Bylaws of United Continental Holdings, Inc.
*4.1	UAL United	Indenture, dated as of May 7, 2013, among United Continental Holdings, Inc., United Airlines, Inc. and The Bank of New York Mellon Trust Company, N.A., as Trustee (filed as Exhibit 4.1 to UAL's Form 8-K filed on May 10, 2013, Commission file number 1-6033, and incorporated herein by reference)
*4.2	UAL United	First Supplemental Indenture, dated as of May 7, 2013, among United Continental Holdings, Inc., United Airlines, Inc. and The Bank of New York Mellon Trust Company, N.A., as Trustee (filed as Exhibit 4.2 to UAL's Form 8-K filed on May 10, 2013, Commission file number 1-6033, and incorporated herein by reference)
*4.3	UAL United	Form of 6.375% Senior Notes due 2018 (included in Exhibit 4.2 as Exhibit A thereto)
*4.4	UAL United	Form of Notation of Note Guarantee (included in Exhibit 4.2 as Exhibit B thereto)
*10.1	UAL	First Amendment to the United Continental Holdings, Inc. Incentive Plan 2010, as amended and restated February 17, 2011 (filed as Annex B (pages B-18 and B-19) to UAL's 2013 Definitive Proxy filed on April 26, 2013, and effective upon stockholder approval received June 12, 2013) (Commission file number 1-6033, incorporated herein by reference)
^10.2	UAL United	Supplemental Agreement No. 60 to Purchase Agreement No. 1951, dated November 7, 2012, by and among The Boeing Company ("Boeing") and Continental Airlines, Inc.
^10.3	UAL United	Supplemental Agreement No. 02 to Purchase Agreement Number PA-03784, dated March 1, 2013, between Boeing and United Airlines, Inc.
^10.4	UAL United	Supplemental Agreement No. 8 to Purchase Agreement No. 2484, dated June 17, 2013, between Boeing and United Airlines, Inc.
^10.5	UAL United	Supplemental Agreement No. 1 to Purchase Agreement No. 03776, dated June 17, 2013, between Boeing and United Continental Holdings, Inc.
^10.6	UAL United	Supplemental Agreement No. 1 to Purchase Agreement No. 3860, dated June 17, 2013, between Boeing and United Airlines, Inc.
^10.7	UAL United	Supplemental Agreement No. 03 to Purchase Agreement Number PA-03784, dated June 27, 2013, between Boeing and United Airlines, Inc.
^10.8	UAL United	Amendment No. 2, dated June 19, 2013, to Airbus A350-900XWB Purchase Agreement, dated March 5, 2010 (the "Airbus A350-900XWB Purchase Agreement") between Airbus S.A.S. ("Airbus") and United Airlines, Inc.
^10.9	UAL United	Amended and Restated Letter Agreement No. 2, dated June 19, 2013, between Airbus and United Airlines, Inc. to the Airbus A350-900XWB Purchase Agreement
^10.10	UAL United	Amended and Restated Letter Agreement No. 3, dated June 19, 2013, between Airbus and United Airlines, Inc. to the Airbus A350-900XWB Purchase Agreement
^10.11	UAL United	Amended and Restated Letter Agreement No. 4, dated June 19, 2013, between Airbus and United Airlines, Inc. to the Airbus A350-900XWB Purchase Agreement
^10.12	UAL United	Amended and Restated Letter Agreement No. 5, dated June 19, 2013, between Airbus and United Airlines, Inc. to the Airbus A350-900XWB Purchase Agreement
^10.13	UAL United	Amended and Restated Letter Agreement No. 6, dated June 19, 2013, between Airbus and United Airlines, Inc. to the Airbus A350-900XWB Purchase Agreement
^10.14	UAL United	Amended and Restated Letter Agreement No. 7, dated June 19, 2013, between Airbus and United Airlines, Inc. to the Airbus A350-900XWB Purchase Agreement
^10.15	UAL United	Amended and Restated Letter Agreement No. 10, dated June 19, 2013, between Airbus and United Airlines, Inc. to the Airbus A350-900XWB Purchase Agreement

## Table of Contents

^10.16	UAL United	Amended and Restated Letter Agreement No. 12, dated June 19, 2013, between Airbus and United Airlines, Inc. to the Airbus A350-900XWB Purchase Agreement
12.1	UAL	United Continental Holdings, Inc. and Subsidiary Companies Computation of Ratio of Earnings to Fixed Charges and Ratio of Earnings to Fixed Charges and Preferred Stock Dividend Requirements
12.2	United	United Airlines, Inc. and Subsidiary Companies Computation of Ratio of Earnings to Fixed Charges and Ratio of Earnings to Fixed Charges and Preferred Stock Dividend Requirements
31.1	UAL	Certification of the Principal Executive Officer of United Continental Holdings, Inc. Pursuant to 15 U.S.C. 78m(a) or 78o(d) (Section 302 of the Sarbanes-Oxley Act of 2002)
31.2	UAL	Certification of the Principal Financial Officer of United Continental Holdings, Inc. Pursuant to 15 U.S.C. 78m(a) or 78o(d) (Section 302 of the Sarbanes-Oxley Act of 2002)
31.3	United	Certification of the Principal Executive Officer of United Airlines, Inc. Pursuant to 15 U.S.C. 78m(a) or 78o(d) (Section 302 of the Sarbanes-Oxley Act of 2002)
31.4	United	Certification of the Principal Financial Officer of United Airlines, Inc. Pursuant to 15 U.S.C. 78m(a) or 78o(d) (Section 302 of the Sarbanes-Oxley Act of 2002)
32.1	UAL	Certification of the Chief Executive Officer and Chief Financial Officer of United Continental Holdings, Inc. Pursuant to 18 U.S.C. 1350 (Section 906 of the Sarbanes-Oxley Act of 2002)
32.2	United	Certification of the Chief Executive Officer and Chief Financial Officer of United Airlines, Inc. Pursuant to 18 U.S.C. 1350 (Section 906 of the Sarbanes-Oxley Act of 2002)
101.1	UAL United	XBRL Instance Document
101.2	UAL United	XBRL Taxonomy Extension Schema Document
101.3	UAL United	XBRL Taxonomy Extension Calculation Linkbase Document
101.4	UAL United	XBRL Taxonomy Extension Definition Linkbase Document
101.5	UAL United	XBRL Taxonomy Extension Labels Linkbase Document
101.6	UAL United	XBRL Taxonomy Extension Presentation Linkbase Document

\* Previously filed

^ Confidential portion of this exhibit has been omitted and filed separately with the SEC pursuant to a request for confidential treatment

**AMENDED AND RESTATED BYLAWS  
OF UNITED CONTINENTAL HOLDINGS, INC.**

**ARTICLE 1**

**Definitions**

As used in these Restated Bylaws, unless the context otherwise requires, the following terms shall have the following meanings:

- 1.1 “*Assistant Secretary*” means an Assistant Secretary of the Corporation.
- 1.2 “*Assistant Treasurer*” means an Assistant Treasurer of the Corporation.
- 1.3 “*Board*” means the Board of Directors of the Corporation.
- 1.4 “*Chairman*” means the Chairman of the Board of Directors.
- 1.5 “*Change in Ownership*” means any sale, disposition, transfer or issuance or series of sales, dispositions, transfers and/or issuances of shares of the capital stock by the Corporation or any holders thereof which results in any person or group of persons (as the term “group” is used under the Securities Exchange Act of 1934, as amended), other than the holders of Common Stock, owning capital stock of the Corporation possessing the voting power (under ordinary circumstances and without regard to cumulative voting rights) to elect a majority of the Board.
- 1.6 “*Chief Executive Officer*” means the Chief Executive Officer of the Corporation.
- 1.7 “*Common Stock*” means the Common Stock, par value \$0.01 per share, of the Corporation.
- 1.8 “*Corporation*” means United Continental Holdings, Inc.
- 1.9 “*DGCL*” means the General Corporation Law of the State of Delaware, as amended from time to time.
- 1.10 “*Director*” means a member of the Board.
- 1.11 “*Entire Board*” means all Directors who would be in office if there were no vacancies.
- 1.12 “*Entire Committee*” means, with respect to any committee, all members of such committee who would serve on such committee if there were no vacancies.

1.13 “*Fundamental Change*” means the occurrence of any of the following: (a) any sale, transfer or disposition of more than 50% of the property or assets of the Corporation and its subsidiaries on a consolidated basis (measured either by book value in accordance with generally accepted accounting principles consistently applied or by fair market value determined in the reasonable good faith judgment of the Board) in any transaction or series of transactions (other than sales in the ordinary course of business) and (b) any merger or consolidation to which the Corporation is a party, except for (x) a merger which is effected solely to change the state of incorporation of the Corporation or (y) a merger in which the Corporation is the surviving person and, after giving effect to such merger, the holders of the capital stock of the Corporation as of the date immediately prior to the merger or consolidation shall continue to own the outstanding capital stock of the Corporation possessing the voting power (under ordinary circumstances) to elect a majority of the Board.

1.14 “*General Counsel*” means the General Counsel of the Corporation.

1.15 “*Preferred Stock*” means the Preferred Stock, without par value, of the Corporation.

1.16 “*President*” means the President of the Corporation.

1.17 “*Restated Certificate*” means the Restated Certificate of Incorporation of the Corporation, as amended from time to time.

1.18 “*Restated Bylaws*” means the Amended and Restated Bylaws of the Corporation, as amended from time to time.

1.19 “*Secretary*” means the Secretary of the Corporation.

1.20 “*Stockholders*” means the stockholders of the Corporation.

1.21 “*Treasurer*” means the Treasurer of the Corporation.

1.22 “*Union Directors*” means those directors of the Corporation elected by the holders of Class Pilot MEC Junior Preferred Stock and the Class IAM Junior Preferred Stock pursuant to Article Fourth, Parts II and III of the Restated Certificate.

1.23 “*Vice Chairman*” means a Vice Chairman of the Corporation.

1.24 “*Vice President*” means a Vice President of the Corporation.

## ARTICLE 2

### Stockholders’ Meetings

2.1 *Annual Meeting*. A meeting of Stockholders shall be held annually for the election of Directors and the transaction of other business at an hour and date as shall be determined by the Board and designated in the notice of meeting.

## 2.2 Special Meetings.

(a) A special meeting of the Stockholders may be called by (i) both the Chief Executive Officer and the Chairman or (ii) the Board, and at an hour and date as shall be determined by them.

(b) Subject to this Section 2.2 and other applicable provisions of these Restated Bylaws, a special meeting of Stockholders shall be called by the Secretary upon the written request (each such request, a “Special Meeting Request” and such meeting, a “Stockholder Requested Special Meeting”) of one or more Stockholders of record of the Corporation that together have continuously held, for their own account or on behalf of others, beneficial ownership of at least a twenty-five percent (25%) aggregate “net long position” of the outstanding Common Stock (the “Requisite Percentage”) for at least one year prior to the date such request is delivered to the Corporation (such period, the “One-Year Period”). For purposes of determining the Requisite Percentage, “net long position” shall be determined with respect to each requesting holder in accordance with the definition thereof set forth in Rule 14e-4 under the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder (as so amended and inclusive of such rules and regulations, the “Exchange Act”); *provided* that (x) for purposes of such definition, (A) “the date that a tender offer is first publicly announced or otherwise made known by the bidder to the holders of the security to be acquired” shall be the date of the relevant Special Meeting Request, (B) the “highest tender offer price or stated amount of the consideration offered for the subject security” shall refer to the closing sales price of Common Stock on the New York Stock Exchange (or any successor thereto) on such date (or, if such date is not a trading day, the next succeeding trading day), (C) the “person whose securities are the subject of the offer” shall refer to the Corporation, and (D) a “subject security” shall refer to the outstanding Common Stock; and (y) the net long position of such holder shall be reduced by the number of shares of Common Stock as to which such holder does not, or will not, have the right to vote or direct the vote at the Stockholder Requested Special Meeting or as to which such holder has, at any time during the One-Year Period, entered into any derivative or other agreement, arrangement or understanding that hedges or transfers, in whole or in part, directly or indirectly, any of the economic consequences of ownership of such shares and which derivative or other agreement, arrangement or understanding remains in effect. Whether the requesting holders have submitted valid Special Meeting Requests representing the Requisite Percentage and complying with the requirements of this Section 2.2 and related provisions of these Restated Bylaws (a “Valid Special Meeting Request”) shall be determined in good faith by the Board, which determination shall be conclusive and binding on the Corporation and the Stockholders.

(c) In order for a Stockholder Requested Special Meeting to be called, one or more Special Meeting Requests must be signed by the Requisite Percentage of Stockholders submitting such request and by each of the beneficial owners, if any, on whose behalf the Special Meeting Request is being made and must be delivered to the Secretary. The Special Meeting Request(s) shall be delivered to the Secretary at the principal executive offices of the Corporation by nationally recognized private overnight courier service, return receipt requested. Each Special Meeting Request shall (i) set forth a statement of the specific purpose(s) of the requested special meeting and the matters proposed to be acted on at it, (ii) bear the date of signature of each such Stockholder signing the Special Meeting Request, (iii) set forth (A) the

name and address, as they appear in the Corporation's books, of each Stockholder signing such request and the beneficial owners, if any, on whose behalf such request is made and (B) the class or series and number of shares of capital stock of the Corporation that are, directly or indirectly, owned of record or beneficially (within the meaning of Rule 13d-3 under the Exchange Act) by each such Stockholder and the beneficial owners, if any, on whose behalf such request is made, (iv) set forth any material interest of each Stockholder signing the Special Meeting Request in the business desired to be brought before the special meeting, (v) include documentary evidence that the Stockholders requesting the special meeting own the Requisite Percentage as of the date on which the Special Meeting Request is delivered to the Secretary of the Corporation; *provided, however*, that if the Stockholders are not the beneficial owners of the shares constituting all or part of the Requisite Percentage, then to be valid, the Special Meeting Request must also include documentary evidence (or, if not simultaneously provided with the Special Meeting Request, such documentary evidence must be delivered to the Secretary of the Corporation within ten (10) days after the date on which the Special Meeting Request is delivered to the Secretary of the Corporation) that the beneficial owners on whose behalf the Special Meeting Request is made beneficially own such shares as of the date on which such Special Meeting Request is delivered to the Secretary, (vi) an agreement by each of the Stockholders requesting the special meeting and each beneficial owner, if any, on whose behalf the Special Meeting Request is being made to notify the Corporation promptly in the event of any decrease in the net long position held by such Stockholder or beneficial owner following the delivery of such Special Meeting Request and prior to the Stockholder Requested Special Meeting and an acknowledgement that any such decrease shall be deemed to be a revocation of such Special Meeting Request by such Stockholder or beneficial owner to the extent of such reduction, (vii) contain any other information that would be a Disclosable Interest, as defined in Section 2.10(a)(3)(B)(vi) of these Restated Bylaws, if such Stockholder or beneficial owner, as applicable, were a Proposing Person, as defined in Section 2.10(a)(2) of these Restated Bylaws and (viii) if the purpose of the Stockholder Requested Special Meeting includes the election of one or more Directors, contain any other information that would be required to be set forth set forth with respect to a proposed nominee pursuant to Section 2.10(a)(3)(C) of these Restated Bylaws. Each Stockholder making a Special Meeting Request and each beneficial owner, if any, on whose behalf the Special Meeting Request is being made is required to update such Special Meeting Request delivered pursuant to this Section 2.2 in accordance with the requirements of Section 2.10(a)(4) of these Restated Bylaws. Any requesting Stockholder may revoke his, her or its Special Meeting Request at any time prior to the Stockholder Requested Special Meeting by written revocation delivered to the Secretary of the Corporation at the principal executive offices of the Corporation. There shall be no requirement to hold a special meeting (and the Board may cancel the special meeting) if the unrevoked (taking into account any specific written revocation or any reduction in the net long position held by such Stockholder, as described above) Special Meeting Requests represent in the aggregate less than the Requisite Percentage at any time after (a) a Valid Special Meeting Request has been delivered to the Secretary of the Corporation or (b) sixty (60) days following the earliest dated Special Meeting Request.

(d) In determining whether Special Meeting Requests have met the requirements of this Section 2.2, multiple Special Meeting Requests will be considered together only if (i) each Special Meeting Request identifies substantially the same purpose or purposes of the requested special meeting and substantially the same matters proposed to be acted on at the Stockholder Requested Special Meeting (in each case as determined in good faith by the Board), and (ii) such Special Meeting Requests have been delivered to the Secretary within 60 days of the delivery to the Secretary of the earliest dated Special Meeting Request relating to such item(s) of business.

(e) If none of the Stockholders who submitted a Special Meeting Request appears or sends a qualified representative to present the item of business submitted by the Stockholders for consideration at the Stockholder Requested Special Meeting, such item of business shall not be submitted for vote of the Stockholders at such Stockholder Requested Special Meeting, notwithstanding that proxies in respect of such vote may have been received by the Corporation or such Stockholder(s). A Special Meeting Request shall not be valid (and the Board shall have no obligation to call a special meeting in respect of such Special Meeting Request) if it relates to an item of business that is not a proper subject for Stockholder action under applicable law, was made in a manner that involved a violation of an applicable law or regulation, would violate the law, would cause the Corporation to violate the law or does not comply with the provisions of this Section 2.2. The procedures set forth in this Section 2.2 are the exclusive means by which items of business may be raised by Stockholders at a Stockholder Requested Special Meeting.

(f) Except as provided in the next sentence, a Stockholder Requested Special Meeting shall be held at such date, time and place within or without the State of Delaware as may be fixed by the Board; *provided, however*, that the date of any such Stockholder Requested Special Meeting shall be not more than ninety (90) days after the date on which a Valid Special Meeting Request has been delivered to the Secretary of the Corporation (such date of delivery being the "Delivery Date"). Notwithstanding the foregoing, a Stockholder Requested Special Meeting need not be held if (i) the Board has called or calls a meeting of Stockholders to be held within 90 days after the Delivery Date and the business of such meeting includes (among any other matters properly brought forth before the meeting) an item of business that is identical or substantially similar (as determined in good faith by the Board, a "Similar Item") to an item of business specified in the Special Meeting Request or Requests, (ii) the Delivery Date is during the period commencing ninety (90) days prior to the first anniversary of the date of the immediately preceding annual meeting and ending on the earlier of (A) the date of the next annual meeting and (B) thirty (30) days after the first anniversary of the date of the immediately preceding annual meeting, or (iii) the subject of such Special Meeting Request or Requests contains a Similar Item to an item of business that was voted on at any meeting of Stockholders held within 120 days prior to the Delivery Date (it being understood that, for purposes of this Section 2.2, the election or removal of directors shall be deemed a Similar Item with respect to all items involving the election or removal of directors).

Written notice of a special meeting stating the place, date and hour of the meeting, the means of remote communications, if any, by which Stockholders and proxy holders may be deemed to be present in person and vote at such meeting, and the purpose or purposes for which the meeting is called shall be given not less than ten nor more than sixty days before the date of the meeting to each Stockholder entitled to vote at such meeting.

Any notice relating to a special meeting appropriately called pursuant to this Section 2.2 shall describe the item or items of business to be considered at such special meeting. Business transacted at any special meeting shall be limited to the matters identified in the Corporation's notice given pursuant to Section 2.4; *provided, however*, that nothing herein shall prohibit the Board from including in such notice and submitting to the Stockholders additional matters to be considered at any Stockholder Requested Special Meeting.



2.3 *Place of Meetings.* All meetings of Stockholders shall be held at such places, within or without the State of Delaware, as may from time to time be fixed by the Board or as specified or fixed in the respective notices. The Board may, in its sole discretion, determine that a meeting of the Stockholders shall not be held at any place, but may instead be held solely by means of remote communication as authorized by Section 211(a)(2) of the DGCL (or any successor provision thereto). Any previously-scheduled meeting of the Stockholders may be postponed by action of the Board taken prior to the time previously scheduled for such annual meeting of Stockholders.

2.4 *Notices of Stockholders' Meetings.* Except as otherwise provided in Section 2.5 or otherwise required by the Restated Certificate or applicable law, written notice of each meeting of Stockholders, whether annual or special, shall be given to each Stockholder required or permitted to take any action at, or entitled to notice of, such meeting not less than ten (10) nor more than sixty (60) days before the date on which the meeting is to be held, by delivering such notice to him or her, personally, by mail or by electronic transmission in the manner provided by law. If mailed, such notice shall be deemed to be given when deposited in the United States mail, with postage prepaid, directed to the Stockholder at his or her address as it appears on the stock ledger of the Corporation. Every notice of a meeting of Stockholders shall state the place, date and hour of the meeting and the purpose or purposes for which the meeting is called.

2.5 *Waivers of Notice.* Notwithstanding any other provision in these Restated Bylaws, notice of any meeting of Stockholders shall not be required as to any Stockholder who shall attend such meeting in person or be represented by proxy, except when such Stockholder attends such meeting for the express purpose of objecting at the beginning of the meeting to the transaction of any business at such meeting because the meeting is not lawfully called or convened. If any Stockholder shall, in person or represented by proxy, waive notice of any meeting, whether before or after such meeting, notice thereof shall not be required as to such Stockholder.

2.6 *Quorum Requirements and Required Vote at Stockholder Meetings.*

(a) Except as otherwise required by applicable law, the Restated Certificate or these Restated Bylaws, at all meetings of Stockholders the presence, in person or represented by proxy, of the holders of outstanding shares representing at least a majority of the total voting power entitled to vote at a meeting of Stockholders shall constitute a quorum for the transaction of business; *provided, however,* that where a separate vote of a class or classes or series of stock is required, the presence in person or represented by proxy of the holders of outstanding shares representing at least a majority of the total voting power of all outstanding shares of such class or classes or series shall constitute a quorum thereof entitled to take action with respect to such separate vote.

(b) Except as otherwise required by applicable law, the Restated Certificate or these Restated Bylaws, each holder of stock of the Corporation entitled to vote on any matter at any meeting of the Stockholders shall be entitled to one vote for each share of such stock standing in the name of such holder on the stock ledger of the Corporation on the record date for the determination of the Stockholders entitled to vote at the meeting. Except as otherwise required by applicable law, the Restated Certificate or these Restated Bylaws, including, without limitation, Section 3.3 hereof, the affirmative vote of a majority in voting power of the shares

present in person or represented by proxy and entitled to vote on the subject matter at a meeting of Stockholders at which a quorum is present shall be the act of the Stockholders. Except as required by applicable law, the method of voting and the manner in which votes are counted shall be discretionary with the presiding officer at the meeting.

(c) The holders of a majority in voting power of the shares entitled to vote and present in person or represented by proxy at any meeting of Stockholders, whether or not a quorum is present, may adjourn such meeting to another time and place. At any such adjourned meeting at which a quorum shall be present, any business may be transacted that might have been transacted at the meeting as originally called. Unless otherwise required by applicable law, the Restated Certificate or these Restated Bylaws, no notice of an adjourned meeting need be given.

2.7 *Proxies.* Each Stockholder entitled to vote at a meeting of Stockholders may authorize another person or persons to act for him or her by proxy executed in writing by the Stockholder or as otherwise permitted by law, or by his or her duly authorized attorney-in-fact, but such proxy shall no longer be valid eleven months after the date of such proxy. Such proxy must be filed with the Secretary of the Corporation or his or her representative at or before the time of the meeting.

2.8 *Inspectors.* The Board by resolution shall appoint one or more inspectors, which inspector or inspectors may include individuals who serve the Corporation in other capacities, including, without limitation, as officers, employees, agents or representatives of the Corporation, to act at the meeting and make a written report thereof. One or more persons may be designated as alternate inspectors to replace any inspector who fails to act. If no inspector or alternate has been appointed to act, or if all inspectors or alternates who have been appointed are unable to act, at the meeting of Stockholders, the chairman of the meeting shall appoint one or more inspectors to act at the meeting. Each inspector, before discharging his or her duties, shall take and sign an oath to execute faithfully the duties of inspector with strict impartiality and according to the best of his or her ability. The inspectors shall have the duties prescribed by the DGCL. The chairman of the meeting shall fix and announce at the meeting the time of the opening and the closing of the polls for each matter upon which the Stockholders will vote at a meeting.

2.9 *Conduct of Stockholders' Meetings.* The Chief Executive Officer or the Chairman of the Board, as designated by the Board, or, in their absence or the absence of any such designation, the appointee of the presiding officer of the meeting, shall preside at all meetings of Stockholders and may establish such rules of procedure for conducting the meetings as he or she deems fair and reasonable. The Secretary, or in his or her absence an Assistant Secretary, or if none be present, the appointee of the presiding officer of the meeting, shall act as secretary of the meeting.

2.10 *Notice of Stockholder Business and Nominations.*

(a) *Annual Meetings of Stockholders.*

(1) Nominations of persons for election to the Board and the proposal of other business to be considered by the Stockholders may be made at an annual meeting of Stockholders only (A) if brought before the meeting by the Corporation and specified in

the Corporation's notice of meeting delivered pursuant to Section 2.4, (B) if brought before the meeting by or at the direction of the Board or (C) if brought before the meeting by a Stockholder who (i) was a Stockholder of record (and, with respect to any beneficial owner, if different, on whose behalf any nomination or proposal is made, only if such beneficial owner was the beneficial owner of shares of capital stock of the Corporation) both at the time of giving of notice provided for in this Section 2.10, and at the time of the meeting, (ii) is entitled to vote at the meeting, and (iii) has complied with this Section 2.10 as to such nominations or other business. Except for proposals properly made in accordance with Rule 14a-8 of the Exchange Act, and included in the notice of meeting given by or at the direction of the Board, the foregoing clause (C) shall be the exclusive means for a Stockholder to propose business to be considered or to propose any nominations of persons for election to the Board at an annual meeting of the Stockholders.

(2) Without exception, for any nominations of persons for election to the Board or other business to be properly brought before an annual meeting by a Stockholder, in each case, pursuant to clause (C) of paragraph (a)(1) of this Section 2.10, the Stockholder must (x) have given timely notice thereof in writing and in proper form to the Secretary of the Corporation and (y) provide any updates or supplements to such notice at the times and in the forms required by this Section 2.10. To be timely, a Stockholder's notice shall be delivered to, or mailed and received by, the Secretary at the principal executive offices of the Corporation not more than 120 days and not less than 90 days prior to the one-year anniversary of the preceding year's annual meeting; *provided, however*, that in the event that the date of the annual meeting is advanced by more than 30 days, or delayed by more than 60 days, from such anniversary date, notice by the Stockholder to be timely must be so delivered, or mailed and received, not later than the close of business on the tenth day following the day on which public announcement of the date of such annual meeting is first made by the Corporation. In no event shall any adjournment of an annual meeting or the announcement thereof commence a new time period (or extend any time period) for the giving of a Stockholder's notice. For purposes of this Section 2.10, the term "Proposing Person" means (i) the Stockholder providing the notice of a proposed nomination or other business proposed to be brought before a meeting, (ii) the beneficial owner or beneficial owners, if different, on whose behalf the proposed nomination or other business proposed to be brought before a meeting is made, and (iii) any affiliate or associate (for purposes of these Bylaws, each within the meaning of Rule 12b-2 under the Exchange Act) of such Stockholder or beneficial owner.

(3) To be in proper form, a Stockholder's notice (whether given pursuant to paragraph (a)(2) or paragraph (b) of this Section 2.10) shall set forth:

(A) As to each Proposing Person:

- (i) the name and address of such Proposing Person (including, if applicable, the name and address that appear on the Corporation's stock ledger); and
- (ii) the class or series and number of shares of capital stock of the Corporation that are, directly or indirectly, owned of record or beneficially (within the meaning of Rule 13d-3

under the Exchange Act) by such Proposing Person, except that such Proposing Person shall in all events be deemed to beneficially own any shares of any class or series of the capital stock of the Corporation as to which such Proposing Person has a right to acquire beneficial ownership at any time in the future (the disclosures to be made pursuant to the foregoing clauses (i) and (ii) are referred to as “*Stockholder Information*”);

(B) As to each Proposing Person:

- (i) any derivative, swap or other transaction or series of transactions engaged in, directly or indirectly, by such Proposing Person, the purpose or effect of which is to give such Proposing Person economic risk similar to ownership of shares of any class or series of the capital stock of the Corporation, including due to the fact that the value of such derivative, swap or other transaction is determined by reference to the price, value or volatility of any shares of any class or series of the capital stock of the Corporation, or which derivative, swap or other transactions provide, directly or indirectly, the opportunity to profit from any increase in the price or value of shares of any class or series of the capital stock of the Corporation (“*Synthetic Equity Interests*”), which such Synthetic Equity Interests shall be disclosed without regard to whether (x) such derivative, swap or other transactions convey any voting rights in such shares to such Proposing Person, (y) the derivative, swap or other transactions are required to be, or are capable of being, settled through delivery of such shares or (z) such Proposing Person may have entered into other transactions that hedge or mitigate the economic effect of such derivative, swap or other transaction;
- (ii) any proxy (other than a revocable proxy or consent given in response to a solicitation made pursuant to, and in accordance with, Section 14(a) of the Exchange Act by way of a solicitation statement filed on Schedule 14A), agreement, arrangement, understanding or relationship pursuant to which such Proposing Person has or shares a right to vote any shares of any class or series of the capital stock of the Corporation;
- (iii) any agreement, arrangement, understanding or relationship, including any repurchase or similar so-called “stock borrowing” agreement or arrangement, engaged in, directly or indirectly, by such Proposing Person, the purpose or effect of which is to mitigate loss to, reduce the economic risk (of ownership or otherwise) of shares of any class or

series of the capital stock of the Corporation by, manage the risk of share price changes for, or increase or decrease the voting power of, such Proposing Person with respect to the shares of any class or series of the capital stock of the Corporation, or which provides, directly or indirectly, the opportunity to profit from any decrease in the price or value of the shares of any class or series of the capital stock of the Corporation ("*Short Interests*");

- (iv) any rights to dividends on the shares of any class or series of the capital stock of the Corporation owned beneficially by such Proposing Person that are separated or separable from the underlying shares of the Corporation;
  - (v) any performance related fees (other than an asset based fee) that such Proposing Person is entitled to based on any increase or decrease in the price or value of shares of any class or series of the capital stock of the Corporation, or any Synthetic Equity Interests or Short Interests, if any; and
  - (vi) any other information relating to such Proposing Person that would be required to be disclosed in a proxy statement or other filing required to be made in connection with solicitations of proxies or consents by such Proposing Person in support of the nomination for election of Directors or the other business proposed to be brought before the meeting pursuant to Section 14(a) of the Exchange Act (the disclosures to be made pursuant to the foregoing clauses (i) through (vi) are referred to as "*Disclosable Interests*"); provided, however, that Disclosable Interests shall not include any such disclosures with respect to the ordinary course business activities of any broker, dealer, commercial bank, trust company or other nominee who is a Proposing Person solely as a result of being the Stockholder of record directed to prepare and submit the information required by this Section 2.10 on behalf of a beneficial owner.
- (C) As to each person, if any, whom a Proposing Person proposes to nominate for election or reelection as a Director:
- (i) all information with respect to such proposed nominee that would be required to be set forth in a Stockholder's notice pursuant to this Section 2.10 if such proposed nominee were a Proposing Person;
  - (ii) all information relating to such proposed nominee that is required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of

proxies for election of Directors in a contested election pursuant to Section 14(a) under the Exchange Act (including such proposed nominee's written consent to being named in the proxy statement as a nominee and to serving as a Director if elected); and

- (iii) a description of all direct and indirect compensation and other material monetary agreements, arrangements and understandings during the past three years, and any other material relationships, between or among any Proposing Person, on the one hand, and each proposed nominee and his or her respective affiliates and associates, on the other hand, including, without limitation, all information that would be required to be disclosed pursuant to Item 404 under Regulation S-K if such Proposing Person were the "registrant" for purposes of such rule and the proposed nominee were a Director or executive officer of such registrant; and
- (D) As to any business other than nominations for election of Directors that a Proposing Person proposes to bring before an annual meeting:
- (i) a reasonably brief description of the business desired to be brought before the annual meeting, the reasons for conducting such business at the annual meeting and any material interest in such business of any Proposing Person;
  - (ii) the text of the proposal or business (including the text of any resolutions proposed for consideration); and
  - (iii) a reasonably detailed description of all agreements, arrangements and understandings (x) between or among any of the Proposing Persons and (y) between or among any Proposing Person and any other record or beneficial owner of capital stock of the Corporation (including their names) in connection with the proposal of such business by such Stockholder.

(4) A Stockholder providing notice of a proposed nomination for election to the Board or other business proposed to be brought before a meeting (whether given pursuant to paragraph (a)(2) or paragraph (b) of this Section 2.10) shall further update and supplement such notice, if necessary, so that the information provided or required to be provided in such notice shall be true and correct as of the record date for the meeting and as of the date that is ten business days prior to the meeting or any adjournment or postponement thereof, and such update and supplement shall be delivered to, or mailed and received by, the Secretary at the principal executive offices of the Corporation not later than five business days after the record date for the meeting (in the case of the update and supplement required to be made as of the record date), and not later than eight

business days prior to the date for the meeting or, if practicable, any adjournment of postponement thereof (and, if not practicable, on the first practicable date prior to the date to which the meeting has been adjourned or postponed) (in the case of the update and supplement required to be made as of ten business days prior to the meeting or any adjournment or postponement thereof). The Corporation may also require any proposed nominee for election to the Board to furnish such other information (i) as may be reasonably required by the Corporation to determine the eligibility of such proposed nominee to serve as an independent Director of the Corporation in accordance with the Corporation's corporate governance guidelines as then in effect or (ii) that could be material to a reasonable Stockholder's understanding of the independence, or lack thereof, of such proposed nominee.

(5) Notwithstanding anything in paragraph (a)(2) of this Section 2.10 to the contrary, in the event that the number of Directors to be elected to the Board at the annual meeting is increased and there is no public announcement by the Corporation naming all of the nominees for Director or specifying the size of the increased Board made by the Corporation at least ten days before the last day a Stockholder could otherwise deliver a notice of nomination in accordance with such paragraph (a)(2) of this Section 2.10, a Stockholder's notice required by this Section 2.10 shall also be considered timely, but only with respect to nominees for any new positions created by such increase, if it shall be delivered to, or mailed and received by, the Secretary at the principal executive offices of the Corporation not later than the close of business on the tenth day following the day on which such public announcement is first made by the Corporation.

*(b) Special Meeting of Stockholders.*

Only such business shall be conducted at a special meeting of Stockholders called pursuant to Section 2.2 as shall have been properly brought before such meeting in accordance with Section 2.2. Nominations of persons for election to the Board may be made at a special meeting of Stockholders called pursuant to Section 2.2(a) (a "Management Requested Special Meeting") at which Directors are properly to be elected only (1) by or at the direction of the Board or (2) by any Stockholder who (A) was a Stockholder of record (and, with respect to any beneficial owner, if different, on whose behalf any nomination is made, only if such beneficial owner was the beneficial owner of shares of the Corporation) both at the time of giving of notice provided for in this Section 2.10 and at the time of the Management Requested Special Meeting, (B) is entitled to vote at such Management Requested Special Meeting and (C) complied with this paragraph (b) and paragraph (a)(3) of this Section 2.10 as to such nominations. Without exception, in order for a Stockholder to present any nominations of persons for election to the Board at such a Management Requested Special Meeting, pursuant to clause (2) of this paragraph (b), the Stockholder must (x) have given timely notice thereof in writing and in proper form to the Secretary of the Corporation (which notice shall include disclosure of the information that is required by the applicable provisions of paragraph (a)(3) of this Section 2.10) and (y) provide any updates or supplements to such notice at the times and in the forms required by paragraph (a)(4) of this Section 2.10. To be timely, a Stockholder's notice shall be delivered to, or mailed and received by, the Secretary at the principal executive offices of the Corporation not earlier than the one hundred twentieth day prior to the date of such Management Requested Special Meeting and not later than the close of business on the later of (x) the ninetieth day prior to the date of such special meeting and (y) the tenth day following the day on which public announcement is first made of the date of such Management Requested Special Meeting and of the nominees proposed by the Board to be elected at such Management Requested Special Meeting. In no event shall any adjournment of a Management Requested Special Meeting or the announcement thereof commence a new time period (or extend any time period) for the giving of a Stockholder's notice as described above.

(c) *General.*

(1) Subject to the rights, if any, of the holders of any series of Preferred Stock to elect additional Directors as may be provided in a designation of rights relating to such series of Preferred Stock, including the holders of the Class Pilot MEC Junior Preferred Stock and the Class IAM Junior Preferred Stock pursuant to Article Fourth, Parts II and III of the Restated Certificate, only persons who are nominated in accordance with this Section 2.10 shall be eligible to serve as Directors and only such business as shall have been brought before the meeting in accordance with this Section 2.10 shall be conducted at a meeting of Stockholders. Nominations for Union Directors shall be made only by the holders of the Class Pilot MEC Junior Preferred Stock and the Class IAM Junior Preferred Stock, and then only in accordance with the procedures and qualification requirements of the Restated Certificate and any stockholder agreements applicable to such nomination process. Except as otherwise provided by law, the Restated Certificate or these Restated Bylaws, the chairman of the meeting shall have the power and duty to determine whether such nomination or business was made in compliance with this Section 2.10 and, if such proposed nomination or business is deemed not to have been properly made, to declare that such nomination or proposal has not been properly brought before the meeting and shall be disregarded and declared to be out of order.

(2) For purposes of this Section 2.10, “public announcement” shall mean disclosure in a press release reported by the Dow Jones News Service, Associated Press or comparable national news service or in a document publicly filed by the Corporation with the Securities and Exchange Commission pursuant to Section 13, 14 or 15(d) of the Exchange Act.

(3) Notwithstanding the foregoing provisions of this Section 2.10, a Stockholder shall also comply with all applicable requirements of the Exchange Act with respect to the matters set forth in this Section 2.10. This Section 2.10 is expressly intended to apply to any business proposed to be brought before a meeting of Stockholders other than any proposal made pursuant to Rule 14a-8 under the Exchange Act. Nothing in this Section 2.10 shall be deemed to affect any rights of Stockholders to request inclusion of proposals in the Corporation’s proxy statement pursuant to Rule 14a- 8 under the Exchange Act.

2.11 *List of Stockholders.* It shall be the duty of the Secretary or other officer who has charge of the stock ledger to prepare and make, at least ten (10) days before each annual or special meeting of the Stockholders, a complete list of the Stockholders entitled to vote at such meeting, arranged in alphabetical order, and showing the address of each Stockholder and the number of shares registered in such Stockholder’s name. Such list shall be produced and kept available at the times and places required by law. The stock ledger shall be the only evidence as to which Stockholders are the Stockholders entitled to examine the stock ledger or the list required by this Section 2.11, or to vote in person or by proxy at such meeting of the Stockholders.



2.12 *Remote Communication*. For the purposes of these Restated Bylaws, if authorized by the Board in its sole discretion, and subject to such guidelines and procedures as the Board may adopt, Stockholders and proxyholders may, by means of remote communication:

(a) participate in a meeting of Stockholders; and

(b) be deemed present in person and vote at a meeting of Stockholders whether such meeting is to be held at a designated place or solely by means of remote communication, provided that (i) the Corporation shall implement reasonable measures to verify that each person deemed present and permitted to vote at the meeting by means of remote communication is a Stockholder or proxyholder, (ii) the Corporation shall implement reasonable measures to provide such Stockholders and proxyholders a reasonable opportunity to participate in the meeting and to vote on matters submitted to the Stockholders, including an opportunity to read or hear the proceedings of the meeting substantially concurrently with such proceedings, and (iii) if any Stockholder or proxyholder votes or takes other action at the meeting by means of remote communication, a record of such vote or other action shall be maintained by the Corporation.

### ARTICLE 3

#### Board Of Directors

3.1 *Number and Term of Office*. The number and term of office of Directors on the Board shall be determined as provided in the Restated Certificate.

3.2 *Powers*. The Board may, except as otherwise provided in the Restated Certificate or the DGCL, exercise all such powers and do all such acts and things as may be exercised or done by the Corporation.

3.3 *Election*. Except as otherwise required by applicable law or the Restated Certificate, and notwithstanding Section 2.6(b) hereof, Directors shall be elected by a plurality of the votes cast at a meeting of Stockholders by the holders of shares entitled to vote on their election.

3.4 *Place of Meetings*. Meetings of the Board may be held either within or without the State of Delaware at such place as is indicated in the notice or waiver of notice thereof. It is intended that a majority of the in-person Board meetings in each calendar year shall be held in the Greater Chicago Metropolitan Area.

3.5 *Organization Meeting*. The Board shall meet as soon as practicable after each annual meeting of Stockholders at the place of such annual meeting for the purpose of organization and the transaction of other business. No notice of such meeting of the Board shall be required. Such organization meeting may be held at any other time or place specified in a notice given as hereinafter provided for special meetings of the Board, or in a consent and waiver of notice thereof, signed by all of the Directors.

3.6 *Stated Meetings*. The Board shall from time to time, by resolution adopted by the affirmative vote of at least a majority of the votes entitled to be cast by the Entire Board, appoint the time and place for holding stated meetings of the Board; and such meetings shall thereupon be held at the time and place so appointed, without the giving of any special notice with regard thereto. Any and all business may be transacted at any stated meeting.

3.7 *Special Meetings*. Special meetings of the Board shall be held whenever called by the Secretary, at the direction of any three Directors, or by the Chairman, or, in the event that the office of the Chairman is vacant, by the Chief Executive Officer, or in the event that the offices of the Chairman and Chief Executive Officer are vacant, by the President. Notice of a special meeting shall set forth a description of such meeting and be sent to the Directors as provided in Section 3.8.

3.8 *Notices of Board Meetings*. Notice of any meeting shall be sent to each Director at his or her residence or usual place of business either (a) by reputable overnight delivery service in circumstances to which such service guarantees next day delivery, not later than on the day that is the second business day immediately preceding the day of such meeting, or (b) by facsimile, telex, telegram or electronic mail, not later than twenty-four (24) hours before the time of such meeting. If sent by overnight delivery service, such notice shall be deemed to be given when delivered to such service; if sent by facsimile, telex, telegram or electronic mail, such notice shall be deemed to be given when transmitted. Notice of any meeting of the Board need not however be given to any Director, if waived by him or her in writing or if, subject to applicable law, he or she shall be present at the meeting. Any meeting of the Board shall be a legal meeting without any notice thereof having been given if all of the Directors shall be present thereat, except when a Director attends a meeting for the express purpose of objecting at the beginning of the meeting to the transaction of any business because the meeting is not lawfully called or convened.

3.9 *Quorum and Manner of Acting*. Except as otherwise required by applicable law, the Restated Certificate or these Restated Bylaws, the presence at any organization, stated or special meeting of Directors having at least a majority of the votes entitled to be cast by the Entire Board shall constitute a quorum for the transaction of business; and, except as otherwise required by applicable law, the Restated Certificate or these Restated Bylaws, the affirmative vote of a majority of the votes entitled to be cast by the Directors present at any meeting at which a quorum is present shall be the act of the Board. In the absence of a quorum, the affirmative vote of a majority of the votes entitled to be cast by the Directors present may adjourn any meeting, from time to time, until a quorum is present.

3.10 *Telephone Meetings*. Directors or members of any committee of the Board may participate in a meeting of the Board or of such committee by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting pursuant to this Section 3.10 shall constitute presence in person at such meeting.

3.11 *Chairman of the Board Pro Tempore*. In the absence of both the Chairman and the Chief Executive Officer at any meeting of the Board, the Board may appoint from among its members a Chairman of the Board pro tempore, who shall preside at such meeting, except where otherwise provided by law.

3.12 *Resignation*. Any Director may resign at any time upon notice given in writing or by electronic transmission to the Corporation. Any such resignation shall take effect at the time received by the Corporation, unless the resignation specifies a later effective date or an effective date determined upon the happening of one or more events.

3.13 *Removal of Directors*. Any Director or the entire Board may be removed with or without cause as provided under the DGCL.

3.14 *Vacancies and Newly Created Directorships.* Except as otherwise provided in the Restated Certificate, vacancies and newly created directorships resulting from any increase in the authorized number of Directors may be filled by a majority of the Directors then in office, even if less than a quorum, or by a sole remaining Director, and the Directors so chosen shall hold office until the next election of Directors and until their successors are duly elected and qualified or until earlier resignation or removal. If there are no Directors in office, then an election of Directors may be held in the manner provided by statute.

3.15 *Directors' Fees.* The Board shall have authority to determine, from time to time, the amount of compensation that shall be paid to its members for attendance at meetings of the Board or of any committee of the Board, which compensation may be payable currently or deferred.

3.16 *Action Without Meeting.* Any action required or permitted to be taken at any meeting of the Board or any committee of the Board may be taken without a meeting if all of the members of the Board or of any such committee, as the case may be, consent thereto in writing, by electronic transmission or transmissions, or as otherwise permitted by law and, if required by law, the writing or writings or electronic transmission or transmissions are filed with the minutes of proceedings of the Board or of such committee. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

## **ARTICLE 4**

### **Board Committees**

#### *4.1 Designation.*

(a) Except as otherwise provided in the Restated Certificate, the Board may, by resolution adopted by the affirmative vote of at least a majority of the votes entitled to be cast by the Entire Board, designate one or more committees of the Board, each such committee to consist of one or more Directors. Except as otherwise provided in the Restated Certificate, unless sooner discharged by the affirmative vote of a majority of the votes entitled to be cast by the Entire Board, members of each committee of the Board shall hold office until the organization meeting of the Board in the next subsequent year and until their respective successors are appointed.

(b) So far as practicable, members of each committee of the Board shall be appointed annually at the organization meeting of the Board. The Board may designate one or more Directors as alternate members of any committee of the Board, who may replace any absent or disqualified member at any meeting of such committee. The Nominating/Governance Committee of the Board shall have the power to recommend to the Board a chairman of each committee of the Board by the affirmative vote of a majority of the votes entitled to be cast by all of the members of the Nominating/Governance Committee. The Board shall have the power to appoint one of its members to act as chairman of each committee of the Board.

(c) Notwithstanding the foregoing, except as required by law or otherwise provided in these Restated Bylaws, no committee of the Board will have the authority to (i) issue dividends, distributions or securities, except for issuances of cash or securities pursuant to employee benefit plans; (ii) to approve a Fundamental Change or Change in Ownership, except as may be required in the exercise of fiduciary duties; (iii) to take any action that would require the approval of the Stockholders pursuant to the DGCL; (iv) elect any officer designated as such in Section 5.1 or to fill any vacancy in any such office; (v) designate the Chief Executive Officer or the Chairman of the Board; (vi) fill any vacancy in the Board or any newly created Directorship; (vii) amend these Restated Bylaws; (viii) take any action that under these Restated Bylaws is required to be taken by vote of a specified proportion of the Entire Board or of the Directors at the time in office; or (ix) take any action, the power or authority for which is reserved for the Entire Board pursuant to Section 141(c)(2) of the DGCL, except as otherwise set forth in such Section 141(c)(2).

#### 4.2 Meetings.

(a) Stated meetings of any committee of the Board shall be held at such times and at such places as shall be fixed, from time to time, by resolution adopted by the Board or by the affirmative vote of a majority of the votes entitled to be cast by the members of such committee of the Board and upon notification pursuant to Section 4.3 to all the members of such committee. Any and all business may be transacted at any stated meeting of any committee of the Board.

(b) Special meetings of any committee of the Board may be called at any time by the chairman of such committee or by any two members of such committee. Notice of a special meeting of any committee of the Board shall set forth a description of the business to be transacted at such meeting and be sent to the members of such committee of the Board as provided in Section 4.3.

4.3 *Notice of Board Committee Meetings.* Notice of any meeting of any committee of the Board shall be sent to each member of such committee at his or her residence or usual place of business either (a) by reputable overnight delivery service in circumstances to which such service guarantees next day delivery, not later than on the day that is the second business day immediately preceding the day of such meeting, or (b) by facsimile, telex, telegram or electronic mail, not later than twenty-four (24) hours before the time of such meeting. If sent by overnight delivery service, such notice shall be deemed to be given when delivered to such service; if sent by facsimile, telex, telegram or electronic mail, such notice shall be deemed to be given when transmitted. Notice of any meeting of a committee of the Board need not however be given to any member of such committee, if waived by him or her in writing or if, subject to applicable law, he or she shall be present at the meeting. Any meeting of a committee of the Board shall be a legal meeting without any notice thereof having been given if all of the members shall be present thereat except when a Director attends a meeting for the express purpose of objecting at the beginning of the meeting to the transaction of any business because the meeting is not lawfully called or convened.

4.4 *Place of Meetings.* Meetings of any committee of the Board may be held either within or without the State of Delaware.

#### 4.5 *Quorum and Voting Requirements of Board Committees.*

(a) The presence of Directors entitled to cast at least a majority of the aggregate number of votes entitled to be cast by all Directors on a committee of the Board shall constitute a quorum for the transaction of business, and any act of a committee of the Board shall require the affirmative vote of at least a majority of the votes entitled to be cast by the Directors present at a meeting of such committee at which a quorum is present.

(b) The members of any committee of the Board shall act only as a committee of the Board, and the individual members of the Board shall have no power as such.

4.6 *Records.* Each committee of the Board shall keep a record of its acts and proceedings and shall report the same, from time to time, to the Board. The Secretary, or, in his or her absence, an Assistant Secretary, shall act as secretary to each committee of the Board, or a committee of the Board may, in its discretion, appoint its own secretary.

4.7 *Vacancies.* Except as otherwise provided in the Restated Certificate, any vacancy in any committee of the Board shall be filled by a majority of the Directors then in office.

4.8 *Committee Procedure.* The Board by resolution or resolutions shall establish the rules of procedure to be followed by each committee, which shall include a requirement that such committee keep regular minutes of its proceedings and deliver to the Secretary the same.

#### 4.9 *Executive Committee.*

(a) In addition to any requirements set forth in the Restated Certificate or these Restated Bylaws, an Executive Committee shall be appointed, to consist of the Chairman, the Chief Executive Officer and three or more other Directors; *provided, however,* that at least a majority of the Executive Committee shall consist of Directors who are neither officers nor employees of the Corporation or of any of its affiliated corporations.

(b) Subject to the provisions of the DGCL and these Restated Bylaws, the Executive Committee shall have and may exercise all the powers of the Board in the management of the business and affairs of the Corporation, including, without limitation, the power to authorize the seal of the Corporation to be affixed to all papers that may require it, but excluding any powers granted by the Board to any other committee of the Board.

(c) Subject to any provision in the Restated Certificate or the DGCL, any action herein authorized to be taken by the Executive Committee and which is duly taken by it in accordance herewith shall have the same effect as if such action were taken by the Board.

## ARTICLE 5

### **Officers, Employees and Agents: Powers And Duties**

5.1 *Officers.* The officers of the Corporation, who shall be elected by the Board, may be a Chairman of the Board (who shall be a Director), a Treasurer and one or more Assistant Treasurers, and shall be a Chief Executive Officer, a President, one or more Vice Chairmen, one or more Vice Presidents (who may be further classified by such descriptions as "executive," "senior," "assistant," "staff" or otherwise, as the Board shall determine), a General Counsel, a Secretary and one or more Assistant Secretaries. The Board may also elect, and may delegate power to appoint, such other officers and select such other employees or agents as, from time to time, may appear to be necessary or advisable in the conduct of the affairs of the Corporation. Any officer may also be elected to another office or offices.

5.2 *Term of Office.* Subject to the provisions of the Restated Certificate or these Restated Bylaws, so far as practicable, each officer shall be elected at the organization meeting of the Board in each year, and shall hold office until the organization meeting of the Board in the next subsequent year and until his or her successor is chosen or until his or her earlier death, resignation or removal in the manner hereinafter provided.

5.3 *Resignation and Removal of Officers.* Any officer may resign at any time upon written notice to the Corporation. Any officer may be removed at any time, either for or without cause, by the affirmative vote of at least a majority of the votes entitled to be cast by the Entire Board, at any meeting called for that purpose. The Board may delegate such power of removal as to officers, agents and employees not appointed by the Board. Such removal shall be without prejudice to a person's contract rights, if any, but the appointment of any person as an officer, agent or employee of the Corporation shall not of itself create contract rights.

5.4 *Vacancies.* If any vacancy occurs in any office, the Board may elect a successor to fill such vacancy for the remainder of the term.

5.5 *Chairman of the Board.*

(a) The Board may elect a Director as Chairman of the Board.

(b) The Chairman shall determine the agenda for Board meetings, in consultation with the lead independent director of the Board, if applicable, and shall preside at all meetings of the Board at which he or she may be present. The Chairman shall have such other powers and duties as he or she may be called upon by the Board to perform.

5.6 *Chief Executive Officer.* The Chief Executive Officer shall have general and active control of the business and affairs of the Corporation and, in the absence of the Chairman (or if there be none), he or she shall preside at all meetings of the Board. He or she shall have general power (a) to execute bonds, deeds and contracts in the name of the Corporation, (b) to affix the corporate seal, (c) to sign stock certificates, (d) subject to the provisions of the Restated Certificate, these Restated Bylaws and the approval of the Board, to select all employees and agents of the Corporation whose selection is not otherwise provided for and to fix the compensation thereof, (e) to remove or suspend any employee or agent who shall not have been selected by the Board, (f) to suspend for cause, pending final action by the Board any employee or agent who shall have been selected by the Board and (g) to exercise all the powers usually and customarily performed by the chief executive officer of a corporation.

5.7 *President.* The President, if not designated as Chief Executive Officer of the Corporation, shall perform such duties as are delegated by the Board, the Chairman or the Chief Executive Officer. In the event of an absence, disability or vacancy in the office of the Chief Executive Officer, the President shall act in the place of the Chief Executive Officer with authority to exercise all his or her powers and perform his or her duties.

5.8 *Vice Chairmen.* The Board may elect one or more officers designated as the Vice Chairman, but the appointment of one or more Vice Chairmen shall not be required. If one or more Vice Chairmen shall be elected, then each Vice Chairman shall have such powers and perform all such duties and services as may be assigned to or required of them, from time to time, by the Board, the Chairman or the Chief Executive Officer, respectively. In the event of the absence or disability of both the Chairman and the Chief Executive Officer, the President may designate one of the Vice Chairmen, or one of the several Vice Presidents, to act in his or her place with authority to exercise all of his or her powers and perform his or her duties, provided that the Board may change such designation, or if the President fails or is unable to make such designation, the Board may make such designation at a regular or special meeting called for that purpose.

5.9 *Vice Presidents and Other Officers.* The several Vice Presidents and other elected officers, including, without limitation, the General Counsel, shall perform all such duties and services as shall be assigned to or required of them, from time to time, by the Board, or the Chief Executive Officer, respectively. In the event of the absence or disability of both the Chairman and the Chief Executive Officer, the President may designate one of the Vice Chairmen, or one of the several Vice Presidents, to act in his or her place with authority to exercise all of his or her powers and perform his or her duties, provided that the Board may change such designation, or if the President fails or is unable to make such designation, the Board may make such designation at a regular or special meeting called for that purpose.

5.10 *Secretary.* The Secretary shall attend to the giving of notice of all meetings of Stockholders and the Board and shall keep and attest true records of all proceedings thereat. He or she shall have charge of the corporate seal and have authority to attest any and all instruments or writings to which the same may be affixed. He or she shall keep and account for all books, documents, papers and records of the Corporation, except those which are directed to be in charge of the Treasurer, and he or she may delegate responsibility for maintaining the stock ledger to any transfer agent or registrar appointed by the Board. He or she shall have authority to sign stock certificates and shall generally perform all the duties usually appertaining to the office of secretary of a corporation. In the absence of the Secretary, an Assistant Secretary or Secretary pro tempore shall perform his or her duties.

5.11 *Treasurer.* The Treasurer, if any, shall be responsible for the collection, receipt, care, custody and disbursement of the funds of the Corporation and shall deposit or cause to be deposited all funds of the Corporation in and with such depositories as the Board shall, from time to time, direct. He or she shall have the care and custody of all securities owned by the Corporation, and shall deposit such securities with such banks or in such safe deposit vaults, and under such controls, as the Board shall, from time to time, direct. He or she shall disburse funds of the Corporation on the basis of vouchers properly approved for payment by the controller of the Corporation or his or her duly authorized representative. He or she shall be responsible for the maintenance of detailed records of cash and security transactions and shall prepare such reports thereof as may be required. He or she shall have the power to sign stock certificates and to endorse for deposit or collection or otherwise all checks, drafts, notes, bills of exchange or other commercial paper payable to the Corporation and to give proper receipts or discharges therefor. He or she shall have such other duties as are commonly incidental to the office of treasurer of a corporation. In the absence of the Treasurer, an Assistant Treasurer shall perform his or her duties.

5.12 *Additional Powers and Duties.* In addition to the foregoing especially enumerated duties and powers, the officers of the Corporation shall perform such other duties and exercise such further powers as may be provided in these Restated Bylaws or as the Board may, from time to time, determine or as may be assigned to them by any competent superior officer.

5.13 *Compensation.* Except as otherwise provided in the Restated Certificate, the compensation of all officers of the Corporation shall be fixed, from time to time, by the Board or the Compensation Committee, but this power may be delegated to any officer by the Board or the Compensation Committee in accordance with applicable law.

5.14 *Prohibition on Loans to Directors and Executive Officers.* The Corporation shall not directly or indirectly extend or maintain credit, arrange for the extension of credit, or renew an extension of credit, in the form of a personal loan to or for any member of the Board or executive officer of the Corporation, as such terms are used in Section 13(k) of the Exchange Act and the rules and regulations promulgated thereunder.

## ARTICLE 6

### Stock And Transfers Of Stock

6.1 *Stock Certificates.* The Common Stock shall be uncertificated. The shares of the Corporation other than the Common Stock shall be represented by certificates or shall be uncertificated. The Board shall have the power and authority to make such rules and regulations as it may deem expedient concerning the issue, transfer and registration of uncertificated shares or certificates for shares of stock of the Corporation. Each certificate shall be signed by the Chairman or the President or a Vice Chairman or a Vice President, and by the Treasurer or an Assistant Treasurer, or the Secretary or an Assistant Secretary, certifying the number of certificated shares owned by such Stockholder in the Corporation. Any or all of the signatures on the certificate may be a facsimile. In case any officer, Transfer Agent or Registrar who has signed or whose facsimile signature has been placed upon a certificate shall cease to be such officer, Transfer Agent or Registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if he or she were such officer, Transfer Agent or Registrar at the date of issuance.

6.2 *Transfer Agents and Registrars.* The Board may, in its discretion, appoint responsible banks or trust companies as the Board may deem advisable, from time to time, to act as Transfer Agents and Registrars of the stock of the Corporation; and, when such appointments shall have been made, no stock certificate shall be valid until countersigned by one of such Transfer Agents and registered by one of such Registrars.

6.3 *Transfers of Stock.* Transfers of shares of stock of the Corporation shall be made on the stock ledger of the Corporation only upon authorization by the record holder thereof or by such holder's attorney, successor or assignee thereunto authorized by power of attorney (or other proper evidence of succession, assignment or authority to transfer) duly executed and filed with the Corporation's Transfer Agent or Registrar. Except as otherwise provided in the Restated Certificate, and subject to any other transfer restriction applicable thereto, shares of certificated stock may be transferred by delivery of the certificates therefor, accompanied either by an assignment in writing on the back of the certificates or by written power of attorney to sell, assign and transfer the same with reasonable assurances given that such endorsement is genuine and that all applicable taxes thereon have been paid, signed by the record holder thereof; but no transfer shall affect the right of the Corporation to pay any dividend upon the stock to the holder



of record thereof, or to treat the holder of record as the holder in fact thereof for all purposes, and no transfer shall be valid, except between the parties thereto, until such transfer shall have been made upon the books of the Corporation. No transfer of stock in violation of the provisions of Article Fourth, Part III, Section 1 or Article Fourth, Part IV, Section 1 of the Restated Certificate shall be valid as against the Corporation for any purpose.

6.4 *Lost Certificates.* In case any certificate of stock shall be lost, stolen or destroyed, the Board, in its discretion, may authorize the issuance of a substitute certificate in place of the certificate lost, stolen or destroyed and may cause such substitute certificate to be countersigned by the appropriate Transfer Agent (if any) and registered by the appropriate Registrar (if any), *provided* that, in each such case, the applicant for a substitute certificate shall furnish to the Corporation and to such of its Transfer Agents and Registrars as may require the same, evidence to their satisfaction, in their discretion, of the loss, theft or destruction of such certificate and of the ownership thereof, and also such security or indemnity as may be required by them.

6.5 *Record Date.*

(a) In order that the Corporation may determine the Stockholders entitled to notice of or to vote at any meeting of Stockholders or any adjournment thereof, or, subject to applicable law, to express consent to corporate action in writing without a meeting, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board is authorized, from time to time, to fix, in advance, a record date, which shall not be more than sixty (60) nor less than ten (10) days before the date of such Stockholder meeting, nor more than sixty (60) days prior to any other action.

(b) A determination of Stockholders of record entitled to notice of or to vote at a meeting of Stockholders shall apply to any adjournment of the meeting; *provided, however,* that the Board may fix a new record date for the adjourned meeting.

(c) Only Stockholders that are Stockholders of record on the date so fixed shall be entitled to notice of, and to vote at, a meeting of Stockholders and any adjournment thereof or to receive payment of any dividend or other distribution or allotment of any rights or to exercise any rights in respect of any change, conversion or exchange of stock or for any other purpose, as applicable, notwithstanding any transfer of any stock on the stock ledger of the Corporation after any record date so fixed.

## **ARTICLE 7**

### **Miscellaneous**

7.1 *Fiscal Year.* The fiscal year of the Corporation shall be the calendar year.

7.2 *Surety Bonds.* The Treasurer, each Assistant Treasurer and such other officers or agents of the Corporation as the Board may direct, from time to time, shall be bonded for the faithful performance of their duties in such amounts and by such surety companies as the Board may determine. The premiums on such bonds shall be paid by the Corporation and the bonds so furnished shall be in the custody of the Chief Executive Officer or the chief financial officer.

7.3 *Signature of Negotiable Instruments.* All bills, notes, checks or other instruments for the payment of money shall be signed or countersigned by such officer or officers and in such manner as, from time to time, may be prescribed by resolution (whether general or special) of the Board.

7.4 *Subject to Law and Restated Certificate.* All powers, duties and responsibilities provided for in these Restated Bylaws, whether or not explicitly so qualified, are qualified by the provisions of the Restated Certificate and all applicable laws.

7.5 *Voting of Stocks.* Unless otherwise ordered by the Board of Directors, the Chairman of the Board, President and General Counsel shall each have full power and authority, in the name of and on behalf of the Corporation, to attend, act and vote at any meeting of stockholders of a corporation in which the Corporation may hold stock, and, in connection with any such meeting, shall possess and may exercise any and all rights and powers incident to the ownership of such stock which, as the owner thereof, the Corporation might possess and exercise. The Board of Directors from time to time may confer like powers upon any other person or persons.

7.6 *Dividends.* Dividends upon the capital stock may be declared by the Board at any regular or special meeting and may be paid in cash or in property or in shares of the capital stock. Before paying any dividend or making any distribution of profits, the Directors may set apart out of any funds of the Corporation available for dividends a reserve or reserves for any proper purpose and may later or abolish any such reserve or reserves.

7.7 *Corporate Seal.* The seal of the Corporation shall be circular in form and shall bear, in addition to any other emblem or device approved by the Board, the name of the Corporation and the words "Corporate Seal" and "Delaware." The seal may be used by causing it or a facsimile thereof to be impressed or affixed or in any other manner reproduced.

## **ARTICLE 8**

### **Amendments**

8.1 *Amendment of these Restated Bylaws.* Except as herein otherwise expressly provided, these Restated Bylaws may be altered or repealed and new bylaws, not inconsistent with any provision of the Restated Certificate or applicable law, may be adopted, either (a) by the affirmative vote of at least a majority of the Directors voting at a meeting of the Board at which a quorum is present or (b) by the affirmative vote of the holders of at least a majority in voting power of the stock entitled to vote thereon, at an annual meeting of Stockholders, or at a special meeting thereof, the notice of which meeting shall include the form of the proposed amendment or supplement to or modification of these Restated Bylaws or of the proposed new bylaws, or a summary thereof.

## **ARTICLE 9**

### **Restated Certificate to Govern**

9.1 *Restated Certificate to Govern.* Notwithstanding anything to the contrary herein, if any provision contained herein is inconsistent with or conflicts with a provision of the Restated Certificate, such provision herein shall be superseded by the inconsistent provision in the Restated Certificate, to the extent necessary to give effect to such provision in the Restated Certificate.

CONFIDENTIAL MATERIAL APPEARING IN THIS DOCUMENT HAS BEEN OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION IN ACCORDANCE WITH THE SECURITIES ACT OF 1933, AS AMENDED, AND RULE 24B-2 PROMULGATED THEREUNDER. OMITTED INFORMATION HAS BEEN REPLACED WITH ASTERISKS.

Supplemental Agreement No. 60

to

Purchase Agreement No. 1951

(the Agreement)

Between

The Boeing Company

and

Continental Airlines, Inc.

Relating to Boeing Model 737 Aircraft

THIS SUPPLEMENTAL AGREEMENT is entered into as of November 7, 2012 by and between THE BOEING COMPANY (Boeing) and CONTINENTAL AIRLINES, INC. (Customer);

WHEREAS, Customer is \*\*\*

WHEREAS, Customer and Boeing agree to reschedule one (1) 737-900ER aircraft as follows:

<u>Current Delivery Month</u>	<u>Revised Delivery Month</u>	<u>Serial Number</u>
August 2013	July 2013	31649

WHEREAS, Customer and Boeing have agreed to reschedule one (1) 737-900ER aircraft as follows:

<u>Current Delivery Month</u>	<u>Revised Delivery Month</u>	<u>Serial Number</u>
October 2012	September 2012	37199*

\* Notwithstanding the rescheduled delivery month of this aircraft, \*\*\*

NOW THEREFORE, in consideration of the mutual covenants herein contained, the parties agree to amend the Agreement as follows:

1. Table of Contents, Articles, Tables, Exhibits, and Letter Agreements:

1.1 Remove and replace, in its entirety, the "Table of Contents", with the "Table of Contents" attached hereto, to reflect the changes made by this Supplemental Agreement No. 60.

P.A. 1951

CAL SA 60- 1

CONFIDENTIAL MATERIAL APPEARING IN THIS DOCUMENT HAS BEEN OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION IN ACCORDANCE WITH THE SECURITIES ACT OF 1933, AS AMENDED, AND RULE 24B-2 PROMULGATED THEREUNDER. OMITTED INFORMATION HAS BEEN REPLACED WITH ASTERISKS.



TABLE OF CONTENTS

	<u>Page Number</u>	<u>SA Number</u>
<u>ARTICLES</u>		
1. Subject Matter of Sale	1-1	SA 39
2. Delivery, Title and Risk of Loss	2-1	
3. Price of Aircraft	3-1	SA 39
4. Taxes	4-1	
5. Payment	5-1	
6. Excusable Delay	6-1	
7. Changes to the Detail Specification	7-1	SA 39
8. Federal Aviation Requirements and Certificates and Export License	8-1	SA 39
9. Representatives, Inspection, Flights and Test Data	9-1	
10. Assignment, Resale or Lease	10-1	
11. Termination for Certain Events	11-1	
12. Product Assurance; Disclaimer and Release; Exclusion of Liabilities; Customer Support; Indemnification and Insurance	12-1	
13. Buyer Furnished Equipment and Spare Parts	13-1	
14. Contractual Notices and Requests	14-1	SA 39
15. Miscellaneous	15-1	
P.A. 1951		SA 60
N/CAL		

TABLE OF CONTENTS

	<u>Page Number</u>	<u>SA Number</u>
<b><u>TABLES</u></b>		
1. Aircraft Deliveries and Descriptions - 737-500	T-1	SA 3
Aircraft Deliveries and Descriptions - 737-700	T-2	SA 57
Aircraft Deliveries and Descriptions - 737-800	T-3	SA 55
Aircraft Deliveries and Descriptions - 737-600	T-4	SA 4
Aircraft Deliveries and Descriptions - 737-900	T-5	SA 39
Aircraft Deliveries and Descriptions - 737-900ER	T-6	<b>SA 60</b>
<b><u>EXHIBITS</u></b>		
A-1 Aircraft Configuration - Model 737-724 (Aircraft delivering through July 2004)		SA 26
A-1.1 Aircraft Configuration - Model 737-724 (Aircraft delivering on or after August 2004)		SA 46
A-2 Aircraft Configuration - Model 737-824 (Aircraft delivering through July 2004)		SA 26
A-2.1 Aircraft Configuration - Model 737-824 (Aircraft delivering August 2004 through December 2007)		SA 41
A-2.2 Aircraft Configuration - Model 737-824 (Aircraft delivering January 2008 through July 2008)		SA 45
A-2.3 Aircraft Configuration - Model 737-824 (Aircraft scheduled to deliver between August 2008 and October 2010)		SA 50
P.A. 1951		SA 60
N/CAL		

TABLE OF CONTENTS

<u>EXHIBITS (continued)</u>	<u>SA Number</u>
A-2.4 Aircraft Configuration – Model 737-824 (Aircraft scheduled to deliver in or after November 2010)	SA 50
A-3 Aircraft Configuration - Model 737-624	SA 1
A-4 Aircraft Configuration - Model 737-524	SA 3
A-5 Aircraft Configuration - Model 737-924 (Aircraft delivering through July 2004)	SA 26
A-6 Aircraft Configuration - Model 737-924ER (Aircraft delivering January 2008 through December 2008)	SA 45
A-6.1 Aircraft Configuration - Model 737-924ER (Aircraft delivering during or after January 2009 and before December 2010)	SA 53
A-6.2 Aircraft Configuration - Model 737-924ER (Aircraft delivering during or after January 2011)	SA 53
B Product Assurance Document	SA 1
C Customer Support Document - Code Two - Major Model Differences	SA 1
C1 Customer Support Document - Code Three - Minor Model Differences	SA 39
D Aircraft Price Adjustments - New Generation Aircraft (1995 Base Price - Aircraft delivering through July 2004)	SA 1
D1 Airframe and Engine Price Adjustments - Current Generation Aircraft	SA 1
D2 Aircraft Price Adjustments - New Generation Aircraft (1997 Base Price - Aircraft delivering through July 2004)	SA 5
P.A. 1951	SA 60
N/CAL	

TABLE OF CONTENTS

<u>EXHIBITS (continued)</u>		<u>SA Number</u>
D3	Aircraft Price Adjustments - New Generation Aircraft (July 2003 Base Price - Aircraft delivering through December 2007)	SA 41
D4	Escalation Adjustment - Airframe and Optional Features (Aircraft delivering in or after January 2008)	SA 41
E	Buyer Furnished Equipment Provisions Document	SA 39
F	Defined Terms Document	SA 5
 <u>LETTER AGREEMENTS</u>		
1951-1	Not Used	
1951-2R4	Seller Purchased Equipment	SA 39
1951-3R22	Option Aircraft-Model 737-824 Aircraft	SA 38
1951-4R1	Waiver of Aircraft Demonstration	SA 1
1951-5R3	Promotional Support - New Generation Aircraft	SA 48
1951-6	Configuration Matters	
1951-7R1	Spares Initial Provisioning	SA 1
1951-8R2	Escalation Sharing - New Generation Aircraft	SA 4
1951-9R20	Option Aircraft-Model 737-724 Aircraft	SA 58
1951-11R1	Escalation Sharing-Current Generation Aircraft	SA 4
1951-12R7	Option Aircraft - Model 737-924 Aircraft	SA 32
P.A. 1951		SA 60
N/CAL		



TABLE OF CONTENTS

<u>LETTER AGREEMENTS (continued)</u>		<u>SA Number</u>
1951-13	Configuration Matters - Model 737-924	SA 5
1951-14	Installation of Cabin Systems Equipment 737-924	SA 22
1951-15	Configuration Matters - Model 737-924ER	SA 39
 <u>RESTRICTED LETTER AGREEMENTS</u>		 <u>SA Number</u>
6-1162-MMF-295	Performance Guarantees - Model 737-724 Aircraft	
6-1162-MMF-296	Performance Guarantees - Model 737-824 Aircraft	
6-1162-MMF-308R4	Disclosure of Confidential Information	SA 39
6-1162-MMF-309R1	***	SA 1
6-1162-MMF-311R8	***	SA 59
6-1162-MMF-312R1	Special Purchase Agreement Provisions	SA 1
6-1162-MMF-319	Special Provisions Relating to the Rescheduled Aircraft	
6-1162-MMF-378R1	Performance Guarantees - Model 737-524 Aircraft	SA 3
6-1162-GOC-015R1	***	SA 31
6-1162-GOC-131R12	Special Matters	SA 59
P.A. 1951		SA 60
N/CAL	v	

TABLE OF CONTENTS

<u>RESTRICTED LETTER AGREEMENTS (continued)</u>		<u>SA Number</u>
6-1162-DMH-365	Performance Guarantees - Model 737-924 Aircraft	SA 5
6-1162-DMH-624	***	SA 8
6-1162-DMH-680	Delivery Delay Resolution Program	SA 9
6-1162-DMH-1020	***	SA 14
6-1162-DMH-1035	***	SA 15
6-1162-DMH-1054	***	SA 16
6-1162-CHL-048	Rescheduled Aircraft Agreement	SA 26
6-1162-CHL-195	Restructure Agreement for Model 737NG and 757-300 Aircraft	SA 30
6-1162-MSA-768	Performance Guarantees - Model 737-924ER Aircraft (Aircraft delivering prior to May 2012)	SA 57
6-1162-SEE-0361	Performance Guarantees - Model 737-924ER Aircraft (Aircraft delivering May 2012 and on)	SA 57
6-1162-SEE-133	***	SA 46
6-1162-SEE-0176R4	Record Option Proposals	SA 48
6-1162-SEE-0187	Passenger Service Unit Resolution	SA 50
6-1162-SEE-0225R1	Use of Aircraft *** and Abuse Takeoff Testing	SA 50
6-1162-SEE-0263	Use of Aircraft - 737NG Performance Improvement Package Testing	SA 50
P.A. 1951		SA 60
N/CAL		

TABLE OF CONTENTS

<u>RESTRICTED LETTER AGREEMENTS (continued)</u>		<u>SA Number</u>
6-1162-RCN-1888	Use of Aircraft - Boeing 747-800 and 787 Flight Test Training	SA 53
6-1162-RCN-1890	Use of Aircraft for Testing	SA 57
6-1162-SEE-0326	Model 737 - Koito Seat Resolution	SA 56
CAL-PA-1951-LA -1208066	Aircraft Performance Guarantees - Model 737-924ER Aircraft ***	SA 59
CAL-PA-1951-LA -1209037	***	SA 59
CAL-PA-1951-LA -1209110	Privileged and Confidential Matters	SA 59
<b>CAL-PA-1951-LA -1210098</b>	<b>Aircraft Acceleration from October 2012 to September 2012</b>	<b>SA 60</b>
P.A. 1951 N/CAL		SA 60

TABLE OF CONTENTS

SUPPLEMENTAL AGREEMENTS

DATED AS OF:

Supplemental Agreement No. 1	October 10, 1996
Supplemental Agreement No. 2	March 5, 1997
Supplemental Agreement No. 3	July 17, 1997
Supplemental Agreement No. 4	October 10, 1997
Supplemental Agreement No. 5	May 21, 1998
Supplemental Agreement No. 6	July 30, 1998
Supplemental Agreement No. 7	November 12, 1998
Supplemental Agreement No. 8	December 7, 1998
Supplemental Agreement No. 9	February 18, 1999
Supplemental Agreement No. 10	March 19, 1999
Supplemental Agreement No. 11	May 14, 1999
Supplemental Agreement No. 12	July 2, 1999
Supplemental Agreement No. 13	October 13, 1999
Supplemental Agreement No. 14	December 13, 1999
Supplemental Agreement No. 15	January 13, 2000
Supplemental Agreement No. 16	March 17, 2000
Supplemental Agreement No. 17	May 16, 2000
Supplemental Agreement No. 18	September 11, 2000
Supplemental Agreement No. 19	October 31, 2000
Supplemental Agreement No. 20	December 21, 2000
Supplemental Agreement No. 21	March 30, 2001

P.A. 1951  
N/CAL

SA 60

TABLE OF CONTENTS

SUPPLEMENTAL AGREEMENTS

DATED AS OF:

Supplemental Agreement No. 22	May 23, 2001
Supplemental Agreement No. 23	June 29, 2001
Supplemental Agreement No. 24	August 31, 2001
Supplemental Agreement No. 25	December 31, 2001
Supplemental Agreement No. 26	March 29, 2002
Supplemental Agreement No. 27	November 6, 2002
Supplemental Agreement No. 28	April 1, 2003
Supplemental Agreement No. 29	August 19, 2003
Supplemental Agreement No. 30	November 4, 2003
Supplemental Agreement No. 31	August 20, 2004
Supplemental Agreement No. 32	December 29, 2004
Supplemental Agreement No. 33	December 29, 2004
Supplemental Agreement No. 34	June 22, 2005
Supplemental Agreement No. 35	June 30, 2005
Supplemental Agreement No. 36	July 21, 2005
Supplemental Agreement No. 37	March 30, 2006
Supplemental Agreement No. 38	June 6, 2006
Supplemental Agreement No. 39	August 3, 2006
Supplemental Agreement No. 40	December 5, 2006
Supplemental Agreement No. 41	June 1, 2007
Supplemental Agreement No. 42	June 13, 2007
Supplemental Agreement No. 43	July 18, 2007

P.A. 1951  
N/CAL

Supplemental Agreement No. 44	December 7, 2007
Supplemental Agreement No. 45	February 20, 2008
Supplemental Agreement No. 46	June 25, 2008
Supplemental Agreement No. 47	October 30, 2008
Supplemental Agreement No. 48	January 29, 2009
Supplemental Agreement No. 49	May 1, 2009
Supplemental Agreement No. 50	July 23, 2009
Supplemental Agreement No. 51	August 5, 2009
Supplemental Agreement No. 52	August 31, 2009
Supplemental Agreement No. 53	December 23, 2009
Supplemental Agreement No. 54	March 1, 2010
Supplemental Agreement No. 55	March 31, 2010
Supplemental Agreement No. 56	August 12, 2010
Supplemental Agreement No. 57	March 2, 2011
Supplemental Agreement No. 58	January 6, 2012
Supplemental Agreement No. 59	July 12, 2012
<b>Supplemental Agreement No. 60</b>	<b>November 7, 2012</b>

**Table 1 to Purchase Agreement 1951  
Aircraft Deliveries and Descriptions  
Model 737-900ER Aircraft**

<b>Airframe Model/MTOW:</b>	737-900ER	***	<b>Detail Specification:</b>	***
<b>Engine Model/Thrust:</b>	CFM56-7B***	***	<b>Airframe Price Base Year/Escalation Formula:</b>	*** ***
<b>Airframe Price:</b>		\$***	<b>Engine Price Base Year/Escalation Formula:</b>	*** ***
<b>Optional Features:</b>		\$***		
<b>Sub-Total of Airframe and Features:</b>		\$***	<b>Airframe Escalation Data:</b>	
<b>Engine Price (Per Aircraft):</b>		\$***	<b>Base Year Index (ECI):</b>	***
<b>Aircraft Basic Price (Excluding BFE/SPE):</b>		\$***	<b>Base Year Index (CPI):</b>	***
<b>Buyer Furnished Equipment (BFE) Estimate:</b>		\$***		
<b>Seller Purchased Equipment (SPE) Estimate:</b>		\$***		
<b>***</b>		\$***		

<u>Delivery Date</u>	<u>Number of Aircraft</u>	<u>Escalation Factor (Airframe)</u>	<u>Serial Number</u>		<u>Escalation Estimate Adv Payment Base Price Per A/P</u>	***%	<u>Advance Payment Per Aircraft (Amts. Due/ Mos. Prior to Delivery):</u>			
							***%	***%	***%	***%
***	***	***	***	*	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***





**Table 1 to Purchase Agreement 1951  
Aircraft Deliveries and Descriptions  
Model 737-900ER Aircraft**

Delivery Date	Number of Aircraft	Escalation Factor (Airframe)	Serial Number		Escalation Estimate Adv Payment Base Price Per A/P	***%	Advance Payment Per Aircraft (Amts. Due/ Mos. Prior to Delivery):			
							***%	***%	***%	***%
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
<b>Total:</b>	<b>43</b>									

\*\*\*

CAL

T-6-3

SA 60

Boeing / Continental Airlines, Inc. Proprietary

CAL-PA-1951-LA-1210098

Continental Airlines, Inc.  
1600 Smith Street  
Houston, Texas 77002

Subject: Aircraft Acceleration from October 2012 to September 2012

Reference: Purchase Agreement No. PA-1951 (**Purchase Agreement**) between The Boeing Company (**Boeing**) and Continental Airlines, Inc. (**Customer**) relating to Model 737-900ER aircraft (**Aircraft**)

This letter agreement (**Letter Agreement**) amends and supplements the Purchase Agreement. All terms used but not defined in this Letter Agreement shall have the same meaning as in the Purchase Agreement.

Boeing and Customer agree to reschedule the contract delivery month of the following Aircraft:

<u>Current Delivery Month</u>	<u>Revised Delivery Month</u>	<u>Serial Number</u>
October 2012	September 2012	37199

\*\*\*

The terms of this Letter Agreement will supersede the corresponding terms of the Purchase Agreement. Boeing and Customer will execute a supplemental agreement to the Purchase Agreement as soon as reasonably practicable after the execution of this Letter Agreement. The execution of the supplemental agreement is to facilitate contract administration and is not a condition to the effectiveness of his Letter Agreement. In the event of any conflict between the terms and conditions of this Letter Agreement and the supplemental agreement, the terms and conditions of this Letter Agreement shall control.

CAL-PA-1951-LA-13210098

Aircraft Acceleration – October 2012 to September 2012

Page 1

**BOEING / CONTINENTAL AIRLINES, INC. PROPRIETARY**



Very truly yours,

THE BOEING COMPANY

By /s/ \*\*\*

Its Attorney-In-Fact

ACCEPTED AND AGREED TO this

Date: September 25, 2012

Continental Airlines, Inc.

By /s/ Ron Baur

Its VP Fleet

CAL-PA-1951-LA-1210098

Aircraft Acceleration – October 2012 to September 2012

**BOEING / CONTINENTAL AIRLINES, INC. PROPRIETARY**

Supplemental Agreement No. 02

to

Purchase Agreement Number PA-03784

(the Agreement)

Between

The Boeing Company

and

United Air Lines, Inc.

Relating to Boeing Model 737-900ER Aircraft

THIS SUPPLEMENTAL AGREEMENT is entered into as of March 1, 2013 by and between THE BOEING COMPANY (Boeing) and UNITED AIR LINES, INC. (Customer);

WHEREAS, Customer and Boeing agree to reschedule \*\*\* 737-900ER Aircraft as follows:

<u>Current Delivery Month</u>	<u>Revised Delivery Month</u>	<u>Serial Number</u>
***	***	***

WHEREAS, Customer and Boeing agree to reschedule \*\*\* 737-900ER Option Aircraft as follows:

<u>Current Delivery Month</u>	<u>Revised Delivery Month</u>
***	***

WHEREAS, Customer has elected to \*\*\*

\*\*\*

WHEREAS, Customer and Boeing have elected to modify the terms related to option exercise;

NOW THEREFORE, in consideration of the mutual covenants herein contained, the parties agree to amend the Agreement as follows:

1. Table of Contents, Articles, Tables, Exhibits, and Letter Agreements:

P.A. 03784

UAL

SA 2-1

**CONFIDENTIAL MATERIAL APPEARING IN THIS DOCUMENT HAS BEEN OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION IN ACCORDANCE WITH THE SECURITIES ACT OF 1933, AS AMENDED, AND RULE 24B-2 PROMULGATED THEREUNDER. OMITTED INFORMATION HAS BEEN REPLACED WITH ASTERISKS.**

Supplemental Agreement No. 02 to  
Purchase Agreement PA-03784

1.1 Remove and replace, in its entirety, the "Table of Contents", with the "Table of Contents" attached hereto, to reflect the changes made by this Supplemental Agreement No. 02.

1.2 Remove and replace, in its entirety, "Table 1" with the "Table 1" attached hereto to reflect (a) the revised delivery month for \*\*\* 737-900ER aircraft bearing serial number \*\*\*, and (b) the \*\*\*

1.3 Remove and replace, in its entirety, Letter Agreement LA-1207879, "Option Aircraft", and replace with the attached Letter Agreement LA-1207879R1.

1.4 Incorporate Letter Agreement LA-1300306, "Aircraft Reschedule – \*\*\*".

The Agreement will be deemed to be supplemented to the extent herein provided as of the date hereof and as so supplemented will continue in full force and effect.

EXECUTED IN DUPLICATE as of the day and year first written above.

THE BOEING COMPANY

UNITED AIR LINES, INC.

\_\_\_\_\_  
\*\*\*  
Signature

\_\_\_\_\_  
/s/ Gerald Laderman  
Signature

\_\_\_\_\_  
Attorney-in-Fact  
Title

\_\_\_\_\_  
Senior Vice President – Finance and Treasurer  
Title

P.A. 03784  
UAL

SA 2-2

**TABLE OF CONTENTS**

SA Number

**ARTICLES**

- Article 1. Quantity, Model and Description
- Article 2. Delivery Schedule
- Article 3. Price
- Article 4. Payment
- Article 5. Additional Terms

**TABLE**

- 1. Aircraft Information Table

**02**

**EXHIBIT**

- A. Aircraft Configuration
- B. Aircraft Delivery Requirements and Responsibilities

**SUPPLEMENTAL EXHIBITS**

- AE1. Escalation Adjustment/Airframe and Optional Features
- BFE1. BFE Variables
- CS1. Customer Support Variables
- EE1. Engine Escalation, Engine Warranty \*\*\*
- SLP1. Service Life Policy Components

UAL-PA-03784

SA-2

Page 3

**BOEING / UNITED AIR LINES, INC. PROPRIETARY**

LETTER AGREEMENTS

	<u>TITLE</u>	<u>SA Number</u>
UAL-PA-03784-LA-1207868	Performance Guarantees	
UAL-PA-03784-LA-1207870	Spare Parts Initial Provisioning	
UAL-PA-03784-LA-1207871	Special Matters	
UAL-PA-03784-LA-1207878	Demonstration Flight Waiver	
UAL-PA-03784-LA-1207879R1	Option Aircraft	02
UAL-PA-03784-LA-1207881	Seller Purchased Equipment	
UAL-PA-03784-LA-1208155	*** Matters	
UAL-PA-03784-LA-1208156	***	
UAL-PA-03784-LA-1208172	***	
UAL-PA-03784-LA-1208173	***	
UAL-PA-03784-LA-1207869	737 Production Adjustments	
UAL-PA-03784-LA-1208938	Privileged and Confidential Matters	
UAL-PA-03784-LA-1209039	Aircraft Model Substitution	
UAL-PA-03784-LA-1209115	***	
UAL-PA-03784-LA-1300306	<b>Aircraft Reschedule – ***</b> ***	02
UAL-PA-03784		

BOEING / UNITED AIR LINES, INC. PROPRIETARY

**Table 1 To**  
**Purchase Agreement No. 03784**  
**737-900ER Aircraft Delivery, Description, Price and Advance Payments**

<b>Airframe Model/MTOW:</b>	737-900ER	***pounds	<b>Detail Specification:</b>	***
<b>Engine Model/Thrust:</b>	***	***pounds	<b>Airframe Price Base Year/Escalation Formula:</b>	*** ***
<b>Airframe Price:</b>		\$ ***	<b>Engine Price Base Year/Escalation Formula:</b>	*** ***
<b>Optional Features:</b>		\$ ***		
<b>Sub-Total of Airframe and Features:</b>		\$ ***	<b>Airframe Escalation Data:</b>	
<b>Engine Price (Per Aircraft):</b>		\$ ***	<b>Base Year Index (ECI):</b>	***
<b>Aircraft Basic Price (Excluding BFE/SPE):</b>		\$ ***	<b>Base Year Index (CPI):</b>	***
<b>Buyer Furnished Equipment (BFE) Estimate:</b>		\$ ***		
<b>Seller Purchased Equipment (SPE) Estimate:</b>		\$ ***		
<b>Deposit per Aircraft:</b>		\$ ***		

Delivery Date	Number of Aircraft	Escalation Factor (Airframe)	Serial Number	Escalation Forecast	Escalation Estimate Adv Payment Base Price Per A/P	Advance Payment Per Aircraft (Amts. Due/Mos. Prior to Delivery):			
						***	***	***	***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***











The Boeing Company  
P.O. Box 3707  
Seattle, WA 98124-2207

UAL-PA-03784-LA-1207879R1

United Air Lines, Inc.  
77 West Wacker Drive  
Chicago, Illinois 60601-0100

Subject: Option Aircraft

Reference: Purchase Agreement No. PA-03784 (**Purchase Agreement**) between The Boeing Company (**Boeing**) and United Air Lines, Inc. (**Customer**) relating to Model 737-900ER aircraft (**Aircraft**)

This letter agreement (**Letter Agreement**) amends and supplements the Purchase Agreement. All terms used but not defined in this Letter Agreement shall have the same meaning as in the Purchase Agreement. **This Letter Agreement supersedes and replaces in its entirety Letter Agreement UAL-PA-03784-LA-1207879 dated July 12, 2012.**

1. Right to Purchase Option Aircraft.

Subject to the terms and conditions contained in this Letter Agreement, in addition to the Aircraft described in Table 1 to the Purchase Agreement as of the date of execution of this Letter Agreement, Customer will have the option to purchase additional Model 737-900ER aircraft as option aircraft (**Option Aircraft**).

2. Delivery.

The number of aircraft and delivery months are listed in the Attachment A to this Letter Agreement.

3. Configuration.

3.1 Subject to the provisions of Article 3.2, below, the configuration for the Option Aircraft will be the Detail Specification for model 737-900ER aircraft at the revision level in effect at the time of Definitive Agreement (as defined below). Such Detail Specification will be revised to include (i) changes applicable to the Detail Specification that are developed by Boeing between the Option Exercise Date (as defined below) and the signing of the Definitive Agreement, (ii) changes required to obtain required regulatory certificates, and (iii) other changes as mutually agreed.

3.2 Subject to \*\*\*, the Option Aircraft may \*\*\*, provided that it can achieve \*\*\* which would result pursuant to the provisions of Article \*\*\*.



4. Price.
  - 4.1 The Airframe Price and Optional Features Prices for each of the Option Aircraft is identified in Attachment A to this Letter Agreement. The \*\*\*
  - 4.2 The Airframe Price, Optional Features Prices, and Aircraft Basic Price for each of the Option Aircraft shall be adjusted in accordance with the terms set forth in Article 2.1.5 (**Escalation Adjustment**) of the AGTA.
  - 4.3 The Advance Payment Base Price shall be developed in accordance with the terms of the Purchase Agreement and determined at the time of Definitive Agreement.
  
5. Payment.
  - 5.1 \*\*\*
  - 5.2 Notwithstanding the amount shown in Attachment A, the Option Deposit will be \*\*\* for each Option Aircraft.
  - 5.3 **Upon Customer's exercise of an option to purchase** Option Aircraft, advance payments will be payable as specified in the Purchase Agreement. The remainder of the Aircraft Price for the Option Aircraft will be paid at the time of delivery.
  
6. Option Exercise.
  - 6.1 Customer may exercise an option by giving written notice to Boeing on or before the date \*\*\* prior to the first day of the delivery month listed in the Attachment (**Option Exercise Date**).
  - 6.2 \*\*\*
  
7. Definitive Agreement.

**Customer's exercise of an option pursuant to Article 6.1 above will be a \*\*\* for the purchase of the exercised Option Aircraft. All terms related to Customer's Aircraft will apply \*\*\* to such exercised Option Aircraft. \*\*\* Boeing will prepare an invoice for the applicable Advance Payments due\*\*\* the exercised Option Aircraft.**
  
8. Assignment.

Notwithstanding any other provisions of the Purchase Agreement, the rights and obligations described in this Letter Agreement are provided to Customer in consideration of Customer's becoming the operator of the Aircraft and cannot be assigned in whole or, in part.
  
9. Confidential Treatment.

Customer and Boeing understand that certain commercial and financial information contained in this Letter Agreement are considered by Boeing and Customer as confidential and are subject to the terms and conditions set forth in Letter Agreement No. UAL-PA-03784-LA-1208938.



Very truly yours,

THE BOEING COMPANY

By \*\*\*  
Its Attorney-in-Fact

ACCEPTED AND AGREED TO this

Date: March 1, 2013

United Air Lines, Inc.

By /s/ Gerald Laderman  
Its Senior Vice President – Finance and Treasurer

**Attachment A to  
Letter Agreement UAL-PA-03784-LA-1207879  
737-900ER Option Aircraft Delivery, Description, Price and Advance Payments**

<b>Airframe Model/MTOW:</b>	737-900ER	***pounds	<b>Detail Specification:</b>	***
<b>Engine Model/Thrust:</b>	***	***pounds	<b>Airframe Price Base Year/Escalation Formula:</b>	*** **
<b>Airframe Price:</b>		\$ ***	<b>Engine Price Base Year/Escalation Formula:</b>	*** **
<b>Optional Features:</b>		\$ ***		
<b>Sub-Total of Airframe and Features:</b>		\$ ***	<b>Airframe Escalation Data:</b>	
<b>Engine Price (Per Aircraft):</b>		\$ ***	<b>Base Year Index (ECI):</b>	***
<b>Aircraft Basic Price (Excluding BFE/SPE):</b>		\$ ***	<b>Base Year Index (CPI):</b>	***
<b>Buyer Furnished Equipment (BFE) Estimate:</b>		\$ ***		
<b>Seller Purchased Equipment (SPE) Estimate:</b>		\$ ***		
<b>Deposit per Aircraft:</b>		\$ ***		

Delivery Date	Number of Aircraft	Escalation Factor (Airframe)	Escalation Estimate Adv Payment Base Price Per A/P	Advance Payment Per Aircraft (Amts. Due/Mos. Prior to Delivery):			
				***	***	***	***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***

**Attachment A to  
Letter Agreement UAL-PA-03784-LA-1207879  
737-900ER Option Aircraft Delivery, Description, Price and Advance Payments**

Delivery Date	Number of Aircraft	Escalation Factor (Airframe)	Escalation Estimate Adv Payment Base Price Per A/P	Advance Payment Per Aircraft (Amts. Due/Mos. Prior to Delivery):				
				***	***	***	***	***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***





**Attachment A to  
Letter Agreement UAL-PA-03784-LA-1207879  
737-900ER Option Aircraft Delivery, Description, Price and Advance Payments**

Delivery Date	Number of Aircraft	Escalation Factor (Airframe)	Escalation Estimate Adv Payment Base Price Per A/P	Advance Payment Per Aircraft (Amts. Due/Mos. Prior to Delivery):			
				***	***	***	***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
Total:	52						



UAL-PA-03784-LA-1300306

United Air Lines, Inc.  
233 South Wacker Drive  
Chicago, Illinois 60606

Subject: Aircraft Reschedule – \*\*\*

Reference: Purchase Agreement No. PA-03784 (**Purchase Agreement**) between The Boeing Company (**Boeing**) and United Air Lines, Inc. (**Customer**) relating to Model 737-900ER aircraft (**Aircraft**)

This letter agreement (**Letter Agreement**) amends and supplements the Purchase Agreement. All terms used but not defined in this Letter Agreement shall have the same meaning as in the Purchase Agreement.

Boeing and Customer agree to reschedule the contract delivery month of one (1) Aircraft (**Rescheduled Aircraft**) pursuant to the following:

<u>Current Delivery Month</u>	<u>Revised Delivery Month</u>
***	***

All terms and conditions applicable to the Aircraft under the Purchase Agreement shall remain unchanged for the Rescheduled Aircraft, except for the revised advance payment amount due for the Rescheduled Aircraft. Boeing and Customer agree that the revised advance payment amount for the Rescheduled Aircraft will not be due until execution of supplemental agreement number 2 to the Purchase Agreement.

The terms of this Letter Agreement will supersede the corresponding terms of the Purchase Agreement. Boeing and Customer will execute supplemental agreement number 2 to the Purchase Agreement as soon as reasonably practicable after the execution of this Letter Agreement. The execution of the supplemental agreement is to facilitate contract administration and is not a condition to the effectiveness of his Letter Agreement. In the event of any conflict between the terms and conditions of this Letter Agreement and the supplemental agreement, the terms and conditions of this Letter Agreement shall control.

UAL-PA-03784-LA-1300306

Aircraft Reschedule – \*\*\*

**BOEING / UNITED AIR LINES, INC. PROPRIETARY**

LA Page 1



Very truly yours,

THE BOEING COMPANY

By \*\*\*  
Its Attorney-In-Fact

ACCEPTED AND AGREED TO this

Date: 2-13

United Air Lines, Inc.

By /s/ Ron Baur  
Its Vice President—Fleet

UAL-PA-03784-LA-1300306  
Aircraft Reschedule – \*\*\*

**BOEING / UNITED AIR LINES, INC. PROPRIETARY**

LA Page 2

Supplemental Agreement No. 8

to

Purchase Agreement No. 2484

between

The Boeing Company

and

United Airlines, Inc.

Relating to Boeing Model 787 Aircraft

THIS SUPPLEMENTAL AGREEMENT, entered into as of June 17, 2013, by and between THE BOEING COMPANY (**Boeing**) and UNITED AIRLINES, INC. (a Delaware corporation formerly known as Continental Airlines, Inc.) (**Customer**);

WHEREAS, the parties hereto entered into Purchase Agreement No. 2484 dated December 29, 2004 (**Purchase Agreement**), as amended and supplemented, relating to Boeing Model 787 aircraft (**Aircraft**);

WHEREAS, Boeing and Customer have agreed to certain revisions to Letter Agreement 6-1162-MSA-547R4 entitled "Option Aircraft" and to \*\*\* of Option Aircraft contained in Attachment B entitled "787-9 Option Aircraft Delivery, Description, Price and Advance Payments";

WHEREAS, Boeing and Customer have agreed to reschedule \*\*\* Model 787-9 Aircraft (**787-9 Aircraft**) as follows:

<u>Manufacturer Serial Number</u>	<u>Current Delivery Month</u>	<u>Revised Delivery Month</u>
***	***	***

WHEREAS, Boeing and Customer have agreed to terms related to Model 787-10 aircraft, as captured in Letter Agreement 6-1161-MSA-554R4, entitled "Model Substitution";

WHEREAS, Customer and Boeing have mutually agreed to a termination of Letter Agreement 6-1162-RCN-1938 entitled "\*\*\*\* – Block B Aircraft";

P.A. 2484

SA-8, Page 1

**BOEING/UNITED AIRLINES, INC. PROPRIETARY**

**CONFIDENTIAL MATERIAL APPEARING IN THIS DOCUMENT HAS BEEN OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION IN ACCORDANCE WITH THE SECURITIES ACT OF 1933, AS AMENDED, AND RULE 24B-2 PROMULGATED THEREUNDER. OMITTED INFORMATION HAS BEEN REPLACED WITH ASTERISKS.**

WHEREAS, Customer and Boeing have mutually agreed to certain revisions of Letter Agreement 6-1162-RCN-1936 entitled "Other Special Matters";

WHEREAS, Boeing and Customer agree that 787-10 Model aircraft program launch requires approval from the Boeing Board of Directors, pursuant to Letter Agreement UAL-PA-03860-LA-1301380;

NOW THEREFORE, in consideration of the mutual covenants herein contained, the parties agree to amend the Purchase Agreement as follows:

1. Table of Contents and Articles:

1.1 Remove and replace, in its entirety, the "Table of Contents" and basic articles with the Table of Contents and basic articles marked with the SA-8 legend and attached hereto, to reflect Customer's legal name change, and the changes made by this Supplemental Agreement No. 8.

2. Table:

2.1 Table 1 is replaced in its entirety with the Table 1 for Model 787-9 aircraft attached hereto that is related to and references this Supplemental Agreement No. 8.

3. Letter Agreements:

3.1 The following letter agreements are removed and replaced in their entirety as specified below:

<u>Title of Letter Agreement</u>	<u>Original Letter Agreement No.</u>	<u>Replacement Letter Agreement No.</u>
Option Aircraft	6-1162-MSA-547R4	6-1162-MSA-547R5
Attachment B	*** Option Aircraft	*** Option Aircraft
Model Substitution	6-1162-MSA-554R3	6-1162-MSA-554R4
Attachment A		
Attachment B		
Attachment C		
Other Special Matters	6-1162-RCN-1936	6-1162-RCN-1936A1

3.2 The following letter agreement is deleted from the Purchase Agreement:

Letter Agreement No.	Title of Letter Agreement
6-1162-RCN-1938	*** – Block B Aircraft

4. Effective Date: This Supplemental Agreement No. 8 shall be effective subject to satisfaction of the following conditions precedent (collectively the **Conditions Precedent**):

4.1 Execution of Supplemental Agreement No. 1 to Purchase Agreement No. 3860 between Boeing and Customer relating to Model 787 aircraft (the **UAL Purchase Agreement**) by Boeing and Customer;

4.2 Execution of this Supplemental Agreement No. 8 to the Purchase Agreement;

4.3 Execution of Supplemental Agreement No. 1 to Purchase Agreement No. 03776 (the **MAX Purchase Agreement**) between Boeing and United Continental Holdings, Inc. relating to Model 737-9 aircraft by Boeing and United Continental Holdings, Inc.

Upon satisfaction of the Conditions Precedent, the Agreement will be deemed to be supplemented to the extent herein provided as of the date hereof and as so supplemented will continue in full force and effect.

[The rest of the page is intentionally blank. Signature page follows.]

P.A. 2484

**BOEING/UNITED AIRLINES, INC. PROPRIETARY**

SA 8, Page 3

EXECUTED IN DUPLICATE as of the day and year first written above.

**THE BOEING COMPANY**

**UNITED AIRLINES, INC.**

\*\*\*  
\_\_\_\_\_  
Signature

/s/ Gerald Laderman  
\_\_\_\_\_  
Signature

\_\_\_\_\_  
Attorney-in-Fact  
Title

\_\_\_\_\_  
Senior Vice President – Finance and Treasurer  
Title

P.A. 2484

**BOEING/UNITED AIRLINES, INC. PROPRIETARY**

SA 8, Page 4



**TABLE OF CONTENTS**

<u>ARTICLES</u>		<u>SA NUMBER</u>
Article 1.	<b>Quantity, Model and Description</b>	<b>SA-8</b>
Article 2.	<b>Delivery Schedule</b>	<b>SA-8</b>
Article 3.	<b>Price</b>	<b>SA-8</b>
Article 4.	<b>Payment</b>	<b>SA-8</b>
Article 5.	<b>Additional Terms</b>	<b>SA-8</b>
 <u>TABLE</u>		
1.	<b>Aircraft Information Table – 787-9</b>	<b>SA-8</b>
 <u>EXHIBITS</u>		
A1.	787-8 Aircraft Configuration	SA-6
A2.	787-9 Aircraft Configuration	SA-6
B.	Aircraft Delivery Requirements and Responsibilities	SA-1
 <u>SUPPLEMENTAL EXHIBITS</u>		
AE1.	Escalation Adjustment/Airframe and Optional Features	SA-1
BFE1.	BFE Variables	SA-8
CS1.	Customer Support Document	SA-5
EE1.	Engine Escalation/Engine Warranty ***	SA-2
SLP1.	Service Life Policy Components	SA-1
 <u>LETTER AGREEMENTS</u>		
6-1162-MSA-546R4	Open Configuration Matters	SA-6
<b>6-1162-MSA-547R5</b>	<b>Option Aircraft</b>	<b>SA-8</b>
	Attachment A (deleted)	SA-7
	<b>Attachment B</b>	<b>SA-8</b>
6-1162-MSA-549	Spare Parts Initial Provisioning	SA-1
6-1162-AJH-921	787 e-Enabling	SA-6
6-1162-AJH-922	Special Matters Relating to COTS Software and End User License Agreements	SA-6
P.A. 2484	TABLE OF CONTENTS, Page 1 of 3	SA-8
	<b>BOEING/UNITED AIRLINES, INC. PROPRIETARY</b>	

TABLE OF CONTENTS, CONTINUED

	<u>SA NUMBER</u>
<b><u>LETTER AGREEMENTS, continued</u></b>	
6-1162-AJH-923 Special Terms – Seats and In-flight Entertainment	SA-6
6-1162-RCN-1940 Model 787 Post-Delivery Software & Data Loading	SA-7
<b><u>CONFIDENTIAL LETTER AGREEMENTS</u></b>	
6-1162-MSA-550 Spare Parts Commitments	SA-1
6-1162-MSA-551R2 Performance Guarantees	SA-5
6-1162-MSA-552R7 Special Matters	SA-7
6-1162-MSA-553R1 Open Matters	SA-1
<b>6-1162-MSA-554R4 Model Substitution</b>	<b>SA-8</b>
6-1162-MSA-555 Promotional Support	SA-1
6-1162-RCN-1936 Other Special Matters	SA-7
<b>6-1162-RCN-1936A1 Other Special Matters—Amendment 1</b>	<b>SA-8</b>
6-1162-RCN-1937 Performance Guarantees – Block B Aircraft	SA-7
<b>6-1162-RCN-1938 *** – Block B Aircraft—TERMINATED</b>	<b>SA-8</b>
6-1162-RCN-1939 ***	SA-7

P.A. 2484

SA-8

**TABLE OF CONTENTS, CONTINUED**

**SUPPLEMENTAL AGREEMENTS**

**DATED AS OF:**

Supplemental Agreement No. 1	June 30, 2005
Supplemental Agreement No. 2	January 20, 2006
Supplemental Agreement No. 3	May 3, 2006
Supplemental Agreement No. 4	July 14, 2006
Supplemental Agreement No. 5	March 12, 2007
Supplemental Agreement No. 6	November 15, 2007
Supplemental Agreement No. 7	November 7, 2012
Supplemental Agreement No. 8	June 17, 2013

P.A. 2484

SA-8

PURCHASE AGREEMENT NUMBER 2484

between

THE BOEING COMPANY

and

UNITED AIRLINES, INC.

Relating to Boeing Model 787 Aircraft

P.A. No. 2484

**BOEING PROPRIETARY**

Purchase Agreement No. 2484

between

The Boeing Company

and

United Airlines, Inc.

---

This Purchase Agreement No. 2484 dated as of December 29, 2004 between The Boeing Company (**Boeing**) and United Airlines, Inc. (a Delaware corporation formerly known as Continental Airlines, Inc.) (**Customer**) relating to the purchase and sale of Model 787 aircraft together with all tables, exhibits, supplemental exhibits, letter agreements and other attachments thereto, if any, (**Purchase Agreement**) incorporates and amends the terms and conditions of the Aircraft General Terms Agreement dated as of October 10, 1997 between the parties, identified as AGTA-CAL (AGTA).

Article 1. Quantity, Model, Description and Inspection.

The aircraft to be delivered to Customer will be designated as Model 787 aircraft (the **Aircraft**). Boeing will manufacture and sell to Customer Aircraft conforming to the configuration described in Exhibit A in the quantities listed in Table 1 to this Purchase Agreement. Twelve (12) months prior to delivery of Customer's first Aircraft, Boeing will provide Customer a Boeing document defining a customer inspection process appropriate to the 787 manufacturing process (**787 Inspection Process**) which will apply in lieu of inspection processes traditionally applicable to other models of aircraft and will supersede the provisions of Article 5.2 of the AGTA.

Article 2. Delivery Schedule.

The Aircraft will be delivered to Customer in accordance with the scheduled months of delivery of the Aircraft listed in the attached Table 1. Exhibit B describes certain responsibilities for both Customer and Boeing in order to accomplish the delivery of the Aircraft.

Article 3. Price.

3.1 Aircraft Basic Price. The Aircraft Basic Price is listed in Table 1 in subject to escalation dollars.

3.2 Advance Payment Base Prices. The Advance Payment Base Prices listed in Table 1 were calculated utilizing the latest escalation factors available to Boeing on the date of the Purchase Agreement, or the most recent supplemental agreement to the Purchase Agreement that amends Table 1 of the Purchase Agreement projected to the month of scheduled delivery.

Article 4. Payment.

4.1 Boeing acknowledges receipt of a deposit \*\*\* for each Aircraft (**Deposit**).

4.2 The standard advance payment schedule for the Model 787 Aircraft requires Customer to make certain advance payments, expressed as a percentage of the Advance Payment Base Price of each Aircraft beginning with a payment of \*\*%, less the Deposit, on the date of signing of the Purchase Agreement for the Aircraft. Additional advance payments for each Aircraft are due as specified in and on the first business day of the months listed in the attached Table 1.

4.3 For any Aircraft whose scheduled month of delivery is less than 24 months from the date of this Purchase Agreement, the total amount of advance payments due for payment upon signing of this Purchase Agreement will include all advance payments which are past due in accordance with the standard advance payment schedule set forth in paragraph 4.2 above.

4.4 Customer will pay the balance of the Aircraft Price of each Aircraft at delivery. The Aircraft Price for each Aircraft will be re-calculated at the time that Aircraft is delivered using the then available escalation factors for the month when that Aircraft is delivered to calculate the Escalation Adjustment as defined in Supplemental Exhibit AE1.

Article 5. Additional Terms.

5.1 Excusable Delay. Article 7.1 of the basic articles of the AGTA in so far as it applies to the Aircraft only is revised to read as follows:

7.1 General. Boeing will not be liable for any delay in the scheduled delivery month of an aircraft or other performance under a purchase agreement caused by (i) acts of God; (ii) war or armed hostilities; (iii) government acts or priorities; (iv) fires, floods, or earthquakes; (v) strikes or labor troubles causing cessation, slowdown, or interruption of work; (vi) inability\*\*\*; (vii) inability, after due and timely diligence, to obtain type certification; or (viii) any other cause to the extent such cause is beyond Boeing's control and not occasioned by Boeing's fault or negligence. A delay resulting from any such cause is defined as an **Excusable Delay**.

5.2 Aircraft Information Table. Table 1 consolidates information contained in Articles 1, 2, 3 and 4 with respect to (i) quantity of Aircraft, (ii) applicable Detail Specification for the Aircraft, (iii) month and year of scheduled deliveries of the Aircraft, (iv) Aircraft Basic Price, (v) escalation factors applicable to the Aircraft and (vi) Advance Payment Base Prices and advance payments applicable to the Aircraft and their schedules.

5.3 Escalation Adjustment/Airframe and Optional Features. Supplemental Exhibit AE1 contains the applicable airframe and optional features escalation formula for the Aircraft.

5.4 Buyer Furnished Equipment Variables. Supplemental Exhibit BFE1 contains vendor selection dates and other variables applicable to the Aircraft.

5.5 Customer Support Variables. Information, training, services and other things furnished by Boeing in support of introduction of the Aircraft into Customer's fleet are described in Supplemental Exhibit CS1. Supplemental Exhibit CS1 supersedes in its entirety Exhibit B to the AGTA with respect to the Aircraft but not with respect to any other aircraft.

5.6 Engine Escalation Variables. Supplemental Exhibit EE1 contains the applicable engine escalation formula, the engine warranty and the \*\*\* for the Aircraft.

5.7 Service Life Policy Component Variables. Supplemental Exhibit SLP1 lists the airframe and landing gear components covered by the Service Life Policy for the Aircraft (**Covered Components**).

5.8 Public Announcement. Boeing reserves the right to make a public announcement regarding Customer's purchase of the Aircraft upon approval of Boeing's press release by Customer's public relations department or other authorized representative.

5.9 Negotiated Agreement; Entire Agreement. This Purchase Agreement, including the provisions of Article 8.2 of the AGTA relating to insurance, and Article 12 of Part 2 of Exhibit C of the AGTA relating to DISCLAIMER AND RELEASE and EXCLUSION OF CONSEQUENTIAL AND OTHER DAMAGES, has been the subject of discussion and negotiation and is understood by the parties; the Aircraft Price and other agreements of the parties stated in this Purchase Agreement were arrived at in consideration of such provisions. This Purchase Agreement, including the AGTA, contains the entire agreement between the parties and supersedes all previous proposals, understandings, commitments or representations whatsoever, oral or written, and may be changed only in writing signed by authorized representatives of the parties.

**THE BOEING COMPANY**

\*\*\*

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Attorney-in-Fact

Title

**UNITED AIRLINES, INC.**

\_\_\_\_\_  
/s/ Gerald Laderman

Signature

\_\_\_\_\_  
Senior Vice President – Finance and Treasurer

Title



**Table 1**  
**Purchase Agreement No. 2484**  
**787-9 Aircraft Delivery, Description, Price and Advance Payments**  
**(787-9/GE/2006\$/CPI)**

<b>Airframe Model/MTOW:</b>	787-9	*** pounds	<b>Detail Specification:</b>	***	
<b>Engine Model/Thrust:</b>	GENX-1B***	*** pounds	<b>Airframe Price Base Year/ Escalation Formula:</b>	***	***
<b>Airframe Price:</b>		\$ ***	<b>Engine Price Base Year/ Escalation Formula:</b>	***	***
<b>Optional Features:</b>		\$ ***			
<b>Sub-Total of Airframe and Features:</b>		\$ ***	<b>Airframe Escalation Data:</b>		
<b>Engine Price (Per Aircraft):</b>		\$ ***	<b>Base Year Index (ECI):</b>	***	
<b>Aircraft Basic Price (Excluding BFE/SPE):</b>		\$ ***	<b>Base Year Index (CPI):</b>	***	
<b>Buyer Furnished Equipment (BFE) Estimate:</b>		\$ ***	<b>Engine Escalation Data:</b>		
<b>Seller Purchased Equipment (SPE) Estimate:</b>		\$ ***	<b>Base Year Index (ECI):</b>	***	
			<b>Base Year Index (CPI):</b>	***	

Scheduled Delivery Date	Number of Aircraft	Escalation Factor (Airframe)	Escalation Factor (Engine)	Serial Number	Escalation Estimate Adv Payment Base Price Per A/P	Advance Payment Per Aircraft (Amts. Due/Mos. Prior to Delivery):				
						***	***	***	***	
<b>Block A Aircraft</b>										
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***





The Boeing Company  
P.O. Box 3707  
Seattle, WA 98124-2207

6-1162-MSA-547R5

United Airlines, Inc.  
233 South Wacker Drive  
Chicago, Illinois 60606

Subject: Option Aircraft

Reference: Purchase Agreement No. 2484 (the **Purchase Agreement**) between The Boeing Company (**Boeing**) and United Airlines, Inc. (**Customer**) relating to Model 787 aircraft (the **Aircraft**)

Ladies and Gentlemen:

This letter agreement (**Letter Agreement**) amends and supplements the Purchase Agreement. This Letter Agreement supersedes and replaces in its entirety Letter Agreement 6-1162-MSA-547R4 dated March 12, 2007. All terms used but not defined in this Letter Agreement have the same meaning as in the Purchase Agreement.

Boeing agrees to manufacture and sell to Customer additional Model 787-\*\*\* aircraft as **Option Aircraft**. The model, delivery months, number of aircraft, Advance Payment Base Price per aircraft and advance payment schedule are listed in Attachment B to this Letter Agreement (the **Attachment**).

### **1. Aircraft Description and Changes.**

1.1 Aircraft Description: The Option Aircraft are described by the Detail Specification listed in the Attachment, and subject to the items in section 1.2 below.

1.2 Changes: The Detail Specification will be revised to include:

- (i) Changes applicable to the basic Model 787 aircraft which are developed by Boeing between the date of the Detail Specification and the signing of the definitive agreement to purchase the Option Aircraft;
- (ii) Changes required to obtain required regulatory certificates; and
- (iii) Changes mutually agreed upon.

P.A. No. 2484  
6-1162-MSA-547R5, Option Aircraft

**BOEING / UNITED AIRLINES, INC. PROPRIETARY**

SA-8  
Page 1



## 2. Price.

2.1. The pricing elements of the Option Aircraft are listed in the Attachment.

### 2.2. Price Adjustments.

2.2.1. Optional Features. The Optional Features Prices selected for the Option Aircraft will be \*\*\* Boeing's \*\*\* prices \*\*\* the Option Aircraft.

2.2.2. Escalation Adjustments. The Airframe Price and the Optional Features Prices for Option Aircraft will be escalated on the same basis as the Aircraft, and will be adjusted to Boeing's then-current escalation provisions as of the date of execution of the definitive agreement for the Option Aircraft.

The engine manufacturer's current escalation provisions, listed in Exhibit Supplement EE1 to the Purchase Agreement, have been \*\*\* to the months of scheduled delivery using commercial forecasts to calculate the Advance Payment Base Price listed in the Attachment to this Letter Agreement. The engine escalation provisions \*\*\* by the engine manufacturer \*\*\* the Option Aircraft.

2.2.3. Base Price Adjustments. The Airframe Price and the Engine Price of the Option Aircraft will be adjusted to Boeing's and the engine manufacturer's \*\*\* prices as of \*\*\* the Option Aircraft.

## 3. Payment.

3.1. Customer will pay a deposit to Boeing in the amount shown in the Attachment for each Option Aircraft (**Option Deposit**), on the date of this Letter Agreement. If Customer exercises an option, the Option Deposit will be credited against the first advance payment due. \*\*\*

3.2. If Customer exercises its option to acquire an Option Aircraft, advance payments in the amounts and at the times listed in the Attachment will be payable for that Option Aircraft. The remainder of the Aircraft Price for that Option Aircraft will be paid at the time of delivery.

P.A. No. 2484

6-1162-MSA-547R5, Option Aircraft

**BOEING / UNITED AIRLINES, INC. PROPRIETARY**

SA-8

Page 2



4. Option Exercise.

4.1. RESERVED.

4.2. For Option Aircraft delivering after 2011, Customer may exercise an option to acquire an Option Aircraft by giving written notice to Boeing on or before the date \*\*\* prior to the first business day of the applicable delivery month listed in the Attachment.

4.3. Customer may elect to either (i) place an exercised Option Aircraft in Purchase Agreement No. 3860 Boeing and Customer relating to Model 787 aircraft (**United Purchase Agreement**) in lieu of the Purchase Agreement or (ii) Customer may elect to place an exercised Option Aircraft in the Purchase Agreement, subject to execution of supplemental agreements to amend both Customer's Purchase Agreement and the United Purchase Agreement.

4.4. Customer's Option Aircraft are scheduled by month. Upon exercise of an Option Aircraft, Boeing \*\*\* Attachment B to this Letter Agreement; provided, that Boeing \*\*\* such Option Aircraft \*\*\* delivery months \*\*\* the total number of such Option Aircraft \*\*\* will not be considered either \*\*\* the AGTA) \*\*\* Letter Agreement 6-1162-RCN-1936), and all applicable terms and conditions set forth in the Purchase Agreement (e.g., Airframe Price Adjustment and Engine Price Adjustment and advance payments) shall be \*\*\* month.

5. Contract Terms.

Boeing and Customer will use their best efforts to reach a definitive agreement for the purchase of an Option Aircraft, including the terms and conditions contained in this Letter Agreement, in the Purchase Agreement, and other terms and conditions as may be agreed upon to add the Option Aircraft to the Purchase Agreement as an Aircraft. If the parties have not entered into a definitive agreement within \*\*\* following option exercise, either party may terminate the purchase of such Option Aircraft by giving written notice to the other within \*\*\*. If Customer and Boeing fail to enter into such definitive agreement, Boeing will retain the Option Deposit for that Option Aircraft \*\*\*.

Very truly yours,

THE BOEING COMPANY

By \*\*\*  
Its \_\_\_\_\_  
Attorney-in-Fact

P.A. No. 2484  
6-1162-MSA-547R5, Option Aircraft

BOEING / UNITED AIRLINES, INC. PROPRIETARY



ACCEPTED AND AGREED TO this

Date: June 17, 2013

**UNITED AIRLINES, INC.**

By /s/ Gerald Laderman  
Its Senior Vice President – Finance and Treasurer

Attachment:

Attachment B\*: 787-9 Option Aircraft Delivery, Description, Price and Advance Payments: SA-8, Revised to \*\*\* Option Aircraft

\* Attachment A is no longer applicable as there are no 787-\*\*\* Option Aircraft

P.A. No. 2484  
6-1162-MSA-547R5, Option Aircraft

**BOEING / UNITED AIRLINES, INC. PROPRIETARY**

SA-8  
Page 4

**Attachment B to Option Aircraft Letter 6-1162-MSA-547R5**  
**787-9 Option Aircraft Delivery, Description, Price and Advance Payments**  
**(787-\*\*\*GE\*\*\*)**

<b>Airframe Model/MTOW:</b>	787-***	***	<b>Detail Specification:</b>	***
<b>Engine Model/Thrust:</b>	GENX-1B***	*** pounds	<b>Airframe Price Base Year/Escalation Formula:</b>	*** ***
<b>Airframe Price:</b>		\$	<b>Engine Price Base Year/Escalation Formula:</b>	*** ***
<b>Optional Features:</b>		\$		
<b>Sub-Total of Airframe and Features:</b>		\$	<b>Airframe Escalation Data:</b>	
<b>Engine Price (Per Aircraft):</b>		\$	<b>Base Year Index (ECI):</b>	***
<b>Aircraft Basic Price (Excluding BFE/SPE):</b>		\$	<b>Base Year Index (CPI):</b>	***
<b>Buyer Furnished Equipment (BFE) Estimate:</b>		\$	<b>Engine Escalation Data:</b>	
<b>In-Flight Entertainment (IFE) Estimate:</b>		\$	<b>Base Year Index (ECI):</b>	***
			<b>Base Year Index (CPI):</b>	***
<b>Non-Refundable Deposit/Aircraft at Def Agreement:</b>		\$		

Delivery Date	Number of Aircraft	Escalation Factor (Airframe)	Escalation Factor (Engine)	Escalation Estimate Adv Payment Base Price Per A/P	<u>Advance Payment Per Aircraft (Amts. Due/Mos. Prior to Delivery):</u>			
					***	***	***	***
***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***

Delivery Date	Number of Aircraft	Escalation Factor (Airframe)	Escalation Factor (Engine)	Escalation Estimate Adv Payment Base Price Per A/P	Advance Payment Per Aircraft (Amts. Due/Mos. Prior to Delivery):			
					***	***	***	***
***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
Total:	***							





6-1162-RCN-1936A1

United Airlines, Inc.  
233 South Wacker Drive  
Chicago, Illinois 60606

Subject: Other Special Matters

Reference: Purchase Agreement No. 2484 (the **Purchase Agreement**) between The Boeing Company (**Boeing**) and United Airlines, Inc. (**Customer**) relating to Model 787 aircraft (**Aircraft**)

This letter agreement (**Amending Letter Agreement**) amends and supplements the Purchase Agreement and amends certain of the terms and conditions of Letter Agreement 6-1162-RCN-1936 (**Original Letter Agreement**). All terms used and not defined in this Amending Letter Agreement have the same meaning as in the Purchase Agreement.

**1. Amendments.**

a) Article 3.1 and 3.2 of the Original Letter Agreement are revised as follows:

3.1 Option exercise terms can be found in Letter Agreement 6-1162-MSA-547R5, as amended, entitled "Option Aircraft".

3.2 Subject to and contingent on Customer's exercise of an Option Aircraft no later than \*\*\* prior to the first day of the then current scheduled month of delivery, \*\*\* concurrently with the delivery of each such Option Aircraft \*\*\* for such exercised Option Aircraft. As of the effective date of Supplemental Agreement No. 8, the total number of Option Aircraft in the Purchase Agreement \*\*\*, which is the total number of Option Aircraft in the Purchase Agreement as of the effective date of Supplemental Agreement No. 8 to the Purchase Agreement.

**2. Additional Terms.**

A new Article 5.3 is added to the Original Letter Agreement and provides as follows:

5.3 787-9 \*\*\*. Boeing will provide to Customer\*\*\* the Model 787-9 Aircraft \*\*\*.

P.A. No. 2484  
6-1162-RCN-1936A1, Other Special Matters

**BOEING / UNITED AIRLINES, INC. PROPRIETARY**

SA-8  
Page 1



\*\*\* 787-9 \*\*\*, Should Boeing \*\*\* the 787-9 Aircraft, Boeing \*\*\* in accordance with the \*\*\* unless \*\*\* pursuant to paragraphs 5.3.1 through 5.3.2 below.

5.3.1 Should Boeing \*\*\* the 787-9 Aircraft, Boeing \*\*\* Customer, \*\*\* the 787-9 Aircraft \*\*\* as described in paragraph 5.3.2 (ii).

5.3.2 \*\*\* 787-9 \*\*\* is limited to:

(i) \*\*\* Boeing to \*\*\* to the 787-9 Aircraft.

(ii) 787-9 Aircraft listed in Table 1 to the Purchase Agreement \*\*\* for which Boeing has \*\*\* such 787-9 Aircraft \*\*\*

\*\*\*

A new Article 11 is inserted into the Original Letter Agreement and provides as follows:

**11. Delivery Location.**

Notwithstanding Article 6.2 of the AGTA, Boeing will deliver the Aircraft in the same United States state as the primary assembly plant for the Aircraft.

[The rest of the page is intentionally blank. Signature page follows.]



Very truly yours,

THE BOEING COMPANY

By \*\*\*  
Its Attorney-in-Fact

ACCEPTED AND AGREED TO this

Date: June 17, 2013

**UNITED AIRLINES, INC.**

By /s/ Gerald Ladenman  
Its Senior Vice President – Finance and Treasurer

P.A. No. 2484  
6-1162-RCN-1936A1, Other Special Matters

**BOEING / UNITED AIRLINES, INC. PROPRIETARY**

SA-8  
Page 3



The Boeing Company  
P.O. Box 3707  
Seattle, WA 98124-2207

6-1162-MSA-554R4

United Airlines, Inc.  
233 South Wacker Drive  
Chicago, Illinois 60606

Subject: Model Substitution

Reference: Purchase Agreement No. 2484 (**Purchase Agreement**) between The Boeing Company (**Boeing**) and United Airlines, Inc. (**Customer**) relating to Model 787 aircraft (**Aircraft**)

This letter agreement (**Letter Agreement**) amends and supplements the Purchase Agreement. All terms used and not defined in this Letter Agreement have the same meaning as in the Purchase Agreement.

Customer may substitute the purchase of any Boeing Model 787-8/-9/-10 aircraft in place of any firmly contracted Model 787-8/-9/-10 aircraft, subject to the following terms and conditions (**Substitution Right**):

**1. Definitions.**

**“Substitution Aircraft”** means any Model 787-8, 787-9 or 787-10 aircraft resulting from Customer exercising the Substitution Right.

**“787-8/787-9 Substitution”** means Customer substitution of Model 787-9 in place of Model 787-8 aircraft and similarly Customer substitution of Model 787-8 aircraft in place of Model 787-9 aircraft.

**“Substitution to 787-10”** means Customer substitution of Model 787-10 aircraft in place of Model 787-9 or 787-8 aircraft.

**“Substitution from 787-10”** means Customer substitution of Model 787-8 or 787-9 aircraft in place of Model 787-10 aircraft.

\*\*\*

P.A. No. 2484  
6-1162-MSA-554R4, Model Substitution Page 1

SA-8

**BOEING / UNITED AIRLINES, INC. PROPRIETARY**



## **2. Substitution Aircraft Pricing.**

2.1 The price for each Substitution Aircraft is as set forth in Attachments \*\*\*. Pricing of Substitution Aircraft is subject to change if a different engine model or thrust level is configured for the Substitution Aircraft.

## **3. Substitution Notice.**

Customer shall notify Boeing of its intent to exercise the Substitution Right (**Substitution Notice**) at least:

3.1 \*\*\* prior to the scheduled delivery month of the 787-8 or 787-9 Aircraft for 787-8/787-9 Substitution.

3.2 \*\*\* prior to the scheduled delivery month of the 787-8, 787-9 Aircraft, or 787-10 aircraft, if applicable, for the Substitution to 787-10 or Substitution from 787-10\*\*\*, or

3.3 \*\*\*

3.4 Boeing shall work with Customer to \*\*\* as the 787-9 \*\*\* program\*\*\* becomes defined.

## **4. 787-10 Substitution.**

The Substitution Right as it relates to Substitution to 787-10 and Substitution from 787-10 will commence with the \*\*\* after the \*\*\*, and is subject to the following additional conditions:

4.1 Approval by the Board of Directors of Boeing to launch the 787-10 program (**Program Launch**);

4.2 Boeing reaching final agreement with the applicable engine manufacturer(s) for engines on the Boeing Model 787-10 aircraft;

4.3 If applicable, Boeing and Customer reaching final agreement on the terms and conditions of \*\*\* Boeing Model 787-10 aircraft \*\*\* of the 787-10; and

4.4 If applicable, revision of the scheduled month of delivery if Customer selects a different engine for its Model 787-10 Substitution Aircraft than that selected by the customer taking delivery of the first Boeing Model 787-10 aircraft;

## **5. Training.**

The training terms of Supplemental Exhibit CS1 Part 1 of the Purchase Agreement shall apply to the Substitution Aircraft. The \*\*\* shall not be adjusted as a result of Customer exercising its Substitution Right.



**6. Production Constraints.**

6.1 With respect to any Substitution Aircraft, Customer's Substitution Right is further conditioned upon Boeing having production capability for the Substitution Aircraft in the same scheduled delivery month as the Aircraft for which it will be substituted. Within \*\*\* after receipt of a Substitution Notice, Boeing will provide a written response to Customer's Substitution Notice indicating \*\*\* Boeing's production capability \*\*\*.

6.2 If Boeing is \*\*\* to manufacture the Substitution Aircraft \*\*\*, then Boeing \*\*\* for Customer's \*\*\* and written acceptance within \*\*\* of \*\*\*.

6.3 All of Boeing's quoted delivery positions for Substitution Aircraft shall be considered preliminary until such time as the parties enter into a definitive supplemental agreement in accordance with paragraph 7 below.

**7. Supplemental Agreement.**

Boeing and Customer will enter into a Supplemental Agreement with respect to each Substitution Aircraft for the purpose of incorporating the Substitution Aircraft into the Purchase Agreement. Boeing and Customer will cooperate in good faith and exert commercially reasonable efforts to negotiate and execute a Supplemental Agreement within \*\*\* of the later of (i) Customer's substitution notice to Boeing or (ii) \*\*\*. Upon the execution and delivery of a Supplemental Agreement pursuant to this Section 7, the aircraft identified in such Supplemental Agreement shall be deemed a "Firm Aircraft" for purposes of this Letter Agreement and an "Aircraft" as defined in the Purchase Agreement and shall be governed by the Purchase Agreement.

**8. Confidential Treatment.**

Boeing and Customer understand that certain information contained in this Letter Agreement, including any attachments hereto, is considered by both parties to be confidential. Boeing and Customer agree that each party will treat this Letter Agreement and the information contained herein as confidential and will not, without the other party's prior written consent, disclose this Letter Agreement or any information contained herein to any other person or entity except as may be required by applicable law or governmental regulations.



Very truly yours,

THE BOEING COMPANY

By \*\*\*  
Its Attorney-in-Fact

Attachments:

Attachment A-1: 787-9 GE Powered Pricing;

Attachment B-1: 787-10 GE Powered Pricing

Attachment C-1: 787-8 GE Powered Pricing

ACCEPTED AND AGREED TO this

Date: June 17, 2013

**UNITED AIRLINES, INC.**

By /s/ Gerald Laderman  
Its Senior Vice President – Finance and Treasurer

P.A. No. 2484  
6-1162-MSA-554 Model Substitution Page 4

SA-8

**BOEING / UNITED AIRLINES, INC. PROPRIETARY**



**Attachment A-1 to Model Substitution Letter Agreement 6-1162-MSA-554R4  
(787-9 / GE / \*\*\*)**

<b>Airframe Model/MTOW:</b>	787-9	*** pounds	<b>Detail Specification:</b>	***	
<b>Engine Model/Thrust:</b>			<b>Airframe Price Base Year/Escalation</b>		
	GENX-1B***	*** pounds	<b>Formula:</b>	***	***
<b>Airframe Price:</b>			<b>Engine Price Base Year/Escalation</b>		
		\$	<b>Formula:</b>	***	***
<b>Optional Features:</b>					
		***			
<b>Sub-Total of Airframe and Features:</b>		\$	<b>Airframe Escalation Data:</b>		
<b>Engine Price (Per Aircraft):</b>		\$	<b>Base Year Index (ECI):</b>	***	
<b>Aircraft Basic Price (Excluding BFE/SPE):</b>		\$	<b>Base Year Index (CPI):</b>	***	
<b>Buyer Furnished Equipment (BFE) Estimate:</b>		\$	<b>Engine Escalation Data:</b>		
<b>Seller Purchased Equipment (SPE) Estimate:</b>		\$	<b>Base Year Index (ECI):</b>	***	
			<b>Base Year Index (CPI):</b>	***	
<b>Refundable Deposit/Aircraft at Proposal Accept:</b>		\$			
		***			



**Attachment B-1 to Model Substitution Letter Agreement 6-1162-MSA-554R4  
(787-10 / GE / \*\*\*)**

<b>Airframe Model/MTOW:</b>	787-10	*** pounds	<b>Detail Specification:</b>	***	
<b>Engine Model/Thrust:</b>	GENX-1B***	*** pounds	<b>Airframe Price Base Year/Escalation Formula:</b>	***	***
<b>Airframe Price:</b>		\$ ***	<b>Engine Price Base Year/Escalation Formula:</b>	***	***
<b>Optional Features:</b>		***			
<b>Sub-Total of Airframe and Features:</b>		\$ ***	<b>Airframe Escalation Data:</b>		
<b>Engine Price (Per Aircraft):</b>		\$ ***	<b>Base Year Index (ECI):</b>	***	
<b>Aircraft Basic Price (Excluding BFE/SPE):</b>		\$ ***	<b>Base Year Index (CPI):</b>	***	
<b>Buyer Furnished Equipment (BFE) Estimate:</b>		\$ ***	<b>Engine Escalation Data:</b>		
<b>Seller Purchased Equipment (SPE) Estimate:</b>		\$ ***	<b>Base Year Index (ECI):</b>	***	
<b>Refundable Deposit/Aircraft at Proposal Accept:</b>		\$ ***	<b>Base Year Index (CPI):</b>	***	
		***			

**Attachment C-1 to Model Substitution Letter Agreement 6-1162-MSA-554R4  
(787-8 / \*\*\* / GE)**

<b>Airframe Model/MTOW:</b>	787-8	*** pounds	<b>Detail Specification:</b>	***	
<b>Engine Model/Thrust:</b>	GENX-1B***	*** pounds	<b>Airframe Price Base Year/Escalation Formula:</b>	***	***
<b>Airframe Price:</b>		\$ ***	<b>Engine Price Base Year/Escalation Formula:</b>	***	***
<b>Optional Features:</b>		***			
<b>Sub-Total of Airframe and Features:</b>		\$ ***	<b>Airframe Escalation Data:</b>		
<b>Engine Price (Per Aircraft):</b>		\$ ***	<b>Base Year Index (ECI):</b>	***	
<b>Aircraft Basic Price (Excluding BFE/SPE):</b>		\$ ***	<b>Base Year Index (CPI):</b>	***	
<b>Buyer Furnished Equipment (BFE) Estimate:</b>		\$ ***	<b>Engine Escalation Data:</b>		
<b>Seller Purchased Equipment (SPE) Estimate:</b>		\$ ***	<b>Base Year Index (ECI):</b>	***	
			<b>Base Year Index (CPI):</b>	***	
<b>Refundable Deposit/Aircraft at Proposal Accept:</b>		\$ ***			

Attachment C-1 to 6-1162-MSA-554R4  
APR 61105-1F.TXT

**Boeing Proprietary**

SA-8, Attachment C-1, Page 1

Supplemental Agreement No. 1  
to  
Purchase Agreement No. 03776  
between  
The Boeing Company  
and  
United Continental Holdings, Inc.  
Relating to Boeing Model 737-9 Aircraft

THIS SUPPLEMENTAL AGREEMENT, entered into as of June 17, 2013, by and between THE BOEING COMPANY (**Boeing**) and UNITED CONTINENTAL HOLDINGS, INC. (**Customer**);

WHEREAS, the parties hereto entered into Purchase Agreement No. 03776 dated July 12, 2012, as amended and supplemented (the **Purchase Agreement**), relating to the purchase and sale of Boeing Model 737-9 aircraft (**Aircraft**). This Supplemental Agreement is an amendment to the Purchase Agreement;

WHEREAS, Boeing and Customer have agreed to \*\*\* Aircraft \*\*\* scheduled for delivery from \*\*\* through \*\*\* (**MAX \*\*\* Aircraft**);

WHEREAS, Boeing and Customer agree that 787-10 Model aircraft program launch requires approval from the Boeing Board of Directors, pursuant to Letter Agreement as detailed in Letter Agreement UAL-PA-03860-LA-1301380.

WHEREAS, Boeing and Customer agree that the MAX \*\*\* Aircraft will be \*\*\*;

NOW THEREFORE, in consideration of the mutual covenants herein contained, the parties agree to amend the Purchase Agreement as follows:

1. Table of Contents and Tables:

1.1 Remove and replace, in its entirety, the "Table of Contents," with the "Table of Contents" attached hereto, to reflect the changes made by this Supplemental Agreement No. 1.

UCH-PA-03776

SA-1, Page 1

**BOEING/UNITED CONTINENTAL HOLDINGS, INC. PROPRIETARY**

**CONFIDENTIAL MATERIAL APPEARING IN THIS DOCUMENT HAS BEEN OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION IN ACCORDANCE WITH THE SECURITIES ACT OF 1933, AS AMENDED, AND RULE 24B-2 PROMULGATED THEREUNDER. OMITTED INFORMATION HAS BEEN REPLACED WITH ASTERISKS.**

1.2 Remove and replace, in its entirety, Table 1 for the Aircraft with the Table 1 attached hereto and marked with the "SA-1" legend.

2. Effective Date:

This Supplemental Agreement No. 1 shall be effective subject to satisfaction of all of the following conditions precedent (collectively the **Conditions Precedent**):

Execution of Supplemental Agreement No. 1 to Purchase Agreement No. 3860 between Boeing and United Airlines, Inc. (**United**) relating to Model 787 aircraft (the **UAL Purchase Agreement**) by Boeing and United;

Execution of Supplemental Agreement No. 8 to Purchase Agreement No. 2484 (the **CAL Purchase Agreement**) between Boeing and United relating to Boeing Model 787 aircraft by Boeing and United;

Execution of this Supplemental Agreement No. 1 to the Purchase Agreement;

Upon satisfaction of the Conditions Precedent, the Agreement will be deemed to be supplemented to the extent herein provided as of the date hereof and as so supplemented will continue in full force and effect.

[The rest of the page is intentionally blank. Signature page follows.]

EXECUTED IN DUPLICATE as of the day and year first written above.

**THE BOEING COMPANY**

**UNITED CONTINENTAL HOLDINGS, INC.**

\*\*\*  
\_\_\_\_\_  
Signature

/s/ Gerald Laderman  
\_\_\_\_\_  
Signature

\_\_\_\_\_  
Attorney-in-Fact  
Title

\_\_\_\_\_  
Senior Vice President – Finance and Treasurer  
Title

UCH-PA-03776

SA-1, Page 2

**BOEING/UNITED CONTINENTAL HOLDINGS, INC. PROPRIETARY**

TABLE OF CONTENTS

SA  
NUMBER

<b><u>ARTICLES</u></b>		
Article 1.	Quantity, Model and Description	
Article 2.	Delivery Schedule	
Article 3.	Price	
Article 4.	Payment	
Article 5.	Additional Terms	
<b><u>TABLE</u></b>		
1.	<b>Aircraft Information Table – 737-9</b>	<b>SA-1</b>
<b><u>EXHIBITS</u></b>		
A.	Aircraft Configuration	
B.	Aircraft Delivery Requirements and Responsibilities	
<b><u>SUPPLEMENTAL EXHIBITS</u></b>		
AE1.	Escalation Adjustment/Airframe and Optional Features	
BFE1.	BFE Variables	
CS1.	Customer Support Variables	
EE1.	Engine Warranty ***	
SLP1.	Service Life Policy Components	
<b><u>LETTER AGREEMENTS</u></b>		
UCH-PA-03776-LA-1207637	<b>*** Matters</b>	
UCH-PA-03776-LA-1207638	***	
UCH-PA-03776-LA-1207640	Demonstration Flight Waiver	
UCH-PA-03776-LA-1207643	Open Matters	
UCH-PA-03776-LA-1207644	Option Aircraft	
UCH-PA-03776-LA-1207646	Promotional Support	
UCH-PA-03776-LA-1207647	Seller Purchased Equipment	
UCH-PA-03776-LA-1207649	Spare Parts Initial Provisioning	
UCH-PA-03776-LA-1207650	Special Matters	
UCH-PA-03776-LA-1208055	***	
UCH-PA-03776-LA-1208122	***	
UCH-PA-03776-LA-1208123	*** Matters	
UCH-PA-03776-LA-1208157	***	
UCH-PA-03776		

**TABLE OF CONTENTS, CONTINUED**

**SA  
NUMBER**

**LETTER AGREEMENTS, continued**

UCH-PA-03776-LA-1208234	Privileged and Confidential Matters
UCH-PA-03776-LA-1208596	AGTA Matters
UCH-PA-03776-LA-1208238	Assignment Matters
UCH-PA-03776-LA-1208869	Delivery *** Matters
UAL -PA-03786-LA-1207869	737 Production Adjustments

**SUPPLEMENTAL AGREEMENTS**

**Supplemental Agreement No. 1 . . . . .**

**DATED AS OF  
June 17, 2013**

UCH-PA-03776

SA-1, Page 2 of 2

TABLE OF CONTENTS  
BOEING/UNITED CONTINENTAL HOLDINGS, INC. PROPRIETARY











Supplemental Agreement No. 1

to

Purchase Agreement No. 3860

between

The Boeing Company

and

United Airlines, Inc.

Relating to Boeing Model 787 Aircraft

THIS SUPPLEMENTAL AGREEMENT, entered into as of June 17, 2013, by and between THE BOEING COMPANY (**Boeing**) and UNITED AIRLINES, INC. (a Delaware corporation formerly known as Continental Airlines, Inc. and successor by merger to United Air Lines, Inc.) (**Customer**);

WHEREAS, the parties hereto entered into Purchase Agreement No. 3860 dated September 27, 2012, as amended and supplemented (**Purchase Agreement**), relating to the purchase and sale of Boeing Model 787 aircraft (**Aircraft**). This Supplemental Agreement is an amendment to the Purchase Agreement;

WHEREAS, Boeing and Customer agree to revise the scheduled delivery of \*\*\* Model 787-8 Aircraft from \*\*\*:

Manufacturer Serial Number	Current Delivery Month	Revised Delivery Month
***	***	***

WHEREAS, Boeing and Customer agree to substitute \*\*\* Model 787-\*\*\* aircraft (**787-\*\*\* Aircraft**) in lieu of Model 787-\*\*\* aircraft (**787-\*\*\* Aircraft**) and to revise the scheduled delivery as follows:

Manufacturer Serial Number	787-*** Aircraft Delivery Month	787-*** Aircraft Delivery Month
***	***	***
***	***	***
***	***	***
***	***	***
***	***	***

BOEING / UNITED AIRLINES, INC. PROPRIETARY

CONFIDENTIAL MATERIAL APPEARING IN THIS DOCUMENT HAS BEEN OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION IN ACCORDANCE WITH THE SECURITIES ACT OF 1933, AS AMENDED, AND RULE 24B-2 PROMULGATED THEREUNDER. OMITTED INFORMATION HAS BEEN REPLACED WITH ASTERISKS.

WHEREAS, Boeing and Customer agree to substitute ten (10) Model 787-10 aircraft (**787-10 Aircraft**) in lieu of 787-\*\*\* Aircraft and to revise the scheduled delivery as follows:

Manufacturer Serial Number	787-*** Aircraft Delivery Month	787-10 Aircraft Delivery Month
***	***	***
***	***	***
***	***	***
***	***	***
***	***	***
***	***	***
***	***	***
***	***	***
***	***	***
***	***	***

WHEREAS, Boeing and Customer agree to \*\*\* ten (10) \*\*\* 787-10 Aircraft \*\*\* and to revise the scheduled delivery as follows:

787*** Aircraft Delivery ***	787-10 Aircraft Delivery ***
***	***
***	***
***	***
***	***
***	***
***	***
***	***
***	***
***	***
***	***

WHEREAS, Boeing and Customer agree to add 787-10 Aircraft to the Purchase Agreement, resulting in revisions to the basic articles, Exhibit A, BFE1 and revisions to Letter Agreement UAL-PA-03860-120964R1, entitled “Open Configuration Matters” and Letter Agreement UAL-PA-03860-LA-1209618R1, entitled “Alternate Engine Selection” to reflect the schedule for 787-10 Aircraft configuration decisions;

WHEREAS, Boeing and Customer agreed to add \*\*\* incremental Option Aircraft, designated as Model 787-10 (**787-10 Option Aircraft**);

WHEREAS, Boeing and Customer agree to \*\*\* 787-10 Option Aircraft in lieu of Option Aircraft \*\*\* and to revise the scheduled delivery as follows:

787-*** Aircraft Delivery ***	787-10 Option Aircraft Delivery ***
***	***

WHEREAS, Boeing and Customer agree to incorporate \*\*\* 787-10 Option Aircraft \*\*\* the scheduled delivery of \*\*\* Option Aircraft \*\*\* The Boeing Company and Customer (\*\*\*) **Option Aircraft**) and the \*\*\* 787-10 Option Aircraft \*\*\* as follows:

*** Option Aircraft Delivery Month	787-10 Option Aircraft Delivery Month
***	***
***	***
***	***
***	***
***	***
***	***
***	***
***	***
***	***
***	***

WHEREAS, Boeing and Customer agree that the option deposits received by Boeing for the \*\*\* Option Aircraft will instead be applied to the Model 787-10 Option Aircraft listed above;

WHEREAS, Boeing and Customer have agreed to terms related to Model 787-10 aircraft, as captured in Letter Agreements UAL-PA-03860-LA-1209236R1, entitled "Model Substitution", UAL-PA-03860-LA-1209413R1, entitled "Special Matters", and UAL-PA-03860-LA-1209414R1, entitled "Other Special Matters".

WHEREAS, Boeing and Customer have mutually agreed to a termination of Letter Agreement UAL-PA-03860-LA-1209455 entitled \*\*\*;

WHEREAS, Boeing has offered performance guarantees for the 787-10 Aircraft (the **787-10 Performance Guarantees**), and Customer has agreed to terms and conditions addressing Boeing's commitment in the event of \*\*\* with the 787-10 Performance Guarantees;

WHEREAS, Boeing and Customer have agreed that if Boeing has not entered into adequate \*\*\* with other customers by \*\*\*, then Customer and Boeing will discuss \*\*\* Boeing will \*\*\* 787-10 Aircraft \*\*\* the development\*\*\* and certification of the 787-10

aircraft with the objective of documenting such terms in \*\*\* agreement within \*\*\* after such discussions commence. If Customer and Boeing do not enter into a \*\*\* agreement in accordance with the above schedule, then Boeing \*\*\* to support the \*\*\* program;

WHEREAS, Boeing and Customer have agreed that a \*\*\* program will be applicable to the 787-10 Aircraft and 787-10 Option Aircraft;

WHEREAS, Boeing has agreed to provide Customer Aircraft Flight Manuals and Weight and Balance Manuals to operate the 787-9 Aircraft \*\*\* in accordance with certain terms and conditions detailed in Letter Agreement UAL-PA-03860-LA-1301373;

WHEREAS, Boeing and Customer agree that the 787-10 Aircraft reflected in Table 1 to the Purchase Agreement and the 787-10 Option Aircraft specified as of the effective date of this Supplemental Agreement No. 1 to the Purchase Agreement will be entitled to application of the \*\*\* program;

WHEREAS, Boeing and Customer agree that 787-10 Model aircraft program launch requires approval from the Boeing Board of Directors;

NOW THEREFORE, in consideration of the mutual covenants herein contained, the parties agree to amend the Purchase Agreement as follows:

1. Table of Contents and Articles.

Remove and replace, in its entirety, the "Table of Contents," and basic articles with the Table of Contents and basic articles attached hereto, to reflect Customer's legal name change, delivery and payment terms applicable to the 787-10 Aircraft, and the incorporation of this Supplemental Agreement No. 1 into the Purchase Agreement.

2. Tables.

The tables in the Purchase Agreement are amended as set forth below, to reflect the exercise and substitution of 787-\*\*\* Option Aircraft into 787-10 Aircraft, and the modification of the scheduled delivery months for 787-8 Aircraft as follows:

2.1. Table 1 is replaced in its entirety with the Table 1 attached hereto that is related to and references this Supplemental Agreement for Model 787-8 aircraft

2.2. Table 1 is replaced in its entirety with the Table 1 attached hereto that is related to and references this Supplemental Agreement for Model 787-9 aircraft.

2.3. Two new aircraft information tables are added for the 787-10 aircraft: One (1) Table 1 is added for the 787-10 Aircraft with GENX-1B\*\*\* Engines and One (1) Table 1 is added for 787-10 Aircraft with TRENT1000-\*\*\* Engines.

3. Exhibits.

One exhibit in the Purchase Agreement is amended as set forth below, to reflect the addition of the 787-10 Aircraft.

3.1. Exhibit A3, entitled "787-10 Aircraft Configuration" that is related to and references this Supplemental Agreement, is incorporated into the Purchase Agreement.

4. Supplemental Exhibits.

One supplemental exhibit in the Purchase Agreement is amended as set forth below to reflect the addition of the 787-10 Aircraft.

4.1. Supplemental Exhibit BFE1, entitled "BFE Variables", is replaced in its entirety with the Supplemental Exhibit BFE1 that is related to and references this Supplemental Agreement.

5. Letter Agreements:

The Letter Agreements in the Purchase Agreement are amended as set forth below to reflect the addition of the 787-10 Aircraft.

5.1. The following letter agreements that are related to and reference this Supplemental Agreement are removed and replaced in their entirety as specified below:

<u>Title of Letter Agreement</u>	<u>Original Letter Agreement</u>	<u>Replacement Letter Agreement</u>
Option Aircraft	UAL-PA-03860-LA-1209265	UAL-PA-03860-LA-1209265R1 New
Attachment B-1, 787-10 with GENX-1B*** Engines	N/A	*** 787-10 Option Aircraft if GENX-1B*** Engines are selected New
Attachment B-2, 787-10 with TRENT1000-*** Engines	N/A	*** 787-10 Option Aircraft if TRENT1000-*** Engines are selected
Model Substitution	UAL-PA-03860-LA-1209236	UAL-PA-03860-LA-1209236R1
Special Matters	UAL-PA-03860-LA-1209413	UAL-PA-03860-LA-1209413R1
Other Special Matters	UAL-PA-03860-LA-1209414	UAL-PA-03860-LA-1209414A1

UAL-PA-3860

**BOEING / UNITED AIRLINES, INC. PROPRIETARY**

SA-1, Page 5

5.2. The Letter Agreements listed below, that are related to and reference this Supplemental Agreement, are incorporated into the Purchase Agreement:

<u>Letter Agreement No.</u>	<u>Title of Letter Agreement</u>
UAL-PA-03860-LA-1301368	Performance Guarantees (787-10)
UAL-PA-03860-LA-1301373	787-10 Aircraft Open Configuration and Other Matters
UAL-PA-03860-LA-1301375	Provisions Relating to Customer's *** Model 787-10 Aircraft
UAL-PA-03860-LA-1301377	787-10 ***
UAL-PA-03860-LA-1301380	787-10 Program Launch

5.3 The following letter agreements are deleted from the Purchase Agreement:

<u>Letter Agreement No.</u>	<u>Title of Letter Agreement</u>
UAL-PA-03860-LA-1209455	***
Attachment A to UAL-PA-03860-LA-1209265	787-*** Option Aircraft Delivery, Description, Price and Advance Payments

UAL-PA-3860

**BOEING / UNITED AIRLINES, INC. PROPRIETARY**

SA-1, Page 6



5.4 Customer's payment to Boeing of the aggregate total of the amounts specified in the invoices for this Supplemental Agreement No. 1 to the Purchase Agreement shall be due no later than \*\*\*, 2013.

6. **Effective Date:** This Supplemental Agreement No. 1 shall be effective subject to satisfaction of Section 5.4 and the following conditions precedent (collectively the **Conditions Precedent**):

6.1 Execution of this Supplemental Agreement No. 1 to the Purchase Agreement;

6.2 Execution of Supplemental Agreement No. 8 to Purchase Agreement No. 2484 between Boeing and Customer relating to Boeing Model 787 aircraft by Boeing and Customer; and

6.3 Execution of Supplemental Agreement No. 1 to Purchase Agreement No. 03776 between Boeing and United Continental Holdings, Inc. relating to Model 737-9 aircraft by Boeing and United Continental Holdings, Inc.

Upon satisfaction of Section 5.4 and the Conditions Precedent, the Agreement will be deemed to be supplemented to the extent herein provided as of the date hereof and as so supplemented will continue in full force and effect.

[The rest of the page is intentionally blank. Signature page follows.]

UAL-PA-3860

**BOEING / UNITED AIRLINES, INC. PROPRIETARY**

SA-1, Page 7

EXECUTED IN DUPLICATE as of the day and year first written above.

**THE BOEING COMPANY**

**UNITED AIRLINES, INC.**

\*\*\*  
\_\_\_\_\_  
Signature

/s/ Gerald Laderman  
\_\_\_\_\_  
Signature

\_\_\_\_\_  
Attorney-in-Fact  
Title

\_\_\_\_\_  
Senior Vice President – Finance and Treasurer  
Title

UAL-PA-3860

**BOEING / UNITED AIRLINES, INC. PROPRIETARY**

SA-1, Page 8

TABLE OF CONTENTS

	<u>SA NUMBER</u>
<b><u>ARTICLES</u></b>	
Article 1. Quantity, Model and Description	SA-1
Article 2. Delivery Schedule	SA-1
Article 3. Price	SA-1
Article 4. Payment	SA-1
Article 5. Additional Terms	SA-1
<b><u>TABLE</u></b>	
1. 787-8 with GENX-1B*** Engines Aircraft Information Table	SA-1
1. 787-8 with TRENT1000-*** Engines Aircraft Information Table	SA-1
1. 787-9 with GENX-1B*** Engines Aircraft Information Table	SA-1
1. 787-9 with TRENT1000-*** Engines Aircraft Information Table	
1. 787-10 with GENX-1B*** Engines Aircraft Information Table	SA-1
1. 787-10 with TRENT1000-*** Engines Aircraft Information Table	SA-1
<b><u>EXHIBITS</u></b>	
A1. 787-8 Aircraft Configuration	
A2. 787-9 Aircraft Configuration	
<b>A3. 787-10 Aircraft Configuration</b>	<b>SA-1</b>
B. Aircraft Delivery Requirements and Responsibilities	
<b><u>SUPPLEMENTAL EXHIBITS</u></b>	
AE1. Escalation Adjustment/Airframe and Optional Features	
<b>BFE1. BFE Variables</b>	<b>SA-1</b>
CS1. Customer Support Document	
EE1. Engine Escalation/Engine Warranty ***	
SLP1. Service Life Policy Components	
P.A. 3860	SA-1

TABLE OF CONTENTS, CONTINUED

	<u>SA NUMBER</u>	
<b><u>LETTER AGREEMENTS</u></b>		
UAL-PA-03860-LA-1209247	787 e-Enabling	
U AL-PA-03860-LA-1209264	Open Configuration Matters	
<b>UAL-PA-03860-LA-1209265R1</b>	<b>Option Aircraft</b>	<b>SA-1</b>
	<b>Attachment A, 787-*** Option Aircraft Delivery, Description, Price and Advance Payments (DELETED)</b>	<b>SA-1</b>
	<b>Attachment B-1, 787-*** with GENX-1B*** Engines: Option Aircraft Delivery, Description, Price and Advance Payments</b>	<b>SA-1</b>
	<b>Attachment B-2, 787-*** with TRENT1000-*** Engines: Option Aircraft Delivery, Description, Price and Advance Payments</b>	<b>SA-1</b>
UAL-PA-03860-LA-1209409	Spare Parts Initial Provisioning	
UAL-PA-03860-LA-1209410	Special Matters Relating to COTS Software and End User License Agreements	
UAL-PA-03860-LA-1209411	Special Terms – Seats and In-flight Entertainment	
UAL-PA-03860-LA-1209417	Model 787 Post-Delivery Software & Data Loading	
<b><u>CONFIDENTIAL LETTER AGREEMENTS</u></b>		
<b>UAL-PA-03860-LA-1209236R1</b>	<b>Model Substitution</b>	<b>SA-1</b>
	<b>Attachment A, 787-9 Airframe Pricing of Substitution Aircraft with General Electric GENx-1B*** and Rolls Royce Trent 1000-*** engines</b>	<b>SA-1</b>
	<b>Attachment B, 787-10 with General Electric GENx-1B*** and Rolls Royce TRENT 1000-*** Engines</b>	<b>SA-1</b>
	<b>Attachment C, 787-8 with General Electric GENx-1B*** and Rolls Royce TRENT 1000-***</b>	<b>SA-1</b>
P.A. 3860	TABLE OF CONTENTS, Page 2 of 3	SA-1
	<b>BOEING / UNITED AIRLINES, INC. PROPRIETARY</b>	

TABLE OF CONTENTS, CONTINUED

	<u>SA NUMBER</u>
<b><u>CONFIDENTIAL LETTER AGREEMENTS, continued</u></b>	
UAL-PA-03860-LA-1209412	Spare Parts Commitment
<b>UAL-PA-03860-LA-1209413R1</b>	<b>Special Matters</b>
UAL-PA-03860-LA-1209414	Other Special Matters
<b>UAL-PA-03860-LA-1209413A1</b>	<b>Other Special Matters—Amendment 1</b>
UAL-PA-03860-LA-1209416	Promotional Support
UAL-PA-03860-LA-1209430	Performance Guarantees
<b>UAL-PA-03860-LA-1209455</b>	<b>*** TERMINATED</b>
UAL-PA-03860-LA-1209429	***
<b>UAL-PA-03860-LA-1209618R1</b>	<b>Alternate Engine Selection</b>
6-1162-ELP-0794	*** Program***
6-1162-ELP-0795	*** Program***
<b>UAL-PA-03860-LA-1301368</b>	<b>Performance Guarantees (787-10)</b>
<b>UAL-PA-03860-LA-1301373</b>	<b>787-10 Aircraft Open Configuration and Other Matters</b>
<b>UAL-PA-03860-LA-1301375</b>	<b>Provisions Relating to Customer’s *** for 787-10 Aircraft</b>
<b>UAL-PA-03860-LA-1301377</b>	<b>787-10 ***</b>
<b>UAL-PA-03860-LA-1301380</b>	<b>787-10 Program Launch</b>

SA-1  
SA-1  
SA-1  
SA-1  
SA-1  
SA-1  
SA-1  
SA-1  
SA-1  
SA-1  
SA-1  
SA-1  
SA-1  
SA-1

**SUPPLEMENTAL AGREEMENTS**  
**Supplemental Agreement No. 1**

DATED AS OF  
**June 17, 2013**

P.A. 3860

SA-1

between

The Boeing Company

and

United Airlines, Inc.

---

This Purchase Agreement No. 3860 dated as of September 27, 2012 between The Boeing Company (**Boeing**) and United Airlines, Inc. (a Delaware corporation formerly known as Continental Airlines, Inc. and the successor by merger to United Air Lines, Inc.) (**Customer**) relating to the purchase and sale of Model 787 aircraft together with all tables, exhibits, supplemental exhibits, letter agreements and other attachments thereto, if any (**Purchase Agreement**), incorporates and amends the terms and conditions of the Aircraft General Terms Agreement dated as of February 19, 2010 between the parties, identified as AGTA-UAL (**AGTA**). The Purchase Agreement \*\*\* supersedes purchase agreement no. 3427\*\*\*.

Article 1. Quantity, Model, Description and Inspection.

The aircraft to be delivered to Customer will be designated as Model 787-8 aircraft, 787-9 or 787-10 aircraft, as the case may be (the **Aircraft**). Boeing will manufacture and sell to Customer Aircraft conforming to the configuration described in Exhibit A in the quantities listed in Table 1 to this Purchase Agreement. \*\*\* months prior to delivery of Customer's first Aircraft, Boeing will provide Customer a Boeing document defining a customer inspection process appropriate to the 787 manufacturing process (**787 Inspection Process**) which will apply in lieu of inspection processes traditionally applicable to other models of aircraft and will supersede the provisions of Article 5.2 of the AGTA.

Article 2. Delivery Schedule.

The Aircraft will be delivered to Customer in accordance with the scheduled months of delivery of the Aircraft listed in the attached Table 1. Exhibit B describes certain responsibilities for both Customer and Boeing in order to accomplish the delivery of the Aircraft.

Article 3. Price.

3.1 Aircraft Basic Price. The Aircraft Basic Price is listed in Table 1 and is subject to escalation.

3.2 Advance Payment Base Prices. The Advance Payment Base Prices listed in Table 1 for each of the Boeing Model 787-8, 787-9 and 787-10 aircraft were calculated utilizing the latest escalation factors available to Boeing on the date of the Purchase Agreement, or the most recent supplemental agreement to the Purchase Agreement that amends Table 1 of the Purchase Agreement projected to the month of scheduled delivery.

Article 4. Payment.

4.1 Boeing acknowledges receipt of a deposit in the amount shown in Table 1 for each Aircraft (**Deposit**).

4.2 The standard advance payment schedule for the Model 787 Aircraft requires Customer to make certain advance payments, expressed as a percentage of the Advance Payment Base Price of each Aircraft beginning with a payment of \*\*%, less the Deposit, on the date of signing of the Purchase Agreement for the Aircraft. Additional advance payments for each Aircraft are due as specified in and on the first business day of the months listed in the attached Table 1.

4.3 For any Aircraft whose scheduled month of delivery is less than \*\*\* months from the date of this Purchase Agreement, the total amount of advance payments due for payment upon signing of this Purchase Agreement will include all advance payments which are past due in accordance with the standard advance payment schedule set forth in paragraph 4.2 above.

4.4 Customer will pay the balance of the Aircraft Price of each Aircraft at delivery. The Aircraft Price for each Aircraft will be re-calculated at the time that Aircraft is delivered using the then available escalation factors for the month when that Aircraft is delivered to calculate the Escalation Adjustment as defined in Supplemental Exhibit AE1.

Article 5. Additional Terms.

5.1 Excusable Delay. Article 7.1 of the basic articles of the AGTA in so far as it applies to the Aircraft only is revised to read as follows:

7.1 General. Boeing will not be liable for any delay in the scheduled delivery month of an aircraft or other performance under a purchase agreement caused by (i) acts of God; (ii) war or armed hostilities; (iii) government acts or priorities; (iv) fires, floods, or earthquakes; (v) strikes or labor troubles causing cessation, slowdown, or interruption of work; (vi) \*\*\* (vii) inability, after due and timely diligence, to obtain type certification; or (viii) any other cause to the extent such cause is beyond Boeing's control and not occasioned by Boeing's fault or negligence. A delay resulting from any such cause is defined as an **Excusable Delay**.

5.2 Aircraft Information Table. Table 1 consolidates information contained in Articles 1, 2, 3 and 4 with respect to (i) quantity of Aircraft, (ii) applicable Detail Specification for the Aircraft, (iii) month and year of scheduled deliveries of the Aircraft, (iv) Aircraft Basic Price, (v) escalation factors applicable to the Aircraft and (vi) Advance Payment Base Prices and advance payments applicable to the Aircraft and their schedules.

5.3 Escalation Adjustment/Airframe and Optional Features. Supplemental Exhibit AE1 contains the applicable airframe and optional features escalation formula for the Aircraft.

5.4 Buyer Furnished Equipment Variables. Supplemental Exhibit BFE1 contains vendor selection dates and other variables applicable to the Aircraft.

5.5 Customer Support Variables. Information, training, services and other things furnished by Boeing in support of introduction of the Aircraft into Customer's fleet are described in Supplemental Exhibit CS1. Supplemental Exhibit CS1 supersedes in its entirety Exhibit B to the AGTA with respect to the Aircraft but not with respect to any other aircraft.

5.6 Engine Escalation Variables. Supplemental Exhibit EE1 contains the applicable engine escalation formula, the engine warranty \*\*\* for the Aircraft

5.7 Service Life Policy Component Variables. Supplemental Exhibit SLP1 lists the airframe and landing gear components covered by the Service Life Policy for the Aircraft (**Covered Components**).

5.8 Public Announcement. Boeing reserves the right to make a public announcement regarding Customer's purchase of the Aircraft upon approval of Boeing's press release by Customer's public relations department or other authorized representative.



5.9 Negotiated Agreement; Entire Agreement. This Purchase Agreement, including the provisions of Article 8.2 of the AGTA relating to insurance, and Article 12 of Part 2 of Exhibit C of the AGTA relating to DISCLAIMER AND RELEASE and EXCLUSION OF CONSEQUENTIAL AND OTHER DAMAGES, has been the subject of discussion and negotiation and is understood by the parties; the Aircraft Price and other agreements of the parties stated in this Purchase Agreement were arrived at in consideration of such provisions. This Purchase Agreement, including the AGTA, contains the entire agreement between the parties and supersedes all previous proposals, understandings, commitments or representations whatsoever, oral or written, and may be changed only in writing signed by authorized representatives of the parties.

[The rest of the page is intentionally blank. Signature page follows.]

**THE BOEING COMPANY**

\*\*\*  
\_\_\_\_\_  
Signature  
  
\_\_\_\_\_  
Susan Englander  
Printed name  
  
\_\_\_\_\_  
Attorney-in-Fact  
Title

**UNITED AIRLINES, INC.**

\_\_\_\_\_  
/s/ Gerald Laderman  
Signature  
  
\_\_\_\_\_  
Gerald Laderman  
Printed name  
  
\_\_\_\_\_  
Senior Vice President – Finance and Treasurer  
Title

**Table 1 to Purchase Agreement No. 3860**  
**787-8 Aircraft with GENX-1B\*\*\* Engines Delivery, Description, Price and Advance Payments**  
**(787-8/GE/\*\*\*)**

<b>Airframe Model/MTOW:</b>	787-8	*** pounds
<b>Engine Model/Thrust:</b>	GENX-1B***	*** pounds
<b>Airframe Price:</b>		\$ ***
<b>Optional Features:</b>		\$ ***
<b>Sub-Total of Airframe and Features:</b>		\$ ***
<b>Engine Price (Per Aircraft):</b>		\$ ***
<b>Aircraft Basic Price (Excluding BFE/SPE):</b>		\$ ***
<b>Buyer Furnished Equipment (BFE) Estimate:</b>		\$ ***
<b>Seller Purchased Equipment (SPE) Estimate:</b>		\$ ***
<b>In Flight Entertainment (IFE) Fixed\$:</b>		\$ ***

<b>Detail Specification:</b>	***	***	***
<b>Airframe Price Base Year/Escalation Formula:</b>		***	***
<b>Engine Price Base Year/Escalation Formula:</b>		***	***
<b><u>Airframe Escalation Data:</u></b>			
<b>Base Year Index (ECI):</b>			***
<b>Base Year Index (CPI):</b>			***
<b><u>Engine Escalation Data:</u></b>			
<b>Base Year Index (ECI):</b>			***
<b>Base Year Index (CPI):</b>			***

<u>Delivery Date</u>	<u>Number of Aircraft</u>	<u>Escalation Factor (Airframe)</u>	<u>Escalation Factor (Engine)</u>	<u>Serial Number</u>	<u>Escalation Estimate Adv Payment Base Price Per A/P</u>	<u>Advance Payment Per Aircraft (Amts. Due/Mos. Prior to Delivery):</u>			
						<u>***</u>	<u>***</u>	<u>***</u>	<u>***</u>
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
<b>Total:</b>	***								

**Table 1 to Purchase Agreement No. 3860**  
**787-8 Aircraft with TRENT 1000-\*\*\* Engines Delivery, Description, Price and Advance Payments**  
**(787-8/RR/\*\*\*)**

<b>Airframe Model/MTOW:</b>	787-8	*** pounds	<b>Detail Specification:</b>	***
<b>Engine Model/Thrust:</b>	TRENT1000-***	*** pounds	<b>Airframe Price Base Year/Escalation Formula:</b>	*** ***
<b>Airframe Price:</b>		\$ ***	<b>Engine Price Base Year/Escalation Formula:</b>	*** ***
<b>Optional Features:</b>		\$ ***		
<b>Sub-Total of Airframe and Features:</b>		\$ ***	<b>Airframe Escalation Data:</b>	
<b>Engine Price (Per Aircraft):</b>		\$ ***	<b>Base Year Index (ECI):</b>	***
<b>Aircraft Basic Price (Excluding BFE/SPE):</b>		\$ ***	<b>Base Year Index (CPI):</b>	***
<b>Buyer Furnished Equipment (BFE) Estimate:</b>		\$ ***	<b>Engine Escalation Data:</b>	***
<b>Seller Purchased Equipment (SPE) Estimate:</b>		\$ ***	<b>Base Year Index (ECI):</b>	***
<b>In Flight Entertainment (IFE) Fixed\$:</b>		\$ ***	<b>Base Year Index (CPI):</b>	***

Delivery Date	Number of Aircraft	Escalation Factor (Airframe)	Escalation Factor (Engine)	Serial Number	Escalation Estimate Adv Payment Base Price Per A/P	Advance Payment Per Aircraft (Amts. Due/Mos. Prior to Delivery):			
						***	***	***	***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
<b>Total:</b>	***								

**Table 1 to Purchase Agreement No. 3860**

**\*\*\* 787-9 Substitute Aircraft  
(787-8/GE/\*\*\*)**

**FOR APBP PURPOSES ONLY: UNTIL \*\*\* PRIOR TO APPLICABLE AIRCRAFT DELIVERY**

**Airframe Model/MTOW:** 787-8 \*\*\* pounds  
**Engine Model/Thrust:** GENX-1B\*\*\* \*\*\* pounds  
**Airframe Price:** \$ \*\*\*  
**Optional Features:** \$ \*\*\*  
**Sub-Total of Airframe and Features:** \$ \*\*\*  
**Engine Price (Per Aircraft):** \$ \*\*\*  
**Aircraft Basic Price (Excluding BFE/SPE):** \$ \*\*\*  
**Buyer Furnished Equipment (BFE) Estimate:** \$ \*\*\*  
**Seller Purchased Equipment (SPE) Estimate:** \$ \*\*\*  
**In Flight Entertainment (IFE) Fixed\$:** \$ \*\*\*

**Detail Specification:** \*\*\*  
**Airframe Price Base Year/Escalation Formula:** \*\*\* \*\*\*  
**Engine Price Base Year/Escalation Formula:** \*\*\* \*\*\*  
**Airframe Escalation Data:**  
**Base Year Index (ECI):** \*\*\*  
**Base Year Index (CPI):** \*\*\*  
**Engine Escalation Data:** \*\*\*  
**Base Year Index (ECI):** \*\*\*  
**Base Year Index (CPI):** \*\*\*

Delivery Date	18 Months Prior to Applicable Delivery	Number of Aircraft	Escalation Factor (Airframe)	Escalation Factor (Engine)	Serial Number	Escalation Estimate Adv Payment Base Price Per A/P	Advance Payment Per Aircraft (Amts. Due/Mos. Prior to Delivery):			
							***	***	***	***
***	***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
<b>Total:</b>		***								

**Table 1 to Purchase Agreement No. 3860**  
**787-9 Aircraft with GENX-1B\*\*\* Engines Delivery, Description, Price and Advance Payments**  
**(787-9/GE/\*\*\* ) APBP beginning \*\*\* prior to applicable delivery**

<b>Airframe Model/MTOW:</b>	787-9	*** pounds
<b>Engine Model/Thrust:</b>	GENX-1B***	*** pounds
<b>Airframe Price:</b>		\$ ***
<b>Optional Features:</b>		\$ ***
<b>Sub-Total of Airframe and Features:</b>		\$ ***
<b>Engine Price (Per Aircraft):</b>		\$ ***
<b>Aircraft Basic Price (Excluding BFE/SPE):</b>		\$ ***
<b>Buyer Furnished Equipment (BFE) Estimate:</b>		\$ ***
<b>Seller Purchased Equipment (SPE) Estimate:</b>		\$ ***
<b>In Flight Entertainment (IFE) Estimate:</b>		\$ ***

<b>Detail Specification:</b>	***
<b>Airframe Price Base Year/Escalation Formula:</b>	*** ***
<b>Engine Price Base Year/Escalation Formula:</b>	*** ***
<b>Airframe Escalation Data:</b>	
<b>Base Year Index (ECI):</b>	***
<b>Base Year Index (CPI):</b>	***
<b>Engine Escalation Data:</b>	
<b>Base Year Index (ECI):</b>	***
<b>Base Year Index (CPI):</b>	***

<u>Delivery Date</u>	<u>18 Months Prior to Applicable Delivery</u>	<u>Number of Aircraft</u>	<u>Escalation Factor (Airframe)</u>	<u>Escalation Factor (Engine)</u>	<u>Serial Number</u>	<u>Escalation Estimate Adv Payment Base Price Per A/P</u>	<u>Advance Payment Per Aircraft (Amts. Due/Mos. Prior to Delivery):</u>			
							<u>***</u>	<u>***</u>	<u>***</u>	<u>***</u>
***	***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
<b>Total:</b>		***								

**Table 1 to Purchase Agreement No. 3860**  
**787-9 Aircraft with TRENT 1000-\*\*\* Engines Delivery, Description, Price and Advance Payments**  
**(787-9/RR/\*\*\* APBP beginning \*\*\* prior to applicable delivery**

<b>Airframe Model/MTOW:</b>	787-9	*** pounds	<b>Detail Specification:</b>	***
<b>Engine Model/Thrust:</b>	TRENT1000-***	*** pounds	<b>Airframe Price Base Year/Escalation Formula:</b>	*** ***
<b>Airframe Price:</b>		\$ ***	<b>Engine Price Base Year/Escalation Formula:</b>	*** ***
<b>Optional Features:</b>		\$ ***		
<b>Sub-Total of Airframe and Features:</b>		\$ ***	<b>Airframe Escalation Data:</b>	
<b>Engine Price (Per Aircraft):</b>		\$ ***	<b>Base Year Index (ECI):</b>	***
<b>Aircraft Basic Price (Excluding BFE/SPE):</b>		\$ ***	<b>Base Year Index (CPI):</b>	***
<b>Buyer Furnished Equipment (BFE) Estimate:</b>		\$ ***	<b>Engine Escalation Data:</b>	***
<b>Seller Purchased Equipment (SPE) Estimate:</b>		\$ ***	<b>Base Year Index (ECI):</b>	***
<b>In Flight Entertainment (IFE) Estimate:</b>		\$ ***	<b>Base Year Index (CPI):</b>	***

Delivery Date	18 Months Prior to Applicable Delivery	Number of Aircraft	Escalation Factor (Airframe)	Escalation Factor (Engine)	Serial Number	Escalation Estimate Adv Payment Base Price Per A/P	Advance Payment Per Aircraft (Amts. Due/Mos. Prior to Delivery):			
							***	***	***	***
***	***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
<b>Total:</b>		***								

**Table 1 to Purchase Agreement No. 3860**  
**787-10 Aircraft with GENX-1B\*\*\* Engines Delivery, Description, Price and Advance Payments**  
**(787-10/GE/\*\*\*)**

<b>Airframe Model/MTOW:</b>	787-10	*** pounds	<b>Detail Specification:</b>	***
<b>Engine Model/Thrust:</b>			<b>Airframe Price Base Year/Escalation</b>	
	GENX-1B***	*** pounds	<b>Formula:</b>	*** ***
<b>Airframe Price:</b>		\$ ***	<b>Engine Price Base Year/Escalation Formula:</b>	*** ***
<b>Optional Features:</b>		\$ ***		
<b>Sub-Total of Airframe and Features:</b>		\$ ***	<b>Airframe Escalation Data:</b>	
<b>Engine Price (Per Aircraft):</b>		\$ ***	<b>Base Year Index (ECI):</b>	***
<b>Aircraft Basic Price (Excluding BFE/SPE):</b>		\$ ***	<b>Base Year Index (CPI):</b>	***
<b>Buyer Furnished Equipment (BFE) Estimate:</b>		\$ ***	<b>Engine Escalation Data:</b>	
<b>In-Flight Entertainment (IFE) Estimate:</b>		\$ ***	<b>Base Year Index (ECI):</b>	***
			<b>Base Year Index (CPI):</b>	***
<b>Refundable Deposit/Aircraft at Proposal Accept:</b>		\$ ***		

Delivery Date	Number of Aircraft	Escalation Factor (Airframe)	Escalation Factor (Engine)	Serial Number	Escalation Estimate Adv Payment Base Price Per A/P	Advance Payment Per Aircraft (Amts. Due/Mos. Prior to Delivery):			
						***	***	***	***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***

Boeing Proprietary

787-10 with GE Engines Table 1 to SA-1 Page 1





**Table 1 to Purchase Agreement No. 3860**  
**787-10 Aircraft with TRENT1000\*\*\* Engines Delivery, Description, Price and Advance Payments**  
**(787-10/RR/\*\*\*\*)**

<b>Airframe Model/MTOW:</b>	787-10	*** pounds	<b>Detail Specification:</b>	***
<b>Engine Model/Thrust:</b>	TRENT1000-***	*** pounds	<b>Airframe Price Base Year/Escalation Formula:</b>	*** ***
<b>Airframe Price:</b>		\$ ***	<b>Engine Price Base Year/Escalation Formula:</b>	*** ***
<b>Optional Features:</b>		\$ ***		
<b>Sub-Total of Airframe and Features:</b>		\$ ***	<b>Airframe Escalation Data:</b>	
<b>Engine Price (Per Aircraft):</b>		\$ ***	<b>Base Year Index (ECI):</b>	***
<b>Aircraft Basic Price (Excluding BFE/SPE):</b>		\$ ***	<b>Base Year Index (CPI):</b>	***
<b>Buyer Furnished Equipment (BFE) Estimate:</b>		\$ ***	<b>Engine Escalation Data:</b>	
<b>In-Flight Entertainment (IFE) Estimate:</b>		\$ ***	<b>Base Year Index (ECI):</b>	***
<b>Refundable Deposit/Aircraft at Proposal Accept:</b>		\$ ***	<b>Base Year Index (CPI):</b>	***

Delivery Date	Number of Aircraft	Escalation Factor (Airframe)	Escalation Factor (Engine)	Serial Number	Escalation Estimate Adv Payment Base Price Per A/P	Advance Payment Per Aircraft (Amts. Due/Mos. Prior to Delivery):			
						***	***	***	***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***



AIRCRAFT CONFIGURATION

between

THE BOEING COMPANY

and

UNITED AIRLINES, INC.

Exhibit A3 to Purchase Agreement Number 3860

P.A. No. 3860

A3

SA-1

**BOEING / UNITED AIRLINES, INC. PROPRIETARY**

AIRCRAFT CONFIGURATION

relating to

BOEING MODEL 787-10 AIRCRAFT

The Airframe Price in Table 1 was established utilizing the 787 Airplane Description and Selections \*\*\* Revision \*\*\* dated \*\*\*. The content of this Exhibit A3 will be defined pursuant to the provisions of Letter Agreement UAL-PA-03860-LA-1301373 entitled "787-10 Open Configuration and Other Matters" to the Purchase Agreement.

P.A. No. 3860

A3-1

SA-1

**BOEING / UNITED AIRLINES, INC. PROPRIETARY**

BUYER FURNISHED EQUIPMENT VARIABLES

between

THE BOEING COMPANY

and

UNITED AIR LINES, INC.

Supplemental Exhibit BFE1 to Purchase Agreement Number 3860

P.A. No. 3860

BFE1

SA-1

**BOEING / UNITED AIRLINES, INC. PROPRIETARY**

BUYER FURNISHED EQUIPMENT VARIABLES

relating to

BOEING MODEL 787 AIRCRAFT

This Supplemental Exhibit BFE1 contains vendor selection dates, on-dock dates and other variables applicable to the Aircraft.

1. Supplier Selection.

Customer will:

1.1 Select and notify Boeing of the suppliers and part numbers of the following Buyer Furnished Equipment (BFE) items by the following dates:

\_\_\_\_\_

*(date to be determined, if BFE is applicable)*

2. On-dock Dates.

On or before *(date to be determined, if BFE is applicable)*, Boeing will provide to Customer a BFE Requirements On-Dock/Inventory Document (BFE Document) or an electronically transmitted BFE Report which may be periodically revised, setting forth the items, quantities, on-dock dates and shipping instructions relating to the in-sequence installation of BFE. For planning purposes, a preliminary BFE on-dock schedule is set forth below:

Item	<u>Preliminary On-Dock Dates</u>
	<u>[Month of Delivery:]</u>

Aircraft

Aircraft

*(date to be determined, if BFE is applicable)*

3. Additional Delivery Requirements

Customer will ensure that Customer's BFE suppliers provide sufficient information to enable Boeing, when acting as Importer of Record for Customer's BFE, to comply with all applicable provisions of the U.S. Customs Service.

P.A. No. 3860

BFE1-1

SA-1

**BOEING / UNITED AIRLINES, INC. PROPRIETARY**



UAL-PA-03860-LA-1209265R1

United Airlines, Inc.  
233 South Wacker Drive  
Chicago, Illinois 60606

Subject: Option Aircraft

Reference: Purchase Agreement 3860 (**Purchase Agreement**) between The Boeing Company (**Boeing**) and United Airlines, Inc. (**Customer**) relating to Model 787 aircraft (**Aircraft**)

This letter agreement (**Letter Agreement**) amends and supplements the Purchase Agreement. All terms used but not defined in this Letter Agreement have the same meaning as in the Purchase Agreement.

Boeing agrees to manufacture and sell to Customer additional Aircraft as **Option Aircraft**. The model, delivery months, number of aircraft, Advance Payment Base Price per aircraft and advance payment schedule are listed in Attachments B-1 and B-2 to this Letter Agreement (**Attachments**).

**1. Aircraft Description and Changes.**

1.1 Aircraft Description: The Option Aircraft are described by the Detail Specification listed in the Attachments, and subject to the items in section 1.2 below.

1.2 Changes: The Detail Specification will be revised to include:

- (i) Changes applicable to the basic Model 787 aircraft which are developed by Boeing between the date of the Detail Specification and the signing of the definitive agreement to purchase the Option Aircraft;
- (ii) Changes required to obtain required regulatory certificates; and
- (iii) Changes mutually agreed upon.

P.A. No. 3860  
UAL-PA-03860-LA-1209265R1, Option Aircraft

SA-1  
Page 1

**BOEING / UNITED AIRLINES, INC. PROPRIETARY**





## 2. **Price.**

2.1. The pricing elements of the Option Aircraft are listed in the Attachments to this Letter Agreement.

### 2.2. **Price Adjustments.**

2.2.1. **Optional Features.** The Optional Features Prices that will be identified in the definitive agreement for the Option Aircraft will equal (i) the Optional Features Prices as of \*\*\*

2.2.2. **Escalation Adjustments.** The Airframe Price and the Optional Features Prices for Option Aircraft will be escalated on the same basis as the Aircraft, and will be adjusted to Boeing's then-current escalation provisions as of the date of execution of the definitive agreement for the Option Aircraft.

The engine manufacturer's current escalation provisions, listed in Exhibit Supplement EE1 to the Purchase Agreement, have been \*\*\* to the months of scheduled delivery using commercial forecasts to calculate the Advance Payment Base Price listed in the Attachments to \*\*\* will be revised if they are changed by the engine manufacturer \*\*\* the Option Aircraft.

2.2.3. **Base Price Adjustments.** The Airframe Price and the Engine Price of the Option Aircraft will be adjusted to Boeing's and the engine manufacturer's \*\*\* prices as of \*\*\* the Option Aircraft.

## 3. **Payment.**

3.1 Customer will pay a non-refundable deposit to Boeing in the amount shown in the Attachments for each Option Aircraft (**Option Deposit**), on the date of this Letter Agreement. If Customer exercises an option, the Option Deposit will be credited against the first advance payment due. \*\*\*

3.2 If Customer exercises its option to acquire an Option Aircraft, advance payments in the amounts and at the times listed in the Attachments will be payable for that Option Aircraft. The remainder of the Aircraft Price for that Option Aircraft will be paid at the time of delivery.

## 4. **Option Exercise.**

4.1. Customer may exercise an option to acquire an Option Aircraft by giving written notice to Boeing no later than \*\*\* prior to the first business day of the applicable delivery month listed in the Attachment.

4.2. Reserved.



4.3. Customer's Model 787-10 Option Aircraft in Attachment B1 and B2 to this Letter Agreement are scheduled by calendar month. Upon exercise of a 787-10 Option Aircraft, Boeing \*\*\* Attachment B to this Letter Agreement with written notice to Customer no less than \*\*\* prior to the scheduled delivery month; provided, that Boeing \*\*\* such 787-10 Option Aircraft \*\*\* delivery months \*\*\* the total number of such 787-10 Option Aircraft \*\*\* and all other applicable terms and conditions will be adjusted accordingly. \*\*\* will not be considered either \*\*\* the AGTA) \*\*\* Letter Agreement UAL-PA-03860-LA-1209414, entitled "Other Special Matters"), and all applicable terms and conditions set forth in the Purchase Agreement (e.g., Airframe Price Adjustment and Engine Price Adjustment and advance payments) shall be \*\*\* month.

4.4. Customer may elect to place an exercised Option Aircraft in Purchase Agreement No. 2484 dated as of December 29, 2004 between Boeing and Customer relating to the purchase and sale of Model 787 aircraft, as amended and supplemented (**Purchase Agreement 2484**) in lieu of the Purchase Agreement and Customer may elect to place an exercised option aircraft contracted under Purchase Agreement 2484 in the Purchase Agreement, and in either such case, subject to execution of supplemental agreements to amend this Purchase Agreement and Purchase Agreement 2484.

#### **5. Contract Terms.**

Boeing and Customer will use their best efforts to reach a definitive agreement for the purchase of an Option Aircraft, including the terms and conditions contained in this Letter Agreement, in the Purchase Agreement, and other terms and conditions as may be agreed upon to add the Option Aircraft to the Purchase Agreement as an Aircraft. If the parties have not entered into a definitive agreement within \*\*\* following option exercise, either party may terminate the purchase of such Option Aircraft by giving written notice to the other within \*\*\*. If Customer and Boeing fail to enter into such definitive agreement, Boeing will retain the Option Deposit for that Option Aircraft \*\*\*.

[The rest of this page is intentionally left blank. Signature page follows]

P.A. No. 3860  
UAL-PA-03860-LA-1209265R1, Option Aircraft

**BOEING / UNITED AIRLINES, INC. PROPRIETARY**

SA-1  
Page 3



Very truly yours,

THE BOEING COMPANY

By \*\*\*  
Its Attorney-in-Fact

Attachments: Attachment B-1, 787-10 with GENX-1B\*\*\* Engines: Option Aircraft Delivery, Description, Price and Advance Payments  
Attachment B-2, 787-10 with TRENT1000-\*\*\* Engines: Option Aircraft Delivery, Description, Price and Advance Payments

ACCEPTED AND AGREED TO this

Date: June 17, 2013

UNITED AIRLINES, INC.

By /s/ Gerald Laderman  
Its Senior Vice President – Finance and Treasurer

P.A. No. 3860  
UAL-PA-03860-LA-1209265R1, Option Aircraft

**BOEING / UNITED AIRLINES, INC. PROPRIETARY**

**Attachment B-1 to Letter Agreement UAL-PA-03860-LA-120965R1**  
**787-10 Option Aircraft with GENX-1B\*\*\***  
**Engines Delivery, Description, Price and Advance Payments**  
**(787-10/GE/\*\*\*)**

<b>Airframe Model/MTOW:</b>	787-10	*** pounds	<b>Detail Specification:</b>	***
<b>Engine Model/Thrust:</b>	GENX-1B***	*** pounds	<b>Airframe Price Base Year/Escalation Formula:</b>	*** ***
<b>Airframe Price:</b>		\$ ***	<b>Engine Price Base Year/Escalation Formula:</b>	*** ***
<b>Optional Features:</b>		\$ ***		
<b>Sub-Total of Airframe and Features:</b>		\$ ***	<b>Airframe Escalation Data:</b>	
<b>Engine Price (Per Aircraft):</b>		\$ ***	<b>Base Year Index (ECI):</b>	***
<b>Aircraft Basic Price (Excluding BFE/SPE):</b>		\$ ***	<b>Base Year Index (CPI):</b>	***
<b>Buyer Furnished Equipment (BFE) Estimate:</b>		\$ ***	<b>Engine Escalation Data:</b>	***
<b>In-Flight Entertainment (IFE) Estimate:</b>		\$ ***	<b>Base Year Index (ECI):</b>	***
			<b>Base Year Index (CPI):</b>	***
<b>Non-Refundable Deposit/Aircraft at Def Agreement</b>		\$ ***		

Delivery Date	Number of Aircraft	Escalation Factor (Airframe)	Escalation Factor (Engine)	Manufacturer Serial Number	Escalation Estimate Adv Payment Base Price Per A/P	Advance Payment Per Aircraft (Amts. Due/Mos. Prior to Delivery):			
						***	***	***	***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***

**Attachment B-1 to Letter Agreement UAL-PA-03860-LA-120965R1**  
**787-10 Option Aircraft with GENX-1B\*\*\***  
**Engines Delivery, Description, Price and Advance Payments**  
**(787-10/GE/\*\*\*)**

<u>Delivery Date</u>	<u>Number of Aircraft</u>	<u>Escalation Factor (Airframe)</u>	<u>Escalation Factor (Engine)</u>	<u>Manufacturer Serial Number</u>	<u>Escalation Estimate Adv Payment Base Price Per A/P</u>	<u>Advance Payment Per Aircraft (Amts. Due/Mos. Prior to Delivery):</u>			
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
Total:	***								

**Boeing Proprietary**

787-10 with GE Engines Table 1 to SA-1, Page 2

**Attachment B-2 to Letter Agreement UAL-PA-03860-LA-120965R1  
 787-10 Option Aircraft with TRENT 1000-\*\*\*  
 Engines Delivery, Description, Price and Advance Payments  
 (787-10/RR/\*\*\*)**

Airframe Model/MTOW:	787-10	*** pounds	Detail Specification:	***
Engine Model/Thrust:	TRENT1000-***	*** pounds	Airframe Price Base Year/Escalation Formula:	*** ***
Airframe Price:		\$ ***	Engine Price Base Year/Escalation Formula:	*** ***
Optional Features:		\$ ***		
Sub-Total of Airframe and Features:		\$ ***	<u>Airframe Escalation Data:</u>	
Engine Price (Per Aircraft):		\$ ***	Base Year Index (ECI):	***
Aircraft Basic Price (Excluding BFE/SPE):		\$ ***	Base Year Index (CPI):	***
Buyer Furnished Equipment (BFE) Estimate:		\$ ***	<u>Engine Escalation Data:</u>	
In-Flight Entertainment (IFE) Estimate:		\$ ***	Base Year Index (ECI):	***
			Base Year Index (CPI):	***
Non-Refundable Deposit/Aircraft at Def Agreement		\$ ***		

Delivery Date	Number of Aircraft	Escalation Factor (Airframe)	Escalation Factor (Engine)	Manufacturer Serial Number	Escalation Estimate Adv Payment Base Price Per A/P	Advance Payment Per Aircraft (Amts. Due/Mos. Prior to Delivery):			
						***	***	***	***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***

Boeing Proprietary

787-10 with GE Engines Table 1 to SA-1, Page 3

**Attachment B-2 to Letter Agreement UAL-PA-03860-LA-120965R1**  
**787-10 Option Aircraft with TRENT 1000-\*\*\***  
**Engines Delivery, Description, Price and Advance Payments**  
**(787-10/RR/\*\*\*)**

Delivery Date	Number of Aircraft	Escalation Factor (Airframe)	Escalation Factor (Engine)	Manufacturer Serial Number	Escalation Estimate Adv Payment Base Price Per A/P	Advance Payment Per Aircraft (Amts. Due/Mos. Prior to Delivery):			
						***	***	***	***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
<b>Total:</b>	***								

Boeing Proprietary

787-10 with GE Engines Table 1 to SA-1, Page 4



The Boeing Company  
P.O. Box 3707  
Seattle, WA 98124-2207

UAL-PA-03860-LA-1209236R1

United Airlines, Inc.  
233 South Wacker Drive  
Chicago, Illinois 60606

Subject: Model Substitution

Reference: Purchase Agreement No. 3860 (**Purchase Agreement**) between The Boeing Company (**Boeing**) and United Airlines, Inc. (**Customer**) relating to Model 787 aircraft (**Aircraft**)

This letter agreement (**Letter Agreement**) amends and supplements the Purchase Agreement. All terms used and not defined in this Letter Agreement have the same meaning as in the Purchase Agreement.

Customer may substitute the purchase of any Boeing Model 787-8/-9/-10 aircraft in place of any firmly contracted Model 787-8/-9/-10 aircraft, subject to availability, and subject to the following terms and conditions (**Substitution Right**):

1. **Definitions.**

“**Substitution Aircraft**” means any Model 787-8, 787-9 or 787-10 aircraft resulting from Customer exercising the Substitution Right.

“**787-8/787-9 Substitution**” means Customer substitution of Model 787-9 in place of Model 787-8 aircraft and similarly Customer substitution of Model 787-8 aircraft in place of Model 787-9 aircraft.

“**Substitution to 787-10**” means Customer substitution of Model 787-10 aircraft in place of Model 787-9 or 787-8 aircraft.

“**Substitution from 787-10**” means Customer substitution of Model 787-8 or 787-9 aircraft in place of Model 787-10 aircraft.

\*\*\*

P.A. No. 3860  
UAL-PA-03860-LA-1209236R1, Model Substitution

**BOEING / UNITED AIRLINES, INC. PROPRIETARY**

SA-1  
Page 1





**2. Substitution Aircraft Pricing.**

2.1 The price for each Substitution Aircraft is as set forth in Attachments \*\*\*. Pricing of Substitution Aircraft is subject to change if a different GENx or Trent engine model or thrust level is configured for the Substitution Aircraft.

2.2 Boeing agrees to \*\*\* the Model 787-\*\*\* aircraft \*\*\* for the \*\*\* 787-\*\*\* Aircraft \*\*\* Customer exercising the Substitution Right as part of this Supplemental Agreement \*\*\* prior to delivery of the applicable Substitution Aircraft. At \*\*\* prior to delivery, Boeing will \*\*\* of the Substitution Aircraft \*\*\* for Model 787-9 Aircraft.

2.3 If Customer exercises its \*\*\* from the \*\*\* Aircraft scheduled to deliver in \*\*\* to effect a \*\*\* to 787-\*\*\*, the terms of Amendment 1 to Letter Agreement 6-1162-RCN-1935 and Section \*\*\* of Letter Agreement UAL-PA-03860-LA-1209413 entitled "Special Matters" shall apply.

**3. Substitution Notice.**

Customer shall notify Boeing of its intent to exercise the Substitution Right (**Substitution Notice**) at least:

3.1 \*\*\* prior to the scheduled delivery month of the 787-8 or 787-9 Aircraft for 787-8/787-9 Substitution.

3.2 \*\*\* prior to the scheduled delivery month of the 787-8, 787-9 or 787-10 Aircraft for the Substitution to 787-10 or Substitution from 787-10\*\*\*, or

3.3 \*\*\*

3.4 Boeing shall work with Customer to \*\*\* as the 787-9 \*\*\* program\*\*\* becomes defined.

**4. 787-10 Substitution.**

The Substitution Right as it relates to Substitution to 787-10 and Substitution from 787-10 will commence with the \*\*\*after the \*\*\*, and is subject to the following additional conditions:

4.1 Approval by the Board of Directors of Boeing to launch the 787-10 program (**Program Launch**);

4.2 Boeing reaching final agreement with the applicable engine manufacturer(s) for engines on the Boeing Model 787-10 aircraft;

4.3 If applicable, Boeing and Customer reaching final agreement on the terms and conditions of \*\*\* Boeing Model 787-10 aircraft \*\*\* of the 787-10; and

P.A. No. 3860

UAL-PA-03860-LA-1209236 Model Substitution

SA-1

Page 2

**BOEING / UNITED AIRLINES, INC. PROPRIETARY**



4.4 If applicable, revision of the scheduled month of delivery if Customer selects a different engine for its Model 787-10 Substitution Aircraft than that selected by the customer taking delivery of the first Boeing Model 787-10 aircraft;

5. Training.

The training terms of Supplemental Exhibit CS1 Part 1 of the Purchase Agreement shall apply to the Substitution Aircraft. The \*\*\* shall not be adjusted as a result of Customer exercising its Substitution Right.

6. Production Constraints.

6.1 With respect to any Substitution Aircraft, Customer's Substitution Right is further conditioned upon Boeing having production capability for the Substitution Aircraft in the same scheduled delivery month as the Aircraft for which it will be substituted. Within \*\*\* after receipt of a Substitution Notice, Boeing will provide a written response to Customer's Substitution Notice indicating \*\*\* Boeing's production capability \*\*\* for the Substitution Aircraft.

6.2 If Boeing is \*\*\* to manufacture the Substitution Aircraft \*\*\*, then Boeing \*\*\* for the Substitution Aircraft for Customer's consideration and written acceptance within \*\*\* of \*\*\*.

6.3 All of Boeing's quoted delivery positions for Substitution Aircraft shall be considered preliminary until such time as the parties enter into a definitive supplemental agreement in accordance with paragraph 4 below.

7. Supplemental Agreement.

Boeing and Customer will enter into a Supplemental Agreement with respect to each Substitution Aircraft for the purpose of incorporating the Substitution Aircraft into the Purchase Agreement. Boeing and Customer will cooperate in good faith and exert commercially reasonable efforts to negotiate and execute a Supplemental Agreement within \*\*\* of the later of (i) Customer's Substitution Notice to Boeing or (ii) \*\*\*. Upon the execution and delivery of a Supplemental Agreement pursuant to this Section 7, the aircraft identified in such Supplemental Agreement shall be deemed a "Firm Aircraft" for purposes of this Letter Agreement and an "Aircraft" as defined in the Purchase Agreement and shall be governed by the Purchase Agreement.

8. Confidential Treatment.

Boeing and Customer understand that certain information contained in this Letter Agreement, including any attachments hereto, is considered by both parties to be confidential. Boeing and Customer agree that each party will treat this Letter Agreement and the information contained herein as confidential and will not, without the other party's prior written consent, disclose this Letter Agreement or any information contained herein to any other person or entity except as may be required by applicable law or governmental regulations.



Very truly yours,

THE BOEING COMPANY

By \*\*\*  
Its Attorney-in-Fact

Attachments:

- Attachment A-1: 787-9 GE Powered Pricing;
- Attachment A-2: 787-9 Rolls Royce Powered Pricing
- Attachment B-1: 787-10 GE Powered Pricing
- Attachment B-2: 787-10 Rolls Royce Powered Pricing
- Attachment C-1: 787-8 GE Powered Pricing
- Attachment C-2: 787-8 Rolls Royce Powered Pricing

ACCEPTED AND AGREED TO this

Date: June 17, 2013

**UNITED AIRLINES, INC.**

By /s/ Gerald Laderman  
Its Senior Vice President – Finance and Treasurer

P.A. No. 3860  
UAL-PA-03860-LA-1209236 Model Substitution

**BOEING / UNITED AIRLINES, INC. PROPRIETARY**

SA-1  
Page 4

**Attachment A-1 to Model Substitution Letter Agreement UAL-03860-LA-1209236R1  
(787-9 / GE / \*\*\*)**

<b>Airframe Model/MTOW:</b>	787-9	*** pounds	<b>Detail Specification:</b>	***	
<b>Engine Model/Thrust:</b>	GENX-1B***	*** pounds	<b>Airframe Price Base Year/Escalation Formula:</b>	***	***
<b>Airframe Price:</b>		\$ ***	<b>Engine Price Base Year/Escalation Formula:</b>	***	***
<b>Optional Features:</b>		***			
<b>Sub-Total of Airframe and Features:</b>		\$ ***	<b><u>Airframe Escalation Data:</u></b>		
<b>Engine Price (Per Aircraft):</b>		\$ ***	<b>Base Year Index (ECI):</b>	***	
<b>Aircraft Basic Price (Excluding BFE/SPE):</b>		\$ ***	<b>Base Year Index (CPI):</b>	***	
<b>Buyer Furnished Equipment (BFE) Estimate:</b>		\$ ***	<b><u>Engine Escalation Data:</u></b>		
<b>Seller Purchased Equipment (SPE) Estimate:</b>		\$ ***	<b>Base Year Index (ECI):</b>	***	
			<b>Base Year Index (CPI):</b>	***	
<b>Refundable Deposit/Aircraft at Proposal Accept:</b>		\$ ***			

Attachment B-1 to UAL-PA-03860-LA-1209236R1  
APR 61190

**Boeing / United Airlines, Inc. Proprietary**

SA-1, Attachment B-1, Page 1

**Attachment A-2 to Model Substitution Letter UAL-PA-03860-LA-1209236R1  
(787-9 / RR / \*\*\*)**

<b>Airframe Model/MTOW:</b>	787-9	*** pounds	<b>Detail Specification:</b>	***	
<b>Engine Model/Thrust:</b>	TRENT1000-***	*** pounds	<b>Airframe Price Base Year/Escalation Formula:</b>	***	***
<b>Airframe Price:</b>		\$ ***	<b>Engine Price Base Year/Escalation Formula:</b>	***	***
<b>Optional Features:</b>		***			
<b>Sub-Total of Airframe and Features:</b>		\$ ***	<b><u>Airframe Escalation Data:</u></b>		
<b>Engine Price (Per Aircraft):</b>		*** *	<b>Base Year Index (ECI):</b>	***	
<b>Aircraft Basic Price (Excluding BFE/SPE):</b>		\$ ***	<b>Base Year Index (CPI):</b>	***	
<b>Buyer Furnished Equipment (BFE) Estimate:</b>		\$ ***	<b><u>Engine Escalation Data:</u></b>		
<b>Seller Purchased Equipment (SPE) Estimate:</b>		\$ ***	<b>Base Year Index (ECI):</b>	***	
<b>In-Flight Entertainment (IFE) Estimate:</b>		\$ ***	<b>Base Year Index (CPI):</b>	***	
<b>Refundable Deposit/Aircraft at Proposal Accept:</b>		\$ ***			

\* See Letter Agreement UAL-PA-03860-LA-1209618R1, "Alternate Engine Selection"

**Attachment B-1 to Model Substitution Letter Agreement UAL-03860-LA-1209236R1  
(787-10 / GE / \*\*\*)**

<b>Airframe Model/MTOW:</b>	787-10	*** pounds	<b>Detail Specification:</b>	***	
<b>Engine Model/Thrust:</b>	GENX-1B***	*** pounds	<b>Airframe Price Base Year/Escalation Formula:</b>	***	***
<b>Airframe Price:</b>		\$ ***	<b>Engine Price Base Year/Escalation Formula:</b>	***	***
<b>Optional Features:</b>		***			
<b>Sub-Total of Airframe and Features:</b>		\$ ***	<b><u>Airframe Escalation Data:</u></b>		
<b>Engine Price (Per Aircraft):</b>		\$ ***	<b>Base Year Index (ECI):</b>	***	
<b>Aircraft Basic Price (Excluding BFE/SPE):</b>		\$ ***	<b>Base Year Index (CPI):</b>	***	
<b>Buyer Furnished Equipment (BFE) Estimate:</b>		\$ ***	<b><u>Engine Escalation Data:</u></b>		
<b>Seller Purchased Equipment (SPE) Estimate:</b>		\$ ***	<b>Base Year Index (ECI):</b>	***	
<b>Refundable Deposit/Aircraft at Proposal Accept:</b>		\$ ***	<b>Base Year Index (CPI):</b>	***	

Attachment B-1 to UAL-PA-03860-LA-1209236R1  
APR 61190

**Boeing / United Airlines, Inc. Proprietary**

SA-1, Attachment B-1, Page 1

**Attachment B-2 to Model Substitution Letter Agreement UAL-03860-LA-1209236R1  
(787-10 / \*\*\* / RR)**

<b>Airframe Model/MTOW:</b>	787-10	*** pounds	<b>Detail Specification:</b>	***	
<b>Engine Model/Thrust:</b>	Trent 1000-***	*** pounds	<b>Airframe Price Base Year/Escalation Formula:</b>	***	***
<b>Airframe Price:</b>		\$ ***	<b>Engine Price Base Year/Escalation Formula:</b>	***	***
<b>Optional Features:</b>		***			
<b>Sub-Total of Airframe and Features:</b>		\$ ***	<b>Airframe Escalation n</b>		
<b>Engine Price (Per Aircraft):</b>		*** *	<b>Base Year Index (ECI):</b>	***	
<b>Aircraft Basic Price (Excluding Engines and BFE/SPE):</b>		\$ ***	<b>Base Year Index (CPI):</b>	***	
<b>Buyer Furnished Equipment (BFE) Estimate:</b>		\$ ***	<b>Engine Escalation Data:</b>		
<b>Seller Purchased Equipment (SPE) Estimate:</b>		\$ ***	<b>Base Year Index (ECI):</b>	***	
			<b>Base Year Index (CPI):</b>	***	
<b>Refundable Deposit/Aircraft at Proposal Accept:</b>		\$ ***			

\* See Letter Agreement UAL-PA-03860-LA-1209618R1, "Alternate Engine Selection"

**Attachment C-1 to Model Substitution Letter Agreement UAL-03860-LA-1209236R1  
(787-8 / \*\*\* / GE)**

<b>Airframe Model/MTOW:</b>	787-8	*** pounds	<b>Detail Specification:</b>	***	
<b>Engine Model/Thrust:</b>	GENX-1B***	*** pounds	<b>Airframe Price Base Year/Escalation Formula:</b>	***	***
<b>Airframe Price:</b>		\$ ***	<b>Engine Price Base Year/Escalation Formula:</b>	***	***
<b>Optional Features:</b>		***			
<b>Sub-Total of Airframe and Features:</b>		\$ ***	<b><u>Airframe Escalation Data:</u></b>		
<b>Engine Price (Per Aircraft):</b>		\$ ***	<b>Base Year Index (ECI):</b>	***	
<b>Aircraft Basic Price (Excluding BFE/SPE):</b>		\$ ***	<b>Base Year Index (CPI):</b>	***	
<b>Buyer Furnished Equipment (BFE) Estimate:</b>		\$ ***	<b><u>Engine Escalation Data:</u></b>		
<b>Seller Purchased Equipment (SPE) Estimate:</b>		\$ ***	<b>Base Year Index (ECI):</b>	***	
<b>In Flight Entertainment (IFE) Fixed\$:</b>		\$ ***	<b>Base Year Index (CPI):</b>	***	
<b>Refundable Deposit/Aircraft at Proposal Accept:</b>		\$ ***			

**Boeing Proprietary**

SA-1, Attachment C-1, Page 1



**Attachment C-2 to Model Substitution Letter Agreement UAL-03860-LA-1209236R1  
(787-8 / \*\*\* Airframe / RR)**

<b>Airframe Model/MTOW:</b>	787-8	*** pounds	<b>Detail Specification:</b>	***	
<b>Engine Model/Thrust:</b>	TRENT1000-***	*** pounds	<b>Airframe Price Base Year/Escalation Formula:</b>	***	***
<b>Airframe Price:</b>		\$ ***	<b>Engine Price Base Year/Escalation Formula:</b>	***	***
<b>Optional Features:</b>		***			
<b>Sub-Total of Airframe and Features:</b>		\$ ***	<b><u>Airframe Escalation Data:</u></b>		
<b>Engine Price (Per Aircraft):</b>		*** *	<b>Base Year Index (ECI):</b>	***	
<b>Aircraft Basic Price (Excluding BFE/SPE):</b>		\$ ***	<b>Base Year Index (CPI):</b>	***	
<b>Buyer Furnished Equipment (BFE) Estimate:</b>		\$ ***	<b><u>Engine Escalation Data:</u></b>		
<b>Seller Purchased Equipment (SPE) Estimate:</b>		\$ ***	<b>Base Year Index (ECI):</b>	***	
<b>In Flight Entertainment (IFE) Fixed\$:</b>		\$ ***	<b>Base Year Index (CPI):</b>	***	
<b>Refundable Deposit/Aircraft at Proposal Accept:</b>		\$ ***			

\* See Letter Agreement UAL-PA-03860-LA-1209618R1, "Alternate Engine Selection"

**Boeing Proprietary**

SA-1, Attachment C-2, Page 1



UAL-PA-03860-LA-1209413R1

United Airlines, Inc.  
233 South Wacker Drive  
Chicago, Illinois 60606

Subject: Special Matters

Reference: Purchase Agreement No. 3860 (**Purchase Agreement**) between The Boeing Company (**Boeing**) and United Airlines, Inc. relating to Model 787 aircraft (**Aircraft**)

This letter agreement (**Letter Agreement**) amends and supplements the Purchase Agreement. All terms used and not defined in this Letter Agreement have the same meaning as in the Purchase Agreement.

1. Credit Memoranda.

1.1. 787-8 Credit Memoranda.

In consideration of Customer's purchase of 787-8 Aircraft, Boeing shall issue at the time of delivery of each 787-8 Aircraft and 787-8 Option Aircraft, a credit memorandum to Customer in an amount equal to \*\*\*. The credit memorandum is \*\*\* airframe \*\*\* the Aircraft Price \*\*\*. Customer may apply such credit memorandum to \*\*\* Aircraft.

1.2. 787-9 Credit Memoranda.

In consideration of Customer's purchase of 787-9 Aircraft, Boeing shall issue at the time of delivery of each 787-9 Aircraft and 787-9 Option Aircraft, a credit memorandum to Customer in an amount equal to \*\*\*. The credit memorandum is \*\*\* airframe \*\*\* the Aircraft Price \*\*\*. Customer may apply such credit memorandum to \*\*\* Aircraft.

1.3. 787-10 Credit Memoranda.

In consideration of Customer's purchase of 787-10 Aircraft, Boeing shall issue at the time of delivery of each 787-10 Aircraft and 787-10 Option Aircraft, a credit memorandum to Customer in an amount equal to \*\*\*. The credit memorandum is \*\*\* airframe \*\*\* the Aircraft Price \*\*\*. Customer may apply such credit memorandum to \*\*\* Aircraft.

UAL-PA-03860-LA-1209413R1  
Special Matters

**BOEING / UNITED AIRLINES, INC. PROPRIETARY**



2. Model 787 \*\*\*.

Boeing \*\*\* the offer contained herein \*\*\* with the \*\*\* specified in \*\*\*. Furthermore, if \*\*\* the 787 aircraft \*\*\* Boeing \*\*\* 787 \*\*\* , Boeing will \*\*\* to the terms and conditions of the Purchase Agreement to \*\*\*.

2.1. 787-8 \*\*\*.

Boeing shall issue at the time of delivery of each 787-8 Aircraft \*\*\* a credit memorandum to Customer in an amount equal to \*\*\*. The credit memorandum is \*\*\* airframe \*\*\* the Aircraft Price \*\*\*. Customer may apply such credit memorandum to \*\*\* Aircraft.

2.2. 787-9 \*\*\*.

Boeing shall issue at the time of delivery of each 787-9 Aircraft \*\*\* a credit memorandum to Customer in an amount equal to \*\*\*. The credit memorandum is \*\*\* airframe \*\*\* the Aircraft Price \*\*\*. Customer may apply such credit memorandum to \*\*\* Aircraft.

3. \*\*\*

\*\*\*

4. Payment of \*\*\*.

4.1. \*\*\* Firm Aircraft. Customer agrees \*\*\* on \*\*\* for all firm and exercised Option Aircraft \*\*\* the date on which \*\*\* the date on which \*\*\* shall be \*\*\* and \*\*\* day of \*\*\* and on the delivery date of \*\*\* Aircraft \*\*\*. (Note: the \*\*\* above will be \*\*\* for the \*\*\* the \*\*\* on the \*\*\* for \*\*\* would be \*\*\* for \*\*\*)

4.2. Delivery \*\*\* Impact on \*\*\*. If the delivery of any Aircraft \*\*\* to either an \*\*\* or a \*\*\*, then \*\*\* on the \*\*\* in respect of such Aircraft will \*\*\* the \*\*\* \*\*\* the \*\*\* of the \*\*\* to the \*\*\* of delivery of the Aircraft. \*\*\* of any \*\*\* that \*\*\* to the \*\*\* of the \*\*\* but \*\*\* \*\*\* will be \*\*\* on the \*\*\* set forth in Paragraph 4.1 of this Letter Agreement or \*\*\* of the Aircraft\*\*\*.

4.3. Boeing \*\*\*. Boeing shall submit to Customer, not less than \*\*\* prior to the end of \*\*\*, an \*\*\*. Customer's \*\*\* is \*\*\* Boeing \*\*\* of the \*\*\*. Boeing's \*\*\* will show \*\*\* each Aircraft \*\*\* have been \*\*\*. The \*\*\* will also \*\*\* with respect to other aircraft in other purchase agreements between Customer and Boeing.

4.4. \*\*\* Provisions for the Launch Aircraft. With respect to (i) the \*\*\* 787-10 Aircraft listed in Table 1 to the Purchase Agreement as of the effective date of Supplemental Agreement No. 1 to the Purchase Agreement; (ii) the \*\*\* Aircraft and (iii) the \*\*\* 787-\*\*\* Aircraft \*\*\* (collectively and each a **Launch Aircraft**), the parties agree that \*\*\* delivery of each Launch Aircraft \*\*\*. At time of delivery of each Launch Aircraft, Boeing will \*\*\*.



5. Option Aircraft \*\*\*.

5.1. \*\*\* Option Aircraft Letter Agreement UAL-PA-03860-LA-1209265R1 (**Option Aircraft Letter**) as the Attachment and/or the Option Aircraft Letter is subsequently revised, amended or supplemented, Boeing will \*\*\* 787 Option Aircraft.

5.2. \*\*\* Boeing and Customer \*\*\* that \*\*\* Option Aircraft added as part of Supplemental Agreement No. 1 \*\*\* Boeing for \*\*\* of the \*\*\* 787-\*\*\* Option Aircraft. The \*\*\* 787-10 Option Aircraft \*\*\* Supplemental Agreement No 1 to the Purchase Agreement.

6. \*\*\*.

Boeing \*\*\* at the time of delivery of each Aircraft \*\*\* and \*\*\*.

7. Aircraft Invoices.

Upon Customer request, at the time of Aircraft delivery Boeing agrees to provide a separate invoice addressed to the owner/trustee of such Aircraft specifying the dollar amount to be received at the time of delivery. \*\*\*

8. Assignment of Credits.

Customer may not assign the credit memoranda described in this Letter Agreement without Boeing's prior written consent \*\*\* Boeing \*\*\* Customer in respect of an Aircraft.

9. Confidential Treatment.

Boeing and Customer understand that certain information contained in this Letter Agreement, including any attachments hereto, is considered by both parties to be confidential. Boeing and Customer agree that each party will treat this Letter Agreement and the information contained herein as confidential and will not, without the other party's prior written consent, disclose this Letter Agreement or any information contained herein to any other person or entity except as may be required by applicable law or governmental regulations.

[The rest of the page is intentionally blank. Signature page follows.]



Very truly yours,

THE BOEING COMPANY

By \*\*\*  
Its Attorney-In-Fact

ACCEPTED AND AGREED TO this

Date: June 17, 2013

**UNITED AIRLINES, INC.**

By /s/ Gerald Laderman  
Its Senior Vice President – Finance and Treasurer

UAL-PA-03860-LA-1209413R1  
Special Matters

**BOEING / UNITED AIRLINES, INC. PROPRIETARY**



UAL-PA-03860-LA-1209414 **Amendment 1**

United Airlines, Inc.  
233 South Wacker Drive  
Chicago, IL 60606

Subject: Other Special Matters

Reference: Purchase Agreement No. 3860 (**Purchase Agreement**) between Boeing and United Airlines, Inc. (**Customer**) relating to Model 787 aircraft (**Aircraft**)

This letter agreement (**Amending Letter Agreement**) amends and supplements the Purchase Agreement and amends certain of the terms and conditions of Letter Agreement UAL-PA-03860-LA-1209414 (**Original Letter Agreement**). All terms used and not defined in this Letter Agreement have the same meaning as in the Purchase Agreement.

**1. Amendments.**

a) Article 2 of the Original Letter Agreement is revised as follows:

2. Option Aircraft Exercise. Option Aircraft exercise terms can be found in Letter Agreement UAL-PA-03860-LA-1209265R1, entitled "Option Aircraft."

b) Article 3: To facilitate insertion of a second paragraph therein, Article 3 of the Original Letter Agreement is revised as follows:

3. Changes to \*\*\*.

3.1\*\*\*. Customer and Boeing have previously entered into agreements regarding \*\*\* for certain model 757, 767 and 777 aircraft. Boeing hereby agrees that \*\*\* which Customer may purchase under such agreements will \*\*\* by Customer \*\*\*. Boeing will provide \*\*\*, to be verified by Customer, that indicate the \*\*\* under such agreements.

**2. Additional Terms.**

A new Article 3.2 is added to the Original Letter Agreement and provides as follows:

3.2 787-9 \*\*\*. Boeing will provide to Customer\*\*\* the Model 787-9 Aircraft \*\*\*.

UAL-PA-03860-LA-1209414A1  
Other Special Matters

**BOEING / UNITED AIRLINES, INC. PROPRIETARY**

Page 1  
SA-1



\*\*\* 787-9 \*\*\*. Should Boeing \*\*\* the 787-9 Aircraft, Boeing \*\*\* in accordance with the \*\*\* unless \*\*\* pursuant to paragraphs 3.2.1 through 3.2.2 below.

3.2.1 Should Boeing \*\*\* the 787-9 Aircraft, Boeing \*\*\* Customer \*\*\* the 787-9 Aircraft \*\*\* as described in paragraph 3.2.2(ii).

3.2.2 \*\*\* 787-9 \*\*\* is limited to:

- (i) \*\*\* Boeing to \*\*\* the 787-9 Aircraft.
- (ii) 787-9 Aircraft listed in Table 1 to the Purchase Agreement \*\*\* for which Boeing has \*\*\* such 787-9 Aircraft \*\*\*



Very truly yours,

THE BOEING COMPANY

By \*\*\*  
Its Attorney-In-Fact

ACCEPTED AND AGREED TO this

Date: June 17, 2013

UNITED AIRLINES, INC.

By /s/ Gerald Laderman  
Its Senior Vice President – Finance and Treasurer

UAL-PA-03860-LA-1209414A1  
Other Special Matters

**BOEING / UNITED AIRLINES, INC. PROPRIETARY**

Page 3  
SA-1





UAL-PA-03860-LA-1209618R1

United Airlines, Inc.  
233 South Wacker Drive  
Chicago, Illinois 60606

Subject: Alternate Engine Selection

Reference: Purchase Agreement No. PA-3860 (**Purchase Agreement**) between The Boeing Company (**Boeing**) and United Airlines, Inc. (**Customer**) relating to Model 787 aircraft (**Aircraft**)

This letter agreement (**Letter Agreement**) amends and supplements the Purchase Agreement. All terms used but not defined in this Letter Agreement shall have the same meaning as in the Purchase Agreement.

**1. Deferral of Customer Engine Selection.**

Customer has requested and Boeing has agreed that Customer may delay the selection of engines for the Aircraft beyond the signing date of Supplemental Agreement No. 1 to the Purchase Agreement. The engine model \*\*\* shown in Table 1 to the Purchase Agreement, Supplemental Exhibit EE1 to the Purchase Agreement, Exhibit A to the Purchase Agreement, Attachment A and B to Option Aircraft Letter Agreement No. UAL-PA-03860-LA-1209265R1, Attachment A and B to Model Substitution Letter Agreement UAL-03860-LA-1209236R1 \*\*\* (collectively known as **Documents to be Revised upon Customer's Engine Selection**), as applicable, for Customer's chosen engine. The \*\*\* in effect at the time of engine selection will apply to the engine model selected.

**2. Customer Notification of Engine Selection.**

Customer shall notify Boeing of Customer's final engine selection on or before:

- (i) \*\*\* for Boeing Model 787-8 and Boeing Model 787-9, and
- (ii) \*\*\* for Boeing Model 787-10 (the first day of the month that is \*\*\* prior to the first Boeing Model 787-10 Aircraft to be delivered to Customer).

Promptly after such notification of Customer's final engine selection by Customer to Boeing, Boeing and Customer shall execute a Supplemental Agreement to the Purchase Agreement conforming the Documents to be Revised upon Customer's Engine Selection to Customer's engine selection.

UAL-PA-03860-LA-1209618R1  
Alternate Engine Selection

**BOEING / UNITED AIRLINES, INC. PROPRIETARY**

SA-1  
Page 1



3. **Confidential Treatment.**

Customer understands and agrees that the information contained herein represents confidential business information and has value precisely because it is not available generally or to other parties. Customer agrees to limit the disclosure of its contents to employees of Customer with a need to know the contents for purposes of helping Customer perform its obligations under the Purchase Agreement and who understand they are not to disclose its contents to any other person or entity without the prior written consent of Boeing.

[The rest of the page is intentionally blank. Signature page follows.]

UAL-PA-03860-LA-1209618R1  
Alternate Engine Selection

**BOEING / UNITED AIRLINES, INC. PROPRIETARY**

SA-1  
Page 2



Very truly yours,

THE BOEING COMPANY

By \*\*\*  
Its Attorney-In-Fact

ACCEPTED AND AGREED TO this

Date: June 17, 2013

**UNITED AIRLINES, INC.**

By /s/ Gerald Laderman  
Its Senior Vice President – Finance and Treasurer

UAL-PA-03860-LA-1209618R1  
Alternate Engine Selection

**BOEING / UNITED AIRLINES, INC. PROPRIETARY**

SA-1  
Page 3



UAL-PA-03860-LA-1301368

United Airlines, Inc.  
233 South Wacker Drive  
Chicago, Illinois 60606

Subject: Performance Guarantees (787-10)

Reference: Purchase Agreement No. PA 3860 (**Purchase Agreement**) between The Boeing Company (**Boeing**) and United Airlines, Inc. (**Customer**) relating to Model 787 aircraft (**Aircraft**)

This letter agreement (**Letter Agreement**) amends and supplements the Purchase Agreement. All terms used but not defined in this Letter Agreement shall have the same meaning as in the Purchase Agreement.

Boeing agrees to provide Customer with the performance guarantees in the Attachment. These guarantees are exclusive and expire with respect to an Aircraft upon delivery of such Aircraft to Customer.

The performance guarantees in the Attachment use the 787-10X nomenclature as appropriate until the airplane is launched. This is synonymous with the term 787-10 used in other portions of this Purchase Agreement.

1. Assignment.

Notwithstanding any other provisions of the Purchase Agreement, the rights and obligations described in this Letter Agreement are provided to Customer in consideration of Customer becoming the operator of the Aircraft and cannot be assigned in whole or, in part.

2. Confidential Treatment.

The information contained herein represents confidential business information and has value precisely because it is not available generally or to other parties. Customer will limit the disclosure of its contents to employees of Customer with a need to know the contents for purposes of helping Customer perform its obligations under the Purchase Agreement and who understand they are not to disclose its contents to any other person or entity without the prior written consent of Boeing.

UAL-PA-03860-LA-1301368  
Performance Guarantees (787-10)

**BOEING / UNITED AIRLINES, INC. PROPRIETARY**

LA Page 1



Very truly yours,

THE BOEING COMPANY

By \*\*\*  
Its Attorney-In-Fact

ACCEPTED AND AGREED TO this

Date: June 17, 2013

**UNITED AIRLINES, INC.**

By /s/ Gerald Laderman  
Its Senior Vice President – Finance and Treasurer

UAL-PA-03860-LA-1301368  
Performance Guarantees (787-10)

**BOEING / UNITED AIRLINES, INC. PROPRIETARY**

**MODEL 787-10X PERFORMANCE GUARANTEES  
FOR UNITED AIRLINES, INC.**

<b>SECTION</b>	<b>CONTENTS</b>	
<b>1</b>	<b>AIRCRAFT MODEL APPLICABILITY</b>	<b>2</b>
<b>2</b>	<b>FLIGHT PERFORMANCE</b>	<b>2</b>
<b>3</b>	<b>AIRCRAFT CONFIGURATION</b>	<b>21</b>
<b>4</b>	<b>GUARANTEE CONDITIONS</b>	<b>21</b>
<b>5</b>	<b>GUARANTEE COMPLIANCE</b>	<b>22</b>
<b>6</b>	<b>EXCLUSIVE GUARANTEES</b>	<b>23</b>

P.A. No. 03860  
AERO-B-BBA7-M13-0469

SS13-0250

**BOEING PROPRIETARY**

**1 AIRCRAFT MODEL APPLICABILITY**

The guarantees contained in this Attachment (the "Performance Guarantees") are applicable to the 787-10X Aircraft with a maximum takeoff weight of \*\*\* pounds, a maximum landing weight of \*\*\* pounds, and a maximum zero fuel weight of \*\*\* pounds, and equipped with Boeing furnished GEnx-1B\*\*\* engines.

**2 FLIGHT PERFORMANCE**

**2.1 Takeoff**

2.1.1 The FAA approved takeoff field length at a gross weight at the start of the ground roll of \*\*\* pounds, at a temperature of \*\*\*°F, at a \*\*\* altitude, based on the certified alternate forward center of gravity limit, and using maximum takeoff thrust, shall not be more than the following guarantee value:

NOMINAL:	*** Feet
TOLERANCE:	***Feet
GUARANTEE:	***Feet

2.1.2 The FAA approved takeoff gross weight at the start of ground roll, at a temperature of \*\*\*°F, at an altitude of \*\*\* feet, from a \*\*\* foot runway, and satisfying the conditions defined below, based on the certified alternate forward center of gravity limit, and using maximum takeoff thrust, shall not be less than the following guarantee value:

NOMINAL:	*** Pounds
TOLERANCE:	***Pounds
GUARANTEE:	***Pounds

Conditions:

The following obstacle definition is based on a straight-out departure where obstacle height and distance are specified with reference to the liftoff end of the runway:

	Distance	Height
1.	*** feet	*** feet
2.	*** feet	*** feet
3.	*** feet	*** feet
4.	*** feet	*** feet

**2.2 Landing**

The FAA approved landing field length at a gross weight of \*\*\* pounds and at a \*\*\* altitude, shall not be more than the following guarantee value:

NOMINAL:	*** Feet
TOLERANCE:	*** Feet
GUARANTEE:	*** Feet

**2.3 Cruise Range**

The still air range at an initial cruise altitude of \*\*\* feet on a standard day at \*\*\* Mach number, starting at a gross weight of \*\*\* pounds and consuming \*\*\* pounds of fuel, and using not more than maximum cruise thrust (except maximum climb thrust may be used during a step climb) and using the conditions and operating rules defined below, shall not be less than the following guarantee value:

NOMINAL:	*** Nautical Miles
TOLERANCE:	*** Nautical Miles
GUARANTEE:	*** Nautical Miles

Conditions and operating rules:

A step climb or multiple step climbs of \*\*\* feet altitude may be used when beneficial to minimize fuel burn.

**2.4 Mission**

**2.4.1 Mission Payload**

The payload for a stage length of \*\*\* nautical miles in still air (equivalent to a distance of \*\*\* nautical miles with a \*\*\* knot headwind, representative of a \*\*\* to \*\*\* route in \*\*\*) using the conditions and operating rules defined below, shall not be less than the following guarantee value:

NOMINAL:	*** Pounds
TOLERANCE:	*** Pounds
GUARANTEE:	*** Pounds

Conditions and operating rules:



Stage Length: The stage length is defined as the sum of the distances for the climbout maneuver, climb, cruise, and descent.

Takeoff: The airport altitude is \*\*\* feet.  
The airport temperature is \*\*\*°F.  
The runway length is \*\*\* feet.  
The following obstacle definition is based on a straight out departure where obstacle height and distance are specified with reference to the liftoff end of the runway:

	Distance	Height
1.	*** feet	*** feet
2.	*** feet	*** feet
3.	*** feet	*** feet
4.	*** feet	*** feet

Takeoff performance is based on the certified alternate forward center of gravity limit.

Maximum takeoff thrust is used for the takeoff.

The takeoff gross weight shall conform to FAA Regulations.

Climbout Maneuver: Following the takeoff to \*\*\* feet, the Aircraft accelerates to \*\*\* KCAS while climbing to \*\*\* feet above the departure airport altitude and retracting flaps and landing gear.

Climb: The Aircraft climbs from \*\*\* feet above the departure airport altitude to \*\*\* feet altitude at \*\*\* KCAS.  
The Aircraft then accelerates at a rate of climb of \*\*\* feet per minute to a climb speed of \*\*\* KCAS.  
The climb continues at \*\*\* KCAS until \*\*\* Mach number is reached.

The climb continues at \*\*\* Mach number to the initial cruise altitude.

The temperature is ISA+\*\*\*°C during climb.

Maximum climb thrust is used during climb.

Cruise:

The Aircraft cruises at \*\*\* Mach number.

The initial cruise altitude is \*\*\* feet.

A step climb or multiple step climbs of \*\*\* feet altitude may be used when beneficial to minimize fuel burn.

The temperature is ISA+\*\*\*°C during cruise.

The cruise thrust is not to exceed maximum cruise thrust except during a step climb when maximum climb thrust may be used.

Descent:

The Aircraft descends from the final cruise altitude at \*\*\* KCAS to an altitude of \*\*\* feet above the destination airport altitude.

Throughout the descent, the cabin pressure will be controlled to a maximum rate of descent equivalent to \*\*\* feet per minute \*\*\*.

The temperature is ISA+\*\*\*°C during descent.

Approach and Landing Maneuver:

The Aircraft decelerates to the final approach speed while extending landing gear and flaps, then descends and lands.

The destination airport altitude is \*\*\* feet.

Fixed Allowances:

For the purpose of this guarantee and for the purpose of establishing compliance with this guarantee, the following shall be used as fixed quantities and allowances:

Taxi-Out:

Fuel                    \*\*\* Pounds

Takeoff and Climbout Maneuver:

Fuel           \*\*\* Pounds  
Distance       \*\*\* Nautical Miles

Approach and Landing Maneuver:

Fuel           \*\*\* Pounds

Taxi-In (shall be consumed from the reserve fuel):

Fuel           \*\*\* Pounds

Usable reserve fuel remaining upon completion of the approach and landing maneuver: \*\*\* Pounds

For information purposes, the reserve fuel is based on a standard day temperature and \*\*\* minutes of fuel over the destination.

**2.4.2 Mission Payload**

The payload for a stage length of \*\*\* nautical miles in still air (equivalent to a distance of \*\*\* nautical miles with a \*\*\* knot headwind, representative of a \*\*\* to \*\*\* route in \*\*\*) using the conditions and operating rules defined below, shall not be less than the following guarantee value:

NOMINAL:	***Pounds
TOLERANCE:	***Pounds
GUARANTEE:	***Pounds

Conditions and operating rules:

Stage Length:                   The stage length is defined as the sum of the distances for the climbout maneuver, climb, cruise, and descent.

Takeoff:                         The airport altitude is \*\*\* feet.  
                                      The airport temperature is \*\*\*°F.  
                                      The runway length is \*\*\* feet.

The following obstacle definition is based on a straight out departure where obstacle height and distance are specified with reference to the liftoff end of the runway:

	Distance	Height
1.	*** feet	*** feet
2.	*** feet	*** feet
3.	*** feet	*** feet
4.	*** feet	*** feet

Takeoff performance is based on the certified alternate forward center of gravity limit.

Maximum takeoff thrust is used for the takeoff.

The takeoff gross weight shall conform to FAA Regulations.

Climbout Maneuver:

Following the takeoff to \*\*\* feet, the Aircraft accelerates to \*\*\* KCAS while climbing to \*\*\* feet above the departure airport altitude and retracting flaps and landing gear.

Climb:

The Aircraft climbs from \*\*\* feet above the departure airport altitude to \*\*\* feet altitude at 250 KCAS.

The Aircraft then accelerates at a rate of climb of \*\*\* feet per minute to a climb speed of \*\*\* KCAS.

The climb continues at \*\*\* KCAS until \*\*\*Mach number is reached.

The climb continues at \*\*\*Mach number to the initial cruise altitude.

The temperature is standard day during climb.

Maximum climb thrust is used during climb.

Cruise:

The Aircraft cruises at \*\*\*Mach number.

The initial cruise altitude is \*\*\*feet.

A step climb or multiple step climbs of \*\*\*feet altitude may be used when beneficial to minimize fuel burn.

The temperature is standard day during cruise.

The cruise thrust is not to exceed maximum cruise thrust except during a step climb when maximum climb thrust may be used.

Descent:

The Aircraft descends from the final cruise altitude at \*\*\* KCAS to an altitude of \*\*\*feet above the destination airport altitude.

Throughout the descent, the cabin pressure will be controlled to a maximum rate of descent equivalent to \*\*\* feet per minute \*\*\*.

The temperature is standard day during descent.

Approach and Landing Maneuver:

The Aircraft decelerates to the final approach speed while extending landing gear and flaps, then descends and lands.

The destination airport altitude is \*\*\* feet.

Fixed Allowances:

For the purpose of this guarantee and for the purpose of establishing compliance with this guarantee, the following shall be used as fixed quantities and allowances:

Taxi-Out:

Fuel                   \*\*\* Pounds

Takeoff and Climbout Maneuver:

Fuel                   \*\*\* Pounds

Distance           \*\*\* Nautical Miles

Approach and Landing Maneuver:

Fuel                   \*\*\* Pounds

Taxi-In (shall be consumed from the reserve fuel):

Fuel                   \*\*\* Pounds

Usable reserve fuel remaining upon completion of the approach and landing maneuver: \*\*\*Pounds

For information purposes, the reserve fuel is based on a standard day temperature and \*\*\* minutes of fuel over the destination.

**2.4.3 Mission Block Fuel**

The block fuel for a stage length of \*\*\*nautical miles in still air (equivalent to a distance of \*\*\*nautical miles with a \*\*\* knot headwind, representative of a \*\*\*to \*\*\* route in \*\*\*) with a \*\*\*pound payload using the conditions and operating rules defined below, shall not be more than the following guarantee value:

NOMINAL:	*** Pounds
TOLERANCE:	*** Pounds
GUARANTEE:	*** Pounds

Conditions and operating rules are the same as Paragraph 2.4.2 except as follows:

**Block Fuel:** The block fuel is defined as the sum of the fuel used for taxi-out, takeoff and climbout maneuver, climb, cruise, descent, approach and landing maneuver, and taxi-in.

**Fixed Allowances:** For the purpose of this guarantee and for the purpose of establishing compliance with this guarantee, the following shall be used as fixed quantities and allowances:

Taxi-Out:

Fuel	*** Pounds
------	------------

Takeoff and Climbout Maneuver:

Fuel	*** Pounds
Distance	*** Nautical Miles

Approach and Landing Maneuver:

Fuel	*** Pounds
------	------------

Taxi-In (shall be consumed from the reserve fuel):

Fuel                      \*\*\* Pounds

Usable reserve fuel remaining upon completion of the approach and landing maneuver: \*\*\*Pounds

#### 2.4.4 Mission Payload

The payload for a stage length of \*\*\*nautical miles in still air (equivalent to a distance of \*\*\*nautical miles with a \*\*\* knot headwind, representative of a \*\*\* to \*\*\* route in \*\*\*) using the conditions and operating rules defined below, shall not be less than the following guarantee value:

NOMINAL:	*** Pounds
TOLERANCE:	*** Pounds
GUARANTEE:	*** Pounds

Conditions and operating rules:

- Stage Length:                      The stage length is defined as the sum of the distances for the climbout maneuver, climb, cruise, and descent.
- Takeoff:                              The airport altitude is \*\*\*feet.  
    The airport temperature is \*\*\*°F.  
    The runway length is \*\*\*feet.  
    The runway slope is \*\*\*percent downhill.  
    Takeoff performance is based on the certified alternate forward center of gravity limit.  
    Maximum takeoff thrust is used for the takeoff.  
    The takeoff gross weight shall conform to FAA Regulations.

- Climbout Maneuver: Following the takeoff to \*\*\* feet, the Aircraft accelerates to \*\*\* KCAS while climbing to \*\*\* feet above the departure airport altitude and retracting flaps and landing gear.
- Climb: The Aircraft climbs from \*\*\*feet above the departure airport altitude to \*\*\*feet altitude at \*\*\* KCAS.  
The Aircraft then accelerates at a rate of climb of \*\*\* feet per minute to a climb speed of \*\*\* KCAS.  
The climb continues at \*\*\* KCAS until \*\*\*Mach number is reached.  
The climb continues at \*\*\*Mach number to the initial cruise altitude.  
The temperature is ISA+\*\*\*°C during climb.  
Maximum climb thrust is used during climb.
- Cruise: The Aircraft cruises at \*\*\*Mach number.  
The initial cruise altitude is \*\*\*feet.  
A step climb or multiple step climbs of \*\*\*feet altitude may be used when beneficial to minimize fuel burn.  
The temperature is ISA+\*\*\*°C during cruise.  
The cruise thrust is not to exceed maximum cruise thrust except during a step climb when maximum climb thrust may be used.
- Descent: The Aircraft descends from the final cruise altitude at \*\*\* KCAS to an altitude of \*\*\*feet above the destination airport altitude.  
Throughout the descent, the cabin pressure will be controlled to a maximum rate of descent equivalent to \*\*\* feet per minute \*\*\*.  
The temperature is ISA+\*\*\*°C during descent.



Approach and Landing Maneuver: The Aircraft decelerates to the final approach speed while extending landing gear and flaps, then descends and lands.

The destination airport altitude is \*\*\* feet.

Fixed Allowances: For the purpose of this guarantee and for the purpose of establishing compliance with this guarantee, the following shall be used as fixed quantities and allowances:

Taxi-Out:

Fuel \*\*\* Pounds

Takeoff and Climbout Maneuver:

Fuel \*\*\* Pounds

Distance \*\*\* Nautical Miles

Approach and Landing Maneuver:

Fuel \*\*\* Pounds

Taxi-In (shall be consumed from the reserve fuel):

Fuel \*\*\* Pounds

Usable reserve fuel remaining upon completion of the approach and landing maneuver: \*\*\*Pounds

For information purposes, the reserve fuel is based on a standard day temperature and \*\*\* minutes of fuel over the destination.

#### 2.4.5 Mission Payload

The payload for a stage length of \*\*\*nautical miles in still air (equivalent to a distance of \*\*\*nautical miles with a \*\*\* knot headwind, representative of a \*\*\* to \*\*\* route in \*\*\*) using the conditions and operating rules defined below, shall not be less than the following guarantee value:

NOMINAL: \*\*\* Pounds

TOLERANCE: \*\*\* Pounds

GUARANTEE: \*\*\* Pounds

Conditions and operating rules:

Stage Length:

The stage length is defined as the sum of the distances for the climbout maneuver, climb, cruise, and descent.

Takeoff:

The airport altitude is \*\*\* feet.

The airport temperature is \*\*\*°F.

The runway length is \*\*\*feet.

The runway slope is \*\*\*percent uphill.

The following obstacle definition is based on a straight out departure where obstacle height and distance are specified with reference to the liftoff end of the runway:

	Distance	Height
1.	*** feet	*** feet
2.	*** feet	*** feet
3.	*** feet	*** feet
4.	*** feet	*** feet
5.	*** feet	*** feet
6.	*** feet	*** feet
7.	*** feet	*** feet
8.	*** feet	*** feet
9.	*** feet	*** feet

Takeoff performance is based on the certified alternate forward center of gravity limit.

Maximum takeoff thrust is used for the takeoff.

The takeoff gross weight shall conform to FAA Regulations.

Climbout Maneuver:

Following the takeoff to \*\*\* feet, the Aircraft accelerates to \*\*\* KCAS while climbing to \*\*\*feet above the departure airport altitude and retracting flaps and landing gear.

Climb: The Aircraft climbs from \*\*\*feet above the departure airport altitude to \*\*\*feet altitude at \*\*\* KCAS.  
The Aircraft then accelerates at a rate of climb of \*\*\* feet per minute to a climb speed of \*\*\* KCAS.  
The climb continues at \*\*\* KCAS until \*\*\* Mach number is reached.  
The climb continues at \*\*\*Mach number to the initial cruise altitude.  
The temperature is ISA+\*\*\*°C during climb.  
Maximum climb thrust is used during climb.

Cruise: The Aircraft cruises at \*\*\*Mach number.  
The initial cruise altitude is \*\*\*feet.  
A step climb or multiple step climbs of \*\*\*feet altitude may be used when beneficial to minimize fuel burn.  
The temperature is ISA+\*\*\*°C during cruise.  
The cruise thrust is not to exceed maximum cruise thrust except during a step climb when maximum climb thrust may be used.

Descent: The Aircraft descends from the final cruise altitude at \*\*\* KCAS to an altitude of \*\*\*feet above the destination airport altitude.  
Throughout the descent, the cabin pressure will be controlled to a maximum rate of descent equivalent to \*\*\* feet per minute \*\*\*.  
The temperature is ISA+\*\*\*°C during descent.

Approach and Landing Maneuver: The Aircraft decelerates to the final approach speed while extending landing gear and flaps, then descends and lands.

The destination airport altitude is \*\*\* feet.

Fixed Allowances:

For the purpose of this guarantee and for the purpose of establishing compliance with this guarantee, the following shall be used as fixed quantities and allowances:

Taxi-Out:

Fuel \*\*\* Pounds

Takeoff and Climbout Maneuver:

Fuel \*\*\* Pounds  
Distance \*\*\* Nautical Miles

Approach and Landing Maneuver:

Fuel \*\*\* Pounds

Taxi-In (shall be consumed from the reserve fuel):

Fuel \*\*\* Pounds

Usable reserve fuel remaining upon completion of the approach and landing maneuver: \*\*\*Pounds

For information purposes, the reserve fuel is based on a standard day temperature and \*\*\* minutes of fuel over the destination.

**2.4.6 Mission Block Fuel**

The block fuel for a stage length of \*\*\*nautical miles in still air with a \*\*\*pound payload using the conditions and operating rules defined below, shall not be more than the following guarantee value:

NOMINAL:	*** Pounds
TOLERANCE:	*** Pounds
GUARANTEE:	*** Pounds

Conditions and operating rules:

Stage Length: The stage length is defined as the sum of the distances for the climbout maneuver, climb, cruise, and descent.

- Block Fuel:** The block fuel is defined as the sum of the fuel used for taxi-out, takeoff and climbout maneuver, climb, cruise, descent, approach and landing maneuver, and taxi-in.
- Takeoff:** The airport altitude is \*\*\*.  
The takeoff gross weight is not limited by the airport conditions.
- Climbout Maneuver:** Following the takeoff to \*\*\* feet, the Aircraft accelerates to \*\*\* KCAS while climbing to \*\*\*feet above the departure airport altitude and retracting flaps and landing gear.
- Climb:** The Aircraft climbs from \*\*\*feet above the departure airport altitude to \*\*\*feet altitude at \*\*\* KCAS.  
The Aircraft then accelerates at a rate of climb of \*\*\* feet per minute to a climb speed of \*\*\* KCAS.  
The climb continues at \*\*\* KCAS until \*\*\*Mach number is reached.  
The climb continues at \*\*\*Mach number to the initial cruise altitude.  
The temperature is standard day during climb.  
Maximum climb thrust is used during climb.
- Cruise:** The Aircraft cruises at \*\*\*Mach number.  
The initial cruise altitude is \*\*\*feet.  
A step climb or multiple step climbs of \*\*\* feet altitude may be used when beneficial to minimize fuel burn.  
The temperature is standard day during cruise.  
The cruise thrust is not to exceed maximum cruise thrust except during a step climb when maximum climb thrust may be used.

Descent: The Aircraft descends from the final cruise altitude at \*\*\* KCAS to an altitude of \*\*\* feet above the destination airport altitude.

Throughout the descent, the cabin pressure is controlled to a maximum rate of descent equivalent to \*\*\* feet per minute \*\*\*.

The temperature is standard day during descent.

Approach and Landing Maneuver: The Aircraft decelerates to the final approach speed while extending landing gear and flaps, then descends and lands.

The destination airport altitude is \*\*\* airport.

Fixed Allowances: For the purpose of this guarantee and for the purpose of establishing compliance with this guarantee, the following shall be used as fixed quantities and allowances:

Taxi-Out:

Fuel	*** Pounds
------	------------

Takeoff and Climbout Maneuver:

Fuel	*** Pounds
Distance	*** Nautical Miles

Approach and Landing Maneuver:

Fuel	*** Pounds
------	------------

Taxi-In (shall be consumed from the reserve fuel):

Fuel	*** Pounds
------	------------

Usable reserve fuel remaining upon completion of the approach and landing maneuver: \*\*\*Pounds

For information purposes, the reserve fuel is based on a standard day temperature and \*\*\* minutes of fuel over the destination.

**2.4.7 Operational Empty Weight Basis**

The Operational Empty Weight (OEW) derived in Paragraph 2.4.8 is the basis for the mission guarantees of Paragraphs 2.4.1, 2.4.2, 2.4.3, 2.4.4, 2.4.5, and 2.4.6.

P.A. No. 03860  
AERO-B-BBA7-M13-0469

**BOEING PROPRIETARY**

SS13-0250

2.4.8 787-10X Weight Summary – United Airlines, Inc. LOPA B879022

	Pounds
<b>Standard Model Specification MEW</b>	<b>***</b>
787B1_***, Rev ***, 787-10X General Description	
Product Development Study—***	
***(** CC / ** YC) Interior	
GEnx Engines	
*** Lb. Maximum Taxi Weight	
*** USG Fuel Capacity	
<b>Changes for United*</b>	
***	***
***	
***	***
***	
***	
***	***
***	***
***	***
***	***
<b>United Manufacturer’s Empty Weight (MEW)</b>	<b>***</b>
Standard and Operational Items Allowance (Paragraph 2.4.9)	***
<b>United Operational Empty Weight (OEW)</b>	<b>***</b>

	Quantity	Pounds	Pounds
***			***
***	***	***	
***	***	***	
***	***	***	
***	***	***	
***	***	***	



**2.4.9 Standard and Operational Items Allowance**

	Quantity	Pounds	Pounds	Pounds
<b>Standard Items Allowance</b>				<b>***</b>
Unusable Fuel			***	
Oil			***	
Oxygen Equipment			***	
Portable Oxygen Bottles	***	***		
Portable Oxygen (Constant Flow)	***	***		
Miscellaneous Equipment			***	
First Aid Kits	***	***		
Crash Axe	***	***		
Megaphones	***	***		
Flashlights @ C/A Sta.	***	***		
Smoke Goggles	***	***		
PBE—Flight Deck	***	***		
PBE	***	***		
Demo Kits	***	***		
Seat Belt Extension	***	***		
Galley Structure & Fixed Inserts (***) cu ft @ (***) lb/cu ft)			***	
<b>Operational Items Allowance</b>				<b>***</b>
Crew and Crew Baggage			***	
Flight Crew & Bags (***) @ (***) lb. ea.)	***	***		
Cabin Crew & Bags (***) @ (***) lb. ea.)	***	***		
Flight Crew Briefcase (***) @ (***) lb. ea.)	***	***		
Cockpit Manuals (***)@ (***)lb. ea.)	***	***		
Catering Allowance & Removable Inserts			***	
Business Class	***	***		
Premium Economy Class	***	***		
Economy Class	***	***		
Passenger Service Equipment (***) @ (***) lb. ea. & (***) @ (***) lb. ea.)			***	
Potable Water —(270 USG)			***	
Waste Tank Disinfectant			***	
Emergency Equipment (Includes Over Water Equip.)			***	
Slide Rafts: Main Entry	***	***		
Life Vests	***	***		
Locator Transmitter	***	***		
Cargo System			***	
Containers (***) @ (***)lb ea.)		***		
<b>Total Standard and Operational Items Allowance</b>				<b>***</b>

**2.4.10 United Airlines LOPA 787-10X \*\*\***

\*\*\*

**3 AIRCRAFT CONFIGURATION**

**3.1** The guarantees contained in this Attachment are based on the Aircraft configuration as defined in Boeing Document \*\*\*, plus any changes mutually agreed to or otherwise allowed by the Purchase Agreement to be incorporated into the original release of the Customer's Detail Specification (hereinafter referred to as the Detail Specification). Appropriate adjustment shall be made for changes in such Detail Specification approved by the Customer and Boeing or otherwise allowed by the Purchase Agreement which cause changes to the flight performance and/or weight and balance of the Aircraft. Such adjustment shall be accounted for by Boeing in its evidence of compliance with the guarantees.

**3.2** The guarantee payloads of Paragraph 2.4.1, 2.4.2, 2.4.4, and 2.4.5 and the specified payloads of Paragraph 2.4.3 and 2.4.6 block fuel guarantees will be adjusted by Boeing for the effect of the following on OEW in its evidence of compliance with the guarantees:

(1) Changes to the Detail Specification or any other changes mutually agreed upon between the Customer and Boeing or otherwise allowed by the Purchase Agreement.

(2) The difference between the seat weight allowances to be incorporated into the Detail Specification and the actual weights.

**4 GUARANTEE CONDITIONS**

**4.1** All guaranteed performance data are based on the International Standard Atmosphere (ISA) and specified variations therefrom; altitudes are pressure altitudes.

**4.2** The Federal Aviation Administration (FAA) regulations referred to in this Attachment are, unless otherwise specified, Code of Federal Regulations 14, Part 25 amended by Amendments 25-1 through 25-117, plus 25-128 except as noted in FAA Issue Paper G-1, subject to the approval of the Federal Aviation Administration.

**4.3** In the event a change is made to any law, governmental regulation or requirement, or in the interpretation of any such law, governmental regulation or requirement that affects the certification

basis for the Aircraft as described in Paragraph 3.2, and as a result thereof, a change is made to the configuration and/or the performance of the Aircraft in order to obtain certification, the guarantees set forth in this Attachment shall be appropriately modified to reflect any such change.

- 4.4 The takeoff and landing guarantees, and the takeoff portion of the mission guarantees are based on hard surface, level and dry runways with no wind or obstacles, no clearway or stopway, \*\*\* mph tires, with anti-skid operative unless otherwise specified. The takeoff performance is based on an alternate forward center of gravity limit at \*\*\* percent of the mean aerodynamic chord unless otherwise specified. Engine-inoperative takeoff thrust is limited to \*\*\* minutes unless otherwise stated. The takeoff performance is based on engine power extraction for normal operation of the air conditioning with thermal anti-icing turned off and \*\*\* unless otherwise specified. Unbalanced field length calculations and the improved climb performance procedure will be used for takeoff as required. The landing performance is based on the use of automatic spoilers.
- 4.5 The cruise range guarantee and the climb, cruise and descent portions of the mission guarantees include allowances for normal power extraction and engine bleed for normal operation of the air conditioning system. Normal operation of the air conditioning system shall be defined as pack switches in the "Auto" position, the temperature control switches in the "Auto" position that results in a nominal cabin temperature of \*\*\*°F, and all air conditioning systems operating normally. No engine bleed for thermal anti-icing is provided unless otherwise specified. \*\*\*unless otherwise specified.
- 4.6 The cruise range guarantee and the climb, cruise and descent portions of the mission guarantees are based on an Aircraft center of gravity location, as determined by Boeing, not to be aft of \*\*\* percent of the mean aerodynamic chord.
- 4.7 Performance, where applicable, is based on a fuel Lower Heating Value (LHV) of \*\*\*BTU per pound and a fuel density of \*\*\*pounds per U.S. gallon.

## 5 GUARANTEE COMPLIANCE

- 5.1 Compliance with the guarantees of Sections 2 and 3 shall be based on the conditions specified in those sections, the Aircraft configuration of Section 3 and the guarantee conditions of Section 4.

- 5.2 Compliance with the takeoff and landing guarantees, the takeoff portion of the mission guarantee, and the community sound level guarantees shall be based on the FAA approved Airplane Flight Manual for the Model 787-10X.
- 5.3 Compliance with the takeoff guarantee and the takeoff portion of the mission guarantee shall be shown using an alternate forward center of gravity limit of \*\*\* percent of the mean aerodynamic chord.
- 5.4 Compliance with the cruise range guarantee and the climb, cruise and descent portions of the mission guarantees shall be established by calculations based on flight test data obtained from an aircraft in a configuration similar to that defined by the Detail Specification.
- 5.5 The OEW used for compliance with the mission guarantees shall be the actual MEW plus the Standard and Operational Items Allowance in Paragraph \*\*\*of the Detail Specification.
- 5.6 In order to comply with the mission payload guarantees of paragraphs 2.4.1, 2.4.2, 2.4.4 and 2.4.5, Boeing may elect to increase the Maximum Takeoff Weight from \*\*\*pounds up to as much as \*\*\*pounds. Any such increase in Maximum Takeoff Weight would be an exclusive remedy for this purpose and would be in lieu of all other rights, remedies and claims Customer may have associated with the mission payload guarantees.
- 5.7 The data derived from tests shall be adjusted as required by conventional methods of correction, interpolation or extrapolation in accordance with established engineering practices to show compliance with these guarantees.
- 5.8 Compliance shall be based on the performance of the airframe and engines in combination, and shall not be contingent on the engine meeting its manufacturer's performance specification.

**6 EXCLUSIVE GUARANTEES**

The only performance guarantees applicable to the Aircraft are those set forth in this Attachment.

**MODEL 787-10X PERFORMANCE GUARANTEES  
FOR UNITED AIRLINES, INC.**

<b>SECTION</b>	<b>CONTENTS</b>	
<b>1</b>	<b>AIRCRAFT MODEL APPLICABILITY</b>	<b>2</b>
<b>2</b>	<b>FLIGHT PERFORMANCE</b>	<b>2</b>
<b>3</b>	<b>AIRCRAFT CONFIGURATION</b>	<b>21</b>
<b>4</b>	<b>GUARANTEE CONDITIONS</b>	<b>21</b>
<b>5</b>	<b>GUARANTEE COMPLIANCE</b>	<b>22</b>
<b>6</b>	<b>EXCLUSIVE GUARANTEES</b>	<b>23</b>

P.A. No. 03860  
AERO-B-BBA7-M13-0469

SS13-0250

**BOEING PROPRIETARY**

**1 AIRCRAFT MODEL APPLICABILITY**

The guarantees contained in this Attachment (the "Performance Guarantees") are applicable to the 787-10X Aircraft with a maximum takeoff weight of \*\*\* pounds, a maximum landing weight of \*\*\*pounds, and a maximum zero fuel weight of \*\*\*pounds, and equipped with Boeing furnished Trent 1000-\*\*\*engines.

**2 FLIGHT PERFORMANCE**

**2.1 Takeoff**

**2.1.1** The FAA approved takeoff field length at a gross weight at the start of the ground roll of \*\*\*pounds, at a temperature of \*\*\*°F, at a \*\*\* altitude, based on the certified alternate forward center of gravity limit, and using maximum takeoff thrust, shall not be more than the following guarantee value:

NOMINAL:	*** Feet
TOLERANCE:	*** Feet
GUARANTEE:	*** Feet

**2.1.2** The FAA approved takeoff gross weight at the start of ground roll, at a temperature of \*\*\*°F, at an altitude of \*\*\* feet, from a \*\*\*foot runway, and satisfying the conditions defined below, based on the certified alternate forward center of gravity limit, and using maximum takeoff thrust, shall not be less than the following guarantee value:

NOMINAL:	*** Pounds
TOLERANCE:	*** Pounds
GUARANTEE:	*** Pounds

Conditions:

The following obstacle definition is based on a straight-out departure where obstacle height and distance are specified with reference to the liftoff end of the runway:

	Distance	Height
1.	*** feet	*** feet
2.	*** feet	*** feet
3.	*** feet	*** feet
4.	*** feet	*** feet

**2.2 Landing**

The FAA approved landing field length at a gross weight of \*\*\*pounds and at a \*\*\*altitude, shall not be more than the following guarantee value:

NOMINAL:	*** Feet
TOLERANCE:	*** Feet
GUARANTEE:	*** Feet

**2.3 Cruise Range**

The still air range at an initial cruise altitude of \*\*\*feet on a standard day at \*\*\*Mach number, starting at a gross weight of \*\*\*pounds and consuming \*\*\*pounds of fuel, and using not more than maximum cruise thrust (except maximum climb thrust may be used during a step climb) and using the conditions and operating rules defined below, shall not be less than the following guarantee value:

NOMINAL:	*** Nautical Miles
TOLERANCE:	*** Nautical Miles
GUARANTEE:	*** Nautical Miles

Conditions and operating rules:

A step climb or multiple step climbs of \*\*\*feet altitude may be used when beneficial to minimize fuel burn.

**2.4 Mission**

**2.4.1 Mission Payload**

The payload for a stage length of \*\*\*nautical miles in still air (equivalent to a distance of \*\*\*nautical miles with a \*\*\* knot headwind, representative of a \*\*\*to \*\*\*route in \*\*\*) using the conditions and operating rules defined below, shall not be less than the following guarantee value:

NOMINAL:	*** Pounds
TOLERANCE:	*** Pounds
GUARANTEE:	*** Pounds

Conditions and operating rules:

Stage Length: The stage length is defined as the sum of the distances for the climbout maneuver, climb, cruise, and descent.

Takeoff: The airport altitude is \*\*\* feet.

The airport temperature is \*\*\*°F.

The runway length is \*\*\*feet.

The following obstacle definition is based on a straight out departure where obstacle height and distance are specified with reference to the liftoff end of the runway:

	Distance	Height
1.	*** feet	*** feet
2.	*** feet	*** feet
3.	*** feet	*** feet
4.	*** feet	*** feet

Takeoff performance is based on the certified alternate forward center of gravity limit.

Maximum takeoff thrust is used for the takeoff.

The takeoff gross weight shall conform to FAA Regulations.

Climbout Maneuver: Following the takeoff to \*\*\* feet, the Aircraft accelerates to \*\*\* KCAS while climbing to \*\*\*feet above the departure airport altitude and retracting flaps and landing gear.

Climb: The Aircraft climbs from \*\*\*feet above the departure airport altitude to \*\*\*feet altitude at \*\*\* KCAS.

The Aircraft then accelerates at a rate of climb of \*\*\* feet per minute to a climb speed of \*\*\* KCAS.

The climb continues at \*\*\* KCAS until \*\*\*Mach number is reached.



The climb continues at \*\*\*Mach number to the initial cruise altitude.

The temperature is ISA+\*\*\*°C during climb.

Maximum climb thrust is used during climb.

Cruise:

The Aircraft cruises at \*\*\*Mach number.

The initial cruise altitude is \*\*\* feet.

A step climb or multiple step climbs of \*\*\*feet altitude may be used when beneficial to minimize fuel burn.

The temperature is ISA+\*\*\*°C during cruise.

The cruise thrust is not to exceed maximum cruise thrust except during a step climb when maximum climb thrust may be used.

Descent:

The Aircraft descends from the final cruise altitude at \*\*\* KCAS to an altitude of \*\*\*feet above the destination airport altitude.

Throughout the descent, the cabin pressure will be controlled to a maximum rate of descent equivalent to \*\*\* feet per minute \*\*\*.

The temperature is ISA+\*\*\*°C during descent.

Approach and Landing  
Maneuver:

The Aircraft decelerates to the final approach speed while extending landing gear and flaps, then descends and lands.

The destination airport altitude is \*\*\* feet.

Fixed Allowances:

For the purpose of this guarantee and for the purpose of establishing compliance with this guarantee, the following shall be used as fixed quantities and allowances:

Taxi-Out:

Fuel \*\*\* Pounds

Takeoff and Climbout Maneuver:

Fuel \*\*\* Pounds

Distance \*\*\* Nautical Miles

Approach and Landing Maneuver:

Fuel \*\*\* Pounds

Taxi-In (shall be consumed from the reserve fuel):

Fuel \*\*\* Pounds

Usable reserve fuel remaining upon completion of the approach and landing maneuver: \*\*\* Pounds

For information purposes, the reserve fuel is based on a standard day temperature and \*\*\* minutes of fuel over the destination.

**2.4.2 Mission Payload**

The payload for a stage length of \*\*\*nautical miles in still air (equivalent to a distance of \*\*\*nautical miles with a \*\*\* knot headwind, representative of a \*\*\* to \*\*\* route in \*\*\*) using the conditions and operating rules defined below, shall not be less than the following guarantee value:

NOMINAL:	*** Pounds
TOLERANCE:	*** Pounds
GUARANTEE:	*** Pounds

Conditions and operating rules:

Stage Length: The stage length is defined as the sum of the distances for the climbout maneuver, climb, cruise, and descent.

Takeoff: The airport altitude is \*\*\* feet.

The airport temperature is \*\*\*°F.

The runway length is \*\*\*feet.

The following obstacle definition is based on a straight out departure where obstacle height and distance are specified with reference to the liftoff end of the runway:

	Distance	Height
1.	*** feet	*** feet
2.	*** feet	*** feet
3.	*** feet	*** feet
4.	*** feet	*** feet

Takeoff performance is based on the certified alternate forward center of gravity limit.

Maximum takeoff thrust is used for the takeoff.

The takeoff gross weight shall conform to FAA Regulations.

Climbout Maneuver: Following the takeoff to \*\*\* feet, the Aircraft accelerates to \*\*\* KCAS while climbing to \*\*\*feet above the departure airport altitude and retracting flaps and landing gear.

Climb: The Aircraft climbs from \*\*\*feet above the departure airport altitude to \*\*\*feet altitude at \*\*\* KCAS.  
The Aircraft then accelerates at a rate of climb of \*\*\* feet per minute to a climb speed of \*\*\* KCAS.

The climb continues at \*\*\* KCAS until \*\*\*Mach number is reached.

The climb continues at \*\*\*Mach number to the initial cruise altitude.

The temperature is standard day during climb.

Maximum climb thrust is used during climb.

Cruise: The Aircraft cruises at \*\*\*Mach number.

The initial cruise altitude is \*\*\*feet.

A step climb or multiple step climbs of \*\*\*feet altitude may be used when beneficial to minimize fuel burn.

The temperature is standard day during cruise.

The cruise thrust is not to exceed maximum cruise thrust except during a step climb when maximum climb thrust may be used.

Descent:

The Aircraft descends from the final cruise altitude at \*\*\* KCAS to an altitude of \*\*\*feet above the destination airport altitude.

Throughout the descent, the cabin pressure will be controlled to a maximum rate of descent equivalent to \*\*\* feet per minute \*\*\*.

The temperature is standard day during descent.

Approach and Landing  
Maneuver:

The Aircraft decelerates to the final approach speed while extending landing gear and flaps, then descends and lands.

The destination airport altitude is \*\*\*feet.

Fixed Allowances:

For the purpose of this guarantee and for the purpose of establishing compliance with this guarantee, the following shall be used as fixed quantities and allowances:

Taxi-Out:

Fuel                   \*\*\* Pounds

Takeoff and Climbout Maneuver:

Fuel                   \*\*\* Pounds

Distance           \*\*\* Nautical Miles

Approach and Landing Maneuver:

Fuel                   \*\*\*Pounds

Taxi-In (shall be consumed from the reserve fuel):

Fuel                   \*\*\* Pounds

Usable reserve fuel remaining upon completion of the approach and landing maneuver: \*\*\*Pounds

For information purposes, the reserve fuel is based on a standard day temperature and \*\*\* minutes of fuel over the destination.

### 2.4.3 Mission Block Fuel

The block fuel for a stage length of \*\*\*nautical miles in still air (equivalent to a distance of \*\*\*nautical miles with a \*\*\* knot headwind, representative of a \*\*\*to \*\*\* route in \*\*\*) with a \*\*\*pound payload using the conditions and operating rules defined below, shall not be more than the following guarantee value:

NOMINAL:	*** Pounds
TOLERANCE:	*** Pounds
GUARANTEE:	*** Pounds

Conditions and operating rules are the same as Paragraph 2.4.2 except as follows:

**Block Fuel:** The block fuel is defined as the sum of the fuel used for taxi-out, takeoff and climbout maneuver, climb, cruise, descent, approach and landing maneuver, and taxi-in.

**Fixed Allowances:** For the purpose of this guarantee and for the purpose of establishing compliance with this guarantee, the following shall be used as fixed quantities and allowances:

**Taxi-Out:**

Fuel                   \*\*\* Pounds

**Takeoff and Climbout Maneuver:**

Fuel                   \*\*\* Pounds

Distance           \*\*\* Nautical Miles

**Approach and Landing Maneuver:**

Fuel                   \*\*\* Pounds

Taxi-In (shall be consumed from the reserve fuel):

Fuel                    \*\*\* Pounds

Usable reserve fuel remaining upon completion of the approach and landing maneuver: \*\*\*Pounds

#### 2.4.4 Mission Payload

The payload for a stage length of \*\*\*nautical miles in still air (equivalent to a distance of \*\*\*nautical miles with a \*\*\* knot headwind, representative of a \*\*\* to \*\*\* route in \*\*\*) using the conditions and operating rules defined below, shall not be less than the following guarantee value:

NOMINAL:	*** Pounds
TOLERANCE:	*** Pounds
GUARANTEE:	*** Pounds

Conditions and operating rules:

Stage Length:                    The stage length is defined as the sum of the distances for the climbout maneuver, climb, cruise, and descent.

Takeoff:                            The airport altitude is \*\*\*feet.

    The airport temperature is \*\*\*°F.

    The runway length is \*\*\*feet.

    The runway slope is \*\*\*percent downhill.

    Takeoff performance is based on the certified alternate forward center of gravity limit.

    Maximum takeoff thrust is used for the takeoff.

    The takeoff gross weight shall conform to FAA Regulations.

- Climbout Maneuver: Following the takeoff to \*\*\* feet, the Aircraft accelerates to \*\*\* KCAS while climbing to \*\*\*feet above the departure airport altitude and retracting flaps and landing gear.
- Climb: The Aircraft climbs from \*\*\*feet above the departure airport altitude to \*\*\*feet altitude at \*\*\* KCAS.  
The Aircraft then accelerates at a rate of climb of \*\*\* feet per minute to a climb speed of \*\*\*KCAS.  
The climb continues at \*\*\* KCAS until \*\*\*Mach number is reached.  
The climb continues at \*\*\*Mach number to the initial cruise altitude.  
The temperature is ISA+\*\*\*°C during climb.  
Maximum climb thrust is used during climb.
- Cruise: The Aircraft cruises at \*\*\*Mach number.  
The initial cruise altitude is \*\*\*feet.  
A step climb or multiple step climbs of \*\*\*feet altitude may be used when beneficial to minimize fuel burn.  
The temperature is ISA+\*\*\*°C during cruise.  
The cruise thrust is not to exceed maximum cruise thrust except during a step climb when maximum climb thrust may be used.
- Descent: The Aircraft descends from the final cruise altitude at \*\*\* KCAS to an altitude of \*\*\*feet above the destination airport altitude.  
Throughout the descent, the cabin pressure will be controlled to a maximum rate of descent equivalent to \*\*\* feet per minute \*\*\*.  
The temperature is ISA+\*\*\*°C during descent.

Approach and Landing  
Maneuver:

The Aircraft decelerates to the final approach speed while extending landing gear and flaps, then descends and lands.

The destination airport altitude is \*\*\*feet.

Fixed Allowances:

For the purpose of this guarantee and for the purpose of establishing compliance with this guarantee, the following shall be used as fixed quantities and allowances:

Taxi-Out:

Fuel                   \*\*\* Pounds

Takeoff and Climbout Maneuver:

Fuel                   \*\*\* Pounds  
Distance           \*\*\* Nautical Miles

Approach and Landing Maneuver:

Fuel                   \*\*\* Pounds

Taxi-In (shall be consumed from the reserve fuel):

Fuel                   \*\*\* Pounds

Usable reserve fuel remaining upon completion of the approach and landing maneuver: \*\*\*Pounds

For information purposes, the reserve fuel is based on a standard day temperature and \*\*\* minutes of fuel over the destination.

#### 2.4.5 Mission Payload

The payload for a stage length of \*\*\*nautical miles in still air (equivalent to a distance of \*\*\*nautical miles with a \*\*\* knot headwind, representative of a \*\*\* to \*\*\* route in \*\*\*) using the conditions and operating rules defined below, shall not be less than the following guarantee value:

NOMINAL:	*** Pounds
TOLERANCE:	*** Pounds
GUARANTEE:	*** Pounds



Conditions and operating rules:

Stage Length: The stage length is defined as the sum of the distances for the climbout maneuver, climb, cruise, and descent.

Takeoff: The airport altitude is \*\*\* feet.

The airport temperature is \*\*\*°F.

The runway length is \*\*\*feet.

The runway slope is \*\*\*percent uphill.

The following obstacle definition is based on a straight out departure where obstacle height and distance are specified with reference to the liftoff end of the runway:

	Distance	Height
1.	*** feet	*** feet
2.	*** feet	*** feet
3.	*** feet	*** feet
4.	*** feet	*** feet
5.	*** feet	*** feet
6.	*** feet	*** feet
7.	*** feet	*** feet
8.	*** feet	*** feet
9.	*** feet	*** feet

Takeoff performance is based on the certified alternate forward center of gravity limit.

Maximum takeoff thrust is used for the takeoff.

The takeoff gross weight shall conform to FAA Regulations.

Climbout Maneuver: Following the takeoff to \*\*\* feet, the Aircraft accelerates to \*\*\* KCAS while climbing to \*\*\*feet above the departure airport altitude and retracting flaps and landing gear.

- Climb: The Aircraft climbs from \*\*\*feet above the departure airport altitude to \*\*\*feet altitude at \*\*\* KCAS.  
The Aircraft then accelerates at a rate of climb of \*\*\* feet per minute to a climb speed of \*\*\*KCAS.  
The climb continues at \*\*\* KCAS until \*\*\*Mach number is reached.  
The climb continues at \*\*\*Mach number to the initial cruise altitude.  
The temperature is ISA+\*\*\*°C during climb.  
Maximum climb thrust is used during climb.
- Cruise: The Aircraft cruises at \*\*\*Mach number.  
The initial cruise altitude is \*\*\*feet.  
A step climb or multiple step climbs of \*\*\*feet altitude may be used when beneficial to minimize fuel burn.  
The temperature is ISA+\*\*\*°C during cruise.  
The cruise thrust is not to exceed maximum cruise thrust except during a step climb when maximum climb thrust may be used.
- Descent: The Aircraft descends from the final cruise altitude at \*\*\* KCAS to an altitude of \*\*\*feet above the destination airport altitude.  
Throughout the descent, the cabin pressure will be controlled to a maximum rate of descent equivalent to \*\*\* feet per minute \*\*\*.  
The temperature is ISA+\*\*\*°C during descent.
- Approach and Landing Maneuver: The Aircraft decelerates to the final approach speed while extending landing gear and flaps, then descends and lands.

The destination airport altitude is \*\*\* feet.

Fixed Allowances:

For the purpose of this guarantee and for the purpose of establishing compliance with this guarantee, the following shall be used as fixed quantities and allowances:

Taxi-Out:

Fuel                   \*\*\* Pounds

Takeoff and Climbout Maneuver:

Fuel                   \*\*\* Pounds  
Distance           \*\*\* Nautical Miles

Approach and Landing Maneuver:

Fuel                   \*\*\* Pounds

Taxi-In (shall be consumed from the reserve fuel):

Fuel                   \*\*\* Pounds

Usable reserve fuel remaining upon completion of the approach and landing maneuver:

\*\*\*Pounds

For information purposes, the reserve fuel is based on a standard day temperature and \*\*\*minutes of fuel over the destination.

#### 2.4.6 Mission Block Fuel

The block fuel for a stage length of \*\*\*nautical miles in still air with a \*\*\*pound payload using the conditions and operating rules defined below, shall not be more than the following guarantee value:

NOMINAL:                   \*\*\* Pounds  
TOLERANCE:               \*\*\* Pounds  
GUARANTEE:               \*\*\* Pounds

Conditions and operating rules:

Stage Length:

The stage length is defined as the sum of the distances for the climbout maneuver, climb, cruise, and descent.

**Block Fuel:** The block fuel is defined as the sum of the fuel used for taxi-out, takeoff and climbout maneuver, climb, cruise, descent, approach and landing maneuver, and taxi-in.

**Takeoff:** The airport altitude is \*\*\*.  
The takeoff gross weight is not limited by the airport conditions.

**Climbout Maneuver:** Following the takeoff to \*\*\* feet, the Aircraft accelerates to \*\*\* KCAS while climbing to \*\*\*feet above the departure airport altitude and retracting flaps and landing gear.

**Climb:** The Aircraft climbs from \*\*\*feet above the departure airport altitude to \*\*\*feet altitude at \*\*\* KCAS.  
The Aircraft then accelerates at a rate of climb of \*\*\* feet per minute to a climb speed of \*\*\* KCAS.  
The climb continues at \*\*\* KCAS until \*\*\*Mach number is reached.  
The climb continues at \*\*\*Mach number to the initial cruise altitude.  
The temperature is standard day during climb.  
Maximum climb thrust is used during climb.

**Cruise:** The Aircraft cruises at \*\*\*Mach number.  
The initial cruise altitude is \*\*\*feet.  
A step climb or multiple step climbs of \*\*\*feet altitude may be used when beneficial to minimize fuel burn.  
The temperature is standard day during cruise.  
The cruise thrust is not to exceed maximum cruise thrust except during a step climb when maximum climb thrust may be used.

Descent: The Aircraft descends from the final cruise altitude at \*\*\* KCAS to an altitude of \*\*\*feet above the destination airport altitude.

Throughout the descent, the cabin pressure is controlled to a maximum rate of descent equivalent to \*\*\* feet per minute \*\*\*.

The temperature is standard day during descent.

Approach and Landing Maneuver: The Aircraft decelerates to the final approach speed while extending landing gear and flaps, then descends and lands.

The destination airport altitude is a \*\*\*airport.

Fixed Allowances: For the purpose of this guarantee and for the purpose of establishing compliance with this guarantee, the following shall be used as fixed quantities and allowances:

Taxi-Out:

Fuel \*\*\* Pounds

Takeoff and Climbout Maneuver:

Fuel \*\*\* Pounds

Distance \*\*\* Nautical Miles

Approach and Landing Maneuver:

Fuel \*\*\* Pounds

Taxi-In (shall be consumed from the reserve fuel):

Fuel \*\*\* Pounds

Usable reserve fuel remaining upon completion of the approach and landing maneuver:

\*\*\*Pounds

For information purposes, the reserve fuel is based on a standard day temperature and \*\*\* minutes of fuel over the destination.

**2.4.7 Operational Empty Weight Basis**

The Operational Empty Weight (OEW) derived in Paragraph 2.4.8 is the basis for the mission guarantees of Paragraphs 2.4.1, 2.4.2, 2.4.3, 2.4.4, 2.4.5, and 2.4.6.

P.A. No. 03860  
AERO-B-BBA7-M13-0469

**BOEING PROPRIETARY**

SS13-0250

2.4.8 787-10X Weight Summary – United Airlines, Inc. LOPA \*\*\*

	Pounds
<b>Standard Model Specification MEW</b>	<b>***</b>
787B1-***, Rev ***, 787-10X General Description	
Product Development Study - ***	
***(** CC / ** YC) Interior	
Trent 1000 Engines	
*** Lb. Maximum Taxi Weight	
*** USG Fuel Capacity	
<b>Changes for United*</b>	
***	***
***	
***	***
***	
***	***
***	***
***	***
***	***
<b>United Manufacturer’s Empty Weight (MEW)</b>	<b>***</b>
Standard and Operational Items Allowance (Paragraph 2.4.9)	***
<b>United Operational Empty Weight (OEW)</b>	<b>***</b>

	Quantity	Pounds	Pounds
***			***
***	***	***	
***	***	***	
***	***	***	
***	***	***	
***	***	***	

**2.4.9 Standard and Operational Items Allowance**

	Quantity	Pounds	Pounds	Pounds
<b>Standard Items Allowance</b>				<b>***</b>
Unusable Fuel			***	
Oil			***	
Oxygen Equipment			***	
Portable Oxygen Bottles	***	***		
Portable Oxygen (Constant Flow)	***	***		
Miscellaneous Equipment			***	
First Aid Kits	***	***		
Crash Axe	***	***		
Megaphones	***	***		
Flashlights @ C/A Sta.	***	***		
Smoke Goggles	***	***		
PBE—Flight Deck	***	***		
PBE	***	***		
Demo Kits	***	***		
Seat Belt Extension	***	***		
Galley Structure & Fixed Inserts (***/cu ft @ ***/lb/cu ft)			***	
<b>Operational Items Allowance</b>				<b>***</b>
Crew and Crew Baggage			***	
Flight Crew & Bags (***/ ** lb. ea.)	***	***		
Cabin Crew & Bags (***/ ** lb. ea.)	***	***		
Flight Crew Briefcase (***/ **lb. ea.)	***	***		
Cockpit Manuals (***/ ** lb. ea.)	***	***		
Catering Allowance & Removable Inserts			***	
Business Class	***	***		
Premium Economy Class	***	***		
Economy Class	***	***		
Passenger Service Equipment (***/ ** lb. ea. & ***/ ** lb. ea.)			***	
Potable Water —(270 USG)			***	
Waste Tank Disinfectant			***	
Emergency Equipment (Includes Over Water Equip.)			***	
Slide Rafts: Main Entry	***	***		
Life Vests	***	***		
Locator Transmitter	***	***		
Cargo System			***	
Containers (***/ **lb ea.)		***		
<b>Total Standard and Operational Items Allowance</b>				<b>***</b>



**2.4.10 United Airlines, Inc. LOPA 787-10X \*\*\***

\*\*\*

**3 AIRCRAFT CONFIGURATION**

- 3.1** The guarantees contained in this Attachment are based on the Aircraft configuration as defined in Boeing Document \*\*\*, \*\*\*, plus any changes mutually agreed to or otherwise allowed by the Purchase Agreement to be incorporated into the original release of the Customer's Detail Specification (hereinafter referred to as the Detail Specification). Appropriate adjustment shall be made for changes in such Detail Specification approved by the Customer and Boeing or otherwise allowed by the Purchase Agreement which cause changes to the flight performance and/or weight and balance of the Aircraft. Such adjustment shall be accounted for by Boeing in its evidence of compliance with the guarantees.
- 3.2** The guarantee payloads of Paragraph 2.4.1, 2.4.2, 2.4.4, and 2.4.5 and the specified payloads of Paragraph 2.4.3 and 2.4.6 block fuel guarantees will be adjusted by Boeing for the effect of the following on OEW in its evidence of compliance with the guarantees:
- (1) Changes to the Detail Specification or any other changes mutually agreed upon between the Customer and Boeing or otherwise allowed by the Purchase Agreement.
  - (2) The difference between the seat weight allowances to be incorporated into the Detail Specification and the actual weights.

**4 GUARANTEE CONDITIONS**

- 4.1** All guaranteed performance data are based on the International Standard Atmosphere (ISA) and specified variations therefrom; altitudes are pressure altitudes.
- 4.2** The Federal Aviation Administration (FAA) regulations referred to in this Attachment are, unless otherwise specified, Code of Federal Regulations 14, Part 25 amended by Amendments 25-1 through 25-117, plus 25-128 except as noted in FAA Issue Paper G-1, subject to the approval of the Federal Aviation Administration.
- 4.3** In the event a change is made to any law, governmental regulation or requirement, or in the interpretation of any such law, governmental regulation or requirement that affects the certification

basis for the Aircraft as described in Paragraph 3.2, and as a result thereof, a change is made to the configuration and/or the performance of the Aircraft in order to obtain certification, the guarantees set forth in this Attachment shall be appropriately modified to reflect any such change.

- 4.4 The takeoff and landing guarantees, and the takeoff portion of the mission guarantees are based on hard surface, level and dry runways with no wind or obstacles, no clearway or stopway, \*\*\* mph tires, with anti-skid operative unless otherwise specified. The takeoff performance is based on an alternate forward center of gravity limit at \*\*\* percent of the mean aerodynamic chord unless otherwise specified. Engine-inoperative takeoff thrust is limited to five minutes unless otherwise stated. The takeoff performance is based on engine power extraction for normal operation of the air conditioning with thermal anti-icing turned off and \*\*\* unless otherwise specified. Unbalanced field length calculations and the improved climb performance procedure will be used for takeoff as required. The landing performance is based on the use of automatic spoilers.
- 4.5 The cruise range guarantee and the climb, cruise and descent portions of the mission guarantees include allowances for normal power extraction and engine bleed for normal operation of the air conditioning system. Normal operation of the air conditioning system shall be defined as pack switches in the "Auto" position, the temperature control switches in the "Auto" position that results in a nominal cabin temperature of \*\*\*°F, and all air conditioning systems operating normally. No engine bleed for thermal anti-icing is provided unless otherwise specified. The \*\*\* unless otherwise specified.
- 4.6 The cruise range guarantee and the climb, cruise and descent portions of the mission guarantees are based on an Aircraft center of gravity location, as determined by Boeing, not to be aft of 28 percent of the mean aerodynamic chord.
- 4.7 Performance, where applicable, is based on a fuel Lower Heating Value (LHV) of \*\*\*BTU per pound and a fuel density of \*\*\*pounds per U.S. gallon.

## 5 GUARANTEE COMPLIANCE

- 5.1 Compliance with the guarantees of Sections 2 and 3 shall be based on the conditions specified in those sections, the Aircraft configuration of Section 3 and the guarantee conditions of Section 4.

- 5.2 Compliance with the takeoff and landing guarantees, the takeoff portion of the mission guarantee, and the community sound level guarantees shall be based on the FAA approved Airplane Flight Manual for the Model 787-10X.
- 5.3 Compliance with the takeoff guarantee and the takeoff portion of the mission guarantee shall be shown using an alternate forward center of gravity limit of 20 percent of the mean aerodynamic chord.
- 5.4 Compliance with the cruise range guarantee and the climb, cruise and descent portions of the mission guarantees shall be established by calculations based on flight test data obtained from an aircraft in a configuration similar to that defined by the Detail Specification.
- 5.5 The OEW used for compliance with the mission guarantees shall be the actual MEW plus the Standard and Operational Items Allowance in Paragraph \*\*\*of the Detail Specification.
- 5.6 in order to comply with the mission payload guarantees of paragraphs 2.4.1, 2.4.2, 2.4.4 and 2.4.5, Boeing may elect to increase the Maximum Takeoff Weight from \*\*\*pounds up to as much as \*\*\*pounds. Any such increase in Maximum Takeoff Weight would be an exclusive remedy for this purpose and would be in lieu of all other rights, remedies and claims Customer may have associated with the mission payload guarantees.
- 5.7 The data derived from tests shall be adjusted as required by conventional methods of correction, interpolation or extrapolation in accordance with established engineering practices to show compliance with these guarantees.
- 5.8 Compliance shall be based on the performance of the airframe and engines in combination, and shall not be contingent on the engine meeting its manufacturer's performance specification.

## 6 EXCLUSIVE GUARANTEES

The only performance guarantees applicable to the Aircraft are those set forth in this Attachment.

**BOEING PROPRIETARY**



UAL-PA-03860-LA-01373

United Airlines, Inc.  
233 South Wacker Drive  
Chicago, IL 60606

Subject: 787-10 Open Configuration and Other Matters

Reference: Purchase Agreement No. 3860 (**Purchase Agreement**) between The Boeing Company (**Boeing**) and United Airlines, Inc. (**Customer**) relating to Model 787 aircraft (**Aircraft**)

This letter agreement (**Letter Agreement**) amends and supplements the Purchase Agreement. All terms used and not defined in this Letter Agreement have the same meaning as in the Purchase Agreement.

1. 787-10 Aircraft Configuration.

1.1 Initial Configuration. The initial configuration of Customer's Model 787-10 Aircraft (**787-10 Aircraft**) has been defined by 787 \*\*\*, as amended by \*\*\*, which reflects the Boeing baseline Model 787-10 as described in Article 1, Table 1 and Exhibit A of the Purchase Agreement. Given the long period of time between Purchase Agreement signing and delivery of the first 787-10 Aircraft, the final configuration of the Customer's Aircraft has not yet been defined.

1.2 Final Configuration Schedule. Customer and Boeing hereby agree to complete the configuration of the 787-10 Aircraft using the then current Model 787 \*\*\* and selections from the then current 787 \*\*\* (Final Configuration) in accordance with the following schedule:

1.2.1 Subject to the provisions of Article 1.2.2, below, Final Configuration shall be completed no later than \*\*\* months prior to delivery of the first 787-10 Aircraft. If Customer's 787-10 Aircraft is required for 787-10 \*\*\*, the schedule for completion of the Final Configuration shall be \*\*\*.

1.2.2 If Customer wishes to include installation of Customer's \*\*\* in the configuration of the 787-10 Aircraft, Customer shall give written notice to Boeing no later than \*\*\* prior to delivery of the first 787-10 Aircraft, and final configuration of Customer's \*\*\* shall be completed no later than \*\*\* prior to delivery of the first 787-10 Aircraft.

2. Amendment of the Purchase Agreement.

2.1 Within thirty (30) days following Final Configuration Boeing and Customer will execute a written amendment to the Purchase Agreement which will reflect the following:

UAL-PA-03860-LA-01373

787-10 Open Configuration and Other Matters

**BOEING / UNITED AIRLINES, INC. PROPRIETARY**



2.2 Changes applicable to the basic Model 787 aircraft which are developed by Boeing between the date of signing of the Purchase Agreement and date of Final Configuration (**Baseline Changes**);

2.3 Incorporation into Exhibit A of the Purchase Agreement of those Optional Features which have been agreed to by Customer and Boeing (**Customer Configuration Changes**)

2.4 Revisions to the Performance Guarantees to reflect the effects, if any, on 787-10 Aircraft performance of the incorporation of the Customer Configuration Changes;

2.5 Changes to the Optional Features Prices, Aircraft Basic Price and the Advance Payment Base Price of the 787-10 Aircraft to adjust for

- (i) the difference, if any, between the \*\*\* included in the Aircraft Basic Price for lavatories, galleys, partitions and closets (**Interior Items**) and the actual prices of the Interior Items (quantity, design and supplier) reflected in the Customer Configuration Changes; and
- (ii) the difference, between the estimated amount of \*\*\* for Optional Features reflected in the Aircraft Basic Price and the actual prices of the Optional Features reflected in the Customer Configuration Changes; and

2.6 Changes to the Advance Payment Base Price of the 787-10 Aircraft to adjust for the difference between the estimated amount of \*\*\* for In-Flight Entertainment (IFE) and the actual price of the IFE reflected in the Customer Configuration Changes.

3. Delivery Flexibility.

3.1 Boeing reserves the right to \*\*\* each of the Model 787-10 Aircraft listed in Table 1 to the Purchase Agreement \*\*\* with written notice to Customer no less than \*\*\* prior to the \*\*\*. Such notice provided by Boeing will constitute an amendment to the Table 1 of the Purchase Agreement. The amended Table 1 shall be the \*\*\* for the purposes of applying all provisions of the Purchase Agreement, including without limitation the BFE on-dock dates, and the calculation of Escalation Adjustment.

3.2 In addition to the terms defined in paragraph 3.1, for \*\*\* 787-10 Aircraft \*\*\*, Boeing reserves the right to \*\*\*.

4. 787-10 Certification.

Flight Test Aircraft. In the event Boeing has not \*\*\*, then Customer and Boeing will discuss the terms on which Boeing will use \*\*\* to support the development\*\*\* and certification of the 787-10 aircraft, with the objective of \*\*\* after such discussions commence. In the event Customer and Boeing do not \*\*\* in accordance with the above schedule, then Boeing \*\*\* Table 1 to the Purchase Agreement to \*\*\*.

UAL-PA-03860-LA-01373

787-10 Open Configuration and Other Matters

**BOEING / UNITED AIRLINES, INC. PROPRIETARY**

Page 2



5. Other Letter Agreements.

Boeing and Customer acknowledge that as the definition of the 787-10 Aircraft progresses, there may be a need to execute or amend additional letter agreements addressing one or more of the following:

Buyer Furnished Equipment (BFE). Provisions relating to the terms under which Boeing may offer and install Customer's BFE in the 787-10 Aircraft; and

IFE, Cabin Communications Systems, and/or Connectivity Systems (collectively referred to as Cabin Systems Equipment or CSE). Provisions relating to the terms under which Boeing may offer and install CSE in the 787-10 Aircraft.

Insurance. Appendix I to the AGTA will be revised to reflect insurance requirements applicable to all aircraft models currently operated by or on order by Customer.

6. \*\*\*.

The rights and obligations described in this Letter Agreement are provided in consideration of Customer taking delivery of the respective 787-10 Aircraft and becoming the operator of such 787-10 Aircraft. This Agreement \*\*\*, by one party \*\*\* the other party; provided that a party \*\*\* such party \*\*\* of such party.

UAL-PA-03860-LA-01373

787-10 Open Configuration and Other Matters

**BOEING / UNITED AIRLINES, INC. PROPRIETARY**

Page 3



7. Confidential Treatment.

The information contained herein represents confidential business information and has value precisely because it is not available generally or to other parties. Without obtaining the prior written consent of the other parties and except as required by law, each party will limit the disclosure of its contents to its employees who have a need to know for purposes of helping such party perform its obligations under the Purchase Agreement and who will treat the information as confidential.

[The rest of this page is intentionally left blank. Signature page follows]

UAL-PA-03860-LA-01373  
787-10 Open Configuration and Other Matters

**BOEING / UNITED AIRLINES, INC. PROPRIETARY**

Page 4





Very truly yours,

THE BOEING COMPANY

By \*\*\*  
Its Attorney-in-Fact

ACCEPTED AND AGREED TO this

Date: June 17, 2013

**UNITED AIRLINES, INC.**

By /s/ Gerald Laderman  
Its Senior Vice President – Finance and Treasurer

UAL-PA-03860-LA-01373  
787-10 Open Configuration and Other Matters

**BOEING / UNITED AIRLINES, INC. PROPRIETARY**



The Boeing Company  
P.O. Box 3707  
Seattle, WA 98124-2207

UAL-PA-03860-LA-1301375

United Airlines, Inc.  
233 South Wacker Drive  
Chicago, Illinois 60606

Subject: Provisions Relating to Customer's \*\*\* for 787-10 Aircraft

Reference: Purchase Agreement No. 3860 (**Purchase Agreement**) between The Boeing Company (**Boeing**) and United Airlines, Inc. (**Customer**) relating to Model 787aircraft (**Aircraft**)

This letter agreement (**Letter Agreement**) amends and supplements the Purchase Agreement. All terms used and not defined in this Letter Agreement have the same meaning as in the Purchase Agreement.

Subject to the terms, provisions, and conditions described herein, Boeing \*\*\* to Customer \*\*\* 787-10 Aircraft (**787-10 Aircraft**), as of the effective date (**Effective Date**) of the \*\*\*

1. Customer's \*\*\*

Boeing \*\*\* Customer, \*\*\* as described in paragraph 3 below, \*\*\* The Effective Date of such \*\*\* shall be the date that \*\*\* to Customer, unless otherwise mutually agreed to. \*\*\* for the applicable 787-10 Aircraft is \*\*\* not later than \*\*\* after receipt of Customer's \*\*\*

2. \*\*\*.

At the time of delivery of each 787-10 Aircraft, or \*\*\* after delivery of a 787-10 Aircraft, \*\*\* Customer. Such \*\*\* shall be \*\*\*identifying the 787-10 Aircraft Manufacturer's Serial Number (**MSN**), the delivery date and the Effective Date of \*\*\*. The \*\*\* shall also indicate \*\*\*Customer may \*\*\*subsequent to the Effective Date. If Customer \*\*\*, then Customer shall \*\*\* as outlined in paragraph 3 below.

3. \*\*\*.

\*\*\* in accordance with either the \*\*\* set forth below, at Customer's option.

3.1. \*\*\* 787-10 Aircraft.

If Customer elects to \*\*\*, then Customer shall \*\*\*

UAL-PA-03860-LA-1301375

\*\*\* 787-10 Aircraft

**BOEING / UNITED AIRLINES, INC. PROPRIETARY**

SA-1  
Page 1



4 \*\*\*

5. \*\*\*

6. \*\*\*

7. Confidential Treatment.

Boeing and Customer understand that certain information contained in this Letter Agreement, including any attachments hereto, is considered by both parties to be confidential. Boeing and Customer agree that each party will treat this Letter Agreement and the information contained herein as confidential and will not, without the other party's prior written consent, disclose this Letter Agreement or any information contained herein to any other person or entity except as may be required by applicable law or governmental regulations.

UAL-PA-03860-LA-1301375

\*\*\* 787-10 Aircraft

\*\*\*

Page 2

**BOEING / UNITED AIRLINES, INC. PROPRIETARY**



Very truly yours,

THE BOEING COMPANY

By \*\*\*  
Its Attorney-in-Fact

ACCEPTED AND AGREED TO this

Date: June 17, 2013

**UNITED AIRLINES, INC.**

By /s/ Gerald Laderman  
Its Senior Vice President – Finance and Treasurer

UAL-PA-03860-LA-1301375  
\*\*\* 787-10 Aircraft

**BOEING / UNITED AIRLINES, INC. PROPRIETARY**

\*\*\*  
Page 3

Attachment A to  
Letter Agreement UAL-PA-03860-LA-1301375

Date: \_\_\_\_\_

United Airlines, Inc.  
233 South Wacker Drive  
Chicago, Illinois 6060

Attention: \*\*\*

Reference: Letter Agreement UAL-PA-03860-LA-1301375 to Boeing/UAL Purchase Agreement 3860

Transmitted by email

\*\*\*

Very truly yours,  
THE BOEING COMPANY

By: \_\_\_\_\_

Its: \_\_\_\_\_

UAL-PA-03860-LA-1301375  
\*\*\* 787-10 Aircraft

**BOEING / UNITED AIRLINES, INC. PROPRIETARY**

SA-1  
Page 4





UAL-PA-03860-LA-1301377

United Airlines, Inc.  
233 South Wacker Drive  
Chicago, Illinois 60606

Subject: 787-10 \*\*\*

Reference: Purchase Agreement No. PA 3860 (**Purchase Agreement**) between The Boeing Company (**Boeing**) and United Airlines, Inc (**Customer**), relating to Model 787-10 aircraft (**Aircraft**)

This letter agreement (**Letter Agreement**) amends and supplements the Purchase Agreement. All terms used and not defined in this Letter Agreement have the same meaning as in the Purchase Agreement.

1. Definitions.

\*\*\* **Notice** means the written communication provided by Boeing to Customer in accordance with the requirements of Article 4.1, below.

\*\*\* will have the meaning specified in Letter Agreement Number \*\*\*

**Program Aircraft** means each 787-10 Aircraft specified in Table 1 of the Purchase Agreement as of the date of this Letter Agreement, any 787-10 Option Aircraft for which Customer has exercised its option exercise rights, and the \*\*\* scheduled to deliver in \*\*\* if they are \*\*\* to 787-10 Aircraft.

2. Applicability.

Notwithstanding any other provision of the Purchase Agreement to the contrary, the parties agree that the \*\*\* for the Airframe Price and Optional Features Prices for each Program Aircraft shall be determined in accordance with this Letter Agreement.

3. \*\*\* Forecast.

Boeing will release an \*\*\* forecast in \*\*\* of each year based on Boeing's then current standard \*\*\*. Only one \*\*\* forecast shall be used to conduct the \*\*\* analysis performed in accordance with Article 4.1, below, for a given Program Aircraft. The \*\*\* forecast applicable to a given Program Aircraft is set forth in Attachment A.

4. \*\*\*

5. \*\*\*

6. \*\*\*

UAL-PA-03860-LA-1301377  
787-10 \*\*\*

SA-1  
LA Page 1

**BOEING PROPRIETARY**



7. \*\*\*

8. Assignment.

\*\*\* the rights and obligations described in this Letter Agreement are provided to Customer in consideration of Customer's becoming the operator of the Aircraft and cannot be assigned in whole or, in part,

9. Confidential Treatment.

Customer and Boeing understand that certain commercial and financial information contained in this Letter Agreement are considered by Boeing and Customer as confidential and are subject to the terms and conditions set forth in Letter Agreement No. UAL-PA-03776-LA-1208234.

[The rest of this page is intentionally left blank. Signature page follows]

UAL-PA-03860-LA-1301377  
787-10 \*\*\*

SA-1  
LA Page 2

**BOEING / UNITED AIRLINES, INC. PROPRIETARY**





Very truly yours,

THE BOEING COMPANY

By \*\*\*  
Its Attorney-In-Fact

ACCEPTED AND AGREED TO this

Date: June 17, 2013

UNITED AIRLINES, INC.

By /s/ Gerald Laderman  
Its Senior Vice President – Finance and Treasurer

UAL-PA-03860-LA-1301377  
787-10 \*\*\*

**BOEING / UNITED AIRLINES, INC. PROPRIETARY**

SA-1  
LA Page 3



**ATTACHMENT A**  
**\*\*\* Forecast & \*\*\* Notice Date**

\*\*\*  
Forecast  
\*\*\*

Applicable to Program Aircraft  
Delivering in Time Period  
\*\*\*

\*\*\* Notice  
Date  
\*\*\*

Attachment A to UAL-PA-03860-LA-1301377  
787-10 \*\*\*

SA-1  
Attachment A, Page 1

**BOEING PROPRIETARY**



**ATTACHMENT B**

\*\*\*

\*\*\*

Attachment B to UAL-PA-03860-LA-1301377  
787-10 \*\*\*

SA-1  
Attachment B, Page 1



UAL-PA-03860-LA-1301380

United Continental Holdings, Inc.  
233 South Wacker Drive  
Chicago, Illinois 60606

United Airlines, Inc.  
233 South Wacker Drive  
Chicago, Illinois 60606

Subject: 787-10 Launch Approval

- References:
- a) Supplemental Agreement No 1 to Purchase Agreement No. 3860 (**Purchase Agreement 3860**) between The Boeing Company (**Boeing**) and United Airlines, Inc. relating to Model 787 aircraft
  - b) Supplemental Agreement No 8 to Purchase Agreement No. 2484 (**Purchase Agreement 2484**) between Boeing and United Airlines, Inc. relating to model 787 aircraft
  - c) Supplemental Agreement No 1 to Purchase Agreement No. 03776 (**Purchase Agreement 03776**) between Boeing and United Continental Holdings, Inc. relating to Model 737-9 aircraft

This letter agreement (**Letter Agreement**) between Boeing and United Airlines, Inc. (**Customer**) amends and supplements Purchase Agreement 3860, Purchase Agreement 2484, and Purchase Agreement 03776 (collectively, the **United Purchase Agreements**).

**1. Boeing Board of Directors' Approval Requirement.**

787-10 Model aircraft program launch requires approval from the Boeing Board of Directors (**787-10 Launch Approval**). Therefore, a) Supplemental Agreement No. 1 to Purchase Agreement 3860; b) Supplemental Agreement No. 8 to Purchase Agreement 2484, and c) Supplemental Agreement No. 1 to Purchase Agreement 03776 which address changes in each of the referenced United Purchase Agreements to reflect incorporation of the 787-10 aircraft and other matters (collectively, the **Amendments**) require 787-10 Launch Approval. Boeing will provide notice to Customer promptly following receipt of 787-10 Launch Approval (**Boeing Notice**).

P.A. No. 3860

UAL-PA-03860-LA-1301380, 787-10 Launch Approval

**BOEING / UNITED AIRLINES, INC. PROPRIETARY**

SA-1

Page 1



2. **Contract Terms if Boeing Board 787-10 Launch Approval Not Obtained.**

If Boeing has not provided a Boeing Notice by \*\*\* or has otherwise notified Customer in writing that 787-10 Launch Approval will not be obtained, then (i) the Amendments will become null and void, (ii) Boeing will promptly refund to Customer, \*\*\* all payments received from Customer under Supplemental Agreement No. 1 to Purchase Agreement 3860, and (iii) the terms of the United Purchase Agreements will be those which were in effect immediately prior to the execution of the Amendments.

3. **Confidential Treatment.**

The information contained herein represents confidential business information and has value precisely because it is not available generally or to other parties. Without obtaining the prior written consent of the other parties and except as required by law, each party will limit the disclosure of its contents to its employees who have a need to know for purposes of helping such party perform its obligations under the Purchase Agreement and who will treat the information as confidential.

[The rest of the page is intentionally blank. Signature page follows.]

P.A. No. 3860

UAL-PA-03860-LA-1301380, 787-10 Launch Approval

**BOEING / UNITED AIRLINES, INC. PROPRIETARY**

SA-1

Page 2



Very truly yours,

THE BOEING COMPANY

By \*\*\*  
Its Attorney-in-Fact

ACCEPTED AND AGREED TO this

Date: June 17, 2013

**UNITED AIRLINES, INC.**

By /s/ Gerald Laderman  
Its Senior Vice President – Finance and Treasurer

**UNITED CONTINENTAL HOLDINGS, INC.**

By /s/ Gerald Laderman  
Its Senior Vice President – Finance and Treasurer

P.A. No. 3860

UAL-PA-03860-LA-1301380, 787-10 Launch Approval

**BOEING / UNITED AIRLINES, INC. PROPRIETARY**

Supplemental Agreement No. 03

to

Purchase Agreement Number PA-03784

(the Agreement)

Between

The Boeing Company

and

United Airlines, Inc.

Relating to Boeing Model 737-900ER Aircraft

THIS SUPPLEMENTAL AGREEMENT is entered into as of June 27, 2013 by and between THE BOEING COMPANY (Boeing) and UNITED AIRLINES, INC. (formerly known as Continental Airlines, Inc. and successor by merger to United Air Lines, Inc.) (Customer);

WHEREAS, Customer has elected to \*\*\*

Delivery Month	Serial Number
***	***
***	***
***	***
***	***
***	***
***	***

NOW THEREFORE, in consideration of the mutual covenants herein contained, the parties agree to amend the Agreement as follows:

1. Table of Contents, Articles, Tables, Exhibits, and Letter Agreements:

1.1 Remove and replace, in its entirety, the "Table of Contents", with the "Table of Contents" attached hereto, to reflect the changes made by this Supplemental Agreement No. 03.

1.2 Remove and replace, in its entirety, "Table 1" with the "Table 1" attached hereto to reflect \*\*\*

1.3 Remove and replace, in its entirety, Attachment A to Letter Agreement UAL-PA-03784-LA-1207879R1, "Option Aircraft", with the Attachment A attached hereto to reflect the exercise of the foregoing options.

The Agreement will be deemed to be supplemented to the extent herein provided as of the date hereof and as so supplemented will continue in full force and effect.

P.A. 03784

UAL

SA 3-1

**CONFIDENTIAL MATERIAL APPEARING IN THIS DOCUMENT HAS BEEN OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION IN ACCORDANCE WITH THE SECURITIES ACT OF 1933, AS AMENDED, AND RULE 24B-2 PROMULGATED THEREUNDER. OMITTED INFORMATION HAS BEEN REPLACED WITH ASTERISKS.**

EXECUTED IN DUPLICATE as of the day and year first written above.

THE BOEING COMPANY

UNITED AIRLINES, INC.

\*\*\*

/s/ Gerald Laderman

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Attorney-in-Fact

\_\_\_\_\_  
Senior Vice President—Finance and Treasurer

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title

P.A. 03784

UAL

SA 3-2



**TABLE OF CONTENTS**

SA Number

**ARTICLES**

- Article 1. Quantity, Model and Description
- Article 2. Delivery Schedule
- Article 3. Price
- Article 4. Payment
- Article 5. Additional Terms

**TABLE**

- 1. Aircraft Information Table**

**03**

**EXHIBIT**

- A. Aircraft Configuration
- B. Aircraft Delivery Requirements and Responsibilities

**SUPPLEMENTAL EXHIBITS**

- AE1. Escalation Adjustment/Airframe and Optional Features
- BFE1. BFE Variables
- CS1. Customer Support Variables
- EE1. Engine Escalation, Engine Warranty \*\*\*
- SLP1. Service Life Policy Components

UAL-PA-03784

SA-3

Page 3

**BOEING / UNITED AIR LINES, INC. PROPRIETARY**

LETTER AGREEMENTSTITLESA Number

UAL-PA-03784-LA-1207868	Performance Guarantees	
UAL-PA-03784-LA-1207870	Spare Parts Initial Provisioning	
UAL-PA-03784-LA-1207871	Special Matters	
UAL-PA-03784-LA-1207878	Demonstration Flight Waiver	
UAL-PA-03784-LA-1207879R1	Option Aircraft	02
	<b>Attachment A</b>	<b>03</b>
UAL-PA-03784-LA-1207881	Seller Purchased Equipment	
UAL-PA-03784-LA-1208155	***	
UAL-PA-03784-LA-1208156	***	
UAL-PA-03784-LA-1208172	***	
UAL-PA-03784-LA-1208173	***	
UAL-PA-03784-LA-1207869	737 Production Adjustments	
UAL-PA-03784-LA-1208938	Privileged and Confidential Matters	
UAL-PA-03784-LA-1209039	Aircraft Model Substitution	
UAL-PA-03784-LA-1209115	***	
UAL-PA-03784-LA-1300306	Aircraft Reschedule – ***	02
UAL-PA-03784		SA-3 Page 3

**BOEING / UNITED AIR LINES, INC. PROPRIETARY**

**SUPPLEMENTAL AGREEMENTS**

Supplemental Agreement No. 01

Supplemental Agreement No. 02

**Supplemental Agreement No. 03**

UAL-PA-03784

**DATED AS OF**

September 27, 2012

March 1, 2013

**June 27, 2013**

SA-3

Page-3

**BOEING / UNITED AIR LINES, INC. PROPRIETARY**

**Table 1 To**  
**Purchase Agreement No. 03784**  
**737-900ER Aircraft Delivery, Description, Price and Advance Payments**

<b>Airframe Model/MTOW:</b>	737-900ER	*** pounds	<b>Detail Specification:</b>	***
<b>Engine Model/Thrust:</b>	***	*** pounds	<b>Airframe Price Base Year/Escalation Formula:</b>	*** ***
<b>Airframe Price:</b>		\$ ***	<b>Engine Price Base Year/Escalation Formula:</b>	*** ***
<b>Optional Features:</b>		\$ ***		
<b>Sub-Total of Airframe and Features:</b>		\$ ***	<b>Airframe Escalation Data:</b>	
<b>Engine Price (Per Aircraft):</b>		\$ ***	<b>Base Year Index (ECI):</b>	***
<b>Aircraft Basic Price (Excluding BFE/SPE):</b>		\$ ***	<b>Base Year Index (CPI):</b>	***
<b>Buyer Furnished Equipment (BFE) Estimate:</b>		\$ ***		
<b>Seller Purchased Equipment (SPE) Estimate:</b>		\$ ***		
<b>Deposit per Aircraft:</b>		\$ ***		

Delivery Date	Number of Aircraft	Escalation Factor (Airframe)	Serial Number	Escalation Forecast	Escalation Estimate Adv Payment Base Price Per A/P	Advance Payment Per Aircraft (Amts. Due/Mos. Prior to Delivery):			
						***	***	***	***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***

**Table 1 To**  
**Purchase Agreement No. 03784**  
**737-900ER Aircraft Delivery, Description, Price and Advance Payments**

<b>Delivery Date</b>	<b>Number of Aircraft</b>	<b>Escalation Factor (Airframe)</b>	<b>Serial Number</b>	<b>Escalation Forecast</b>	<b>Escalation Estimate Adv Payment Base Price Per A/P</b>	<b>Advance Payment Per Aircraft (Amts. Due/Mos. Prior to Delivery):</b>				
						<b>***</b>	<b>***</b>	<b>***</b>	<b>***</b>	<b>***</b>
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***

**Table 1 To  
Purchase Agreement No. 03784  
737-900ER Aircraft Delivery, Description, Price and Advance Payments**

Delivery Date	Number of Aircraft	Escalation Factor (Airframe)	Serial Number	Escalation Forecast	Escalation Estimate Adv Payment Base Price Per A/P	Advance Payment Per Aircraft (Amts. Due/Mos. Prior to Delivery):						
						***	***	***	***	***		
***	***	***	***	***	\$	***	\$	***	\$	***	\$	***
***	***	***	***	***	\$	***	\$	***	\$	***	\$	***
***	***	***	***	***	\$	***	\$	***	\$	***	\$	***
***	***	***	***	***	\$	***	\$	***	\$	***	\$	***
***	***	***	***	***	\$	***	\$	***	\$	***	\$	***
***	***	***	***	***	\$	***	\$	***	\$	***	\$	***
***	***	***	***	***	\$	***	\$	***	\$	***	\$	***
***	***	***	***	***	\$	***	\$	***	\$	***	\$	***
***	***	***	***	***	\$	***	\$	***	\$	***	\$	***
***	***	***	***	***	\$	***	\$	***	\$	***	\$	***
***	***	***	***	***	\$	***	\$	***	\$	***	\$	***
***	***	***	***	***	\$	***	\$	***	\$	***	\$	***
***	***	***	***	***	\$	***	\$	***	\$	***	\$	***
***	***	***	***	***	\$	***	\$	***	\$	***	\$	***
***	***	***	***	***	\$	***	\$	***	\$	***	\$	***
***	***	***	***	***	\$	***	\$	***	\$	***	\$	***
***	***	***	***	***	\$	***	\$	***	\$	***	\$	***
***	***	***	***	***	\$	***	\$	***	\$	***	\$	***
***	***	***	***	***	\$	***	\$	***	\$	***	\$	***
***	***	***	***	***	\$	***	\$	***	\$	***	\$	***
***	***	***	***	***	\$	***	\$	***	\$	***	\$	***



**Attachment A to  
Letter Agreement UAL-PA-03784-LA-1207879  
737-900ER Option Aircraft Delivery, Description, Price and Advance Payments**

<b>Airframe Model/MTOW:</b>	737-900ER	*** pounds	<b>Detail Specification:</b>	***
<b>Engine Model/Thrust:</b>			<b>Airframe Price Base Year/Escalation</b>	
	***	*** pounds	<b>Formula:</b>	*** ***
<b>Airframe Price:</b>		\$ ***	<b>Engine Price Base Year/Escalation Formula:</b>	*** ***
<b>Optional Features:</b>		\$ ***		
<b>Sub-Total of Airframe and Features:</b>		\$ ***	<b>Airframe Escalation Data:</b>	
<b>Engine Price (Per Aircraft):</b>		\$ ***	<b>Base Year Index (ECI):</b>	***
<b>Aircraft Basic Price (Excluding BFE/SPE):</b>		\$ ***	<b>Base Year Index (CPI):</b>	***
<b>Buyer Furnished Equipment (BFE) Estimate:</b>		\$ ***		
<b>Seller Purchased Equipment (SPE) Estimate:</b>		\$ ***		
<b>Deposit per Aircraft:</b>		\$ ***		

Delivery Date	Number of Aircraft	Escalation Factor (Airframe)	Escalation Estimate Adv Payment Base Price Per A/P	Advance Payment Per Aircraft (Amts. Due/Mos. Prior to Delivery):			
				***	***	***	***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***



**Attachment A to  
Letter Agreement UAL-PA-03784-LA-1207879  
737-900ER Option Aircraft Delivery, Description, Price and Advance Payments**

Delivery Date	Number of Aircraft	Escalation Factor (Airframe)	Escalation Estimate Adv Payment Base Price Per A/P	Advance Payment Per Aircraft (Amts. Due/Mos. Prior to Delivery):				
				***	***	***	***	***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***

**Attachment A to  
Letter Agreement UAL-PA-03784-LA-1207879  
737-900ER Option Aircraft Delivery, Description, Price and Advance Payments**

Delivery Date	Number of Aircraft	Escalation Factor (Airframe)	Escalation Estimate Adv Payment Base Price Per A/P	Advance Payment Per Aircraft (Amts. Due/Mos. Prior to Delivery):				
				***	***	***	***	***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***

**Attachment A to  
Letter Agreement UAL-PA-03784-LA-1207879  
737-900ER Option Aircraft Delivery, Description, Price and Advance Payments**

Delivery Date	Number of Aircraft	Escalation Factor (Airframe)	Escalation Estimate Adv Payment Base Price Per A/P	Advance Payment Per Aircraft (Amts. Due/Mos. Prior to Delivery):			
				***	***	***	***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
***	***	***	\$ ***	\$ ***	\$ ***	\$ ***	\$ ***
Total:	***						

AMENDMENT NO. 2  
TO THE AIRBUS A350-900XWB PURCHASE AGREEMENT

dated as of March 5, 2010

between

AIRBUS S.A.S.

and

UNITED AIRLINES, INC.

This Amendment No. 2 (hereinafter referred to as the “**Amendment**”) is entered into as of June 19, 2013 by and between AIRBUS S.A.S., a société par actions simplifiée, organized and existing under the laws of the Republic of France, having its registered office located at 2, Rond Point Maurice Bellonte, 31700 Blagnac (France) (hereinafter referred to as the “**Seller**”), and UNITED AIRLINES, INC., a corporation organized and existing under the laws of the State of Delaware, United States of America, having its principal corporate offices located at 233 South Wacker Drive, Chicago, Illinois 60606 (hereinafter referred to as the “**Buyer**”).

WITNESSETH:

WHEREAS, the Buyer and the Seller have entered into the AIRBUS A350-900XWB Purchase Agreement, dated as of March 5, 2010 (which agreement as previously amended and supplemented with all Exhibits, Appendices and Letter Agreements attached thereto is hereinafter called the “**Agreement**”), and

WHEREAS, the Buyer and the Seller have agreed to amend certain terms of the Agreement.

CT0900252 – United Airlines, Inc. – A350-900XWB Purchase Agreement – Amendment No.2

AM2-1

AIRBUS S.A.S. & UNITED AIRLINES, INC. – PROPRIETARY AND CONFIDENTIAL

**CONFIDENTIAL MATERIAL APPEARING IN THIS DOCUMENT HAS BEEN OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION IN ACCORDANCE WITH THE SECURITIES ACT OF 1933, AS AMENDED, AND RULE 24B-2 PROMULGATED THEREUNDER. OMITTED INFORMATION HAS BEEN REPLACED WITH ASTERISKS.**

0. DEFINITIONS

Capitalized terms used herein and not otherwise expressly defined in this Amendment shall have the meanings assigned thereto in the Agreement.

The Agreement is hereby amended as follows:

The term "A350-900XWB" shall be deleted and replaced by the term A350-1000XWB, wherever it appears in the Airbus A350-900XWB purchase agreement dated as of March 5, 2010\*\*\*.

\*\*\*

IFE – has the meaning specified in Clause 18.1.2.2.

1. BASE PRICE OF THE A350-1000XWB AIRCRAFT

Clauses 3.1 and 3.2 of the Agreement are deleted in their entirety and replaced with the following quoted text:

QUOTE

3.1 Base Price of the A350-1000XWB Aircraft

The Base Price of the A350-1000XWB Aircraft is the sum of:

(i) the Base Price of the A350-1000XWB Aircraft as defined in the A350-1000XWB Standard Specification (excluding Buyer Furnished Equipment and ACS Equipment), which is:

\*\*\* and

(ii) the sum of the base prices of all SCNs set forth in Exhibit B-2, which is:

\*\*\*

The Base Price of the Aircraft has been established in accordance with the \*\*\*

3.2 Airbus Contracted Supplier (ACS) Equipment Price

The conditions of purchasing ACS Equipment for the Aircraft will be subject to an agreement among the Seller, ACS Suppliers and the Buyer at the time of the final selection of the ACS Equipment from the Option Catalogues.

Notwithstanding the foregoing, it is understood that ACS Equipment for the A350-1000XWB Aircraft will be purchased by the Seller, in accordance with the agreed terms as set forth above, and invoiced to the Buyer in accordance with Clause 3.3.

The following reference amount (the “**ACS Reference Price**”) may be used \*\*\* for the ACS Equipment for the Buyer’s A350-1000XWB Aircraft:  
\*\*\*

Nothing in this Clause 3.2 will be construed to prevent the Buyer from entering into direct negotiations with any ACS Supplier(s) with the view to negotiate more favorable terms and conditions than those as set forth in the Option Catalogues.

UNQUOTE

2. PRICE REVISION

Clause 4 of the Agreement is deleted in its entirety and replaced with the following quoted text:

QUOTE

4 - PRICE REVISION

The Base Price of the Aircraft and of the SCNs for the Aircraft are subject to revision up to and including the Delivery Date in accordance with the Seller Price Revision Formula.

UNQUOTE

3. DELIVERY SCHEDULE

Clause 9 of the Agreement is deleted in its entirety and replaced with the following quoted text:

QUOTE

9.1 Delivery Schedule

Subject to Clauses 2, 7, 8, 10 and 18, the Seller will have the Aircraft Ready for Delivery at the Delivery Location within the following months (each a “**Scheduled Delivery Quarter**”):

<u>Year</u>	<u>Number</u>	<u>Aircraft</u>	<u>Scheduled Delivery ***</u>
		***	

9.1.1 The Seller will communicate to the Buyer the scheduled delivery month of each Aircraft in a given calendar year (each a “**Scheduled Delivery Month**”) no later than \*\*\* before the first day of such calendar year.

9.1.2 The Seller will give the Buyer (i) \*\*\* Thereafter the Seller will notify the Buyer of any change to such dates.

UNQUOTE

4. BUYER FURNISHED EQUIPMENT AND AIRBUS CONTRACTED SUPPLIER EQUIPMENT

Clauses 18.1.2.1, 18.1.2.2 and 18.1.3 of the Agreement are deleted in their entirety and replaced with the following quoted text:

QUOTE

18.1.2.1 The Seller will advise the Buyer of the dates by which, in the planned release of engineering for the Aircraft, the Seller requires the BFE Supplier Data as set forth in Clause 2.5.2 and, subsequently, the final written detailed engineering definition encompassing a Declaration of Design and Performance (the “**BFE Engineering Definition**”). The Seller will provide to the Buyer and/or the BFE Supplier(s), within an appropriate timeframe, the necessary interface documentation and other technical data and information as is required by the Buyer to develop the BFE Engineering Definition.

The BFE Engineering Definition will include the description of the dimensions and weight of BFE, the information related to its certification and the information necessary for the installation and operation thereof. The Buyer will furnish, or cause the BFE Suppliers to furnish, both the BFE Supplier Data and BFE Engineering Definition by the dates specified through the Customization Milestone Chart as set forth in Clause 2.4.2.

Thereafter, the BFE Engineering Definition will not be revised, except through an SCN executed in accordance with Clause 2.

18.1.2.2 The Seller will also provide in due time to the Buyer a schedule of dates and the shipping addresses for delivery of the BFE and, where requested by the Seller, additional spare BFE to permit installation in the Aircraft and Delivery of the Aircraft in accordance with the Aircraft delivery schedule. The Buyer will provide, or cause the BFE Suppliers to provide, the BFE by such dates in a serviceable condition, in order to allow performance of any

assembly, test or acceptance process in accordance with the Seller's industrial schedule. In order to facilitate the follow-up of the timely receipt of BFE, the Buyer will, upon the Seller's request, provide to the Seller dates and references of all BFE purchase orders placed by the Buyer.

Notwithstanding the foregoing, for BFE in-flight entertainment ("IFE") equipment to be integrated into BFE Premium Class Seats, the Buyer shall provide, or cause the BFE Premium Class Seat Supplier to provide to the BFE IFE equipment Supplier a schedule of dates and shipping addresses for delivery of the IFE equipment. In addition, where requested by the BFE Premium Class Seat Supplier, the IFE Supplier shall provide the former with additional spare IFE equipment to permit installation of the IFE equipment into the BFE Premium Class Seats in accordance with the BFE Premium Class Seat contractual delivery schedule. For BFE Premium Class Seats, each unit shall be delivered fully tested and ready for installation.

The Buyer will also provide, when requested by the Seller, at AIRBUS OPERATIONS S.A.S. works in TOULOUSE (FRANCE) and/or at AIRBUS OPERATIONS GmbH, Division Hamburger Flugzeugbau Works in HAMBURG (FEDERAL REPUBLIC OF GERMANY) adequate field service including support from BFE Suppliers to act in a technical advisory capacity to the Seller in the installation, calibration and possible repair of any BFE.

18.1.3 At a suitable time prior to CDF and without prejudice to the Buyer's obligations hereunder, in order to facilitate the development of the BFE Engineering Definition, the Seller will organize when relevant an ITCM between the Seller, the Buyer and BFE Suppliers at the A350XWB Customer Definition Centre in Hamburg, Germany. The Buyer hereby agrees to participate in such meetings and to provide adequate technical and engineering expertise to reach decisions within the defined timeframe.

In addition, throughout the development phase and up to Delivery of the Aircraft to the Buyer, the Buyer agrees:

1. to monitor the BFE Suppliers and ensure that they will enable the Buyer to fulfil its obligations, including but not limited to those set forth in the Customization Milestone Chart;
2. that, should a timeframe, quality or other type of risk be identified at a given BFE Supplier, the Buyer will allocate resources to such BFE Supplier so as not to jeopardize the industrial schedule of the Aircraft;
3. for major BFE, including, but not being limited to, seats, galleys and IFE ("**Major BFE**") to participate on a mandatory basis in the



specific meetings that take place between BFE Supplier selection and BFE delivery, namely:

- (i) Preliminary Design Review (“**PDR**”),
  - (ii) Critical Design Review (“**CDR**”);
4. to attend the First Article Inspection (“**FAI**”) for the first shipset of all Major BFE. Should the Buyer fail to attend such FAI (due to reasons beyond the Buyer’s control), the Buyer will delegate the FAI to the BFE Supplier and confirmation thereof will be supplied to the Seller in writing;
5. to attend the Source Inspection (“**SI**”) that takes place at the BFE Supplier’s premises prior to shipping, for each shipset of all Major BFE. Should the Buyer fail to attend such SI (due to reasons beyond the Buyer’s control), the Buyer will delegate the SI to the BFE Supplier and confirmation thereof will be brought to the Seller in writing. Should the Buyer not attend the SI, the Buyer will be deemed to have accepted the conclusions of the BFE Supplier with respect to such SI.

The Seller will be entitled to attend the ITCMs, the PDR, the CDR and the FAI. In doing so, the Seller’s employees will be acting in an advisory capacity only and at no time will they be deemed to be acting as Buyer’s employees or agents, either directly or indirectly.

UNQUOTE

Clause 18 of the Agreement is amended to add the following quoted text:

QUOTE

18.6 Airbus Contracted Supplier Equipment

18.6.1 Administration

In accordance with the Specification, the Seller will install those items of equipment that are identified in the Specification as being ACS Equipment, provided that the ACS Equipment and the corresponding ACS Supplier of such ACS are referred to in the then-applicable Family ADD.

18.6.2 ACS Selection

- 18.6.2.1 The Buyer will select ACS Equipment and all associated features from the options proposed by the Seller in the A350XWB Family ADD applicable at the time of customization.
- 18.6.2.2 With respect to ACS seats, it is hereby agreed that any in-flight-entertainment (IFE) equipment to be incorporated into such ACS seats shall be exclusively Catalogue Cabin Items.
- 18.6.3 Meetings with ACS Suppliers

The Seller will be entitled to request the participation of the Buyer in meetings with ACS Suppliers, subject to reasonable prior notice.

UNQUOTE

5. \*\*\*

6. \*\*\*

7. EXHIBITS TO THE AGREEMENT

Exhibit A to the Agreement is deleted in its entirety and replaced with Exhibit A hereto.

Exhibit B-2 to the Agreement is deleted in its entirety and replaced with Exhibit B hereto.

7. EFFECT OF THE AMENDMENT

The Agreement will be deemed amended to the extent herein provided, and, except as specifically amended hereby, will continue in full force and effect in accordance with its original terms.

8. MISCELLANEOUS

The provisions of Clauses 21, 22.4, 22.6, 22.9, 22.10, 22.11, 22.12, 22.14 and 22.15 are incorporated herein by reference, mutatis mutandis, and made a part hereof as though set forth in full herein.

If the foregoing correctly sets forth our understanding, please execute the original and one (1) copy hereof in the space provided below and return a copy to the Seller.

Agreed and Accepted,

Agreed and Accepted,

UNITED AIRLINES, INC.

AIRBUS S.A.S.

By: /s/ Gerald Laderman

By: /s/ John J. Leahy

Its: Senior Vice President & Treasurer

Its: Chief Operating Officer Customers

CT0900252 – United Airlines, Inc. – A350-900XWB Purchase Agreement – Amendment No.2

AM2-8

AIRBUS S.A.S. & UNITED AIRLINES, INC. – PROPRIETARY AND CONFIDENTIAL

**A350-1000XWB BASIC AIRCRAFT DESCRIPTION DOCUMENT**

The A350-1000XWB Basic Aircraft Description Document is contained in a separate folder.

CT0900252 – United Airlines, Inc. – A350-900XWB Purchase Agreement – Amendment No.2

AM2-9

AIRBUS S.A.S. & UNITED AIRLINES, INC. – PROPRIETARY AND CONFIDENTIAL

\*\*\*

CT0900252 – United Airlines, Inc. – A350-900XWB Purchase Agreement – Amendment No.2

AM2-10

AIRBUS S.A.S. & UNITED AIRLINES, INC. – PROPRIETARY AND CONFIDENTIAL

AMENDED AND RESTATED LETTER AGREEMENT NO. 2  
TO THE AIRBUS A350-900XWB PURCHASE AGREEMENT

dated as of March 5, 2010

between

AIRBUS S.A.S.

and

UNITED AIRLINES, INC.

This amended and restated Letter Agreement No. 2 (hereinafter referred to as the “**Letter Agreement**”) is entered into as of June 19, 2013 by and between AIRBUS S.A.S., a société par actions simplifiée, organized and existing under the laws of the Republic of France, having its registered office located at 2, Rond Point Maurice Bellonte, 31700 Blagnac (France) (hereinafter referred to as the “**Seller**”), and UNITED AIRLINES, INC., a corporation organized and existing under the laws of the State of Delaware, United States of America, having its principal corporate offices located at 233 South Wacker Drive, Chicago, Illinois 60606 (hereinafter referred to as the “**Buyer**”).

WITNESSETH:

WHEREAS, the Buyer and the Seller have entered into the AIRBUS A350-900XWB Purchase Agreement, dated as of March 5, 2010 (which agreement as previously amended and supplemented with all Exhibits, Appendices and Letter Agreements attached thereto is hereinafter called the “**Agreement**”), and

WHEREAS, the Buyer and the Seller have entered into Letter Agreement No. 2 to the Agreement, setting forth certain terms and conditions regarding the sale of the Aircraft (the “**Original Letter Agreement**”).

WHEREAS, the Buyer and the Seller wish to amend and restate the Original Letter Agreement to incorporate relevant amendments to such Original Letter Agreement into a single document.

NOW THEREFORE IT IS AGREED THAT THE ORIGINAL LETTER AGREEMENT IS HEREBY AMENDED AND RESTATED TO READ IN ITS ENTIRETY AS FOLLOWS:

CT0900252 – United Airlines, Inc. – A350-900XWB Purchase Agreement – Letter Amendment No.2

LA2-1

AIRBUS S.A.S. & UNITED AIRLINES, INC. – PROPRIETARY AND CONFIDENTIAL

**CONFIDENTIAL MATERIAL APPEARING IN THIS DOCUMENT HAS BEEN OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION IN ACCORDANCE WITH THE SECURITIES ACT OF 1933, AS AMENDED, AND RULE 24B-2 PROMULGATED THEREUNDER. OMITTED INFORMATION HAS BEEN REPLACED WITH ASTERISKS.**

1. PREDELIVERY PAYMENTS

Clause 5 of the Agreement is deleted in its entirety and replaced with the following quoted text:

QUOTE

5 - PAYMENT TERMS

5.1 Seller's Account

The Buyer will pay the Predelivery Payments, the Balance of the Final Price of the Aircraft and any other amount due hereunder in immediately available funds in United States dollars to: \*\*\*, or to such other account as may be designated by the Seller in writing to the Buyer.

5.2 Predelivery Payments

5.2.1 \*\*\*.

5.2.2 The Predelivery Payment Reference Price for an Aircraft to be delivered in calendar year T is determined in accordance with the following formula:

\*\*\*

5.2.3 Predelivery Payments will be paid according to the following schedules.

\*\*\*

<u>Payment Date</u>		<u>Percentage of Predelivery Payment Reference Price</u>
***	***	*** %
		***
	***	
***	***	***%
***	***	*** %
***	***	*** %

***	***	*** %
***	***	*** %
***	***	*** %
TOTAL PAYMENT PRIOR TO DELIVERY		*** %

\*\*\*

<u>Payment Date</u>		<u>Percentage of Predelivery Payment Reference Price</u>
***	***	*** %
	***	***
***	***	*** %
***	***	*** %
***	***	*** %
TOTAL PAYMENT PRIOR TO DELIVERY		*** %

For Converted A350-900 XWB Aircraft:

<u>Payment Date</u>		<u>Percentage of Predelivery Payment Reference Price</u>
***	***	*** %
	***	
***	***	*** %
***	***	*** %



***	***	*** %
***	***	*** %
***	***	*** %
***	***	*** %
TOTAL PAYMENT PRIOR TO DELIVERY		*** %

5.2.4 \*\*\*

5.2.5 \*\*\*

5.3 \*\*\*

5.4 \*\*\*

5.5 Payment of Balance of the Final Price of the Aircraft  
\*\*\*

5.6 Taxes

5.6.1 \*\*\*

5.6.2 \*\*\*

5.6.3 \*\*\*

5.6.4 \*\*\*

“**Taxes**” means any present or future tax, stamp or other taxes, levies, imposts, duties, charges, fees, deductions or withholdings, now or hereafter imposed, levied, collected, withheld or assessed by any governmental authority or any political subdivision or taxing authority thereof or therein.

5.7 Application of Payments

Notwithstanding any other rights the Seller may have at contract or at law, the Buyer and the Seller hereby agree that should any amount (whether under this Agreement or under any other agreement between the Buyer or a direct or indirect subsidiary of the Buyer on the one hand and the Seller and the Seller Affiliates on the other hand) become due and payable by the Buyer or the Buyer Affiliates\*\*\*

5.8 \*\*\*

5.9 Overdue Predelivery Payments

If any Predelivery Payment due the Seller is not received by the Seller on the date or dates agreed upon between the Buyer and the Seller, the Seller will have the right to claim from the Buyer and the Buyer will promptly pay to the Seller upon receipt of such claim, interest at the rate of \*\*\* The Seller's right to receive such interest will be in addition to any other rights of the Seller hereunder or at law. \*\*\*

5.10 Proprietary Interest

Notwithstanding any provision of law to the contrary, the Buyer will not, by virtue of anything contained in this Agreement (including, without limitation, any \*\*\* or Predelivery Payments hereunder, or any designation or identification by the Seller of a particular aircraft as an Aircraft to which any of the provisions of this Agreement refers) acquire any proprietary, insurable or other interest whatsoever in any Aircraft before Delivery of and payment for such Aircraft, as provided in this Agreement.

5.11 Payment in Full

\*\*\*

5.12 Other Charges

\*\*\*

UNQUOTE

2. ASSIGNMENT

This Letter Agreement and the rights and obligations of the parties will be subject to the provisions of Clause 21 of the Agreement.

3. CONFIDENTIALITY

This Letter Agreement is subject to the terms and conditions of Clause 22.10 of the Agreement.

4. COUNTERPARTS

This Letter Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument.

If the foregoing correctly sets forth our understanding, please execute the original and one (1) copy hereof in the space provided below and return a copy to the Seller.

Very truly yours,

AIRBUS S.A.S.

By: /s/ John J. Leahy

Its: Chief Operating Officer  
Customers

Accepted and Agreed

UNITED AIRLINES, INC.

By: /s/ Gerald Laderman

Its: Senior Vice President & Treasurer

CT0900252 – United Airlines, Inc. – A350-900XWB Purchase Agreement – Letter Amendment No.2

LA2-7

AIRBUS S.A.S. & UNITED AIRLINES, INC. – PROPRIETARY AND CONFIDENTIAL

AMENDED AND RESTATED LETTER AGREEMENT NO. 3  
TO THE AIRBUS A350-900XWB PURCHASE AGREEMENT

dated as of March 5, 2010

between

AIRBUS S.A.S.

and

UNITED AIRLINES, INC.

This amended and restated Letter Agreement No. 3 (hereinafter referred to as the “**Letter Agreement**”) is entered into as of June 19, 2013 by and between AIRBUS S.A.S., a société par actions simplifiée, organized and existing under the laws of the Republic of France, having its registered office located at 2, Rond Point Maurice Bellonte, 31700 Blagnac (France) (hereinafter referred to as the “**Seller**”), and UNITED AIRLINES, INC., a corporation organized and existing under the laws of the State of Delaware, United States of America, having its principal corporate offices located at 233 South Wacker Drive, Chicago, Illinois 60606 (hereinafter referred to as the “**Buyer**”).

WITNESSETH:

WHEREAS, the Buyer and the Seller have entered into the AIRBUS A350-900XWB Purchase Agreement, dated as of March 5, 2010 (which agreement as previously amended and supplemented with all Exhibits, Appendices and Letter Agreements attached thereto is hereinafter called the “**Agreement**”), and

WHEREAS, the Buyer and the Seller have entered into Letter Agreement No. 3 to the Agreement, setting forth certain terms and conditions regarding the sale of the Aircraft (the “**Original Letter Agreement**”), and

WHEREAS, the Buyer and the Seller wish to amend and restate the Original Letter Agreement to incorporate relevant amendments to such Original Letter Agreement into a single document:

NOW THEREFORE IT IS AGREED THAT THE ORIGINAL LETTER AGREEMENT IS HEREBY AMENDED AND RESTATED TO READ IN ITS ENTIRETY AS FOLLOWS:

CT0900252 – United Airlines, Inc. – A350-900XWB Purchase Agreement – Letter Agreement No.3

LA3-1

AIRBUS S.A.S. & UNITED AIRLINES, INC. – PROPRIETARY AND CONFIDENTIAL

**CONFIDENTIAL MATERIAL APPEARING IN THIS DOCUMENT HAS BEEN OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION IN ACCORDANCE WITH THE SECURITIES ACT OF 1933, AS AMENDED, AND RULE 24B-2 PROMULGATED THEREUNDER. OMITTED INFORMATION HAS BEEN REPLACED WITH ASTERISKS.**

- 1. \*\*\*
- 1.1 \*\*\*
- \*\*\*
- 1.2 \*\*\*
- 1.3 \*\*\*
- 2. INTENTIONALLY LEFT BLANK
- 3. A350-1000XWB AIRCRAFT
- 3.1 \*\*\*
- 3.2 \*\*\*
- 3.3 \*\*\*
- 4. \*\*\*
- 5. \*\*\*
- 5.1 \*\*\*
- 5.2 \*\*\*
- 6. \*\*\*
- 6.1. \*\*\*
- 6.2. \*\*\*
- 6.3. \*\*\*
- 7. \*\*\*
- 8. \*\*\*
- 9. \*\*\*

10. ASSIGNMENT

This Letter Agreement and the rights and obligations of the parties will be subject to the provisions of Clause 21 of the Agreement.

11. CONFIDENTIALITY

This Letter Agreement is subject to the terms and conditions of Clause 22.10 of the Agreement.

12. COUNTERPARTS

This Letter Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument.

If the foregoing correctly sets forth our understanding, please execute the original and one (1) copy hereof in the space provided below and return a copy to the Seller.

Very truly yours,

AIRBUS S.A.S.

By: /s/ John J. Leahy

\_\_\_\_\_  
Its: Chief Operating Officer  
Customers

Accepted and Agreed

UNITED AIRLINES, INC.

By: /s/ Gerald Laderman

\_\_\_\_\_  
Its: Senior Vice President & Treasurer

CT0900252 – United Airlines, Inc. – A350-900XWB Purchase Agreement – Letter Agreement No.3

LA3-4

AIRBUS S.A.S. & UNITED AIRLINES, INC. – PROPRIETARY AND CONFIDENTIAL



AMENDED AND RESTATED LETTER AGREEMENT NO. 4  
TO THE AIRBUS A350-900XWB PURCHASE AGREEMENT

dated as of March 5, 2010

between

AIRBUS S.A.S.

and

UNITED AIRLINES, INC.

This amended and restated Letter Agreement No. 4 (hereinafter referred to as the “**Letter Agreement**”) is entered into as of June 19, 2013 by and between AIRBUS S.A.S., a société par actions simplifiée, organized and existing under the laws of the Republic of France, having its registered office located at 2, Rond Point Maurice Bellonte, 31700 Blagnac (France) (hereinafter referred to as the “**Seller**”), and UNITED AIRLINES, INC., a corporation organized and existing under the laws of the State of Delaware, United States of America, having its principal corporate offices located at 233 South Wacker Drive, Chicago, Illinois 60606 (hereinafter referred to as the “**Buyer**”).

WITNESSETH:

WHEREAS, the Buyer and the Seller have entered into the AIRBUS A350-900XWB Purchase Agreement, dated as of March 5, 2010 (which agreement as previously amended and supplemented with all Exhibits, Appendices and Letter Agreements attached thereto is hereinafter called the “**Agreement**”), and

WHEREAS, the Buyer and the Seller have entered into Letter Agreement No. 4 to the Agreement, setting forth certain terms and conditions regarding the sale of the Aircraft (the “**Original Letter Agreement**”).

WHEREAS, the Buyer and the Seller wish to amend and restate the Original Letter Agreement to incorporate relevant amendments to such Original Letter Agreement into a single document.

NOW THEREFORE IT IS AGREED THAT THE ORIGINAL LETTER AGREEMENT IS HEREBY AMENDED AND RESTATED TO READ IN ITS ENTIRETY AS FOLLOWS:

CT0900252 – United Airlines, Inc. – A350-900XWB Purchase Agreement – Letter Amendment No.4

LA4-1

AIRBUS S.A.S. & UNITED AIRLINES, INC. – PROPRIETARY AND CONFIDENTIAL

**CONFIDENTIAL MATERIAL APPEARING IN THIS DOCUMENT HAS BEEN OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION IN ACCORDANCE WITH THE SECURITIES ACT OF 1933, AS AMENDED, AND RULE 24B-2 PROMULGATED THEREUNDER. OMITTED INFORMATION HAS BEEN REPLACED WITH ASTERISKS.**

1. DEFINITIONS

Clause 0 to the Agreement is amended to either modify or add the following defined terms between the “QUOTE” and “UNQUOTE”:

QUOTE

A350-1000XWB Aircraft – any or all of the thirty-five (35) firm A350-1000XWB aircraft for which the delivery schedule is set forth in Clause 9.1 to this Agreement \*\*\*, to be sold by the Seller and purchased by the Buyer pursuant to this Agreement, together with all components, equipment, parts and accessories installed in or on such aircraft and the A350-1000XWB Propulsion Systems installed thereon upon delivery.

A350-900XWB Aircraft – any or all of the A350-1000XWB Aircraft converted to firmly ordered A350-900XWB aircraft, \*\*\*, as described herein, to be sold by the Seller and purchased by the Buyer pursuant to this Agreement, together with all components, equipment, parts and accessories installed in or on such aircraft and the A350-900XWB Propulsion Systems installed thereon upon delivery.

A350-900XWB Airframe – any A350-900XWB Aircraft, excluding the Propulsion Systems thereof, but including the nacelles and thrust reversers.

A350-900XWB Propulsion Systems – as set forth in Paragraph 3.3.1 of Letter Agreement No. 4 to the Agreement.

A350-900XWB Specification – the A350-900XWB Standard Specification as amended by the SCNs, a list of which is set forth in Exhibit B-2 to this Letter Agreement No. 4 hereto and as may be further amended or modified in accordance with this Agreement.

A350-900XWB Standard Specification – the A350-900XWB standard specification document number \*\*\*, a copy of which is attached as Exhibit A to this Letter Agreement No. 4.

A350XWB Aircraft – any or all of the A350-1000XWB Aircraft and the A350-900XWB Aircraft, as the case may be.

A350XWB Standard Specification – as applicable, (i) the A350-900XWB Standard Specification or (ii) the A350-1000XWB Standard Specification.

Aircraft – as applicable, (i) any or all of the A350-1000XWB Aircraft sold or to be sold by the Seller and purchased or to be purchased by the Buyer pursuant to this Agreement, and \*\*\*, and (iii) any or all of the A350XWB Aircraft with respect to which the Buyer has exercised a Conversion Right.

Airframe – \*\*\* the A350-1000XWB Airframe.

\*\*\*

Final Price of the A350-900XWB Aircraft – as defined in Paragraph 3.3.4 of Letter Agreement No.4 to the Agreement.

Final Price of the A350XWB Aircraft – as applicable, (i) the Final Price of the A350-900XWB Aircraft or (ii) the Final Price of the A350-1000XWB Aircraft.

\*\*\*

Specification – as applicable, the A350-900XWB Specification or the A350-1000XWB Specification.

UNQUOTE

2. \*\*\*

2.1. \*\*\*

2.2. \*\*\*

\*\*\*

***	***
***	***
***	***
***	***
***	***
***	***
***	***

\*\*\*

***	***
***	***
***	***
***	***
***	***
***	***
***	***

\*\*\*

2.3 \*\*\*

3. \*\*\*

3.1. \*\*\*

3.2. INTENTIONALLY LEFT BLANK

3.3. A350-900XWB Related Matters

3.3.1 A350-900XWB Specification

The A350-900XWB Aircraft shall be manufactured in accordance with the A350-900XWB Standard Specification.

The Seller agrees to inform the Buyer of any Standard Specification evolutions that the Seller is offering to airlines for incorporation in the A350-900XWB aircraft.

The A350-900XWB Aircraft will be equipped with a set of \*\*\*.

3.3.2 Base Price of the A350-900XWB Aircraft

The Base Price of the A350-900XWB Aircraft is the sum of:

(i) the Base Price of the A350-900XWB Aircraft as defined in the A350-900XWB Standard Specification (excluding Buyer Furnished Equipment and Airbus Contracted Supplier equipment), which is:

\*\*\*

(ii) the sum of the base prices of all SCNs set forth in Appendix B-2 to this Letter Agreement No.4, which is:

\*\*\*

The Base Price of the Aircraft has been established in accordance with \*\*\*.

3.3.3 ACS Equipment Price for the A350-900XWB Aircraft

The conditions of purchasing of ACS Equipment for the Aircraft will be the subject of an agreement among the Seller, ACS Suppliers and the Buyer at the time of the final selection of the ACS Equipment from the Option Catalogues.

Notwithstanding the foregoing, it is understood that ACS Equipment for the Aircraft will be purchased by the Seller, in accordance with the agreed terms as set forth above, and invoiced to the Buyer in accordance with Paragraph 3.3.4.

The following reference amount (the “**A350-900XWB ACS Reference Price**”) may be used as \*\*\* for the ACS Equipment for the Buyer’s Aircraft:  
\*\*\*

3.3.4 Final Price of the A350-900XWB Aircraft

The Final Price of the A350-900XWB Aircraft will be the sum of:

(i) the A350-900XWB Aircraft Base Price, as adjusted to the applicable Delivery Date of such Aircraft in accordance with Clause 4 to the Agreement;

(ii) the aggregate of all increases or decreases to the Base Price of the A350-900XWB Aircraft as agreed in any Specification Change Notice for the A350-900XWB Aircraft or part thereof subsequent to the date of this Agreement as adjusted to the Delivery Date in accordance with Clause 4 to the Agreement;

(iii) the price of any and all ACS Equipment selected by the Buyer in the Seller’s Option Catalogs and purchased by the Seller, either at the then applicable Option Catalog price or in accordance with the terms and conditions agreed between the Buyer and the ACS and communicated to the Seller; and;

(iv) any other amount resulting from any other provisions of this Agreement and/or any other written agreement between the Buyer and the Seller relating to the A350-900XWB Aircraft.

3.3.5. \*\*\*

3.3.6. \*\*\*

4. \*\*\*

4.1. \*\*\*

4.2. \*\*\*

4.3. \*\*\*

5. \*\*\*

5.1. \*\*\*

5.2. \*\*\*

6. \*\*\*

6.1. \*\*\*

6.2. \*\*\*

7. ASSIGNMENT

This Letter Agreement and the rights and obligations of the parties will be subject to the provisions of Clause 21 of the Agreement.

8. CONFIDENTIALITY

This Letter Agreement is subject to the terms and conditions of Clause 22.10 of the Agreement.

9. COUNTERPARTS

This Letter Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument.

If the foregoing correctly sets forth our understanding, please execute the original and one (1) copy hereof in the space provided below and return a copy to the Seller.

Very truly yours,

AIRBUS S.A.S.

By: /s/ John J. Leahy

Its: Chief Operating Officer  
Customers

Accepted and Agreed

UNITED AIRLINES, INC.

By: /s/ Gerald Laderman

Its: Senior Vice President & Treasurer

CT0900252 – United Airlines, Inc. – A350-900XWB Purchase Agreement – Letter Amendment No.4

LA4-7

AIRBUS S.A.S. & UNITED AIRLINES, INC. – PROPRIETARY AND CONFIDENTIAL

**EXHIBIT A**

\*\*\*

\*\*\*

CT0900252 – United Airlines, Inc. – A350-900XWB Purchase Agreement – Letter Amendment No.4

LA4-8

AIRBUS S.A.S. & UNITED AIRLINES, INC. – PROPRIETARY AND CONFIDENTIAL



**EXHIBIT B-1**

INTENTIONALLY LEFT BLANK

CT0900252 – United Airlines, Inc. – A350-900XWB Purchase Agreement – Letter Amendment No.4

LA4-9

AIRBUS S.A.S. & UNITED AIRLINES, INC. – PROPRIETARY AND CONFIDENTIAL

**EXHIBIT B-2**

\*\*\*

CT0900252 – United Airlines, Inc. – A350-900XWB Purchase Agreement – Letter Amendment No.4

LA4-10

AIRBUS S.A.S. & UNITED AIRLINES, INC. – PROPRIETARY AND CONFIDENTIAL

AMENDED AND RESTATED LETTER AGREEMENT NO. 5  
TO THE AIRBUS A350-900XWB PURCHASE AGREEMENT

dated as of March 5, 2010

between

AIRBUS S.A.S.

and

UNITED AIRLINES, INC.

This amended and restated Letter Agreement No. 5 (hereinafter referred to as the “**Letter Agreement**”) is entered into as of June 19, 2013 by and between AIRBUS S.A.S., a société par actions simplifiée, organized and existing under the laws of the Republic of France, having its registered office located at 2, Rond Point Maurice Bellonte, 31700 Blagnac (France) (hereinafter referred to as the “**Seller**”), and UNITED AIRLINES, INC., a corporation organized and existing under the laws of the State of Delaware, United States of America, having its principal corporate offices located at 233 South Wacker Drive, Chicago, Illinois 60606 (hereinafter referred to as the “**Buyer**”).

WITNESSETH:

WHEREAS, the Buyer and the Seller have entered into the AIRBUS A350-900XWB Purchase Agreement, dated as of March 5, 2010 (which agreement as previously amended and supplemented with all Exhibits, Appendices and Letter Agreements attached thereto is hereinafter called the “**Agreement**”), and

WHEREAS, the Buyer and the Seller have entered into Letter Agreement No. 5 to the Agreement, setting forth certain terms and conditions regarding the sale of the Aircraft (the “**Original Letter Agreement**”), and

WHEREAS, the Buyer and the Seller wish to amend and restate the Original Letter Agreement to incorporate relevant amendments to such Original Letter Agreement into a single document:

NOW THEREFORE IT IS AGREED THAT THE ORIGINAL LETTER AGREEMENT IS HEREBY AMENDED AND RESTATED TO READ IN ITS ENTIRETY AS FOLLOWS:

CT0900252 – United Airlines, Inc. – A350-900XWB Purchase Agreement – Letter Amendment No.5

LA5-1

AIRBUS S.A.S. & UNITED AIRLINES, INC. – PROPRIETARY AND CONFIDENTIAL

**CONFIDENTIAL MATERIAL APPEARING IN THIS DOCUMENT HAS BEEN OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION IN ACCORDANCE WITH THE SECURITIES ACT OF 1933, AS AMENDED, AND RULE 24B-2 PROMULGATED THEREUNDER. OMITTED INFORMATION HAS BEEN REPLACED WITH ASTERISKS.**

TABLE OF CONTENTS

<b>1.</b>	<b>AIRBUS WORLD</b>	<b>3</b>
<b>2.</b>	<b>CLAUSE 14 – TECHNICAL DATA</b>	<b>4</b>
<b>3.</b>	<b>CLAUSE 15 – SELLER REPRESENTATIVE SERVICES</b>	<b>10</b>
3.1	CUSTOMER SUPPORT REPRESENTATIVE(S)	10
3.2	BUYER’S SUPPORT	10
3.3	SELLER REPRESENTATIVE	10
<b>4.</b>	<b>CLAUSE 16 – TRAINING SUPPORT AND SERVICES</b>	<b>11</b>
<b>5.</b>	<b>CLAUSE 17 – EQUIPMENT SUPPLIER PRODUCT SUPPORT</b>	<b>20</b>
<b>6.</b>	<b>***</b>	<b>20</b>
<b>7.</b>	<b>ASSIGNMENT</b>	<b>21</b>
<b>8.</b>	<b>CONFIDENTIALITY</b>	<b>21</b>
<b>9.</b>	<b>COUNTERPARTS</b>	<b>21</b>

CT0900252 – United Airlines, Inc. – A350-900XWB Purchase Agreement – Letter Amendment No.5

LA5-2

AIRBUS S.A.S. & UNITED AIRLINES, INC. – PROPRIETARY AND CONFIDENTIAL

1. AIRBUS WORLD

Notwithstanding anything in Exhibit H, the Buyer will have full access to Airbus World \*\*\*.

2. CLAUSE 14 – TECHNICAL DATA

Clause 14 of the Agreement is deleted in its entirety and replaced with the following text between the QUOTE and UNQUOTE:

QUOTE

14 - TECHNICAL DATA

14.1 Scope

This Clause 14 covers the terms and conditions for the supply of technical data by the Seller (“**Technical Data**”) needed to support the Aircraft operation.  
\*\*\*

14.1.1 The Technical Data shall be supplied in the English language using the aeronautical terminology in common use.

14.1.2 All Technical Data shall be available on-line as set forth in Clause 14.4. Range, type, format and delivery schedule of the on-line Technical Data to be provided under this Agreement are outlined in Exhibit G hereto.

14.2 Aircraft Identification for Technical Data

14.2.1 For those Technical Data that are customized to the Buyer’s Aircraft, the Buyer agrees to the allocation of fleet serial numbers (“**Fleet Serial Numbers**”) in the form of blocks of numbers selected in the range from 001 to 999.

14.2.2 The sequence shall not be interrupted unless two (2) different Propulsion Systems or two (2) different Aircraft models are selected.

14.2.3 The Buyer shall indicate to the Seller the Fleet Serial Number allocated to each Aircraft corresponding to the delivery schedule set forth in Clause 9.1 \*\*\* Neither the designation of such Fleet Serial Numbers nor the subsequent allocation of the Fleet Serial Numbers to Manufacturer Serial Numbers for the purpose of producing certain customized Technical Data shall constitute any property, insurable or other interest of the Buyer in any Aircraft prior to the Delivery of such Aircraft as provided for in this Agreement.

The customized Technical Data that are affected thereby are the following:

- Aircraft Maintenance Manual,
- Illustrated Parts Catalog,
- Trouble Shooting Manual,
- Aircraft Wiring Manual,
- Aircraft Schematics Manual,
- Aircraft Wiring Lists.

### 14.3 Integration of Equipment Data

#### 14.3.1 Supplier Parts

Information, including revisions, relating to Supplier Parts that are installed on the Aircraft at Delivery or through Airbus Service Bulletins thereafter will be introduced into the customized Technical Data to the extent necessary for the comprehension of the affected systems, at no additional charge to the Buyer.

#### 14.3.2 Buyer Furnished Equipment

14.3.2.1 The Seller shall introduce data related to Buyer Furnished Equipment, for equipment that is installed on the Aircraft by the Seller (“**BFE Data**”) into the customized Technical Data, at no additional charge to the Buyer for the initial issue of the Technical Data provided at first Aircraft Delivery, provided such BFE Data is provided in accordance with the conditions set forth in Clauses 14.3.2.2 through 14.3.2.6.

14.3.2.2 The Buyer shall supply the BFE Data to the Seller at least six (6) months prior to the Scheduled Delivery Month of the first Aircraft.

14.3.2.3 The BFE Data shall be supplied in English and shall be established in compliance with the then applicable revision of ATA iSpecification 2200 and/or S1000D Specification jointly defined by the ASD (Aerospace and Defense Industries Association of Europe), AIA (Aerospace Industries Association) and ATA (Air Transport Association of America), as applicable.

14.3.2.4 The Buyer and the Seller shall agree on the requirements for the provision to the Seller of BFE Data for “on-aircraft maintenance”, such as but not limited to timeframe, media and format in which the BFE Data shall be supplied to the Seller, in order to manage the BFE Data integration process in an efficient, expeditious and economic manner.

14.3.2.5 The BFE Data shall be delivered in digital format (SGML or XML raw data) and/or in Portable Document Format (PDF), as agreed between the Buyer and the Seller.

14.3.2.6 All costs related to the delivery to the Seller of the applicable BFE Data shall be borne by the Buyer.

#### 14.4 Supply

14.4.1 Except as specifically otherwise set forth in Exhibit G, all Technical Data shall be made available on-line through the relevant services on the Seller’s customer portal Airbus World (“**Airbus World**”), as further described in Exhibit H to the Agreement.

14.4.2 The Technical Data shall be delivered according to a \*\*\* schedule to correspond with the Deliveries of Aircraft. The Buyer shall provide no less than sixty (60) days notice when requesting a change to such delivery schedule.

14.4.3 It will be the responsibility of the Buyer to \*\*\* Upon request from the Buyer's Aviation Authorities, such Aviation Authorities shall be given on-line access to the Buyer's Technical Data.

#### 14.5 Revision Service

For each firmly ordered Aircraft covered under this Agreement, revision service for the Technical Data shall be provided \*\*\* (each a "Revision Service Period").

Thereafter revision service shall be provided in accordance with the terms and conditions set forth in the Seller's then current Customer Services Catalog.

#### 14.6 Service Bulletins (SB) Incorporation

During any Revision Service Period and upon the Buyer's request, Seller Service Bulletin information shall be incorporated into the Technical Data, provided that the Buyer notifies the Seller through the Airbus World "Service Bulletin Reporting" service that it intends to accomplish such Service Bulletin, after which post-Service Bulletin status shall be shown. \*\*\*

#### 14.7 Technical Data Familiarization

Upon request by the Buyer, the Seller shall provide up to \*\*\* of Technical Data familiarization training at the Seller's or the Buyer's facilities. The basic familiarization course is tailored for maintenance and engineering personnel.

#### 14.8 Customer Originated Changes (COC)

If the Buyer wishes to introduce Buyer originated data ("**COC Data**") into any of the customized Technical Data that are identified as eligible for such incorporation in the Seller's then current Customer Services Catalog, the Buyer shall notify the Seller of such intention.

The incorporation of any COC Data shall be performed under the methods and tools for achieving such introduction and the conditions specified in the Seller's then current Customer Services Catalog.



#### 14.9 Advanced Consultation Tool

14.9.1 Some Technical Data shall be made available through several domains listed in Paragraph 14.9.2 and shall be provided on-line through an Advanced Consultation Tool, which shall include the necessary navigation software and viewer to browse the Technical Data (together, “**Advanced Consultation Tool**”).

14.9.2 The Advanced Consultation Tool encompasses the following domains:

- Maintenance,
- Planning,
- Repair,
- Workshop,
- Associated Data,
- Engineering.

14.9.3 Further details on the Technical Data included in such Advanced Consultation Tool are set forth in Exhibit G.

14.9.4 Access to the Advanced Consultation Tool software by the Buyer will be subject to \*\*\*.

14.9.5 The revision service and the license to use Advanced Consultation Tool shall be \*\*\* for the duration of the corresponding Revision Service Period. At the end of such Revision Service Period, the yearly revision service for the Advanced Consultation Tool and the associated license fee shall be provided to the Buyer under the commercial conditions set forth in the Seller’s then current Customer Services Catalog.

#### 14.10 On-Line Access to Technical Data

14.10.1 Access to Airbus World shall be subject to the “General Terms and Conditions of Access to and Use of Airbus World” (the “GTC”), as set forth in Exhibit H.

14.10.2 Access to Airbus World shall be \*\*\* of the Buyer’s users (including \*\*\* Buyer’s Administrators) for the Technical Data related to the Aircraft which shall be operated by the Buyer.

14.10.3 Should Airbus World provide access to Technical Data in software format, the use of such software shall be further subject to \*\*\*

#### 14.11 Waiver, Release and Renunciation

The Seller warrants that the Technical Data are prepared in accordance with the state of art at the date of their conception. Should any Technical Data prepared by the Seller contain non-conformity or defect, the sole and exclusive liability of the Seller shall be to correct such Technical Data. Notwithstanding the above, no warranties of any kind shall be given for the Customer Originated Changes.

THE WARRANTIES, OBLIGATIONS AND LIABILITIES OF THE SELLER (AS DEFINED BELOW FOR THE PURPOSES OF THIS CLAUSE) AND REMEDIES OF THE BUYER SET FORTH IN THIS CLAUSE 14 ARE EXCLUSIVE AND IN SUBSTITUTION FOR, AND THE BUYER HEREBY WAIVES, RELEASES AND RENOUNCES ALL OTHER WARRANTIES, OBLIGATIONS AND LIABILITIES OF THE SELLER AND RIGHTS, CLAIMS AND REMEDIES OF THE BUYER AGAINST THE SELLER, EXPRESS OR IMPLIED, ARISING BY LAW, CONTRACT OR OTHERWISE, WITH RESPECT TO ANY NON-CONFORMITY OR DEFECT OF ANY KIND, IN ANY TECHNICAL DATA OR SERVICES DELIVERED UNDER THIS AGREEMENT, INCLUDING BUT NOT LIMITED TO:

A. ANY WARRANTY AGAINST HIDDEN DEFECTS;

B. ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS;

C. ANY IMPLIED WARRANTY ARISING FROM COURSE OF PERFORMANCE, COURSE OF DEALING OR USAGE OR TRADE;

D. ANY OBLIGATION, LIABILITY, RIGHT, CLAIM OR REMEDY, WHETHER IN CONTRACT OR IN TORT, WHETHER OR NOT ARISING FROM THE SELLER'S NEGLIGENCE, ACTUAL OR IMPUTED; AND

E. ANY OBLIGATION, LIABILITY, RIGHT, CLAIM, OR REMEDY FOR LOSS OF OR DAMAGE TO ANY AIRCRAFT, COMPONENT, EQUIPMENT, ACCESSORY, PART, SOFTWARE, DATA OR SERVICES DELIVERED UNDER THIS AGREEMENT, FOR LOSS OF USE, REVENUE OR PROFIT, OR FOR ANY OTHER DIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES;

PROVIDED THAT, IN THE EVENT THAT ANY OF THE AFORESAID PROVISIONS SHOULD FOR ANY REASON BE HELD UNLAWFUL OR OTHERWISE INEFFECTIVE, THE REMAINDER OF THIS AGREEMENT SHALL REMAIN IN FULL FORCE AND EFFECT.

\*\*\*

FOR THE PURPOSES OF THIS CLAUSE 14, THE "SELLER" SHALL BE UNDERSTOOD TO INCLUDE THE SELLER, ANY OF ITS SUPPLIERS AND SUBCONTRACTORS, ITS AFFILIATES AND ANY OF THEIR RESPECTIVE INSURERS.

14.12 Proprietary Rights

14.12.1 All proprietary rights, including but not limited to patent, design and copyrights, relating to Technical Data shall remain with the Seller and/or its Affiliates as the case may be. These proprietary rights shall also apply to any translation into a language or languages or media that may have been performed or caused to be performed by the Buyer.

14.12.2 Whenever this Agreement and/or any Technical Data provides for manufacturing by the Buyer, the consent given by the Seller shall not be construed as express or implicit approval howsoever neither of the Buyer nor of the manufactured products. The supply of the Technical Data shall not be construed as any further right for the Buyer to design or manufacture any Aircraft or part thereof or spare part.

14.13 Performance Engineer's Program

14.13.1 In addition to the Technical Data provided under Clause 14, the Seller shall provide to the Buyer Software Services, which shall consist of the Performance Engineer's Programs ("**PEP**") for the Aircraft type covered under this Agreement. Such PEP is composed of software components and databases and its use is subject to the license conditions set forth in Part 1 of Exhibit H "End-User License Agreement for Airbus Software".

14.13.2 Use of the PEP shall be limited to \*\*\* to be used on the Buyer's computers for the purpose of computing performance engineering data. The PEP is intended for use on ground only and shall not be installed on board the Aircraft.

14.13.3 The license to use the PEP and the revision service shall be provided \*\*\* of the corresponding Revision Service Period as set forth in Clause 14.5.

14.13.4 At the end of such PEP Revision Service Period, the PEP shall be provided to the Buyer at the standard commercial conditions set forth in the Seller's then current Customer Services Catalog.

14.14 \*\*\*

UNQUOTE

3. CLAUSE 15 – SELLER REPRESENTATIVE SERVICES

Clause 15 of the Agreement is amended as follows:

3.1 Customer Support Representative(s)

Clause 15.1.3 of the Agreement is deleted in its entirety and replaced with the following quoted text:

QUOTE

15.1.3 The Seller shall provide to the Buyer an annual written accounting of the consumed man-months and any remaining man-month balance from the allowance defined in Appendix A to this Clause 15. Such accounting shall be deemed final and accepted by the Buyer unless the Seller receives written objection from the Buyer within \*\*\* of receipt of such accounting.

UNQUOTE

3.2 Buyer's Support

3.2.1 Clause 15.2.2 of the Agreement is deleted in its entirety and replaced with the following quoted text:

QUOTE

15.2.2 The Buyer shall \*\*\* of the Seller Representatives of \*\*\* to and from their place of assignment and Toulouse, France.

UNQUOTE

3.2.2 \*\*\*

3.3 Seller Representative

Paragraph 1 of Appendix A to Clause 15 of the Agreement is deleted in its entirety and replaced with the following text between the QUOTE and the UNQUOTE:

QUOTE

\*\*\*

UNQUOTE

4. CLAUSE 16 – TRAINING SUPPORT AND SERVICES

Clause 16 of the Agreement is deleted in its entirety and replaced with the following text between the QUOTE and UNQUOTE:

QUOTE

16 - TRAINING SUPPORT AND SERVICES

16.1 General

16.1.1 This Clause 16 sets forth the terms and conditions for the supply of training support and services for the Buyer’s personnel to support the Aircraft operation.

16.1.2 The range, quantity and validity of training to be provided \*\*\* under this Agreement are covered in Appendix A to this Clause 16.

16.1.3 Scheduling of training courses covered in Appendix A shall be mutually agreed during a training conference (the “**Training Conference**”) that shall be \*\*\*

16.2 Training Location

16.2.1 The Seller shall provide training at its training center in Blagnac, France, and/or in Hamburg, Germany, or shall designate an affiliated training center in Miami, U.S.A., or Beijing, China (each a “**Seller’s Training Center**”).

16.2.2 If the unavailability of facilities or scheduling difficulties make training by the Seller at any Seller’s Training Center impractical, the Seller shall ensure that the Buyer is provided with such training at another location designated by the Seller.

16.2.3 Upon the Buyer’s request, the Seller may also provide certain training at a location other than the Seller’s Training Centers, including one of the Buyer’s bases, if and when practicable for the Seller, under terms and conditions to be mutually agreed upon. In such event, all additional \*\*\* charges listed in Clauses 16.5.2 and 16.5.3 shall be borne by the Buyer.

16.2.4 If the Buyer requests training at a location as indicated in Clause 16.2.3 and requires such training to be an Airbus approved course, the Buyer undertakes that the training facilities shall be approved prior to the performance of such training. The Buyer shall, as necessary and in due time prior to the performance of such training, provide access to the training facilities set forth in Clause 16.2.3 to the Seller’s and the competent Aviation Authority’s representatives for approval of such facilities.

### 16.3 Training Courses

16.3.1 Training courses shall be as described in the Seller's customer services catalog (the "**Seller's Customer Services Catalog**"). The Seller's Customer Services Catalog also sets forth the minimum and maximum number of trainees per course. \*\*\*

All training requests or training course changes made outside of the frame of the Training Conference shall be submitted by the Buyer with a minimum of \*\*\* prior notice.

16.3.2 The following terms and conditions shall apply to training performed by the Seller:

(i) Training courses shall be the Seller's standard courses as described in the Seller's Customer Services Catalog valid at the time of execution of the course. The Seller shall be responsible for all training course syllabi, training aids and training equipment necessary for the organization of the training courses; for the purpose of performing training, such training equipment does not include aircraft.

(ii) The training equipment and the training curricula used for the training of flight, cabin and maintenance personnel shall not be fully customized but shall be configured in order to obtain the relevant Aviation Authority's approval and to support the Seller's training programs.

(iii) Training data and documentation for trainees receiving the training at the Seller's Training Centers shall be provided free of charge. Training data and documentation shall be marked "FOR TRAINING ONLY" and as such are supplied for the sole and express purpose of training; revisions of training data and documentation shall not be provided by the Seller.

16.3.3 When the Seller's training courses are provided by the Seller's instructors (each an "**Instructor**") the Seller shall deliver a Certificate of Recognition or a Certificate of Course Completion (each a "**Certificate**") or an attestation (an "**Attestation**"), as applicable, at the end of any such training course. Any such Certificate or Attestation shall not represent authority or qualification by any Aviation Authority but may be presented to such Aviation Authority in order to obtain relevant formal qualification.

In the event of training courses being provided by a training provider selected by the Seller as set forth in Clause 16.2.2, the Seller shall cause such training provider to deliver a Certificate or Attestation, which shall not represent authority or qualification by any Aviation Authority, but may be presented to such Aviation Authority in order to obtain relevant formal qualification.

16.3.4 Should the Buyer wish to \*\*\*

16.3.5 Should the Buyer use none or only part of the training to be provided pursuant to this Clause 16, no compensation or credit of any nature shall be provided.

16.3.6 Should the Buyer decide to cancel or reschedule, fully or partially, and irrespective of the location of the training, a training course, a minimum advance notification of \*\*\* prior to the relevant training course start date is required.

16.3.7 If the notification occurs \*\*\* prior to such training, \*\*\* shall be, as applicable, either deducted from the training allowance defined in Appendix A or invoiced at the Seller's then applicable price, \*\*\*

16.3.8 If the notification occurs \*\*\* prior to such training, \*\*\* shall be, as applicable, either deducted from the training allowance defined in Appendix A or invoiced at the Seller's then applicable price, \*\*\*

16.3.9 \*\*\*

16.3.10 \*\*\*

#### 16.4 Prerequisites and Conditions

16.4.1 Training shall be conducted in English and all training aids used during such training shall be written in English using common aeronautical terminology.

16.4.2 The Buyer hereby acknowledges that all training courses conducted pursuant to this Clause 16 are "Standard Transition Training Courses" and not "Ab Initio Training Courses".

16.4.3 Trainees shall have the prerequisite knowledge and experience specified for each course in the Seller's Customer Services Catalog.

16.4.4.1 The Buyer shall be responsible for the selection of the trainees and for any liability with respect to the entry knowledge level of the trainees.

16.4.4.2 The Seller reserves the right to verify the trainees' proficiency and previous professional experience.

16.4.4.3 The Seller shall provide to the Buyer during the Training Conference an "**Airbus Pre-Training Survey**" for completion by the Buyer for each trainee.

The Buyer shall provide the Seller with an attendance list of the trainees for each course, with the validated qualification of each trainee, at the time of reservation of the training course and in no event any later than \*\*\* before the start of the training course. The Buyer shall return concurrently thereto the completed Airbus Pre-Training Survey,

detailing the trainees' associated background. If the Seller determines through the Airbus Pre-Training Survey that a trainee does not match the prerequisites set forth in the Seller's Customer Services Catalog, following consultation with the Buyer, such trainee shall be withdrawn from the program or directed through a relevant entry level training (ELT) program, which shall be at the Buyer's expense. \*\*\*

16.4.4.4 If the Seller reasonably determines at any time during the training that a trainee lacks the required qualifications, following consultation with the Buyer, such trainee shall be withdrawn from the program. Upon the Buyer's request, the Seller will recommend specific additional training, which shall be at the Buyer's expense.

16.4.5 The Seller shall in no case warrant or otherwise be held liable for any trainee's performance as a result of any training provided.

#### 16.5 Logistics

##### 16.5.1 Trainees

16.5.1.1 Living and travel expenses for the Buyer's trainees \*\*\*.

16.5.1.2 It will be the responsibility of the Buyer to make all necessary arrangements relative to authorizations, permits and/or visas necessary for the Buyer's trainees to attend the training courses to be provided hereunder. Rescheduling or cancellation of courses due to the Buyer's failure to obtain any such authorizations, permits and/or visas shall be subject to the provisions of Clauses 16.3.5.1 thru 16.3.5.3.

##### 16.5.2 Training at External Location—Seller's Instructors

16.5.2.1 If, training is provided at the Seller's request at any location other than the Seller's Training Centers, as provided for in Clause 16.2.2, the expenses of the Seller's Instructors will be borne directly by the Seller.

16.5.2.2 If, at the Buyer's request, training is provided by the Seller's Instructor(s) at any location other than the Seller's Training Centers, the Buyer \*\*\* related to the assignment of such Seller Instructors and the performance of their duties as aforesaid.

##### 16.5.2.3 Living Expenses

Except as provided for in Clause 16.5.2.1 above, the Buyer \*\*\*

##### 16.5.2.4 Air Travel

Except as provided for in Clause 16.5.2.1 above, the Buyer \*\*\* to and from the Buyer's designated training site and the Seller's Training Centers.



16.5.2.5 \*\*\*

16.5.3 Training Material and Equipment Availability—Training at External Location

Training material and equipment necessary for course performance at any location other than the Seller's Training Centers or the facilities of a training provider selected by the Seller shall be provided by the Buyer at its own cost in accordance with the Seller's specifications.

Notwithstanding the foregoing, should the Buyer request the performance of a course at another location as per Clause 16.2.3.1, the Seller may, upon the Buyer's request, provide the training material and equipment necessary for such course's performance. Such provision shall be at the Buyer's expense.

16.6 Flight Operations Training

The Seller shall provide training for the Buyer's flight operations personnel as further detailed in Appendix A to this Clause 16, including the courses described in this Clause 16.6. \*\*\*

16.6.1 Flight Crew Training Course

The Seller shall perform a flight crew training course program for the Buyer's flight crews, each of which shall consist of two (2) crew members, who shall be either captain(s) or first officer(s).

16.6.2 Base Flight Training

16.6.2.1 The Buyer shall provide at its own cost its delivered Aircraft, or any other aircraft it operates, for any base flight training, which shall consist of \*\*\* per pilot, performed in accordance with the related Airbus training course definition (the "**Base Flight Training**").

16.6.2.2 Should it be necessary to ferry the Buyer's delivered Aircraft to the location where the Base Flight Training shall take place, the additional flight time required for the ferry flight to and/or from the Base Flight Training field shall not be deducted from the Base Flight Training time.

16.6.2.3 If the Base Flight Training is performed outside of the zone where the Seller usually performs such training, the ferry flight to the location where the Base Flight Training shall take place shall be performed by a crew composed of the Seller's and/or the Buyer's qualified pilots, in accordance with the relevant Aviation Authority's regulations related to the place of performance of the Base Flight Training.

### 16.6.3 Flight Crew Line Initial Operating Experience

In order to assist the Buyer with initial operating experience after Delivery of the first Aircraft, the Seller shall provide to the Buyer pilot Instructor(s) as set forth in Appendix A to this Clause 16.

Should the Buyer request, subject to the Seller's consent, such Seller pilot Instructors to perform any other flight support during the flight crew line initial operating period, such as but not limited to line assistance, demonstration flight(s), ferry flight(s) or any flight(s) required by the Buyer during the period of entry into service of the Aircraft, it is understood that such flight(s) shall be deducted from the flight crew line initial operating experience allowance set forth in Appendix A hereto.

It is hereby understood by the Parties that the Seller's pilot Instructors shall only perform the above flight support services to the extent they bear the relevant qualifications to do so.

### 16.6.4 Type Specific Cabin Crew Training Course

The Seller shall provide type specific training for cabin crews, at one of the locations defined in Clause 16.2.1.

If the Buyer's Aircraft is to incorporate special features, the type specific cabin crew training course shall be performed no earlier than \*\*\*

### 16.6.5 Training on Aircraft

During any and all flights performed in accordance with this Clause 16.6, the Buyer shall bear full responsibility for the aircraft upon which the flight is performed, including but not limited to any required maintenance, all expenses such as fuel, oil or landing fees and the provision of insurance in line with Clause 16.13.

The Buyer shall assist the Seller, if necessary, in obtaining the validation of the licenses of the Seller's pilots performing Base Flight Training or initial operating experience by the Aviation Authority of the place of registration of the Aircraft.

### 16.7 Performance / Operations Courses

The Seller shall provide performance/operations training for the Buyer's personnel as defined in Appendix A to this Clause 16.

The available courses shall be listed in the Seller's Customer Services Catalog current at the time of the course.

16.8 Maintenance Training

16.8.1 The Seller shall provide maintenance training for the Buyer's ground personnel as further set forth in Appendix A to this Clause 16.

The available courses shall be as listed in the Seller's Customer Services Catalog current at the time of the course. \*\*\*

The practical training provided in the frame of maintenance training shall be performed on the training devices in use in the Seller's Training Centers.

16.8.2 Practical Training on Aircraft

Notwithstanding Clause 16.8.1 above, upon the Buyer's request, the Seller may provide Instructors for the performance of practical training on aircraft ("**Practical Training**").

Irrespective of the location at which the training takes place, the Buyer shall provide at its own cost an aircraft for the performance of the Practical Training.

Should the Buyer require the Seller's Instructors to provide Practical Training at facilities selected by the Buyer, such training shall be subject to prior approval of the facilities by the Seller. All costs related to such Practical Training, including but not limited to the Seller's approval of the facilities, \*\*\*

The provision of a Seller Instructor for the Practical Training shall be deducted from the trainee days allowance defined in Appendix A to this Clause 16, subject to the conditions detailed in Paragraph 3.3.4 thereof.

16.9 Supplier and Propulsion Systems Manufacturer Training

Upon the Buyer's request, the Seller shall provide to the Buyer the list of the maintenance and overhaul training courses provided by major Suppliers and the applicable Propulsion Systems Manufacturer on their respective products.

16.10 Proprietary Rights

All proprietary rights, including but not limited to patent, design and copyrights, relating to the Seller's training data and documentation shall remain with the Seller and/or its Affiliates and/or its Suppliers, as the case may be.

These proprietary rights shall also apply to any translation into a language or languages or media that may have been performed or caused to be performed by the Buyer.

16.11 Use of Training Materials

\*\*\*

## TRAINING ALLOWANCE

All quantities indicated below are the total quantities granted for the whole of the Buyer's fleet of A350XWB Aircraft firmly ordered, unless otherwise specified.

The contractual training courses defined in this Appendix A shall be provided \*\*\*

Except with respect to EIS Training (defined below), flight operations training courses granted per firmly ordered Aircraft in this Appendix A shall be provided by the Seller \*\*\*

\*\*\*

Any deviation to said training delivery schedule will be agreed between the Buyer and the Seller.

1. FLIGHT OPERATIONS TRAINING

1.1 Flight Crew Training (standard transition course)

The Seller shall provide flight crew training (standard transition course) \*\*\* for a total of \*\*\* of the Buyer's flight crews.

1.2 Extended Range For Twin Engine Aircraft Operations (ETOPS) Training

The Seller shall provide \*\*\* ETOPS training for a total of \*\*\* of the Buyer's flight crews.

1.3 Low Visibility Operations Training

The Seller shall provide \*\*\* Low Visibility Operations Training for a total of \*\*\* of the Buyer's flight crews.

1.4 Flight Crew Line Initial Operating Experience

The Seller shall provide to the Buyer pilot Instructor(s) \*\*\* for a period of \*\*\*

Unless otherwise agreed during the Training Conference, in order to follow the Aircraft Delivery schedule, the maximum number of pilot Instructors present at any one time shall be limited to \*\*\* pilot Instructors.

1.5 Type Specific Cabin Crew Training Course

The Seller shall provide to the Buyer \*\*\* type specific training for cabin crews for \*\*\* of the Buyer's cabin crew instructors, pursers or cabin attendants.

1.6 Airbus Pilot Instructor Course (APIC)

The Seller shall provide to the Buyer transition Airbus Pilot Instructor Course(s) (APIC), for flight and synthetic instruction, \*\*\* for \*\*\* of the Buyer's flight instructors. APIC courses shall be performed in groups of \*\*\* trainees.

2. PERFORMANCE / OPERATIONS COURSE(S)

The Seller shall provide to the Buyer \*\*\* trainee days of performance / operations training \*\*\* for the Buyer's personnel.

3. MAINTENANCE TRAINING

3.1 The Seller shall provide to the Buyer four thousand two hundred (4,200) trainee days of maintenance training free of charge for the Buyer's personnel.

3.2 The Seller shall provide to the Buyer \*\*\* Engine Run-up courses consisting of up to \*\*\* trainees per course.

4. TRAINEE DAYS ACCOUNTING

Trainee days are counted as follows:

4.1 For instruction at the Seller's Training Centers: \*\*\* day of instruction for \*\*\* trainee equals \*\*\* trainee day. The number of trainees originally registered at the beginning of the course shall be counted as the number of trainees to have taken the course.

4.2 For instruction outside of the Seller's Training Centers: \*\*\* day of instruction by \*\*\* Seller Instructor equals the actual number of trainees attending the course or a \*\*\*, except for structure maintenance training course(s).

4.3 For structure maintenance training courses outside the Seller's Training Center(s), \*\*\* day of instruction by \*\*\* Seller Instructor equals the actual number of trainees attending the course or the \*\*\* of trainees as indicated in the Seller's Customer Services Catalog.

4.4 For practical training, whether on training devices or on aircraft, \*\*\* day of instruction by \*\*\* Seller Instructor equals the actual number of trainees attending the course or \*\*\*.

UNQUOTE

5. CLAUSE 17 – EQUIPMENT SUPPLIER PRODUCT SUPPORT

Sub-clause (ii) of Clause 17.1.2 of the Agreement is deleted in its entirety and replaced with the following quoted text:

QUOTE

(ii) \*\*\*

UNQUOTE

6. \*\*\*

7. ASSIGNMENT

This Letter Agreement and the rights and obligations of the parties will be subject to the provisions of Clause 21 of the Agreement.

8. CONFIDENTIALITY

This Letter Agreement is subject to the terms and conditions of Clause 22.10 of the Agreement.

9. COUNTERPARTS

This Letter Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument.

If the foregoing correctly sets forth our understanding, please execute the original and one (1) copy hereof in the space provided below and return a copy to the Seller.

Very truly yours,

AIRBUS S.A.S.

By: /s/ John J. Leahy

Its: Chief Operating Officer  
Customers

Accepted and Agreed

UNITED AIRLINES, INC.

By: /s/ Gerald Laderman

Its: Senior Vice President & Treasurer

CT0900252 – United Airlines, Inc. – A350-900XWB Purchase Agreement – Letter Agreement No.5

LA5-22

AIRBUS S.A.S. & UNITED AIRLINES, INC. – PROPRIETARY AND CONFIDENTIAL



AMENDED AND RESTATED LETTER AGREEMENT NO. 6  
TO THE AIRBUS A350-900XWB PURCHASE AGREEMENT

dated as of March 5, 2010

between

AIRBUS S.A.S.

and

UNITED AIRLINES, INC.

This amended and restated Letter Agreement No. 6 (hereinafter referred to as the “**Letter Agreement**”) is entered into as of June 19, 2013 by and between AIRBUS S.A.S., a société par actions simplifiée, organized and existing under the laws of the Republic of France, having its registered office located at 2, Rond Point Maurice Bellonte, 31700 Blagnac (France) (hereinafter referred to as the “**Seller**”), and UNITED AIRLINES, INC., a corporation organized and existing under the laws of the State of Delaware, United States of America, having its principal corporate offices located at 233 South Wacker Drive, Chicago, Illinois 60606 (hereinafter referred to as the “**Buyer**”).

WITNESSETH:

WHEREAS, the Buyer and the Seller have entered into the AIRBUS A350-900XWB Purchase Agreement, dated as of March 5, 2010 (which agreement as previously amended and supplemented with all Exhibits, Appendices and Letter Agreements attached thereto is hereinafter called the “**Agreement**”), and

WHEREAS, the Buyer and the Seller have entered into Letter Agreement No. 6 to the Agreement, setting forth certain terms and conditions regarding the sale of the Aircraft (the “**Original Letter Agreement**”).

WHEREAS, the Buyer and the Seller wish to amend and restate the Original Letter Agreement to incorporate relevant amendments to such Original Letter Agreement into a single document.

NOW THEREFORE IT IS AGREED THAT THE ORIGINAL LETTER AGREEMENT IS HEREBY AMENDED AND RESTATED TO READ IN ITS ENTIRETY AS FOLLOWS:

CT0900252 – United Airlines, Inc. – A350-900XWB Purchase Agreement – Letter Amendment No.6

LA6-1

AIRBUS S.A.S. & UNITED AIRLINES, INC. – PROPRIETARY AND CONFIDENTIAL

**CONFIDENTIAL MATERIAL APPEARING IN THIS DOCUMENT HAS BEEN OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION IN ACCORDANCE WITH THE SECURITIES ACT OF 1933, AS AMENDED, AND RULE 24B-2 PROMULGATED THEREUNDER. OMITTED INFORMATION HAS BEEN REPLACED WITH ASTERISKS.**

0. DEFINITIONS

Clause 0 of the Agreement is amended to either modify or add, in the appropriate alphabetical order, the terms and corresponding definitions set forth below:

\*\*\*

1. SPECIFICATION

Clause 2 of the Agreement is deleted in its entirety and replaced with the following quoted text:

QUOTE

2.1 \*\*\*

2.2 \*\*\*

2.3 \*\*\*

2.4 \*\*\*

2.5 \*\*\*

UNQUOTE

2. INTENTIONALLY LEFT BLANK

3. INTENTIONALLY LEFT BLANK

4. \*\*\*

5. \*\*\*

6. ASSIGNMENT

This Letter Agreement and the rights and obligations of the parties will be subject to the provisions of Clause 21 of the Agreement.

7. CONFIDENTIALITY

This Letter Agreement is subject to the terms and conditions of Clause 22.10 of the Agreement.

8. COUNTERPARTS

This Letter Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument.

CT0900252 – United Airlines, Inc. – A350-900XWB Purchase Agreement – Letter Amendment No.6

LA6-3

AIRBUS S.A.S. & UNITED AIRLINES, INC. – PROPRIETARY AND CONFIDENTIAL

If the foregoing correctly sets forth our understanding, please execute the original and one (1) copy hereof in the space provided below and return a copy to the Seller.

Very truly yours,

AIRBUS S.A.S.

By: /s/ John J. Leahy

Its: Chief Operating Officer  
Customers

Accepted and Agreed

UNITED AIRLINES, INC.

By: /s/ Gerald Laderman

Its: Senior Vice President & Treasurer

CT0900252 – United Airlines, Inc. – A350-900XWB Purchase Agreement – Letter Amendment No.6

LA6-4

AIRBUS S.A.S. & UNITED AIRLINES, INC. – PROPRIETARY AND CONFIDENTIAL

AMENDED AND RESTATED LETTER AGREEMENT NO. 7  
TO THE AIRBUS A350-900XWB PURCHASE AGREEMENT

dated as of March 5, 2010

between

AIRBUS S.A.S.

and

UNITED AIRLINES, INC.

This amended and restated Letter Agreement No. 7 (hereinafter referred to as the “**Letter Agreement**”) is entered into as of June 19, 2013 by and between AIRBUS S.A.S., a société par actions simplifiée, organized and existing under the laws of the Republic of France, having its registered office located at 2, Rond Point Maurice Bellonte, 31700 Blagnac (France) (hereinafter referred to as the “**Seller**”), and UNITED AIRLINES, INC., a corporation organized and existing under the laws of the State of Delaware, United States of America, having its principal corporate offices located at 233 South Wacker Drive, Chicago, Illinois 60606 (hereinafter referred to as the “**Buyer**”).

WITNESSETH:

WHEREAS, the Buyer and the Seller have entered into the AIRBUS A350-900XWB Purchase Agreement, dated as of March 5, 2010 (which agreement as previously amended and supplemented with all Exhibits, Appendices and Letter Agreements attached thereto is hereinafter called the “**Agreement**”), and

WHEREAS, the Buyer and the Seller have entered into Letter Agreement No. 7 to the Agreement, setting forth certain terms and conditions regarding the sale of the Aircraft (the “**Original Letter Agreement**”).

WHEREAS, the Buyer and the Seller wish to amend and restate the Original Letter Agreement to incorporate relevant amendments to such Original Letter Agreement into a single document.

NOW THEREFORE IT IS AGREED THAT THE ORIGINAL LETTER AGREEMENT IS HEREBY AMENDED AND RESTATED TO READ IN ITS ENTIRETY AS FOLLOWS:

CT0900252 – United Airlines, Inc. – A350-900XWB Purchase Agreement – Letter Amendment No.7

LA7-1

AIRBUS S.A.S. & UNITED AIRLINES, INC. – PROPRIETARY AND CONFIDENTIAL

**CONFIDENTIAL MATERIAL APPEARING IN THIS DOCUMENT HAS BEEN OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION IN ACCORDANCE WITH THE SECURITIES ACT OF 1933, AS AMENDED, AND RULE 24B-2 PROMULGATED THEREUNDER. OMITTED INFORMATION HAS BEEN REPLACED WITH ASTERISKS.**

**PART 1**

\*\*\*

11. ASSIGNMENT

This Letter Agreement and the rights and obligations of the parties will be subject to the provisions of Clause 21 of the Agreement.

12. CONFIDENTIALITY

This Letter Agreement and the rights and obligations of the parties will be subject to the provisions of Clause 22.10 of the Agreement.

13. COUNTERPARTS

This Letter Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument.

**PART 2**

\*\*\*

12. ASSIGNMENT

This Letter Agreement and the rights and obligations of the parties will be subject to the provisions of Clause 21 of the Agreement.

13. CONFIDENTIALITY

This Letter Agreement and the rights and obligations of the parties will be subject to the provisions of Clause 22.10 of the Agreement.

14. COUNTERPARTS

This Letter Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument.

If the foregoing correctly sets forth our understanding, please execute the original and one (1) copy hereof in the space provided below and return a copy to the Seller.

Very truly yours,

AIRBUS S.A.S.

By: /s/ John J. Leahy

Its: Chief Operating Officer  
Customers

Accepted and Agreed

UNITED AIRLINES, INC.

By: /s/ Gerald Laderman

Its: Senior Vice President & Treasurer

CT0900252 – United Airlines, Inc. – A350-900XWB Purchase Agreement – Letter Amendment No.7

LA7-3

AIRBUS S.A.S. & UNITED AIRLINES, INC. – PROPRIETARY AND CONFIDENTIAL

AIRBUS S.A.S. & UNITED AIRLINES, INC. – PROPRIETARY AND CONFIDENTIAL



AMENDED AND RESTATED LETTER AGREEMENT NO. 10  
TO THE AIRBUS A350-900XWB PURCHASE AGREEMENT

dated as of March 5, 2010

between

AIRBUS S.A.S.

and

UNITED AIRLINES, INC.

This amended and restated Letter Agreement No. 10 (hereinafter referred to as the “**Letter Agreement**”) is entered into as of June 19, 2013 by and between AIRBUS S.A.S., a société par actions simplifiée, organized and existing under the laws of the Republic of France, having its registered office located at 2, Rond Point Maurice Bellonte, 31700 Blagnac (France) (hereinafter referred to as the “**Seller**”), and UNITED AIRLINES, INC., a corporation organized and existing under the laws of the State of Delaware, United States of America, having its principal corporate offices located at 233 South Wacker Drive, Chicago, Illinois 60606 (hereinafter referred to as the “**Buyer**”).

WITNESSETH:

WHEREAS, the Buyer and the Seller have entered into the AIRBUS A350-900XWB Purchase Agreement, dated as of March 5, 2010 (which agreement as previously amended and supplemented with all Exhibits, Appendices and Letter Agreements attached thereto is hereinafter called the “**Agreement**”), and

WHEREAS, the Buyer and the Seller have entered into Letter Agreement No. 10 to the Agreement, setting forth certain terms and conditions regarding the sale of the Aircraft (the “**Original Letter Agreement**”).

WHEREAS, the Buyer and the Seller wish to amend and restate the Original Letter Agreement to incorporate relevant amendments to such Original Letter Agreement into a single document.

NOW THEREFORE IT IS AGREED THAT THE ORIGINAL LETTER AGREEMENT IS HEREBY AMENDED AND RESTATED TO READ IN ITS ENTIRETY AS FOLLOWS:

CT0900252 – United Airlines, Inc. – A350-900XWB Purchase Agreement – Letter Amendment No.10

LA10-1

AIRBUS S.A.S. & UNITED AIRLINES, INC. – PROPRIETARY AND CONFIDENTIAL

**CONFIDENTIAL MATERIAL APPEARING IN THIS DOCUMENT HAS BEEN OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION IN ACCORDANCE WITH THE SECURITIES ACT OF 1933, AS AMENDED, AND RULE 24B-2 PROMULGATED THEREUNDER. OMITTED INFORMATION HAS BEEN REPLACED WITH ASTERISKS.**

1. \*\*\*

2. ASSIGNMENT

This Letter Agreement and the rights and obligations of the parties will be subject to the provisions of Clause 21 of the Agreement.

3. CONFIDENTIALITY

This Letter Agreement is subject to the terms and conditions of Clause 22.10 of the Agreement.

4. COUNTERPARTS

This Letter Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument.

If the foregoing correctly sets forth our understanding, please execute the original and one (1) copy hereof in the space provided below and return a copy to the Seller.

Very truly yours,

AIRBUS S.A.S.

By: /s/ John J. Leahy

Its: Chief Operating Officer  
Customers

Accepted and Agreed

UNITED AIRLINES, INC.

By: /s/ Gerald Laderman

Its: Senior Vice President & Treasurer

CT0900252 – United Airlines, Inc. – A350-900XWB Purchase Agreement – Letter Amendment No.10

LA10-3

AIRBUS S.A.S. & UNITED AIRLINES, INC. – PROPRIETARY AND CONFIDENTIAL

AMENDED AND RESTATED LETTER AGREEMENT NO. 12  
TO THE AIRBUS A350-900XWB PURCHASE AGREEMENT

dated as of March 5, 2010

between

AIRBUS S.A.S.

and

UNITED AIRLINES, INC.

This amended and restated Letter Agreement No. 12 (hereinafter referred to as the “**Letter Agreement**”) is entered into as of June 19, 2013 by and between AIRBUS S.A.S., a société par actions simplifiée, organized and existing under the laws of the Republic of France, having its registered office located at 2, Rond Point Maurice Bellonte, 31700 Blagnac (France) (hereinafter referred to as the “**Seller**”), and UNITED AIRLINES, INC., a corporation organized and existing under the laws of the State of Delaware, United States of America, having its principal corporate offices located at 233 South Wacker Drive, Chicago, Illinois 60606 (hereinafter referred to as the “**Buyer**”).

WITNESSETH:

WHEREAS, the Buyer and the Seller have entered into the AIRBUS A350-900XWB Purchase Agreement, dated as of March 5, 2010 (which agreement as previously amended and supplemented with all Exhibits, Appendices and Letter Agreements attached thereto is hereinafter called the “**Agreement**”), and

WHEREAS, the Buyer and the Seller have entered into Letter Agreement No. 12 to the Agreement, setting forth certain terms and conditions regarding the sale of the Aircraft (the “**Original Letter Agreement**”).

WHEREAS, the Buyer and the Seller wish to amend and restate the Original Letter Agreement to incorporate relevant amendments to such Original Letter Agreement into a single document.

NOW THEREFORE IT IS AGREED THAT THE ORIGINAL LETTER AGREEMENT IS HEREBY AMENDED AND RESTATED TO READ IN ITS ENTIRETY AS FOLLOWS:

CT0900252 – United Airlines, Inc. – A350-900XWB Purchase Agreement – Letter Amendment No.12

LA12-1

AIRBUS S.A.S. & UNITED AIRLINES, INC. – PROPRIETARY AND CONFIDENTIAL

**CONFIDENTIAL MATERIAL APPEARING IN THIS DOCUMENT HAS BEEN OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION IN ACCORDANCE WITH THE SECURITIES ACT OF 1933, AS AMENDED, AND RULE 24B-2 PROMULGATED THEREUNDER. OMITTED INFORMATION HAS BEEN REPLACED WITH ASTERISKS.**

0. INTRODUCTION

\*\*\*

1. DEFINITIONS AND INTERPRETATION

1.1 Capitalized words and terms used in this Letter Agreement that are not defined herein shall have the meaning assigned thereto in the Agreement.

1.2 The terms “herein”, “hereof” and “hereunder” and words of similar import refer to this Letter Agreement.

1.3 The following words and terms shall have the following meanings:

\*\*\*

2. \*\*\*

3. ADJUSTMENTS

\*\*\*

4. REPORTING

\*\*\*

5. \*\*\*

6. \*\*\*

7. \*\*\*

8. \*\*\*

9. \*\*\*

10. \*\*\*

11. \*\*\*

12. ASSIGNMENT

This Letter Agreement and the rights and obligations of the parties will be subject to the provisions of Clause 21 of the Agreement.

13 CONFIDENTIALITY

This Letter Agreement and the rights and obligations of the parties will be subject to the provisions of Clause 22.10 of the Agreement.

14 COUNTERPARTS

This Letter Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument.

CT0900252 – United Airlines, Inc. – A350-900XWB Purchase Agreement – Letter Amendment No.12

LA12-3

AIRBUS S.A.S. & UNITED AIRLINES, INC. – PROPRIETARY AND CONFIDENTIAL

If the foregoing correctly sets forth our understanding, please execute the original and one (1) copy hereof in the space provided below and return a copy to the Seller.

Very truly yours,

AIRBUS S.A.S.

By: /s/ John J. Leahy

Its: Chief Operating Officer  
Customers

Accepted and Agreed

UNITED AIRLINES, INC.

By: /s/ Gerald Laderman

Its: Senior Vice President & Treasurer

CT0900252 – United Airlines, Inc. – A350-900XWB Purchase Agreement – Letter Amendment No.12

LA12-4

AIRBUS S.A.S. & UNITED AIRLINES, INC. – PROPRIETARY AND CONFIDENTIAL

APPENDIX 1 – ASSUMPTIONS

\*\*\*

APPENDIX 2 – EXCLUSIONS

\*\*\* due to any of the following reasons are specifically excluded from the \*\*\*:

\*\*\*

CT0900252 – United Airlines, Inc. – A350-900XWB Purchase Agreement – Letter Amendment No.12

LA12-5

AIRBUS S.A.S. & UNITED AIRLINES, INC. – PROPRIETARY AND CONFIDENTIAL



APPENDIX 3 – FORMULAS

\*\*\*

APPENDIX 4 – \*\*\*

\*\*\*

\*\*\*

CT0900252 – United Airlines, Inc. – A350-900XWB Purchase Agreement – Letter Amendment No.12

LA12-6

AIRBUS S.A.S. & UNITED AIRLINES, INC. – PROPRIETARY AND CONFIDENTIAL

**United Continental Holdings, Inc. and Subsidiary Companies**  
**Computation of Ratio of Earnings to Fixed Charges**  
**and Ratio of Earnings to Fixed Charges and Preferred Stock Dividend Requirements**

(In millions, except ratios)	Six Months Ended June 30, 2013	2012	2011	2010	2009	2008
<b>Earnings (losses):</b>						
Earnings (loss) before income taxes and adjustments for minority interest	\$ 45	\$ (723)	\$ 846	\$ 255	\$(667)	\$(5,419)
<b>Add (deduct):</b>						
Fixed charges, from below	822	1,526	2,017	1,292	949	910
Amortization of capitalized interest	3	9	7	5	3	2
Distributed earnings of affiliates	—	—	1	2	2	2
Interest capitalized	(23)	(37)	(32)	(15)	(10)	(20)
Equity earnings in affiliates	—	(4)	(6)	(4)	(4)	(6)
Minority interest	(1)	(1)	(1)	(2)	(1)	(2)
<b>Earnings (loss) as adjusted</b>	<b>\$ 846</b>	<b>\$ 770</b>	<b>\$2,832</b>	<b>\$1,533</b>	<b>\$ 272</b>	<b>\$(4,533)</b>
<b>Fixed charges:</b>						
Interest expensed and capitalized and amortization of premiums, debt discounts, issuance costs, and capital expenditures (a)	\$ 395	\$ 835	\$ 949	\$ 798	\$ 577	\$ 571
Portion of rental expense representative of the interest factor	427	691	1,068	494	372	339
Fixed charges, as above	822	1,526	2,017	1,292	949	910
Preferred stock dividend requirements (pre-tax) (b)	—	—	—	—	—	3
Fixed charges including preferred stock dividends	\$ 822	\$1,526	\$2,017	\$1,292	\$ 949	\$ 913
Ratio of earnings to fixed charges	1.03	(c)	1.40	1.19	(d)	(e)
Ratio of earnings to fixed charges and preferred stock dividends	N/A	N/A	N/A	N/A	N/A	(e)

(a) Amortization of debt discounts includes amortization of fresh-start valuation discounts.

(b) Dividends were adjusted using the effective tax rate for each applicable year.

(c) Earnings were inadequate to cover fixed charges by \$756 million in 2012.

(d) Earnings were inadequate to cover fixed charges by \$677 million in 2009.

(e) Earnings were inadequate to cover both fixed charges and fixed charges and preferred stock and dividend requirements by \$5.4 billion in 2008.

N/A Not applicable, as there were no preferred stock dividends in this period.

**United Airlines, Inc. and Subsidiary Companies**  
**Computation of Ratio of Earnings to Fixed Charges**  
**and Ratio of Earnings to Fixed Charges and Preferred Stock Dividend Requirements**

(In millions, except ratios)	Six Months Ended June 30, 2013	2012	2011	2010	2009	2008
<b>Earnings (losses):</b>						
Earnings (loss) before income taxes and adjustments for minority interest	\$ 122	\$ (656)	\$ 849	\$ 288	\$(643)	\$(5,375)
<b>Add (deduct):</b>						
Fixed charges, from below	818	1,514	2,005	1,274	950	911
Amortization of capitalized interest	3	9	7	5	3	2
Distributed earnings of affiliates	—	—	1	2	2	2
Interest capitalized	(23)	(37)	(32)	(15)	(10)	(20)
Equity earnings in affiliates	—	(4)	(6)	(7)	(4)	(6)
Minority interest	(1)	(1)	(1)	(2)	(1)	(2)
<b>Earnings (loss) as adjusted</b>	<u>\$ 919</u>	<u>\$ 825</u>	<u>\$2,823</u>	<u>\$1,545</u>	<u>\$ 297</u>	<u>\$(4,488)</u>
<b>Fixed charges:</b>						
Interest expensed and capitalized and amortization of premiums, debt discounts, issuance costs, and capital expenditures (a)	\$ 391	\$ 823	\$ 937	\$ 780	\$ 577	\$ 571
Portion of rental expense representative of the interest factor	427	691	1,068	494	373	340
Fixed charges, as above	818	1,514	2,005	1,274	950	911
Preferred stock dividend requirements (pre-tax) (b)	—	—	—	—	—	3
<b>Fixed charges including preferred stock dividends</b>	<u>\$ 818</u>	<u>\$1,514</u>	<u>\$2,005</u>	<u>\$1,274</u>	<u>\$ 950</u>	<u>\$ 914</u>
<b>Ratio of earnings to fixed charges</b>	<u>1.12</u>	<u>(c)</u>	<u>1.41</u>	<u>1.21</u>	<u>(d)</u>	<u>(e)</u>
<b>Ratio of earnings to fixed charges and preferred stock dividends</b>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>(e)</u>

(a) Amortization of debt discounts includes amortization of fresh-start valuation discounts.

(b) Dividends were adjusted using the effective tax rate for each applicable year.

(c) Earnings were inadequate to cover fixed charges by \$689 million in 2012.

(d) Earnings were inadequate to cover fixed charges by \$653 million in 2009.

(e) Earnings were inadequate to cover both fixed charges and fixed charges and preferred stock and dividend requirements by \$5.4 billion in 2008.

N/A Not applicable, as there were no preferred stock dividends in this period.

Certification of the Principal Executive Officer  
Pursuant to 15 U.S.C. 78m(a) or 78o(d)  
(Section 302 of the Sarbanes-Oxley Act of 2002)

I, Jeffery A. Smisek, certify that:

- (1) I have reviewed this quarterly report on Form 10-Q for the period ended June 30, 2013 of United Continental Holdings, Inc. (the "Company");
- (2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- (3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report;
- (4) The Company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Company and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the Company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting; and
- (5) The Company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company's auditors and the audit committee of the Company's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control over financial reporting.

/s/ Jeffery A. Smisek

Jeffery A. Smisek

Chairman, President and Chief Executive Officer

Date: July 25, 2013

Certification of the Principal Financial Officer  
Pursuant to 15 U.S.C. 78m(a) or 78o(d)  
(Section 302 of the Sarbanes-Oxley Act of 2002)

I, John D. Rainey, certify that:

- (1) I have reviewed this quarterly report on Form 10-Q for the period ended June 30, 2013 of United Continental Holdings, Inc. (the "Company");
- (2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- (3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report;
- (4) The Company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Company and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the Company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting; and
- (5) The Company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company's auditors and the audit committee of the Company's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control over financial reporting.

/s/ John D. Rainey

John D. Rainey  
Executive Vice President and Chief Financial Officer

Date: July 25, 2013

Certification of the Principal Executive Officer  
Pursuant to 15 U.S.C. 78m(a) or 78o(d)  
(Section 302 of the Sarbanes-Oxley Act of 2002)

I, Jeffery A. Smisek, certify that:

- (1) I have reviewed this quarterly report on Form 10-Q for the period ended June 30, 2013 of United Airlines, Inc. (the "Company");
- (2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- (3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report;
- (4) The Company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Company and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the Company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting; and
- (5) The Company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company's auditors and the audit committee of the Company's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control over financial reporting.

/s/ Jeffery A. Smisek

Jeffery A. Smisek

Chairman, President and Chief Executive Officer

Date: July 25, 2013

Certification of the Principal Financial Officer  
Pursuant to 15 U.S.C. 78m(a) or 78o(d)  
(Section 302 of the Sarbanes-Oxley Act of 2002)

I, John D. Rainey, certify that:

- (1) I have reviewed this quarterly report on Form 10-Q for the period ended June 30, 2013 of United Airlines, Inc. (the "Company");
- (2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- (3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report;
- (4) The Company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Company and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the Company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting; and
- (5) The Company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company's auditors and the audit committee of the Company's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control over financial reporting.

/s/ John D. Rainey

John D. Rainey  
Executive Vice President and Chief Financial Officer

Date: July 25, 2013

Certification of United Continental Holdings, Inc.  
Pursuant to 18 U.S.C. 1350  
(Section 906 of the Sarbanes-Oxley Act of 2002)

Each undersigned officer certifies that to the best of his knowledge based on a review of the quarterly report on Form 10-Q for the period ended June 30, 2013 of United Continental Holdings, Inc. (the "Report"):

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of United Continental Holdings, Inc.

Date: July 25, 2013

/s/ Jeffery A. Smisek

Jeffery A. Smisek  
Chairman, President and Chief Executive Officer

/s/ John D. Rainey

John D. Rainey  
Executive Vice President and Chief Financial Officer



Certification of United Airlines, Inc.  
Pursuant to 18 U.S.C. 1350  
(Section 906 of the Sarbanes-Oxley Act of 2002)

Each undersigned officer certifies that to the best of his knowledge based on a review of the quarterly report on Form 10-Q for the period ended June 30, 2013 of United Airlines, Inc. (the "Report"):

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of United Airlines, Inc.

Date: July 25, 2013

/s/ Jeffery A. Smisek

Jeffery A. Smisek  
Chairman, President and Chief Executive Officer

/s/ John D. Rainey

John D. Rainey  
Executive Vice President and Chief Financial Officer