

**CALCULATION OF REGISTRATION FEE**

Title of each class of securities offered	Maximum aggregate offering price	Amount of registration fee
Pass Through Certificates, Series 2016-1	\$1,052,816,000	\$106,018.57

(1) The filing fee of \$106,018.57 is calculated in accordance with Rule 457(r) of the Securities Act of 1933.

PROSPECTUS SUPPLEMENT TO PROSPECTUS, DATED APRIL 24, 2015

\$1,052,816,000



2016-1 PASS THROUGH TRUSTS  
PASS THROUGH CERTIFICATES, SERIES 2016-1

Two classes of the United Airlines Pass Through Certificates, Series 2016-1, are being offered under this prospectus supplement: Class AA and A. A separate trust will be established for each class of certificates. The proceeds from the sale of certificates will initially be held in escrow, and interest on the escrowed funds will be payable semiannually on January 7 and July 7, commencing January 7, 2017. The trusts will use the escrowed funds to acquire equipment notes. The equipment notes will be issued by United Airlines, Inc. and will be secured by 18 new Boeing aircraft scheduled for delivery from January 2016 to March 2017 (four of which have been delivered prior to the date hereof). Payments on the equipment notes held in each trust will be passed through to the holders of certificates of such trust.

Interest on the equipment notes will be payable semiannually on each January 7 and July 7 after issuance (but not before January 7, 2017). Principal payments on the equipment notes are scheduled on January 7 and July 7 of each year, beginning on January 7, 2018.

The Class AA certificates will rank senior to the Class A certificates.

Commonwealth Bank of Australia, New York Branch, will provide the initial liquidity facility for the Class AA and Class A certificates, in each case, in an amount sufficient to make three semiannual interest payments.

The certificates will not be listed on any national securities exchange.

Investing in the certificates involves risks. See "[Risk Factors](#)" beginning on page S-17.

<u>Pass Through Certificates</u>	<u>Face Amount</u>	<u>Interest Rate</u>	<u>Final Expected Distribution Date</u>	<u>Price to Public<sup>(1)</sup></u>
Class AA	\$728,726,000	3.10%	July 7, 2028	100%
Class A	\$324,090,000	3.45%	July 7, 2028	100%

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

The underwriters will purchase all of the certificates if any are purchased. The aggregate proceeds from the sale of the certificates will be \$1,052,816,000. United will pay the underwriters a commission of \$10,528,160. Delivery of the certificates in book-entry form only will be made on or about June 13, 2016.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

Lead Bookrunners

**MORGAN STANLEY**

**Credit Suisse**

**Goldman, Sachs & Co.**

Bookrunners

Citigroup

Deutsche Bank Securities

BofA Merrill Lynch

Barclays

BNP PARIBAS

Credit Agricole Securities

The date of this prospectus supplement is June 6, 2016.

## **CERTAIN VOLCKER RULE CONSIDERATIONS**

None of the Trusts are or, immediately after the issuance of the Certificates pursuant to the Trust Supplements, will be a “covered fund” as defined in the final regulations issued December 10, 2013, implementing the “Volcker Rule” (Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act). In making the foregoing determination, each of the Trusts is relying on an analysis that the Trusts will not be deemed to be an “investment company” under Rule 3a-7 promulgated by the Securities and Exchange Commission (the “Commission”), under the Investment Company Act of 1940, as amended (the “Investment Company Act”), although other exemptions or exclusions under the Investment Company Act may be available to the Trusts.

## **PRESENTATION OF INFORMATION**

These offering materials consist of two documents: (a) this Prospectus Supplement, which describes the terms of the certificates that we are currently offering, and (b) the accompanying Prospectus, which provides general information about our pass through certificates, some of which may not apply to the certificates that we are currently offering. The information in this Prospectus Supplement replaces any inconsistent information included in the accompanying Prospectus.

We have given certain capitalized terms specific meanings for purposes of this Prospectus Supplement. The “Index of Terms” attached as Appendix I to this Prospectus Supplement lists the page in this Prospectus Supplement on which we have defined each such term.

At various places in this Prospectus Supplement and the Prospectus, we refer you to other sections of such documents for additional information by indicating the caption heading of such other sections. The page on which each principal caption included in this Prospectus Supplement and the Prospectus can be found is listed in the Table of Contents below. All such cross references in this Prospectus Supplement are to captions contained in this Prospectus Supplement and not in the Prospectus, unless otherwise stated.

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You should rely only on the information contained in this document or to which this document refers you. We have not authorized anyone to provide you with information that is different. This document may be used only where it is legal to sell these securities. The information in this document may be accurate only on the date of this document.

**PROSPECTUS SUPPLEMENT SUMMARY**

This summary highlights selected information from this Prospectus Supplement and the accompanying Prospectus and may not contain all of the information that is important to you. For more complete information about the Certificates and United, you should read this entire Prospectus Supplement and the accompanying Prospectus, as well as the materials filed with the Securities and Exchange Commission that are considered to be part of this Prospectus Supplement and the Prospectus. See “Incorporation of Certain Documents by Reference” in this Prospectus Supplement and the Prospectus.

**Summary of Terms of Certificates**

	<b>Class AA Certificates</b>	<b>Class A Certificates</b>
Aggregate Face Amount	\$728,726,000	\$324,090,000
Interest Rate	3.10%	3.45%
Initial Loan to Aircraft Value (cumulative) <sup>(1)</sup>	38.8%	56.0%
Highest Loan to Aircraft Value (cumulative) <sup>(2)</sup>	38.8%	56.0%
Expected Principal Distribution Window (in years)	1.6-12.1	1.6-12.1
Initial Average Life (in years from Issuance Date)	9.0	9.0
Regular Distribution Dates	January 7 and July 7	January 7 and July 7
Final Expected Distribution Date	July 7, 2028	July 7, 2028
Final Maturity Date	January 7, 2030	January 7, 2030
Minimum Denomination	\$1,000	\$1,000
Section 1110 Protection	Yes	Yes
Liquidity Facility Coverage	3 semiannual interest payments	3 semiannual interest payments

(1) These percentages are determined as of July 7, 2017, the first Regular Distribution Date after all Aircraft are expected to have been financed pursuant to this Offering. In calculating these percentages, we have assumed that the financings of all Aircraft hereunder are completed prior to July 7, 2017 and that the aggregate appraised value of such Aircraft, net of assumed depreciation, is \$1,879,999,183 as of such date. See “—Loan to Aircraft Value Ratios”. The appraised value is only an estimate and reflects certain assumptions. See “Description of the Aircraft and the Appraisals—The Appraisals”.

(2) See “—Loan to Aircraft Value Ratios”.

**Equipment Notes and the Aircraft**

The 18 Aircraft to be financed pursuant to this Offering will consist of four new Boeing 737-824 aircraft, five new Boeing 737-924ER aircraft, two new Boeing 787-9 aircraft and seven new Boeing 777-322ER aircraft scheduled for delivery between January 2016 and March 2017 (four of which have been delivered prior to the date hereof). See “Description of the Aircraft and the Appraisals—The Appraisals” for a description of the 18 aircraft that may be financed with the proceeds of this Offering. Set forth below is certain information about the Equipment Notes expected to be held in the Trusts and the aircraft expected to secure such Equipment Notes:

<u>Aircraft Model</u>	<u>Registration Number(1)</u>	<u>Manufacturer’s Serial Number(1)</u>	<u>Delivery Month(1)</u>	<u>Principal Amount of Equipment Notes</u>	<u>Appraised Value(2)</u>	<u>Latest Equipment Note Maturity Date</u>
Boeing 737-824	N76532	62749	June 2016	\$27,778,000	\$ 50,596,667	July 7, 2028
Boeing 737-824	N76533	62748	June 2016	27,778,000	50,596,667	July 7, 2028
Boeing 737-824	N86534	62750	August 2016	27,895,000	50,810,000	July 7, 2028
Boeing 737-824	N77535	62751	August 2016	27,895,000	50,810,000	July 7, 2028
Boeing 737-924ER	N66893	42197	January 2016	28,191,000	51,350,000	July 7, 2028
Boeing 737-924ER	N62894	42198	February 2016	28,427,000	51,780,000	July 7, 2028
Boeing 737-924ER	N62895	62769	October 2016	29,325,000	53,416,667	July 7, 2028
Boeing 737-924ER	N62896	62768	October 2016	29,325,000	53,416,667	July 7, 2028
Boeing 737-924ER	N66897	62814	November 2016	29,360,000	53,480,000	July 7, 2028
Boeing 787-9	N27964	37813	February 2016	76,267,000	138,920,000	July 7, 2028
Boeing 787-9	N27965	37815	February 2016	76,311,000	139,000,000	July 7, 2028
Boeing 777-322ER	N58031	62642	December 2016	91,826,000	167,260,000	July 7, 2028
Boeing 777-322ER	N59032	62644	January 2017	91,996,000	167,570,000	July 7, 2028
Boeing 777-322ER	N59033	62643	January 2017	91,996,000	167,570,000	July 7, 2028
Boeing 777-322ER	N59034	62646	February 2017	92,073,000	167,710,000	July 7, 2028
Boeing 777-322ER	N59035	62645	February 2017	92,073,000	167,710,000	July 7, 2028
Boeing 777-322ER	N59036	62648	March 2017	92,150,000	167,850,000	July 7, 2028
Boeing 777-322ER	N54037	62649	March 2017	92,150,000	167,850,000	July 7, 2028

(1) The indicated registration number, manufacturer’s serial number and delivery month for each aircraft not yet delivered to United reflect our current expectations, although these may differ for the actual aircraft financed hereunder. The deadline for purposes of financing an Aircraft pursuant to this Offering is June 30, 2017 (or later under certain circumstances). The financing pursuant to this Offering of each Aircraft is expected to be effected at or around the time of delivery of such Aircraft by the manufacturer to United, or, in the case of an Aircraft delivered to United in 2016 prior to the date hereof, after United’s determination to so finance such Aircraft. The actual delivery date for any aircraft may be subject to delay or acceleration. See “Description of the Aircraft and the Appraisals—Timing of Financing the Aircraft”. United has certain rights to substitute other aircraft if the scheduled delivery date of any Aircraft is delayed for more than 30 days after the month scheduled for delivery. See “Description of the Aircraft and the Appraisals—Substitute Aircraft”.

(2) The appraised value of each Aircraft set forth above is the lesser of the average and median values of such Aircraft as appraised by three independent appraisal and consulting firms. Such appraisals indicate appraised base value, projected as of the scheduled delivery month of the applicable Aircraft. These appraisals are based upon varying assumptions and methodologies. An appraisal is only an estimate of value and should not be relied upon as a measure of realizable value. See “Risk Factors—Risk Factors Relating to the Certificates and the Offering—The Appraisals are only estimates of Aircraft value”.

**Loan to Aircraft Value Ratios**

The following table sets forth loan to Aircraft value ratios (“LTVs”) for each Class of Certificates as of July 7, 2017, the first Regular Distribution Date after all Aircraft are expected to have been financed pursuant to this Offering, and each Regular Distribution Date thereafter. The LTVs for any Class of Certificates for the period prior to July 7, 2017, are not meaningful, since during such period all of the Equipment Notes expected to be acquired by the Trusts and the related Aircraft will not be included in the calculation. The table should not be considered a forecast or prediction of expected or likely LTVs but simply a mathematical calculation based on one set of assumptions. See “Risk Factors—Risk Factors Relating to the Certificates and the Offering—The Appraisals are only estimates of Aircraft value”.

Regular Distribution Date	Assumed Aggregate Aircraft Value <sup>(1)</sup>	Outstanding Balance <sup>(2)</sup>		LTV <sup>(3)</sup>	
		Class AA Certificates	Class A Certificates	Class AA Certificates	Class A Certificates
At Issuance	\$1,917,696,667	\$728,726,000	\$324,090,000	38.0%	54.9%
January 7, 2017	1,908,851,675	728,726,000	324,090,000	38.2%	55.2%
July 7, 2017	1,879,999,183	728,726,000	324,090,000	38.8%	56.0%
January 7, 2018	1,851,146,691	709,498,879	315,540,291	38.3%	55.4%
July 7, 2018	1,822,294,199	690,273,024	306,989,845	37.9%	54.7%
January 7, 2019	1,793,441,707	671,047,170	298,439,399	37.4%	54.1%
July 7, 2019	1,764,589,215	651,821,315	289,888,953	36.9%	53.4%
January 7, 2020	1,735,736,724	632,595,461	281,338,507	36.4%	52.7%
July 7, 2020	1,706,884,232	613,369,606	272,788,062	35.9%	51.9%
January 7, 2021	1,678,031,740	594,143,751	264,237,616	35.4%	51.2%
July 7, 2021	1,649,179,248	574,917,897	255,687,170	34.9%	50.4%
January 7, 2022	1,620,326,756	555,692,042	247,136,724	34.3%	49.5%
July 7, 2022	1,591,474,264	536,466,188	238,586,278	33.7%	48.7%
January 7, 2023	1,562,621,772	517,240,333	230,035,832	33.1%	47.8%
July 7, 2023	1,533,769,280	498,014,479	221,485,387	32.5%	46.9%
January 7, 2024	1,504,916,789	478,788,624	212,934,941	31.8%	46.0%
July 7, 2024	1,476,064,297	459,562,770	204,384,495	31.1%	45.0%
January 7, 2025	1,447,211,805	440,336,915	195,834,049	30.4%	44.0%
July 7, 2025	1,418,359,313	421,111,060	187,283,603	29.7%	42.9%
January 7, 2026	1,389,506,821	401,885,206	178,733,157	28.9%	41.8%
July 7, 2026	1,360,654,329	382,659,351	170,182,712	28.1%	40.6%
January 7, 2027	1,331,801,837	363,433,497	161,632,266	27.3%	39.4%
July 7, 2027	1,302,949,345	344,207,642	153,081,820	26.4%	38.2%
January 7, 2028	1,274,096,853	324,981,788	144,531,374	25.5%	36.9%
July 7, 2028	1,245,244,362	—	—	—	—

(1) We have assumed that all Aircraft will be financed under this Offering prior to July 7, 2017, and that the appraised value of each Aircraft, determined as described under “—Equipment Notes and the Aircraft”, declines from that of the initial appraised value of such Aircraft by approximately 3% per year after the year of delivery of such Aircraft, in each case prior to the final expected Regular Distribution Date. Other rates or methods of depreciation may result in materially different LTVs. We cannot assure you that the depreciation rate and method used for purposes of the table will occur or predict the actual future value of any Aircraft. See “Risk Factors—Risk Factors Relating to the Certificates and the Offering—The Appraisals are only estimates of Aircraft value”.

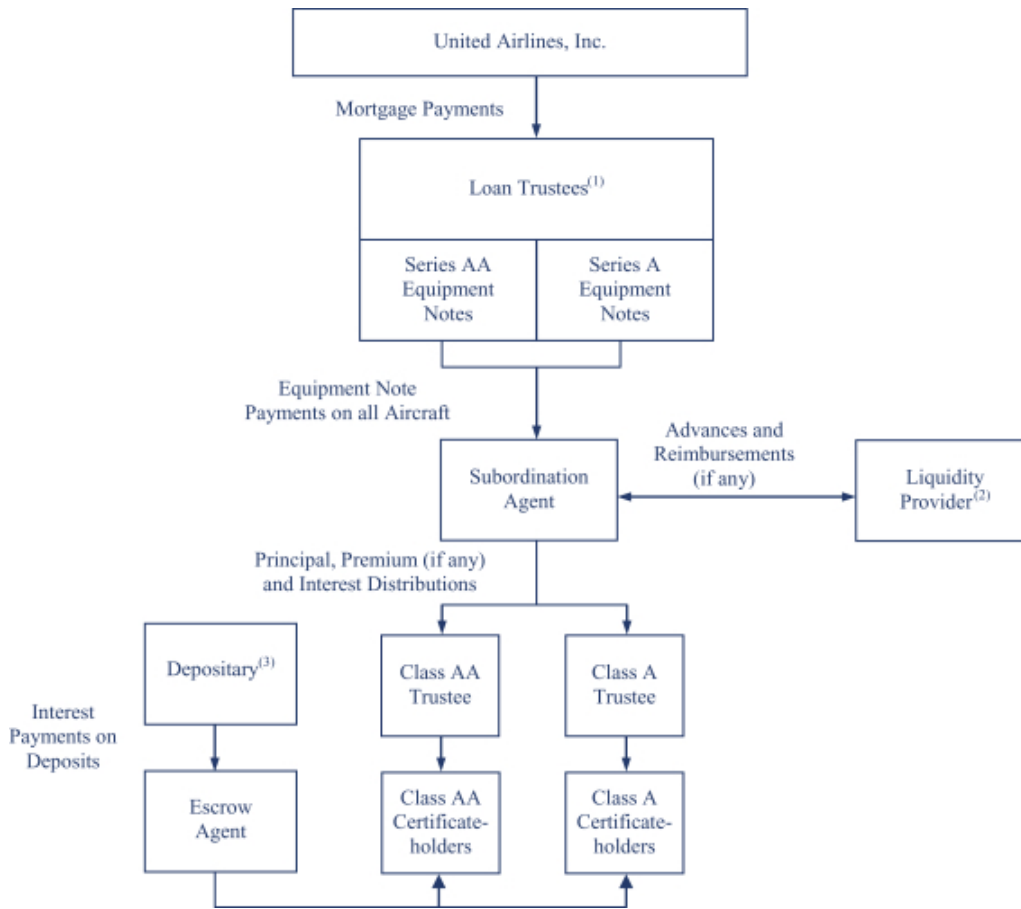
(2) In calculating the outstanding balances of each Class of Certificates, we have assumed that the Trusts will acquire the Equipment Notes for all Aircraft. Outstanding balances as of each Regular Distribution Date are shown after giving effect to distributions expected to be made on such distribution date.

(3) The LTVs for each Class of Certificates were obtained for each Regular Distribution Date by dividing (i) the expected outstanding balance of such Class (together, in the case of the Class A Certificates, with the expected outstanding balance of the Class AA Certificates) after giving effect to the distributions expected to be made on such distribution date, by (ii) the assumed value of all of the Aircraft on such date based on the assumptions described above. The outstanding balances and LTVs of each Class of Certificates will change if the Trusts do not acquire Equipment Notes with respect to all the Aircraft.



**Cash Flow Structure**

Set forth below is a diagram illustrating the structure for the offering of the Certificates and certain cash flows.



- (1) The Equipment Notes with respect to each Aircraft will be issued under a separate Indenture.
- (2) The Liquidity Facility for each of the Class AA Certificates and the Class A Certificates is expected to be sufficient to cover up to three consecutive semiannual interest payments with respect to such Class, except that the Liquidity Facilities will not cover interest on the Deposits.
- (3) The proceeds of the offering of each Class of Certificates will initially be held in escrow and deposited with the Depository, pending financing of each Aircraft. The Depository will hold such funds as interest bearing Deposits. Each Trust will withdraw funds from the Deposits relating to such Trust to purchase Equipment Notes from time to time as each Aircraft is financed. The scheduled payments of interest on the Equipment Notes and on the Deposits relating to a Trust, taken together, will be sufficient to pay accrued interest on the outstanding Certificates of such Trust. If any funds remain as Deposits with respect to a Trust at the Delivery Period Termination Date, such funds will be withdrawn by the Escrow Agent and distributed to the holders of the Certificates issued by such Trust, together with accrued and unpaid interest thereon. No interest will accrue with respect to the Deposits after they have been fully withdrawn.

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### **The Offering**

#### Certificates Offered

- Class AA Pass Through Certificates, Series 2016-1.
- Class A Pass Through Certificates, Series 2016-1.

Each Class of Certificates will represent a fractional undivided interest in a related Trust.

#### Use of Proceeds

The proceeds from the sale of the Certificates of each Trust will initially be held in escrow and deposited with the Depository, pending financing of each Aircraft under this Offering. Each Trust will withdraw funds from the Deposits relating to such Trust to acquire Equipment Notes as these Aircraft are financed. The Equipment Notes will be issued to finance the purchase by United of 18 new aircraft.

#### Subordination Agent, Trustee, Paying Agent and Loan Trustee

Wilmington Trust, National Association.

#### Escrow Agent

U.S. Bank National Association.

#### Depository

Natixis, acting through its New York Branch.

#### Liquidity Provider

Commonwealth Bank of Australia, New York Branch.

#### Trust Property

The property of each Trust will include:

- Equipment Notes acquired by such Trust.
- All monies receivable under the Liquidity Facility for such Trust.
- Funds from time to time deposited with the applicable Trustee in accounts relating to such Trust, including payments made by United on the Equipment Notes held in such Trust.

#### Regular Distribution Dates

January 7 and July 7, commencing on January 7, 2017.

#### Record Dates

The fifteenth day preceding the related Distribution Date.

#### Distributions

The Trustee will distribute all payments of principal, premium (if any) and interest received on the Equipment Notes held in each Trust to the holders of the Certificates of such Trust, subject to the subordination provisions applicable to the Certificates.

Scheduled payments of principal and interest made on the Equipment Notes will be distributed on the applicable Regular Distribution Dates.

Payments of principal, premium (if any) and interest made on the Equipment Notes resulting from any early redemption of such Equipment Notes will be distributed on a special distribution date after not less than 15 days' notice from the Trustee to the applicable Certificateholders.

Subordination

Distributions on the Certificates will be made in the following order:

- First, to the holders of the Class AA Certificates to pay interest on the Class AA Certificates.
- Second, to the holders of Class A Certificates to pay interest on the Preferred A Pool Balance.
- Third, to the holders of the Class AA Certificates to make distributions in respect of the Pool Balance of the Class AA Certificates.
- Fourth, to the holders of the Class A Certificates to pay interest on the Pool Balance of the Class A Certificates not previously distributed under clause “Second” above.
- Fifth, to the holders of the Class A Certificates to make distributions in respect of the Pool Balance of the Class A Certificates.

Control of Loan Trustee

The holders of at least a majority of the outstanding principal amount of Equipment Notes issued under each Indenture will be entitled to direct the Loan Trustee under such Indenture in taking action as long as no Indenture Default is continuing thereunder. If an Indenture Default is continuing, subject to certain conditions, the “Controlling Party” will direct the Loan Trustee under such Indenture (including in exercising remedies, such as accelerating such Equipment Notes or foreclosing the lien on the Aircraft securing such Equipment Notes).

The Controlling Party will be:

- The Class AA Trustee.
- Upon payment of final distributions to the holders of Class AA Certificates, the Class A Trustee.
- Under certain circumstances, and notwithstanding the foregoing, the Liquidity Provider (including, if any Class B Certificates are issued, any liquidity provider for the Class B Certificates) with the largest amount owed to it.

In exercising remedies during the nine months after the earlier of (a) the acceleration of the Equipment Notes issued pursuant to any Indenture or (b) the bankruptcy of United, the Equipment Notes and the Aircraft subject to the lien of such Indenture may not be sold for less than certain specified minimums.

Right to Purchase Other Classes of Certificates

If United is in bankruptcy and certain specified circumstances then exist:

- The Class A Certificateholders will have the right to purchase all but not less than all of the Class AA Certificates.

- If Additional Junior Certificates have been issued, the holders of such Additional Junior Certificates will have the right to purchase all but not less than all of the Class AA and Class A Certificates.

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

Liquidity Facilities

Under the Liquidity Facility for each of the Class AA and Class A Trusts, the Liquidity Provider will, if necessary, make advances in an aggregate amount sufficient to pay interest on the applicable Certificates on up to three successive semiannual Regular Distribution Dates at the interest rate for such Certificates. Drawings under the Liquidity Facilities cannot be used to pay any amount in respect of the applicable Certificates other than interest and will not cover interest payable on amounts held in escrow as Deposits with the Depository.

Notwithstanding the subordination provisions applicable to the Certificates, the holders of the Certificates to be issued by the Class AA Trust or the Class A Trust will be entitled to receive and retain the proceeds of drawings under the Liquidity Facility for such Trust.

Upon each drawing under any Liquidity Facility to pay interest on the applicable Certificates, the Subordination Agent will reimburse the applicable Liquidity Provider for the amount of such drawing. Such reimbursement obligation and all interest, fees and other amounts owing to the Liquidity Provider under each Liquidity Facility and certain other agreements will rank equally with comparable obligations relating to the other Liquidity Facility and will rank senior to the Certificates in right of payment.

If Class B Certificates are issued, such Class B Certificates may have the benefit of credit support similar to the Liquidity Facilities. See “Possible Issuance of Additional Junior Certificates and Refinancing of Certificates”

Escrowed Funds

Funds in escrow for the Certificateholders of each Trust will be held by the Depository as Deposits relating to such Trust. The Trustees may withdraw these funds from time to time to purchase Equipment Notes on or prior to the deadline established for purposes of this Offering. On each Regular Distribution Date, the Depository will pay interest accrued on the Deposits relating to such Trust at a rate per annum equal to the interest rate applicable to the Certificates issued by such Trust. The Deposits relating to each Trust and interest paid thereon will not be subject to the subordination provisions applicable to the Certificates. The Deposits cannot be used to pay any other amount in respect of the Certificates.

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### Unused Escrowed Funds

All of the Deposits held in escrow may not be used to purchase Equipment Notes by the deadline established for purposes of this Offering. This may occur because of delays in the financing of Aircraft or other reasons. See “Description of the Certificates—Obligation to Purchase Equipment Notes”. If any funds remain as Deposits with respect to any Trust after such deadline, such funds will be withdrawn by the Escrow Agent for such Trust and distributed, with accrued and unpaid interest, to the Certificateholders of such Trust after at least 15 days’ prior written notice. See “Description of the Deposit Agreements—Unused Deposits”.

### Obligation to Purchase Equipment Notes

The Trustees will be obligated to purchase the Equipment Notes issued with respect to each Aircraft pursuant to the Note Purchase Agreement. United will enter into a secured debt financing with respect to each Aircraft pursuant to financing agreements substantially in the forms attached to the Note Purchase Agreement. The terms of such financing agreements must not vary the Required Terms set forth in the Note Purchase Agreement. In addition, United must certify to the Trustees that any substantive modifications do not materially and adversely affect the Certificateholders. United must also obtain written confirmation from each Rating Agency that the use of financing agreements modified in any material respect from the forms attached to the Note Purchase Agreement will not result in a withdrawal, suspension or downgrading of the rating of any Class of Certificates. The Trustees will not be obligated to purchase Equipment Notes if, at the time of issuance, United is in bankruptcy or certain other specified events have occurred. See “Description of the Certificates—Obligation to Purchase Equipment Notes”.

### Issuances of Additional Classes of Certificates

Additional pass through certificates of one or more separate pass through trusts, which will evidence fractional undivided ownership interests in equipment notes secured by Aircraft, may be issued. Any such transaction may relate to (a) the issuance of one or more new series of subordinated equipment notes with respect to some or all of the Aircraft at any time after the Issuance Date or (b) the refinancing of Series A Equipment Notes or any of such other series of subordinated equipment notes at or after repayment of any such refinanced Series A or other equipment notes issued with respect to all (but not less than all) of the Aircraft secured by such refinanced notes at any time after the Issuance Date. The holders of Additional Junior Certificates relating to other series of subordinated equipment notes, if issued, will have the right to purchase all of the Class AA and Class A Certificates under certain circumstances after a bankruptcy of United at the outstanding principal balance of

the Certificates to be purchased plus accrued and unpaid interest and other amounts due to Certificateholders, but without a premium. Consummation of any such issuance of additional pass through certificates will be subject to satisfaction of certain conditions, including, if issued after the Issuance Date, receipt of confirmation from the Rating Agencies that it will not result in a withdrawal, suspension or downgrading of the rating of any Class of Certificates that remains outstanding. See “Possible Issuance of Additional Junior Certificates and Refinancing of Certificates”.

**Equipment Notes**

- (a) Issuer  
United. United’s executive offices are located at 233 S. Wacker Drive, Chicago, Illinois 60606. United’s telephone number is (872) 825-4000.
- (b) Interest  
The Equipment Notes held in each Trust will accrue interest at the rate per annum for the Certificates issued by such Trust set forth on the cover page of this Prospectus Supplement. Interest will be payable on January 7 and July 7 of each year, commencing on the first such date after issuance of such Equipment Notes (but not before January 7, 2017). Interest is calculated on the basis of a 360-day year consisting of twelve 30-day months.
- (c) Principal  
Principal payments on the Equipment Notes are scheduled on January 7 and July 7 of each year, commencing on January 7, 2018.
- (d) Redemption  
*Aircraft Event of Loss.* If an Event of Loss occurs with respect to an Aircraft, all of the Equipment Notes issued with respect to such Aircraft will be redeemed, unless United replaces such Aircraft under the related financing agreements. The redemption price in such case will be the unpaid principal amount of such Equipment Notes, together with accrued interest, but without any premium.  
*Optional Redemption.* United may elect to redeem all of the Equipment Notes issued with respect to an Aircraft prior to maturity only if all outstanding Equipment Notes with respect to all other Aircraft are simultaneously redeemed. In addition, United may elect to redeem all of the Series A Equipment Notes in connection with a refinancing of such Series. The redemption price for any optional redemption will be the unpaid principal amount of the relevant Equipment Notes, together with accrued interest and Make-Whole Premium.
- (e) Security  
The Equipment Notes issued with respect to each Aircraft will be secured by a security interest in such Aircraft.

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(f) Cross-collateralization	The Equipment Notes held in the Trusts will be cross-collateralized. This means that any proceeds from the exercise of remedies with respect to an Aircraft will be available to cover shortfalls then due under Equipment Notes issued with respect to the other Aircraft. In the absence of any such shortfall, excess proceeds will be held by the relevant Loan Trustee as additional collateral for such other Equipment Notes.								
(g) Cross-default	There will be cross-default provisions in the Indentures. This means that if the Equipment Notes issued with respect to one Aircraft are in default and remedies are exercisable with respect to such Aircraft, the Equipment Notes issued with respect to the remaining Aircraft will also be in default, and remedies will be exercisable with respect to all Aircraft.								
(h) Section 1110 Protection	United’s outside counsel will provide its opinion to the Trustees that the benefits of Section 1110 of the U.S. Bankruptcy Code will be available with respect to the Equipment Notes.								
Certain U.S. Federal Tax Consequences	Each person acquiring an interest in Certificates generally should report on its federal income tax return its pro rata share of income from the relevant Deposits and income from the Equipment Notes and other property held by the relevant Trust. See “Certain U.S. Federal Tax Consequences”.								
Certain ERISA Considerations	Each person who acquires a Certificate will be deemed to have represented that either: (a) no employee benefit plan assets have been used to purchase or hold such Certificate or (b) the purchase and holding of such Certificate are exempt from the prohibited transaction restrictions of ERISA and the Code pursuant to one or more prohibited transaction statutory or administrative exemptions. See “Certain ERISA Considerations”.								
Threshold Rating for the Depository	<table border="0"> <tr> <td></td> <td style="text-align: center;"><u>Fitch</u></td> <td></td> <td style="text-align: center;"><u>Moody’s</u></td> </tr> <tr> <td style="text-align: center;">Long Term</td> <td style="text-align: center;">A-</td> <td style="text-align: center;">Short Term</td> <td style="text-align: center;">P-1</td> </tr> </table>		<u>Fitch</u>		<u>Moody’s</u>	Long Term	A-	Short Term	P-1
	<u>Fitch</u>		<u>Moody’s</u>						
Long Term	A-	Short Term	P-1						
Depository Rating	The Depository meets the Depository Threshold Rating requirement.								
Threshold Rating for the Liquidity Provider for the Class AA Trust	<table border="0"> <tr> <td></td> <td style="text-align: center;"><u>Fitch</u></td> <td style="text-align: center;"><u>Moody’s</u></td> </tr> <tr> <td style="text-align: center;">Long Term</td> <td style="text-align: center;">BBB+</td> <td style="text-align: center;">Baa2</td> </tr> </table>		<u>Fitch</u>	<u>Moody’s</u>	Long Term	BBB+	Baa2		
	<u>Fitch</u>	<u>Moody’s</u>							
Long Term	BBB+	Baa2							
Threshold Rating for the Liquidity Provider for the Class A Trust	<table border="0"> <tr> <td></td> <td style="text-align: center;"><u>Fitch</u></td> <td style="text-align: center;"><u>Moody’s</u></td> </tr> <tr> <td style="text-align: center;">Long Term</td> <td style="text-align: center;">BBB</td> <td style="text-align: center;">Baa2</td> </tr> </table>		<u>Fitch</u>	<u>Moody’s</u>	Long Term	BBB	Baa2		
	<u>Fitch</u>	<u>Moody’s</u>							
Long Term	BBB	Baa2							
Liquidity Provider Rating	The Liquidity Provider meets the Liquidity Threshold Rating requirements.								

**SUMMARY FINANCIAL AND OPERATING DATA**

The following tables summarize certain consolidated financial and operating data with respect to United. This information was derived as follows:

Statement of operations data for the three months ended March 31, 2016 and 2015 was derived from the unaudited consolidated financial statements of United, including the notes thereto, included in United's Quarterly Report on Form 10-Q for the quarter ended March 31, 2016. Statement of operations data for years ended December 31, 2015, 2014 and 2013 was derived from the audited consolidated financial statements of United, including the notes thereto, included in United's Annual Report on Form 10-K filed with the Commission on February 18, 2016 (the "Form 10-K").

The ratio of earnings to fixed charges for the three months ended March 31, 2016 was derived from Exhibit 12.2 of United's Quarterly Report on Form 10-Q for the quarter ended March 31, 2016. The ratio of earnings to fixed charges for the years ended December 31, 2015, 2014, 2013, 2012 and 2011 was derived from Exhibit 12.2 to the Form 10-K.

Special charges (items) data for the three months ended March 31, 2016 and 2015 was derived from the unaudited consolidated financial statements of United, including the notes thereto, included in United's Quarterly Report on Form 10-Q for the quarter ended March 31, 2016. Special charges (items) data for the years ended December 31, 2015, 2014 and 2013 was derived from the audited consolidated financial statements of United, including the notes thereto, included in the Form 10-K.

Balance sheet data as of March 31, 2016 was derived from the unaudited consolidated financial statements of United, including the notes thereto, included in United's Quarterly Report on Form 10-Q for the quarter ended March 31, 2016. Balance sheet data as of December 31, 2015 and 2014 was derived from the audited consolidated financial statements of United, including the notes thereto, included in the Form 10-K.

	<u>Three Months Ended March 31,</u>		<u>Year Ended December 31,</u>		
	<u>2016</u>	<u>2015</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
	<u>(In millions)</u>		<u>(In millions)</u>		
<b>Statement of Operations Data(1):</b>					
Operating revenue	\$8,195	\$8,608	\$37,864	\$38,901	\$38,287
Operating expenses	7,545	7,867	32,696	36,524	37,028
Operating income	650	741	5,168	2,377	1,259
Net income	314	509	7,301	1,114	654

	<u>Three Months Ended March 31,</u>		<u>Year Ended December 31,</u>			
	<u>2016</u>	<u>2015</u>	<u>2015</u>	<u>2014</u>	<u>2012</u>	<u>2011</u>
Ratio of Earnings to Fixed Charges(2)	2.38	3.93	1.65	1.37	—	1.41

	<u>As of March 31,</u>		<u>As of December 31,</u>			
	<u>2016</u>	<u>2015</u>	<u>2015</u>	<u>2014</u>		
	<u>(In millions)</u>		<u>(In millions)</u>			
<b>Balance Sheet Data(3):</b>						
Unrestricted cash, cash equivalents and short-term investments	\$	3,966	\$	5,190	\$	4,378
Total assets		40,373		40,861		37,350
Debt and capital leases(4)		11,606		11,759		11,947
Stockholder's equity		7,836		8,963		2,635

(Footnotes on the next page)



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- (1) Includes the following special charges (items):

Special charges (items)	Three Months Ended		Year Ended		
	March 31,		December 31,		
	2016	2015	2015	2014	2013
	(In millions)		(In millions)		
<b>Special charges (items):</b>					
<b>Operating:</b>					
Labor agreement costs	\$ 100	\$ —	\$ 18	\$ —	\$127
Cleveland airport lease restructuring	74	—	—	—	—
Severance and benefit costs	8	50	107	199	105
Impairment of assets	—	—	79	49	33
Integration-related costs	—	—	60	96	205
(Gains) losses on sale of assets and other special charges, net	8	14	62	99	50
<b>Nonoperating:</b>					
Loss on extinguishment of debt and other, net	8	6	202	74	—
Income tax benefit related to special charges	(72)	—	(11)	(10)	(7)
Income tax benefit associated with valuation allowance release <sup>(5)</sup>	—	—	(3,130)	—	—

- (2) For purposes of calculating this ratio, earnings consist of income before income taxes adjusted for fixed charges, amortization of capitalized interest, distributed earnings of affiliates, interest capitalized and equity earnings in affiliates. Fixed charges consist of interest expense and the portion of rent expense representative of the interest factor. For the year ended December 31, 2012, earnings were inadequate to cover fixed charges by \$689 million.
- (3) Certain prior period amounts have been reclassified to conform to the current period presentation.
- (4) Includes the current and noncurrent portions of debt and capital leases.
- (5) During 2015, United released almost all of its income tax valuation allowance, resulting in a \$3.1 billion benefit in its provision for income taxes.

**Selected Operating Data**

United transports people and cargo through its mainline operations, which utilize jet aircraft with at least 118 seats, and its regional operations, which utilize smaller aircraft that are operated under contract by United Express carriers. These regional operations are an extension of United's mainline network.

	Three Months Ended March 31,		Year Ended December 31,		
	2016	2015	2015	2014	2013
<b>Mainline Operations:</b>					
Passengers (thousands) <sup>(1)</sup>	22,277	21,378	96,327	91,475	91,329
Revenue passenger miles (millions) <sup>(2)</sup>	40,856	40,660	183,642	179,015	178,578
Available seat miles (millions) <sup>(3)</sup>	51,165	50,125	219,989	214,105	213,007
Cargo ton miles (millions)	622	662	2,614	2,487	2,213
Passenger load factor <sup>(4)</sup>	79.9%	81.1%	83.5%	83.6%	83.8%
Passenger revenue per available seat mile (cents)	10.90	11.85	11.97	12.51	12.20
Average yield per revenue passenger mile (cents) <sup>(5)</sup>	13.65	14.60	14.34	14.96	14.56
Cost per available seat mile (cents)	12.47	12.99	12.42	14.02	14.31
Average price per gallon of fuel, including fuel taxes	\$ 1.39	\$ 2.11	\$ 1.96	\$ 2.98	\$ 3.12
Fuel gallons consumed (millions)	734	737	3,216	3,183	3,204
Average stage length (miles) <sup>(6)</sup>	1,859	1,917	1,922	1,958	1,934
Average daily utilization of each aircraft (hours) <sup>(7)</sup>	9:36	9:55	10:24	10:26	10:28
<b>Regional Operations:</b>					
Passengers (thousands) <sup>(1)</sup>	9,810	10,144	44,042	46,554	47,880
Revenue passenger miles (millions) <sup>(2)</sup>	5,726	5,784	24,969	26,544	26,589
Available seat miles (millions) <sup>(3)</sup>	7,108	7,144	30,014	31,916	32,347
Passenger load factor <sup>(4)</sup>	80.6%	81.0%	83.2%	83.2%	82.2%
<b>Consolidated Operations:</b>					
Passengers (thousands) <sup>(1)</sup>	32,087	31,522	140,369	138,029	139,209
Revenue passenger miles (millions) <sup>(2)</sup>	46,582	46,444	208,611	205,559	205,167
Available seat miles (millions) <sup>(3)</sup>	58,273	57,269	250,003	246,021	245,354
Passenger load factor <sup>(4)</sup>	79.9%	81.1%	83.4%	83.6%	83.6%
Passenger revenue per available seat mile (cents)	12.00	12.96	13.11	13.72	13.50
Average yield per revenue passenger mile (cents) <sup>(5)</sup>	15.01	15.98	15.72	16.42	16.14

- (1) The number of revenue passengers measured by each flight segment flown.
- (2) The number of scheduled miles flown by revenue passengers.
- (3) The number of seats available for passengers multiplied by the number of scheduled miles those seats are flown.
- (4) Revenue passenger miles divided by available seat miles.
- (5) The average passenger revenue received for each revenue passenger mile flown.
- (6) Average stage length equals the average distance a flight travels weighted for size of aircraft.
- (7) The average number of hours per day that an aircraft flown in revenue service is operated (from gate departure to gate arrival).

## RISK FACTORS

Unless the context otherwise requires, references in this “Risk Factors” section to “UAL”, “the Company”, “we”, “us” and “our” mean United Continental Holdings, Inc. (“UAL”) and its consolidated subsidiaries, including United Airlines, Inc. (“United”), and references to “United” include United’s consolidated subsidiaries.

### Risk Factors Relating to the Company

***Global economic, political and industry conditions constantly change and unfavorable conditions may have a material adverse effect on the Company’s business and results of operations.***

The Company’s business and results of operations are significantly impacted by general economic and industry conditions. The airline industry is highly cyclical, and the level of demand for air travel is correlated to the strength of the U.S. and global economies. The Company is a global business with operations outside of the United States from which it derives significant operating revenues. The Company’s international operations are a vital part of its worldwide airline network. Volatile economic, political and market conditions in these international regions may have a negative impact on the Company’s operating results and its ability to achieve its business objectives.

Robust demand for the Company’s air transportation services depends largely on favorable economic conditions, including the strength of the domestic and foreign economies, low unemployment levels, strong consumer confidence levels and the availability of consumer and business credit. Air transportation is often a discretionary purchase that leisure travelers may limit or eliminate during difficult economic times. In addition, during periods of unfavorable economic conditions, business travelers usually reduce the volume of their travel, either due to cost-saving initiatives or as a result of decreased business activity requiring travel. During such periods, the Company’s business and results of operations may be adversely affected due to significant declines in industry passenger demand, particularly with respect to the Company’s business and premium cabin travelers, and a reduction in fare levels.

Stagnant or weakening global economic conditions either in the United States or in other geographic regions, and any future volatility in U.S. and global financial and credit markets may have a material adverse effect on the Company’s revenues, results of operations and liquidity. If such economic conditions were to disrupt capital markets in the future, the Company may be unable to obtain financing on acceptable terms (or at all) to refinance certain maturing debt and to satisfy future capital commitments.

In addition, significant or volatile changes in exchange rates between the U.S. dollar and other currencies may have a material adverse impact upon the Company’s liquidity, revenues, costs and operating results.

***The airline industry is highly competitive and susceptible to price discounting and changes in capacity, which could have a material adverse effect on the Company.***

The U.S. airline industry is characterized by substantial price competition including from low-cost carriers. The significant market presence of low-cost carriers, which engage in substantial price discounting, may diminish our ability to achieve sustained profitability on domestic and international routes.

Airlines also compete for market share by increasing or decreasing their capacity, including route systems and the number of markets served. Several of the Company’s domestic and international competitors have increased their international capacity by including service to some destinations that the Company currently serves, causing overlap in destinations served and therefore increasing competition for those destinations. In addition, the Company has implemented significant capacity reductions in recent years in response to high and volatile fuel prices and stagnant global economic growth. This increased competition in both domestic and international markets may have a material adverse effect on the Company’s results of operations, financial condition or liquidity.

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***Terrorist attacks or international hostilities, or the fear of terrorist attacks or hostilities, even if not made directly on the airline industry, could negatively affect the Company and the airline industry.***

The terrorist attacks on September 11, 2001 involving commercial aircraft severely and adversely impacted the Company's financial condition and results of operations, as well as the prospects for the airline industry. Among the effects experienced from the September 11, 2001 terrorist attacks were substantial flight disruption costs caused by the Federal Aviation Administration (the "FAA") imposed temporary grounding of the U.S. airline industry's fleet, significantly increased security costs and associated passenger inconvenience, increased insurance costs, substantially higher ticket refunds and significantly decreased traffic and passenger revenue.

Additional terrorist attacks, even if not made directly on the airline industry, or the fear of or the precautions taken in anticipation of such attacks (including elevated national threat warnings or selective cancellation or redirection of flights) could materially and adversely affect the Company and the airline industry. Wars and other international hostilities could also have a material adverse impact on the Company's financial condition, liquidity and results of operations. The Company's financial resources may not be sufficient to absorb the adverse effects of any future terrorist attacks or other international hostilities.

***A significant data breach or the Company's inability to comply with legislative or regulatory standards may adversely affect the Company's business.***

The Company is subject to increasing legislative, regulatory and customer focus on privacy issues and data security. A number of the Company's commercial partners, including credit card companies, have imposed data security standards that the Company must meet and these standards continue to evolve. The Company will continue its efforts to meet new and increasing privacy and security standards; however, it is possible that certain new standards may be difficult to meet and could increase the Company's costs. Additionally, any compromise of the Company's technology systems could result in the loss, disclosure, misappropriation of or access to customers', employees' or business partners' information. Any such loss, disclosure, misappropriation or access could result in legal claims or proceedings, liability or regulatory penalties under laws protecting the privacy of personal information. Any significant data breach or the Company's failure to comply with applicable U.S. and foreign privacy or data security regulations or security standards imposed by the Company's commercial partners may adversely affect the Company's reputation, business, results of operations and financial condition.

***The Company relies heavily on technology and automated systems to operate its business and any significant failure or disruption of the technology or these systems could materially harm its business.***

The Company depends on automated systems and technology to operate its business, including computerized airline reservation systems, flight operations systems, revenue management systems, accounting systems, telecommunication systems and commercial websites, including [www.united.com](http://www.united.com). United's website and other automated systems must be able to accommodate a high volume of traffic, maintain secure information and deliver important flight and schedule information, as well as process critical financial transactions. These systems could suffer substantial or repeated disruptions due to various events, some of which are beyond the Company's control, including natural disasters, power failures, terrorist attacks, equipment or software failures, computer viruses or cyber security attacks. Substantial or repeated systems failures or disruptions, including failures or disruptions related to the Company's complex integration of systems, could reduce the attractiveness of the Company's services versus those of its competitors, materially impair its ability to market its services and operate its flights, result in the unauthorized release of confidential or otherwise protected information, result in increased costs, lost revenue and the loss or compromise of important data, and may adversely affect the Company's business, results of operations and financial condition.

***Current or future litigation and regulatory actions could have a material adverse impact on the Company.***

From time to time, we are subject to litigation and other legal and regulatory proceedings relating to our business or investigations or other actions by governmental agencies, including as described in Part I, Item 3

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“Legal Proceedings” in the Company’s Annual Report on Form 10-K for the year ended December 31, 2015. No assurances can be given that the results of these or new matters will be favorable to us. An adverse resolution of lawsuits, arbitrations, investigations or other proceedings or actions could have a material adverse effect on our financial condition and results of operations, including as a result of non-monetary remedies. Defending ourselves in these matters may be time-consuming, expensive and disruptive to normal business operations and may result in significant expense and a diversion of management’s time and attention from the operation of our business, which could impede our ability to achieve our business objectives. Additionally, any amount that we may be required to pay to satisfy a judgment, settlement, fine or penalty may not be covered by insurance. Under our charter and certain indemnification agreements that we have entered into (and may in the future enter into) with our officers, directors and certain third parties, we could be required to indemnify and advance expenses to them in connection with their involvement in certain actions, suits, investigations and other proceedings. There can be no assurance that any of these payments will not be material.

***Disruptions to the Company’s regional network and United Express flights provided by third-party regional carriers could adversely affect the Company’s operations and financial condition.***

The Company has contractual relationships with various regional carriers to provide regional jet and turboprop service branded as United Express. These regional operations are an extension of the Company’s mainline network and complement the Company’s operations by carrying traffic that connects to mainline service and allows flights to smaller cities that cannot be provided economically with mainline aircraft. The Company’s business and operations are dependent on its regional flight network, with regional capacity accounting for approximately 12% of the Company’s total as of December 31, 2015.

Although the Company has agreements with its regional carriers that include contractually agreed performance metrics, the Company does not control the operations of these carriers. A number of factors may impact the Company’s regional network, including weather-related effects and seasonality. In addition, the decrease in qualified pilots driven by federal regulations has adversely impacted and could continue to affect the Company’s regional flying. For example, the FAA’s expansion of minimum pilot qualification standards, including a requirement that a pilot have at least 1,500 total flight hours, as well as the FAA’s revised pilot flight and duty time rules, effective January 2014, have contributed to an increasing need for pilots for regional carriers. The decrease in qualified pilots resulting from the regulations as well as factors including a decreased student pilot population and a shrinking U.S. military from which to hire qualified pilots, could adversely impact the Company’s operations and financial condition, and also require the Company to reduce regional carrier flying.

If a significant disruption occurs to the Company’s regional network or flights or if one or more of the regional carriers with which the Company has relationships is unable to perform their obligations over an extended period of time, there could be a material adverse effect on the Company’s business, financial condition and operations.

***The Company’s business relies extensively on third-party service providers. Failure of these parties to perform as expected, or interruptions in the Company’s relationships with these providers or their provision of services to the Company, could have an adverse effect on the Company’s financial position and results of operations.***

The Company has engaged an increasing number of third-party service providers to perform a large number of functions that are integral to its business, including regional operations, operation of customer service call centers, distribution and sale of airline seat inventory, provision of information technology infrastructure and services, transmitting or uploading of data, provision of aircraft maintenance and repairs, provision of various utilities and performance of aircraft fueling operations, among other vital functions and services. The Company does not directly control these third-party service providers, although it does enter into agreements with many of them that define expected service performance. Any of these third-party service providers, however, may materially fail to meet their service performance commitments to the Company, may suffer disruptions to their

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systems that could impact their services, or the agreements with such providers may be terminated. For example, flight reservations booked by customers and travel agencies via third-party global distribution systems (“GDS”) may be adversely affected by disruptions in the business relationships between the Company and GDS operators. Such disruptions, including a failure to agree upon acceptable contract terms when contracts expire or otherwise become subject to renegotiation, may cause the Company’s flight information to be limited or unavailable for display, significantly increase fees for both the Company and GDS users, and impair the Company’s relationships with its customers and travel agencies. The failure of any of the Company’s third-party service providers to perform their service obligations adequately, or other interruptions of services, may reduce the Company’s revenues and increase its expenses, prevent the Company from operating its flights and providing other services to its customers or result in adverse publicity or harm to its brand. In addition, the Company’s business and financial performance could be materially harmed if its customers believe that its services are unreliable or unsatisfactory.

***The Company could experience adverse publicity, harm to its brand, reduced travel demand and potential tort liability as a result of an accident, catastrophe, or incident involving its aircraft, the aircraft of its regional carriers or the aircraft of its codeshare partners, which may result in a material adverse effect on the Company’s results of operations or financial position.***

An accident, catastrophe, or incident involving an aircraft that the Company operates, or an aircraft that is operated by a codeshare partner or one of the Company’s regional carriers, could have a material adverse effect on the Company if such accident, catastrophe, or incident created a public perception that the Company’s operations, or the operations of its codeshare partners or regional carriers, are not safe or reliable, or are less safe or reliable than other airlines. Such public perception could in turn result in adverse publicity for the Company, cause harm to the Company’s brand and reduce travel demand on the Company’s flights, or the flights of its codeshare partners or regional carriers.

In addition, any such accident, catastrophe, or incident could expose the Company to significant tort liability. Although the Company currently maintains liability insurance in amounts and of the type the Company believes to be consistent with industry practice to cover damages arising from any such accident or catastrophe, and the Company’s codeshare partners and regional carriers carry similar insurance and generally indemnify the Company for their operations, if the Company’s liability exceeds the applicable policy limits or the ability of another carrier to indemnify it, the Company could incur substantial losses from an accident, catastrophe or incident which may result in a material adverse effect on the Company’s results of operations or financial position.

***If we experience changes in, or are unable to retain, our senior management team or other key employees, our operating results could be adversely affected.***

Much of our future success depends on the continued availability of skilled personnel with industry experience and knowledge, including our senior management team and other key employees. If we are unable to attract and retain talented, highly qualified senior management and other key employees, or if we are unable to effectively provide for the succession of senior management, including our Chief Executive Officer and Chief Financial Officer, our business may be adversely affected.

***High and/or volatile fuel prices or significant disruptions in the supply of aircraft fuel could have a material adverse impact on the Company’s strategic plans, operating results, financial position and liquidity.***

Aircraft fuel is critical to the Company’s operations and is one of its largest operating expenses. Aircraft fuel has also been the Company’s most volatile operating expense for the past several years. The Company generally sources adequate supplies of fuel at prevailing market prices and has some ability to store fuel close to major hub locations to ensure supply continuity in the short term. Timely and adequate supply of aircraft fuel

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depends on the continued availability of reliable fuel supply sources and delivery infrastructure. Although the Company has some ability to cover short-term supply and infrastructure disruptions at its major demand locations, it can neither predict nor guarantee the continued timely availability of aircraft fuel throughout the Company's system.

Market prices for aircraft fuel depend on a multitude of unpredictable factors beyond the Company's control. These factors include changes in global crude oil prices, aircraft fuel supply-demand balance, inventory levels and fuel production and transportation capacity, as well as indirect factors, such as geopolitical events, economic growth indicators, fiscal/monetary policies, fuel tax policies and financial investments. Both actual changes as well as changes in market expectations of these factors can potentially drive rapid changes in fuel price levels and price volatility.

Given the highly competitive nature of the airline industry, the Company may not be able to increase its fares and fees sufficiently to offset the full impact of increases in fuel prices, especially if these increases are significant, rapid and sustained. Further, such fare and fee increases may not be sustainable, may reduce the general demand for air travel and may also eventually impact the Company's strategic growth and investment plans for the future. In addition, decreases in fuel prices for an extended period may result in increased industry capacity, increased competitive actions for market share and lower fares or surcharges in general. If fuel prices were subsequently to rise quickly, there may be a lag between improvement of revenue and the adverse impact of higher fuel prices.

To protect against increases in the market prices of fuel, the Company may hedge a portion of its future fuel requirements. However, the Company's hedging program may not be successful in mitigating higher fuel costs, and any price protection provided may be limited due to choice of hedging instruments and market conditions, including breakdown of correlation between hedging instrument and market price of aircraft fuel and failure of hedge counterparties. To the extent that the Company decides to hedge a portion of its future fuel requirements and uses hedge contracts that have the potential to create an obligation to pay upon settlement if fuel prices decline significantly, such hedge contracts may limit the Company's ability to benefit fully from lower fuel costs in the future. If fuel prices decline significantly from the levels existing at the time the Company enters into a hedge contract, the Company may be required to post collateral (margin) beyond certain thresholds. There can be no assurance that the Company's hedging arrangements will provide any particular level of protection against rises in fuel prices or that its counterparties will be able to perform under the Company's hedging arrangements. Additionally, deterioration in the Company's financial condition could negatively affect its ability to enter into new hedge contracts in the future and may potentially require the Company to post increased amounts of collateral under its fuel hedging agreements.

The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 and regulations promulgated by the Commodity Futures Trading Commission (the "CFTC") require centralized clearing for over-the-counter derivatives and record-keeping and reporting requirements that are applicable to the Company's fuel hedge contracts. The UAL Board of Directors ("Board of Directors") has approved the Company's election of the CFTC's end-user exception, which permits the Company as a non-financial end user of derivatives to hedge commercial risk and be exempt from the CFTC mandatory clearing requirements. However, several of the Company's hedge counterparties are also subject to these requirements, which may raise the counterparties' costs. Those increased costs may in turn be passed on to the Company, resulting in increased transaction costs to execute hedge contracts and lower credit thresholds to post collateral (margin).

See Note 10 to the financial statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 2015 and Note 7 to the financial statements included in the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2016 for additional information on the Company's hedging programs.

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***Union disputes, employee strikes or slowdowns, and other labor-related disruptions, as well as the integration of United's workforces in connection with the Company's merger transaction in 2010, could adversely affect the Company's operations and could result in increased costs that impair its financial performance.***

United is a highly unionized company. As of December 31, 2015, the Company and its subsidiaries had approximately 84,000 active employees, of whom approximately 80% were represented by various U.S. labor organizations.

The successful integration of United's workforces in connection with the Company's merger transaction in 2010 and achievement of the anticipated benefits of the combined company depend in part on integrating employee groups and maintaining productive employee relations. In order to fully integrate the Company's pre-merger represented employee groups, the Company must negotiate a joint collective bargaining agreement covering each combined group. The process for integrating the labor groups is governed by a combination of the Railway Labor Act (the "RLA"), the McCaskill-Bond Amendment, and where applicable, the existing provisions of collective bargaining agreements and union policies. A delay in or failure to integrate employee groups presents the potential for increased operating costs and labor disputes that could adversely affect the Company's operations.

The Company has reached joint collective bargaining agreements with the majority of its employee groups since the merger transaction in 2010 with only two groups remaining without combined collective bargaining agreements. We continue to negotiate for a joint flight attendant collective bargaining agreement and its technician and related employees are in the process of submitting a recent Company proposal for ratification by its membership. The Company can provide no assurance that a successful or timely resolution of these labor negotiations will be achieved.

There is a risk that unions or individual employees might pursue judicial or arbitral claims arising out of changes implemented as a result of the Company's merger transaction in 2010. There is also a possibility that employees or unions could engage in job actions such as slowdowns, work-to-rule campaigns, sick-outs or other actions designed to disrupt the Company's normal operations, in an attempt to pressure the Company in collective bargaining negotiations. Although the RLA makes such actions unlawful until the parties have been lawfully released to self-help, and the Company can seek injunctive relief against premature self-help, such actions can cause significant harm even if ultimately enjoined. In addition, joint collective bargaining agreements with the Company's represented employee groups increase the Company's labor costs, which increase could be material for any applicable reporting period.

See Notes 15 and 16 to the financial statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 2015 and Notes 8 and 9 to the financial statements included in the Company's Quarterly Report for the quarter ended March 31, 2016 for additional information on labor negotiations and costs.

***An outbreak of a disease or similar public health threat could have a material adverse impact on the Company's business, financial position and results of operations.***

An outbreak of a disease or similar public health threat that affects travel demand or travel behavior, or travel restrictions or reduction in the demand for air travel caused by an outbreak of a disease or similar public health threat in the future, could have a material adverse impact on the Company's business, financial condition and results of operations.

***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



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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.

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 FAA regulates the safety of United’s operations. United operates pursuant to an air carrier operating certificate issued by the FAA. In January 2014, the FAA’s more stringent pilot flight and duty time requirements under Part 117 of the Federal Aviation Regulations took effect, which has increased costs for all carriers. In July 2014, minimum qualifications took effect for air carrier first officers. These regulations impact the Company and its regional partner flying, as they have caused mainline airlines to hire regional pilots, while simultaneously significantly reducing the pool of new pilots from which regional carriers themselves can hire. Although this is an industry issue, it directly affects the Company and requires it to reduce regional partner flying, as several regional partners have experienced difficulty flying their schedules due to reduced pilot availability. 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. FAA requirements cover, among other things, retirement of older aircraft, 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 ATC 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 the Company’s 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.

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 the most 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 their 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 or may lose slots. Further, the Company’s operating costs at airports, 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. 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 the United States 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

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on international routes under government arrangements, 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's Emissions Trading Scheme, the State of California's greenhouse gas ("GHG") cap and trade regulations, environmental taxes for certain international flights, limited GHG 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 GHGs 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.

In 2016, the U.S. Congress will continue to consider legislation to reauthorize the FAA, which encompasses all significant aviation tax and policy related issues. As with previous reauthorization legislation, the U.S. Congress may consider a range of policy changes that could impact the Company's operations and costs.

See Part I, Item 1, Business—Industry Regulation, of the Company's Annual Report on Form 10-K for the year ended December 31, 2015 for additional information on government regulation impacting the Company.

***The airline industry may undergo further change with respect to alliances and joint ventures, either of which could have a material adverse effect on the Company.***

The Company faces and may continue to face strong competition from other carriers due to the modification of alliances and formation of new joint ventures. Carriers may improve their competitive positions through airline alliances, slot swaps and/or joint ventures. Certain types of airline joint ventures further competition by allowing multiple airlines to coordinate routes, pool revenues and costs, and enjoy other mutual benefits, achieving many of the benefits of consolidation. "Open Skies" agreements, including the agreements between the United States and the European Union and between the United States and Japan, may also give rise to better integration opportunities among international carriers. Movement of airlines between current global airline alliances could reduce joint network coverage for members of such alliances while also creating opportunities for joint ventures and bilateral alliances that did not exist before such realignment. There is ongoing speculation that further airline and airline alliance consolidations or reorganizations could occur in the future, especially if new "Open Skies" agreements between Brazil and the United States and Mexico and the United States are fully implemented. The Company routinely engages in analysis and discussions regarding its own strategic position, including current and potential alliances, asset acquisitions and divestitures and may have future discussions with other airlines regarding strategic activities. If other airlines participate in such activities, those airlines may

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significantly improve their cost structures or revenue generation capabilities, thereby potentially making them stronger competitors of the Company and potentially impairing the Company's ability to realize expected benefits from its own strategic relationships.

***Inadequate liquidity or a negative impact on the Company's liquidity from factors beyond the Company's control may have a material adverse effect on the Company's financial position and business.***

The Company has a significant amount of financial leverage from fixed obligations, including aircraft lease and debt financings, leases of airport property and other facilities, and other material cash obligations. In addition, the Company has substantial noncancelable commitments for capital expenditures, including for the acquisition of new aircraft and related spare engines.

Although the Company's cash flows from operations and its available capital, including the proceeds from financing transactions, have been sufficient to meet these obligations and commitments to date, the Company's future liquidity could be negatively affected by the risk factors discussed in this Prospectus Supplement under the heading "Risk Factors", or in the Company's Annual Report on Form 10-K for the year ended December 31, 2015, including, but not limited to, substantial volatility in the price of fuel, adverse economic conditions, disruptions in the global capital markets and catastrophic external events.

If the Company's liquidity is constrained due to the various risk factors noted in this Prospectus Supplement under the heading "Risk Factors", or in the Company's Annual Report on Form 10-K for the year ended December 31, 2015 or otherwise, the Company might not be able to timely pay its debts or comply with certain operating and financial covenants under its financing and credit card processing agreements or with other material provisions of its contractual obligations. These covenants require the Company or United, as applicable, to maintain minimum liquidity and/or minimum collateral coverage ratios, depending on the particular agreement. The Company's ability to comply with these covenants may be affected by events beyond its control, including the overall industry revenue environment, the level of fuel costs and the appraised value of certain collateral.

If the Company does not timely pay its debts or comply with such covenants, a variety of adverse consequences could result. These potential adverse consequences include an increase of required reserves under credit card processing agreements, withholding of credit card sale proceeds by its credit card service providers, loss of undrawn lines of credit, the occurrence of one or more events of default under the relevant agreements, the acceleration of the maturity of debt and/or the exercise of other remedies by its creditors and equipment lessors that could result in a material adverse effect on the Company's financial position and results of operations. The Company cannot provide assurance that it would have sufficient liquidity to repay or refinance such debt if it were accelerated. In addition, an event of default or acceleration of debt under certain of its financing agreements could result in one or more events of default under certain of the Company's other financing agreements due to cross default and cross acceleration provisions.

Furthermore, constrained liquidity may limit the Company's ability to withstand competitive pressures and downturns in the travel business and the economy in general.

The Company's substantial level of indebtedness and non-investment grade credit rating, as well as market conditions and the availability of assets as collateral for loans or other indebtedness, may make it difficult for the Company to raise additional capital if needed to meet its liquidity needs on acceptable terms, or at all.

See Management's Discussion and Analysis of Financial Condition and Results of Operations, included in the Company's Annual Report on Form 10-K for the year ended December 31, 2015 and in the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2016 for additional information regarding the Company's liquidity.

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### ***Increases in insurance costs or reductions in insurance coverage may materially and adversely impact the Company's results of operations and financial condition.***

The Company could be exposed to significant liability or loss if its property or operations were to be affected by a natural catastrophe or other event, including aircraft accidents. If the Company is unable to obtain sufficient insurance (including but not limited to aviation hull and liability insurance, workers' compensation, and property and business interruption coverage) to cover such liabilities or losses, whether due to insurance market conditions or otherwise, its results of operations and financial condition could be materially and adversely affected.

Following the terrorist attacks on September 11, 2001, the Company's insurance costs increased significantly and the availability of third-party war risk (terrorism) insurance decreased significantly. From September 2001 through May 2014, the Company obtained third-party war risk (terrorism) insurance through a FAA-administered program. In anticipation of the government discontinuing this program, effective May 2014, the Company terminated its FAA-administered insurance and returned to the commercial insurance markets to obtain third-party war risk (terrorism) insurance. The government subsequently discontinued the FAA-administered program in December 2014. If the Company is unable in the future to obtain third-party war risk (terrorism) insurance with acceptable terms, or if the coverage obtained is insufficient relative to actual liability or losses that the Company experiences, its results of operations and financial condition could be materially and adversely affected.

### ***The Company's results of operations fluctuate due to seasonality and other factors associated with the airline industry.***

Due to greater demand for air travel during the spring and summer months, revenues in the airline industry in the second and third quarters of the year are generally stronger than revenues in the first and fourth quarters of the year, which are periods of lower travel demand. The Company's results of operations generally reflect this seasonality, but have also been impacted by numerous other factors that are not necessarily seasonal including, among others, the imposition of excise and similar taxes, extreme or severe weather, ATC control congestion, geological events, natural disasters, changes in the competitive environment due to industry consolidation, general economic conditions and other factors. As a result, the Company's quarterly operating results are not necessarily indicative of operating results for an entire year and historical operating results in a quarterly or annual period are not necessarily indicative of future operating results.

### ***The Company may never realize the full value of its intangible assets or its long-lived assets causing it to record impairments that may negatively affect its financial position and results of operations.***

In accordance with applicable accounting standards, the Company is required to test its indefinite-lived intangible assets for impairment on an annual basis on October 1 of each year, or more frequently if conditions indicate that an impairment may have occurred. In addition, the Company is required to test certain of its other assets for impairment if conditions indicate that an impairment may have occurred.

The Company may be required to recognize impairments in the future due to, among other factors, extreme fuel price volatility, tight credit markets, a decline in the fair value of certain tangible or intangible assets, unfavorable trends in historical or forecasted results of operations and cash flows and an uncertain economic environment, as well as other uncertainties. The Company can provide no assurance that a material impairment charge of tangible or intangible assets will not occur in a future period. The value of the Company's aircraft could be impacted in future periods by changes in supply and demand for these aircraft. Such changes in supply and demand for certain aircraft types could result from grounding of aircraft by the Company or other carriers. An impairment charge could have a material adverse effect on the Company's financial position and results of operations.

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***The Company's ability to use its net operating loss carryforwards to offset future taxable income for U.S. federal income tax purposes may be significantly limited due to various circumstances, including certain possible future transactions involving the sale or issuance of UAL common stock, or if taxable income does not reach sufficient levels.***

As of December 31, 2015, UAL reported consolidated federal net operating loss ("NOL") carryforwards of approximately \$8.0 billion.

The Company's ability to use its NOL carryforwards may be limited if it experiences an "ownership change" as defined in Section 382 ("Section 382") of the Internal Revenue Code of 1986, as amended (the "Code"). An ownership change generally occurs if certain stockholders increase their aggregate percentage ownership of a corporation's stock by more than 50 percentage points over their lowest percentage ownership at any time during the testing period, which is generally the three-year period preceding any potential ownership change.

There is no assurance that the Company will not experience a future ownership change under Section 382 that may significantly limit or possibly eliminate its ability to use its NOL carryforwards. Potential future transactions involving the sale or issuance of UAL common stock, including the exercise of conversion options under the terms of any convertible debt that UAL may issue in the future, the repurchase of such debt with UAL common stock, any issuance of UAL common stock for cash and the acquisition or disposition of such stock by a stockholder owning 5% or more of UAL common stock, or a combination of such transactions, may increase the possibility that the Company will experience a future ownership change under Section 382.

Under Section 382, a future ownership change would subject the Company to additional annual limitations that apply to the amount of pre-ownership change NOLs that may be used to offset post-ownership change taxable income. This limitation is generally determined by multiplying the value of a corporation's stock immediately before the ownership change by the applicable long-term tax-exempt rate. Any unused annual limitation may, subject to certain limits, be carried over to later years, and the limitation may under certain circumstances be increased by built-in gains in the assets held by such corporation at the time of the ownership change. This limitation could cause the Company's U.S. federal income taxes to be greater, or to be paid earlier, than they otherwise would be, and could cause all or a portion of the Company's NOL carryforwards to expire unused. Similar rules and limitations may apply for state income tax purposes. The Company's ability to use its NOL carryforwards will also depend on the amount of taxable income it generates in future periods. Its NOL carryforwards may expire before the Company can generate sufficient taxable income to use them in full.

***UAL's amended and restated certificate of incorporation limits certain transfers of its stock, which limits are intended to preserve our ability to use our NOL carryforwards, and these limits could have an effect on the market price of UAL common stock.***

To reduce the risk of a potential adverse effect on the Company's ability to use its NOL carryforwards for federal income tax purposes, UAL's amended and restated certificate of incorporation contains a 5% ownership limitation. This limitation generally remains effective until February 1, 2017, or until such later date as may be approved by the Board of Directors in its sole discretion. The limitation prohibits (i) an acquisition by a single stockholder of shares that results in that stockholder owning 5% or more of UAL common stock and (ii) any acquisition or disposition of common stock by a stockholder that already owns 5% or more of UAL common stock, unless prior written approval is granted by the Board of Directors.

Any transfer of common stock in violation of these restrictions will be void and will be treated as if such transfer never occurred. This provision of UAL's amended and restated certificate of incorporation may impair or prevent a sale of common stock by a stockholder and adversely affect the price at which a stockholder can sell UAL common stock. In addition, this limitation may have the effect of delaying or preventing a change in control of the Company, creating a perception that a change in control cannot occur or otherwise discouraging takeover

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attempts that some stockholders may consider beneficial, which could also adversely affect the market price of the UAL common stock. The Company cannot predict the effect that this provision in UAL's amended and restated certificate of incorporation may have on the market price of the UAL common stock. For additional information regarding the 5% ownership limitation, please refer to UAL's amended and restated certificate of incorporation available on the Investor Relations section of the Company's website at <http://ir.united.com>.

### **Risk Factors Relating to the Certificates and the Offering**

#### ***The Equipment Notes will not be obligations of UAL.***

The Equipment Notes to be held for the Trusts will be the obligations of United. Neither UAL nor any of its subsidiaries (other than United) is required to become an obligor with respect to, or a guarantor of, the Equipment Notes. You should not expect UAL or any of its subsidiaries (other than United) to participate in making payments in respect of the Equipment Notes.

#### ***The Appraisals are only estimates of Aircraft value.***

Three independent appraisal and consulting firms have prepared appraisals of the Aircraft. Letters summarizing such appraisals are annexed to this Prospectus Supplement as Appendix II. Such appraisals are based on varying assumptions and methodologies, which differ among the appraisers, and were prepared without physical inspection of the Aircraft. In addition, the appraisals include certain assumptions regarding the equipment specifications and performance characteristics of the Aircraft. However, the Indentures relating to the Aircraft permit United to make alterations and modifications to the Aircraft and to remove parts from the Aircraft, which may impact such assumptions. See "Description of the Equipment Notes—Certain Provisions of the Indentures—Replacement of Parts; Alterations". Appraisals that are based on other assumptions and methodologies may result in valuations that are materially different from those contained in such appraisals. See "Description of the Aircraft and the Appraisals—The Appraisals".

There are particular uncertainties with respect to the appraised value of the Boeing 787-9 aircraft because the 787-9 is a derivative of the Boeing 787-8, which is a newly-developed model. The first delivery of a Boeing 787-9 aircraft to a commercial airline was in July 2014. As a result, secondary market values for the aircraft have not been established. Also, the appraisal and consulting firms that have prepared the appraisals of the Aircraft have less experience appraising Boeing 787-9 aircraft as compared to other aircraft models that have been in operation in greater numbers for a longer period of time.

An appraisal is only an estimate of value. It does not indicate the price at which an Aircraft may be purchased from the Aircraft manufacturer. Nor should an appraisal be relied upon as a measure of realizable value. The proceeds realized upon a sale of any Aircraft may be less than its appraised value. In particular, the appraisals of the Aircraft are estimates of values as of delivery dates, the majority of which are in the future. The value of an Aircraft if remedies are exercised under the applicable Indenture will depend on market and economic conditions, the supply of similar aircraft, the availability of buyers, the condition of the Aircraft and other factors. Accordingly, there can be no assurance that the proceeds realized upon any such exercise of remedies would be sufficient to satisfy in full payments due on the Certificates.

#### ***Certain Certificateholders may not participate in controlling the exercise of remedies in a default scenario.***

If an Indenture Default is continuing, subject to certain conditions, the Loan Trustee under such Indenture will be directed by the "Controlling Party" in exercising remedies under such Indenture, including accelerating the applicable Equipment Notes or foreclosing the lien on the Aircraft securing such Equipment Notes. See "Description of the Certificates—Indenture Defaults and Certain Rights Upon an Indenture Default".

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The Controlling Party will be:

- The Class AA Trustee.
- Upon payment of final distributions to the holders of Class AA Certificates, the Class A Trustee.
- Under certain circumstances, and notwithstanding the foregoing, the Liquidity Provider (including, if any Class B Certificates are issued, any liquidity provider for the Class B Certificates) with the largest amount owed to it.

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

### ***The exercise of remedies over Equipment Notes may result in shortfalls without further recourse.***

During the continuation of any Indenture Default under an Indenture, the Equipment Notes issued under such Indenture may be sold in the exercise of remedies with respect to that Indenture, subject to certain limitations. See “Description of the Intercreditor Agreement—Intercreditor Rights—Limitation on Exercise of Remedies”. The market for Equipment Notes during any Indenture Default may be very limited, and there can be no assurance as to the price at which they could be sold. If any Equipment Notes are sold for less than their outstanding principal amount, certain Certificateholders will receive a smaller amount of principal distributions under the relevant Indenture than anticipated and will not have any claim for the shortfall against United, any Liquidity Provider or any Trustee.

### ***Escrowed funds and cash collateral will not be entitled to the benefits of Section 1110, and cross-defaults may not be required to be cured under Section 1110.***

Amounts deposited under the Escrow Agreements are not property of United and are not entitled to the benefits of Section 1110 of the U.S. Bankruptcy Code. Any cash collateral held as a result of the cross-collateralization of the Equipment Notes also would not be entitled to the benefits of Section 1110 of the U.S. Bankruptcy Code. Any default arising under an Indenture solely by reason of the cross-default in such Indenture may not be of a type required to be cured under Section 1110 of the U.S. Bankruptcy Code.

### ***Escrowed funds may be returned if they are not used to buy Equipment Notes.***

Under certain circumstances, all of the funds held in escrow as Deposits may not be used to purchase Equipment Notes by the deadline established for purposes of this Offering. If any funds remain as Deposits with respect to any Trust after such deadline, they will be withdrawn by the Escrow Agent for such Trust and distributed, with accrued and unpaid interest but without any premium, to the Certificateholders of such Trust. See “Description of the Deposit Agreements—Unused Deposits”.

### ***Any delay in the delivery of aircraft to be financed pursuant to this Offering may extend the period for financings under this Offering and could result in the return of escrowed funds.***

United cannot predict the extent to which deliveries of Aircraft by Boeing intended to be financed pursuant to this Offering may be delayed. The deadline for purposes of financing Aircraft pursuant to this Offering is June 30, 2017. This deadline is subject to further extension of up to 60 days if a labor strike occurs at Boeing during the period for financings pursuant to this Offering. See “Description of the Aircraft and Appraisals—Timing of Financing the Aircraft”. If Equipment Notes relating to all Aircraft have not been purchased by the deadline established for purposes of this Offering, unused funds held in escrow will be returned to Certificateholders. See “—Escrowed funds may be returned if they are not used to buy Equipment Notes”.

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***There may be a limited market for resale of Certificates.***

Prior to this Offering, there has been no public market for the Certificates. Neither United nor any Trust intends to apply for listing of the Certificates on any securities exchange or otherwise. The Underwriters may assist in resales of the Certificates, but they are not required to do so. A secondary market for the Certificates may not develop. If a secondary market does develop, it might not continue or it might not be sufficiently liquid to allow you to resell any of your Certificates.



## **USE OF PROCEEDS**

The proceeds from the sale of the Certificates being offered hereby will be used to purchase Equipment Notes issued by United during the Delivery Period. The Equipment Notes will be issued to finance United's purchase of four new Boeing 737-824 aircraft, five new Boeing 737-924ER aircraft, two new Boeing 787-9 aircraft and seven new Boeing 777-322ER aircraft. Before the proceeds are used to buy Equipment Notes, such proceeds from the sale of the Certificates of each Trust will be deposited with the Depositary on behalf of the applicable Escrow Agent for the benefit of the holders of such Certificates.

## **THE COMPANY**

United is a certificated United States air carrier. United transports people and cargo through its mainline operations, which utilize jet aircraft with at least 118 seats, and regional operations, which utilize smaller aircraft that are operated under contract by "United Express" carriers. With key global air rights in North America, Asia-Pacific, Europe, Middle East, Africa and Latin America, United has the world's most comprehensive global route network. United and its regional carriers operate an average of nearly 5,000 flights a day to 336 airports across six continents.

## DESCRIPTION OF THE CERTIFICATES

The following summary describes the material terms of the Certificates. The summary does not purport to be complete and is qualified in its entirety by reference to all of the provisions of the Basic Agreement, which was included as an exhibit to the Company's Current Report on Form 8-K filed on October 9, 2012 with the Commission, and to all of the provisions of the Certificates, the Trust Supplements, the Deposit Agreements, the Escrow Agreements, the Intercreditor Agreement and the trust supplements applicable to the Successor Trusts, each of which will be filed as an exhibit to a Current Report on Form 8-K to be filed by United with the Commission. Except as otherwise indicated, the following summary relates to each of the Trusts and the Certificates issued by each Trust. The references to Sections in parentheses in the following summary are to the relevant Sections of the Basic Agreement unless otherwise indicated.

### General

Each Pass Through Certificate (collectively, the "Certificates") will represent a fractional undivided interest in one of the two United Airlines 2016-1 Pass Through Trusts (the "Class AA Trust" and the "Class A Trust" and, collectively, the "Trusts"). (Section 2.01) The Trusts will be formed pursuant to a pass through trust agreement between United and Wilmington Trust, National Association, as trustee (the "Trustee"), dated as of October 3, 2012 (the "Basic Agreement"), and two separate supplements thereto (each, a "Trust Supplement" and, together with the Basic Agreement, collectively, the "Pass Through Trust Agreements") relating to such Trusts between United and the Trustee, as trustee under the Class AA Trust (the "Class AA Trustee") and trustee under the Class A Trust (the "Class A Trustee"). The Certificates to be issued by the Class AA Trust and the Class A Trust are referred to herein as the "Class AA Certificates" and the "Class A Certificates", respectively.

Each Certificate will represent a fractional undivided interest in the Trust created by the Basic Agreement and the applicable Trust Supplement pursuant to which such Certificate is issued. The Trust Property of each Trust (the "Trust Property") will consist of:

- Subject to the Intercreditor Agreement, Equipment Notes acquired under the Note Purchase Agreement and issued on a recourse basis by United in a separate secured loan transaction in connection with the financing by United of each Aircraft during the Delivery Period and all monies paid on such Equipment Notes and any proceeds from any sale of such Equipment Notes held in such Trust. Equipment Notes held in each Trust will be registered in the name of the Subordination Agent on behalf of such Trust for purposes of giving effect to the provisions of the Intercreditor Agreement.
- The rights of such Trust to acquire Equipment Notes under the Note Purchase Agreement.
- The rights of such Trust under the applicable Escrow Agreement to request the Escrow Agent to withdraw from the Depository funds sufficient to enable such Trust to purchase Equipment Notes after the initial issuance date of the Certificates (the "Issuance Date") during the Delivery Period.
- The rights of such Trust under the Intercreditor Agreement (including all monies receivable in respect of such rights).
- All monies receivable under the Liquidity Facility for such Trust.
- Funds from time to time deposited with the applicable Trustee in accounts relating to such Trust (such as interest and principal payments on the Equipment Notes held in such Trust).

The Certificates of each Trust will be issued in fully registered form only and will be subject to the provisions described below under "—Book-Entry; Delivery and Form". The Certificates will be issued only in denominations of \$1,000 or integral multiples thereof, except that one Certificate of each Trust may be issued in a different denomination. (Section 3.01)

The Certificates represent interests in the respective Trusts, and all payments and distributions thereon will be made only from the Trust Property of the related Trust. (Section 3.09) The Certificates do not represent an interest in or obligation of United, any Trustee, any of the Loan Trustees, any Liquidity Provider or any affiliate of any of the foregoing.

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Pursuant to the Escrow Agreement applicable to each Trust, the Certificateholders of such Trust as holders of the Escrow Receipts affixed to each Certificate are entitled to certain rights with respect to the Deposits relating to such Trust. Accordingly, any transfer of a Certificate will have the effect of transferring the corresponding rights with respect to the Deposits, and rights with respect to the Deposits may not be separately transferred by holders of the Certificates (the "Certificateholders"). Rights with respect to the Deposits and the Escrow Agreement relating to a Trust, except for the right to request withdrawals for the purchase of Equipment Notes, will not constitute Trust Property of such Trust.

### **Investment Company Act Exemption**

Each of the Trusts is relying on an analysis that the Trusts will not be deemed to be an "investment company" under Rule 3a-7 promulgated by the Commission under the Investment Company Act, although other exemptions or exclusions under the Investment Company Act may be available to the Trusts.

### **Payments and Distributions**

Payments of interest on the Deposits with respect to each Trust and payments of principal, premium (if any) and interest on the Equipment Notes or with respect to other Trust Property held in each Trust will be distributed by the Paying Agent (in the case of the Deposits) or by the Trustee (in the case of Trust Property of such Trust) to Certificateholders of such Trust on the date receipt of such payment is confirmed, except in the case of certain types of Special Payments.

#### ***Interest***

The Deposits held with respect to each Trust and the Equipment Notes held in each Trust will accrue interest at the applicable rate per annum for Certificates issued by such Trust set forth on the cover page of this Prospectus Supplement, payable on January 7 and July 7 of each year, commencing on January 7, 2017 (or, in the case of Equipment Notes issued on or after such date, commencing on the first January 7 or July 7 to occur after such Equipment Notes are issued). Such interest payments will be distributed to Certificateholders of such Trust on each such date until the final Distribution Date for such Trust, subject in the case of payments on the Equipment Notes to the Intercreditor Agreement. Interest is calculated on the basis of a 360-day year consisting of twelve 30-day months.

Payments of interest applicable to the Certificates issued by each of the Trusts will be supported by a separate Liquidity Facility to be provided by the Liquidity Provider for the benefit of the holders of such Certificates in an aggregate amount sufficient to pay interest thereon at the Stated Interest Rate for such Trust on up to three successive Regular Distribution Dates (without regard to any future payments of principal on such Certificates), except that no Liquidity Facility will cover interest payable by the Depository on the Deposits. The Liquidity Facility for any Class of Certificates does not provide for drawings or payments thereunder to pay for principal of or premium, if any, on the Certificates of such Class, any interest on the Certificates of such Class in excess of the Stated Interest Rate for such Certificates, or, notwithstanding the subordination provisions of the Intercreditor Agreement, principal of or interest or premium, if any, on the Certificates of any other Class. Therefore, only the holders of the Certificates to be issued by a particular Trust will be entitled to receive and retain the proceeds of drawings under the Liquidity Facility for such Trust. See "Description of the Liquidity Facilities".

#### ***Principal***

Payments of principal of the Equipment Notes are scheduled to be received by the Trustees on January 7 and July 7 of each year, beginning on January 7, 2018.

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### ***Scheduled Payments***

Scheduled payments of interest on the Deposits and of interest or principal on the Equipment Notes are herein referred to as “Scheduled Payments”, and January 7 and July 7 of each year, commencing on January 7, 2017, until the final expected Regular Distribution Date are herein referred to as “Regular Distribution Dates”. See “Description of the Equipment Notes—Principal and Interest Payments”. The “Final Maturity Date” for the Class AA Certificates is January 7, 2030 and for the Class A Certificates is January 7, 2030.

### ***Distributions***

The Paying Agent with respect to each Escrow Agreement will distribute on each Regular Distribution Date to the Certificateholders of the Trust to which such Escrow Agreement relates all Scheduled Payments received in respect of the related Deposits, the receipt of which is confirmed by such Paying Agent on such Regular Distribution Date. The Trustee of each Trust will distribute, subject to the Intercreditor Agreement, on each Regular Distribution Date to the Certificateholders of such Trust all Scheduled Payments received in respect of Equipment Notes held on behalf of such Trust, the receipt of which is confirmed by such Trustee on such Regular Distribution Date. Each Certificateholder of each Trust will be entitled to receive its proportionate share, based upon its fractional interest in such Trust, of any distribution in respect of Scheduled Payments of interest on the Deposits relating to such Trust and, subject to the Intercreditor Agreement, of principal or interest on Equipment Notes held on behalf of such Trust. Each such distribution of Scheduled Payments will be made by the applicable Paying Agent or Trustee to the Certificateholders of record of the relevant Trust on the record date applicable to such Scheduled Payment subject to certain exceptions. (Sections 4.01 and 4.02(a); Escrow Agreements, Section 2.03) If a Scheduled Payment is not received by the applicable Paying Agent or Trustee on a Regular Distribution Date but is received within five days thereafter, it will be distributed on the date received to such holders of record. If it is received after such five-day period, it will be treated as a Special Payment and distributed as described below.

Any payment in respect of, or any proceeds of, any Equipment Note or Collateral under (and as defined in) any Indenture other than a Scheduled Payment (each, a “Special Payment”) will be distributed on, in the case of an early redemption or a purchase of any Equipment Note, the date of such early redemption or purchase (which shall be a Business Day), and otherwise on the Business Day specified for distribution of such Special Payment pursuant to a notice delivered by each Trustee as soon as practicable after such Trustee has received funds for such Special Payment (each, a “Special Distribution Date”). Any such distribution will be subject to the Intercreditor Agreement. Any unused Deposits to be distributed after the Delivery Period Termination Date or the occurrence of a Triggering Event, together with accrued and unpaid interest thereon (each, also a “Special Payment”), will be distributed on a date 25 days after the Paying Agent has received notice of the event requiring such distribution (also, a “Special Distribution Date”). However, if such date is within ten days before or after a Regular Distribution Date, such Special Payment shall be made on such Regular Distribution Date.

“Triggering Event” means (x) the occurrence of an Indenture Default under all Indentures resulting in a PTC Event of Default with respect to the most senior Class of Certificates then outstanding, (y) the acceleration of all of the outstanding Equipment Notes (provided that during the Delivery Period the aggregate principal amount thereof exceeds \$450 million) or (z) certain bankruptcy or insolvency events involving United.

Each Paying Agent, in the case of the Deposits, and each Trustee, in the case of Trust Property, will mail a notice to the Certificateholders of the applicable Trust stating the scheduled Special Distribution Date, the related record date, the amount of the Special Payment and the reason for the Special Payment. In the case of a redemption or purchase of the Equipment Notes held in the related Trust or any distribution of unused Deposits after the Delivery Period Termination Date or the occurrence of a Triggering Event, such notice will be mailed not less than 15 days prior to the date such Special Payment is scheduled to be distributed, and in the case of any other Special Payment, such notice will be mailed as soon as practicable after the applicable Trustee has confirmed that it has received funds for such Special Payment. (Trust Supplements, Section 3.03; Escrow

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Agreements, Sections 2.03 and 2.06) Each distribution of a Special Payment, other than a final distribution, on a Special Distribution Date for any Trust will be made by the applicable Paying Agent or Trustee, as the case may be, to the Certificateholders of record of such Trust on the record date applicable to such Special Payment. (Trust Supplements, 3.03; Escrow Agreements, Section 2.03) See “—Indenture Defaults and Certain Rights Upon an Indenture Default” and “Description of the Equipment Notes—Redemption”.

Each Pass Through Trust Agreement requires that the related Trustee establish and maintain, for the related Trust and for the benefit of the Certificateholders of such Trust, one or more non-interest bearing accounts (the “Certificate Account”) for the deposit of payments representing Scheduled Payments received by such Trustee. Each Pass Through Trust Agreement requires that the related Trustee establish and maintain, for the related Trust and for the benefit of the Certificateholders of such Trust, one or more accounts (the “Special Payments Account”) for the deposit of payments representing Special Payments received by such Trustee, which shall be non-interest bearing except in certain circumstances where such Trustee may invest amounts in such account in certain permitted investments. Pursuant to the terms of each Pass Through Trust Agreement, the related Trustee is required to deposit any Scheduled Payments relating to the applicable Trust received by it in the Certificate Account of such Trust and to deposit any Special Payments so received by it in the Special Payments Account of such Trust. (Section 4.01; Trust Supplements, Section 3.02) All amounts so deposited will be distributed by the related Trustee on a Regular Distribution Date or a Special Distribution Date, as appropriate. (Section 4.02(a); Trust Supplements, Section 3.03)

Each Escrow Agreement requires that the Paying Agent establish and maintain, for the benefit of the Receiptholders, one or more accounts (the “Paying Agent Account”), which shall be non-interest bearing. Pursuant to the terms of the Escrow Agreements, the Paying Agent is required to deposit interest on Deposits relating to a Trust and any unused Deposits withdrawn by the Escrow Agent in the related Paying Agent Account. All amounts so deposited will be distributed by the Paying Agent on a Regular Distribution Date or Special Distribution Date, as appropriate.

The final distribution for each Trust will be made only upon presentation and surrender of the Certificates for such Trust at the office or agency of the Trustee specified in the notice given by the Trustee of such final distribution. The Trustee will mail such notice of the final distribution to the Certificateholders of such Trust, specifying the date set for such final distribution and the amount of such distribution. (Trust Supplements, Section 7.01(a)) See “—Termination of the Trusts” below. Distributions in respect of Certificates issued in global form will be made as described in “—Book-Entry; Delivery and Form” below.

If any Distribution Date is a Saturday, Sunday or other day on which commercial banks are authorized or required to close in New York, New York, Chicago, Illinois or Wilmington, Delaware (any other day being a “Business Day”), distributions scheduled to be made on such Regular Distribution Date or Special Distribution Date will be made on the next succeeding Business Day without additional interest.

## **Pool Factors**

The “Pool Balance” for each Trust or for the Certificates issued by any Trust indicates, as of any date, the original aggregate face amount of the Certificates of such Trust less the aggregate amount of all payments as of such date made in respect of the Certificates of such Trust or in respect of Deposits relating to such Trust other than payments made in respect of interest or premium or reimbursement of any costs or expenses incurred in connection therewith. The Pool Balance for each Trust or for the Certificates issued by any Trust as of any Distribution Date shall be computed after giving effect to any special distribution with respect to unused Deposits, if any, payment of principal of the Equipment Notes or payment with respect to other Trust Property held in such Trust and the distribution thereof to be made on that date. (Trust Supplements, Section 2.01)

The “Pool Factor” for each Trust as of any Distribution Date is the quotient (rounded to the seventh decimal place) computed by dividing (i) the Pool Balance by (ii) the original aggregate face amount of the Certificates of

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such Trust. The Pool Factor for each Trust or for the Certificates issued by any Trust as of any Distribution Date shall be computed after giving effect to any special distribution with respect to unused Deposits, payment of principal of the Equipment Notes or payments with respect to other Trust Property held in such Trust and the distribution thereof to be made on that date. (Trust Supplements, Section 2.01) The Pool Factor for each Trust will be 1.0000000 on the date of issuance of the Certificates; thereafter, the Pool Factor for each Trust will decline as described herein to reflect reductions in the Pool Balance of such Trust. The amount of a Certificateholder's pro rata share of the Pool Balance of a Trust can be determined by multiplying the face amount of the holder's Certificate of such Trust by the Pool Factor for such Trust as of the applicable Distribution Date. Notice of the Pool Factor and the Pool Balance for each Trust will be mailed to Certificateholders of such Trust on each Distribution Date. (Trust Supplements, Section 3.01)

The following table sets forth the expected aggregate principal amortization schedule for the Equipment Notes held in each Trust (the "Assumed Amortization Schedule") and resulting Pool Factors with respect to such Trust. The scheduled distribution of principal payments for any Trust would be affected if Equipment Notes with respect to any Aircraft are not acquired by such Trust, if the original principal amount of any Equipment Notes held in such Trust is less than the assumed original principal amount, if any Equipment Notes held in such Trust are redeemed or purchased or if a default in payment on such Equipment Notes occurs. Accordingly, the aggregate principal amortization schedule applicable to a Trust and the resulting Pool Factors may differ from those set forth in the following table.

Date	Class AA		Class A	
	Scheduled Principal Payments	Expected Pool Factor	Scheduled Principal Payments	Expected Pool Factor
At Issuance	\$ 0.00	1.0000000	\$ 0.00	1.0000000
January 7, 2017	0.00	1.0000000	0.00	1.0000000
July 7, 2017	0.00	1.0000000	0.00	1.0000000
January 7, 2018	19,227,121.24	0.9736154	8,549,709.19	0.9736193
July 7, 2018	19,225,854.56	0.9472326	8,550,445.84	0.9472364
January 7, 2019	19,225,854.56	0.9208498	8,550,445.85	0.9208535
July 7, 2019	19,225,854.51	0.8944669	8,550,445.83	0.8944705
January 7, 2020	19,225,854.58	0.8680841	8,550,445.85	0.8680876
July 7, 2020	19,225,854.53	0.8417013	8,550,445.83	0.8417047
January 7, 2021	19,225,854.60	0.8153184	8,550,445.86	0.8153217
July 7, 2021	19,225,854.53	0.7889356	8,550,445.82	0.7889388
January 7, 2022	19,225,854.57	0.7625528	8,550,445.83	0.7625558
July 7, 2022	19,225,854.57	0.7361700	8,550,445.87	0.7361729
January 7, 2023	19,225,854.54	0.7097871	8,550,445.83	0.7097900
July 7, 2023	19,225,854.54	0.6834043	8,550,445.84	0.6834070
January 7, 2024	19,225,854.56	0.6570215	8,550,445.83	0.6570241
July 7, 2024	19,225,854.59	0.6306386	8,550,445.84	0.6306412
January 7, 2025	19,225,854.51	0.6042558	8,550,445.86	0.6042582
July 7, 2025	19,225,854.59	0.5778730	8,550,445.85	0.5778753
January 7, 2026	19,225,854.59	0.5514901	8,550,445.85	0.5514924
July 7, 2026	19,225,854.48	0.5251073	8,550,445.83	0.5251094
January 7, 2027	19,225,854.59	0.4987245	8,550,445.85	0.4987265
July 7, 2027	19,225,854.58	0.4723417	8,550,445.82	0.4723435
January 7, 2028	19,225,854.54	0.4459588	8,550,445.84	0.4459606
July 7, 2028	324,981,787.64	0.0000000	144,531,373.99	0.0000000

The Pool Factor and Pool Balance of each Trust will be recomputed if there has been an early redemption, purchase, or default in the payment of principal or interest in respect of one or more of the Equipment Notes held in a Trust, as described in "—Indenture Defaults and Certain Rights Upon an Indenture Default" and

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“Description of the Equipment Notes—Redemption”, the original principal amount of any Equipment Notes held in such Trust is less than the assumed original principal amount or a special distribution has been made attributable to unused Deposits after the Delivery Period Termination Date or the occurrence of a Triggering Event, as described in “Description of the Deposit Agreements”. If the principal payments scheduled for a Regular Distribution Date prior to the Delivery Period Termination Date are changed, notice thereof will be mailed by the Trustee to the Certificateholders by no later than the 15th day prior to such Regular Distribution Date. In the event of (i) any other change in the scheduled repayments from the Assumed Amortization Schedule or (ii) any such redemption, purchase, default or special distribution, the Pool Factors and the Pool Balances of each Trust so affected will be recomputed after giving effect thereto and notice thereof will be mailed by the Trustee to the Certificateholders of such Trust promptly after the Delivery Period Termination Date in the case of clause (i) and promptly after the occurrence of any event described in clause (ii).

### **Reports to Certificateholders**

On each Distribution Date, the applicable Paying Agent and Trustee will include with each distribution by it of a Scheduled Payment or Special Payment to Certificateholders of the related Trust a statement setting forth the following information (per \$1,000 face amount of Certificate for such Trust, except as to the amounts described in items (a) and (f) below):

(a) The aggregate amount of funds distributed on such Distribution Date under the Pass Through Trust Agreement and under the Escrow Agreement, indicating the amount allocable to each source, including any portion thereof paid by the Liquidity Provider.

(b) The amount of such distribution under the Pass Through Trust Agreement allocable to principal and the amount allocable to premium, if any.

(c) The amount of such distribution under the Pass Through Trust Agreement allocable to interest.

(d) The amount of such distribution under the Escrow Agreement allocable to interest.

(e) The amount of such distribution under the Escrow Agreement allocable to unused Deposits, if any.

(f) The Pool Balance and the Pool Factor for such Trust. (Trust Supplements, Section 3.01(a))

So long as the Certificates are registered in the name of DTC or its nominee, on the record date prior to each Distribution Date, the applicable Trustee will request that DTC post on its Internet bulletin board a securities position listing setting forth the names of all DTC Participants reflected on DTC’s books as holding interests in the Certificates on such record date. On each Distribution Date, the applicable Paying Agent and Trustee will mail to each such DTC Participant the statement described above and will make available additional copies as requested by such DTC Participant for forwarding to Certificate Owners. (Trust Supplements, Section 3.01(a))

In addition, after the end of each calendar year, the applicable Trustee and Paying Agent will furnish to each Certificateholder of each Trust at any time during the preceding calendar year a statement containing the sum of the amounts determined pursuant to clauses (a), (b), (c), (d) and (e) above with respect to such Trust for such calendar year or, in the event such person was a Certificateholder of such Trust during only a portion of such calendar year, for the applicable portion of such calendar year, and such other items as are readily available to such Trustee and which a Certificateholder of such Trust shall reasonably request as necessary for the purpose of such Certificateholder’s preparation of its U.S. federal income tax returns. (Trust Supplements, Section 3.01(b)) Such statement and such other items shall be prepared on the basis of information supplied to the applicable Trustee by the DTC Participants and shall be delivered by such Trustee to such DTC Participants to be available for forwarding by such DTC Participants to Certificate Owners in the manner described above. (Trust Supplements, Section 3.01(b)) At such time, if any, as the Certificates are issued in the form of definitive

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certificates, the applicable Paying Agent and Trustee will prepare and deliver the information described above to each Certificateholder of record of each Trust as the name and period of ownership of such Certificateholder appears on the records of the registrar of the Certificates.

Each Trustee is required to provide promptly to Certificateholders of the related Trust all material non-confidential information received by such Trustee from United. (Trust Supplements, Section 3.01(e))

### **Indenture Defaults and Certain Rights Upon an Indenture Default**

Upon the occurrence and continuation of an Indenture Default under an Indenture, the Controlling Party will direct the Subordination Agent, as the holder of Equipment Notes issued under such Indenture, which in turn will direct the Loan Trustee under such Indenture in the exercise of remedies thereunder and may accelerate and sell all (but not less than all) of the Equipment Notes issued under such Indenture or sell the collateral under such Indenture to any person, subject to certain limitations. See “Description of the Intercreditor Agreement—Intercreditor Rights—Limitation on Exercise of Remedies”. The proceeds of any such sale will be distributed pursuant to the provisions of the Intercreditor Agreement. Any such proceeds so distributed to any Trustee upon any such sale shall be deposited in the applicable Special Payments Account and shall be distributed to the Certificateholders of the applicable Trust on a Special Distribution Date. (Section 4.01; Trust Supplements, Sections 3.02 and 3.03) The market for Equipment Notes at the time of the existence of an Indenture Default may be very limited and there can be no assurance as to the price at which they could be sold. If any such Equipment Notes are sold for less than their outstanding principal amount, certain Certificateholders will receive a smaller amount of principal distributions under the relevant Indenture than anticipated and will not have any claim for the shortfall against United, any Liquidity Provider or any Trustee.

Any amount, other than Scheduled Payments received on a Regular Distribution Date or within five days thereafter, distributed to the Trustee of any Trust by the Subordination Agent on account of any Equipment Note or Collateral under (and as defined in) any Indenture held in such Trust following an Indenture Default will be deposited in the Special Payments Account for such Trust and will be distributed to the Certificateholders of such Trust on a Special Distribution Date. (Section 4.01 Trust Supplements, Section 3.02) Any funds representing payments received with respect to any defaulted Equipment Notes, or the proceeds from the sale of any Equipment Notes, held by the applicable Trustee in the Special Payments Account for such Trust will, to the extent practicable, be invested by such Trustee in certain permitted investments pending the distribution of such funds on a Special Distribution Date. (Section 4.04)

Each Pass Through Trust Agreement provides that the Trustee of the related Trust will, within 90 days after the occurrence of any default known to such Trustee, give to the Certificateholders of such Trust notice, transmitted by mail, of such uncured or unwaived default with respect to such Trust known to it, provided that, except in the case of default in a payment of principal, premium, if any, or interest on any of the Equipment Notes held in such Trust, the applicable Trustee will be protected in withholding such notice if it in good faith determines that the withholding of such notice is in the interests of such Certificateholders. The term “default” as used in this paragraph only with respect to any Trust means the occurrence of an Indenture Default under any Indenture pursuant to which Equipment Notes held by such Trust were issued, as described above, except that in determining whether any such Indenture Default has occurred, any grace period or notice in connection therewith will be disregarded. (Section 7.02)

Each Pass Through Trust Agreement contains a provision entitling the Trustee of the related Trust, subject to the duty of such Trustee during a default to act with the required standard of care, to be offered reasonable security or indemnity by the holders of the Certificates of such Trust before proceeding to exercise any right or power under such Pass Through Trust Agreement or the Intercreditor Agreement at the request of such Certificateholders. (Section 7.03(e))

Subject to certain qualifications set forth in each Pass Through Trust Agreement and to the Intercreditor Agreement, the Certificateholders of each Trust holding Certificates evidencing fractional undivided interests



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aggregating not less than a majority in interest in such Trust shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee with respect to such Trust or pursuant to the terms of the Intercreditor Agreement, or exercising any trust or power conferred on such Trustee under such Pass Through Trust Agreement or the Intercreditor Agreement, including any right of such Trustee as Controlling Party under the Intercreditor Agreement or as holder of the Equipment Notes. (Section 6.04)

In certain cases, the holders of the Certificates of a Trust evidencing fractional undivided interests aggregating not less than a majority in interest of such Trust may on behalf of the holders of all the Certificates of such Trust waive any past “event of default” under such Trust (i.e., any Indenture Default under any Indenture pursuant to which Equipment Notes held by such Trust were issued) and its consequences or, if the Trustee of such Trust is the Controlling Party, may direct such Trustee to instruct the applicable Loan Trustee to waive any past Indenture Default and its consequences, except (i) a default in the deposit of any Scheduled Payment or Special Payment or in the distribution thereof, (ii) a default in payment of the principal, premium, if any, or interest with respect to any of the Equipment Notes and (iii) a default in respect of any covenant or provision of the Pass Through Trust Agreement that cannot be modified or amended without the consent of each Certificateholder of such Trust affected thereby. (Section 6.05) Each Indenture will provide that, with certain exceptions, the holders of the majority in aggregate unpaid principal amount of the Equipment Notes issued thereunder may on behalf of all such holders waive any past default or Indenture Default thereunder. (Indentures, Section 5.06) Notwithstanding such provisions of the Indentures, pursuant to the Intercreditor Agreement after the occurrence and during the continuance of an Indenture Default only the Controlling Party will be entitled to waive any such past default or Indenture Default. See “Description of the Intercreditor Agreement—Intercreditor Rights—Controlling Party”.

### **Purchase Rights of Certificateholders**

Upon the occurrence and during the continuation of a Certificate Buyout Event, with 15 days’ written notice to the Trustee and each Certificateholder of the same Class:

- The Class A Certificateholders will have the right to purchase all but not less than all of the Class AA Certificates on the third Business Day next following the expiry of such 15-day notice period.
- If any Class of Additional Junior Certificates has been issued, the holders of such Additional Junior Certificates will have the right to purchase all but not less than all of the Class AA and Class A Certificates and any other Class of Additional Junior Certificates ranking senior in right of payment to such Class of Additional Junior Certificates and, if Refinancing Certificates have been issued, holders of such Refinancing Certificates will have the same right to purchase Certificates as the holders of the Class that they refinanced had. See “Possible Issuance of Additional Junior Certificates and Refinancing of Certificates”.

In each case, the purchase price will be equal to the Pool Balance of the relevant Class or Classes of Certificates to be purchased plus accrued and unpaid interest thereon to the date of purchase, without premium, but including any other amounts then due and payable to the Certificateholders of such Class or Classes. Such purchase right may be exercised by any Certificateholder of the Class or Classes entitled to such right. In each case, if prior to the end of the 15-day notice period, any other Certificateholder of the same Class notifies the purchasing Certificateholder that the other Certificateholder wants to participate in such purchase, then such other Certificateholder may join with the purchasing Certificateholder to purchase the Certificates pro rata based on the fractional undivided interest in the Trust held by each Certificateholder. If United or any of its affiliates is a Certificateholder or holder of Additional Junior Certificates or Refinancing Certificates, it will not have the purchase rights described above. (Trust Supplements, Section 4.01)

A “Certificate Buyout Event” means that a United Bankruptcy Event has occurred and is continuing and the following events have occurred: (A) (i) the 60-day period specified in Section 1110(a)(2)(A) of the U.S. Bankruptcy Code (the “60-Day Period”) has expired and (ii) United has not entered into one or more agreements under Section 1110(a)(2)(A) of the U.S. Bankruptcy Code to perform all of its obligations under all of the

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Indentures or, if it has entered into such agreements, has at any time thereafter failed to cure any default under any of the Indentures in accordance with Section 1110(a)(2)(B) of the Bankruptcy Code; or (B) if prior to the expiry of the 60-Day Period, United shall have abandoned any Aircraft.

### **PTC Event of Default**

A Pass Through Certificate Event of Default (a “PTC Event of Default”) under each Pass Through Trust Agreement means the failure to pay:

- The outstanding Pool Balance of the applicable Class of Certificates within ten Business Days of the Final Maturity Date for such Class.
- Interest due on such Class of Certificates within ten Business Days of any Distribution Date (unless the Subordination Agent shall have made Interest Drawings, or withdrawals from the Cash Collateral Account for such Class of Certificates, with respect thereto in an aggregate amount sufficient to pay such interest and shall have distributed such amount to the Trustee entitled thereto). (Section 1.01)

Any failure to make expected principal distributions with respect to any Class of Certificates on any Regular Distribution Date (other than the Final Maturity Date) will not constitute a PTC Event of Default with respect to such Certificates. A PTC Event of Default with respect to the most senior outstanding Class of Certificates resulting from an Indenture Default under all Indentures will constitute a Triggering Event.

### **Merger, Consolidation and Transfer of Assets**

United will be prohibited from consolidating with or merging into any other person or transferring all or substantially all of its assets as an entirety to any other person unless:

- The surviving successor or transferee person shall be organized and validly existing under the laws of the United States or any state thereof or the District of Columbia.
- The surviving successor or transferee person shall be a “citizen of the United States” (as defined in Title 49 of the United States Code relating to aviation (the “Transportation Code”)) holding an air carrier operating certificate issued pursuant to Chapter 447 of Title 49, United States Code, if, and so long as, such status is a condition of entitlement to the benefits of Section 1110 of the U.S. Bankruptcy Code.
- The surviving successor or transferee person shall expressly assume all of the obligations of United contained in the Basic Agreement and any Trust Supplement, the Equipment Notes, the Note Purchase Agreement, the Indentures, the Participation Agreements and any other operative documents.
- United shall have delivered a certificate and an opinion or opinions of counsel indicating that such transaction, in effect, complies with such conditions.

In addition, after giving effect to such transaction, no Indenture Default shall have occurred and be continuing. (Section 5.02; Indentures, Section 4.07)

The Basic Agreement, the Trust Supplements, the Note Purchase Agreement, the Indentures and the Participation Agreements will not contain any covenants or provisions that may afford any Trustee or Certificateholder protection in the event of a highly leveraged transaction, including transactions effected by management or affiliates, which may or may not result in a change in control of United.

## **Modifications of the Pass Through Trust Agreements and Certain Other Agreements**

Each Pass Through Trust Agreement contains provisions permitting, at the request of United, the execution of amendments or supplements to such Pass Through Trust Agreement or, if applicable, to the Deposit Agreements, the Escrow Agreements, the Intercreditor Agreement, the Note Purchase Agreement or the Liquidity Facilities, without the consent of the holders of any of the Certificates of the related Trust:

- To evidence the succession of another corporation to United and the assumption by such corporation of United's obligations under such Pass Through Trust Agreement or the Note Purchase Agreement.
- To add to the covenants of United for the benefit of holders of such Certificates or to surrender any right or power conferred upon United in such Pass Through Trust Agreement, the Intercreditor Agreement, the Note Purchase Agreement or the Liquidity Facilities.
- To correct or supplement any provision of such Pass Through Trust Agreement, the Deposit Agreements, the Escrow Agreements, the Intercreditor Agreement, the Note Purchase Agreement or the Liquidity Facilities which may be defective or inconsistent with any other provision in such Pass Through Trust Agreement, the Deposit Agreements, the Escrow Agreements, the Intercreditor Agreement, the Note Purchase Agreement or the Liquidity Facilities, as applicable, or to cure any ambiguity or to modify any other provision with respect to matters or questions arising under such Pass Through Trust Agreement, the Deposit Agreements, the Escrow Agreements, the Intercreditor Agreement, the Note Purchase Agreement or the Liquidity Facilities, provided that such action shall not materially adversely affect the interests of the holders of such Certificates; to correct any mistake in such Pass Through Trust Agreement, the Deposit Agreements, the Escrow Agreements, the Intercreditor Agreement, the Note Purchase Agreement or the Liquidity Facilities; or, as provided in the Intercreditor Agreement, to give effect to or provide for a Replacement Facility.
- To comply with any requirement of the Commission, any applicable law, rules or regulations of any exchange or quotation system on which the Certificates are listed, or any regulatory body.
- To modify, eliminate or add to the provisions of such Pass Through Trust Agreement, the Deposit Agreements, the Escrow Agreements, the Intercreditor Agreement, the Note Purchase Agreement or the Liquidity Facilities to such extent as shall be necessary to continue the qualification of such Pass Through Trust Agreement (including any supplemental agreement) under the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act"), or any similar federal statute enacted after the execution of such Pass Through Trust Agreement, and to add to such Pass Through Trust Agreement, the Deposit Agreements, the Escrow Agreements, the Intercreditor Agreement, the Note Purchase Agreement or the Liquidity Facilities such other provisions as may be expressly permitted by the Trust Indenture Act.
- To evidence and provide for the acceptance of appointment under such Pass Through Trust Agreement, the Deposit Agreements, the Escrow Agreements, the Intercreditor Agreement, the Note Purchase Agreement or the Liquidity Facilities by a successor Trustee and to add to or change any of the provisions of such Pass Through Trust Agreement, the Deposit Agreements, the Escrow Agreements, the Intercreditor Agreement, the Note Purchase Agreement or the Liquidity Facilities as shall be necessary to provide for or facilitate the administration of the Trusts under the Basic Agreement by more than one trustee.
- To provide for the issuance of Additional Junior Certificates or Refinancing Certificates after the Issuance Date, subject to certain terms and conditions. See "Possible Issuance of Additional Junior Certificates and Refinancing of Certificates".

In each case, such modification or supplement may not adversely affect the status of the Trust as a grantor trust under Subpart E, Part I of Subchapter J of Chapter 1 of Subtitle A of the Code, for U.S. federal income tax purposes. (Section 9.01; Trust Supplements, Section 6.02)

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Each Pass Through Trust Agreement also contains provisions permitting the execution, with the consent of the holders of the Certificates of the related Trust evidencing fractional undivided interests aggregating not less than a majority in interest of such Trust, of amendments or supplements adding any provisions to or changing or eliminating any of the provisions of such Pass Through Trust Agreement, the Deposit Agreements, the Escrow Agreements, the Intercreditor Agreement, the Note Purchase Agreement or the Liquidity Facilities to the extent applicable to such Certificateholders or of modifying the rights and obligations of such Certificateholders under such Pass Through Trust Agreement, the Deposit Agreements, the Escrow Agreements, the Intercreditor Agreement, the Note Purchase Agreement or the Liquidity Facilities. No such amendment or supplement may, without the consent of the holder of each outstanding Certificate so affected thereby:

- Reduce in any manner the amount of, or delay the timing of, any receipt by the Trustee (or, with respect to the Deposits, the Receiptholders) of payments with respect to the Equipment Notes held in such Trust or distributions in respect of any Certificate related to such Trust (or, with respect to the Deposits, payments upon the Deposits), or change the date or place of any payment in respect of any Certificate, or make distributions payable in coin or currency other than that provided for in such Certificates, or impair the right of any Certificateholder of such Trust to institute suit for the enforcement of any such payment when due.
- Permit the disposition of any Equipment Note held in such Trust, except as provided in such Pass Through Trust Agreement, or otherwise deprive such Certificateholder of the benefit of the ownership of the applicable Equipment Notes.
- Alter the priority of distributions specified in the Intercreditor Agreement in a manner materially adverse to such Certificateholders.
- Reduce the percentage of the aggregate fractional undivided interests of the Trust provided for in such Pass Through Trust Agreement, the consent of the holders of which is required for any such supplemental agreement or for any waiver provided for in such Pass Through Trust Agreement.
- Modify any of the provisions relating to the rights of the Certificateholders to consent to the amendments or supplements referred to in this paragraph or in respect of certain waivers of Indenture Defaults, except to increase any such percentage or to provide that certain other provisions of such Pass Through Trust Agreement cannot be modified or waived without the consent of each Certificateholder affected thereby.
- Adversely affect the status of any Trust as a grantor trust under Subpart E, Part I of Subchapter J of Chapter 1 of Subtitle A of the Code for U.S. federal income tax purposes. (Section 9.02; Trust Supplements, Section 6.03)

In the event that a Trustee, as holder (or beneficial owner through the Subordination Agent) of any Equipment Note in trust for the benefit of the Certificateholders of the relevant Trust or as Controlling Party under the Intercreditor Agreement, receives (directly or indirectly through the Subordination Agent) a request for a consent to any amendment, modification, waiver or supplement under any Indenture, any Participation Agreement, any Equipment Note or any other related document, such Trustee shall forthwith send a notice of such proposed amendment, modification, waiver or supplement to each Certificateholder of the relevant Trust as of the date of such notice, except in the case when consent of Certificateholders is not required under the applicable Pass Through Trust Agreement. Such Trustee shall request from the Certificateholders a direction as to:

- Whether or not to take or refrain from taking (or direct the Subordination Agent to take or refrain from taking) any action which a holder of such Equipment Note or the Controlling Party has the option to direct.
- Whether or not to give or execute (or direct the Subordination Agent to give or execute) any waivers, consents, amendments, modifications or supplements as a holder of such Equipment Note or as Controlling Party.

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- How to vote (or direct the Subordination Agent to vote) any Equipment Note if a vote has been called for with respect thereto.

Provided such a request for Certificateholder direction shall have been made, in directing any action or casting any vote or giving any consent as the holder of any Equipment Note (or in directing the Subordination Agent in any of the foregoing):

- Other than as Controlling Party, such Trustee shall vote for or give consent to any such action with respect to such Equipment Note in the same proportion as that of (x) the aggregate face amount of all Certificates actually voted in favor of or for giving consent to such action by such direction of Certificateholders to (y) the aggregate face amount of all outstanding Certificates of the relevant Trust.
- As the Controlling Party, such Trustee shall vote as directed in such Certificateholder direction by the Certificateholders evidencing fractional undivided interests aggregating not less than a majority in interest in the relevant Trust.

For purposes of the immediately preceding paragraph, a Certificate shall have been “actually voted” if the Certificateholder has delivered to the applicable Trustee an instrument evidencing such Certificateholder’s consent to such direction prior to one Business Day before such Trustee directs such action or casts such vote or gives such consent. Notwithstanding the foregoing, but subject to certain rights of the Certificateholders under the relevant Pass Through Trust Agreement and subject to the Intercreditor Agreement, a Trustee may, in its own discretion and at its own direction, consent and notify the relevant Loan Trustee of such consent (or direct the Subordination Agent to consent and notify the relevant Loan Trustee of such consent) to any amendment, modification, waiver or supplement under the relevant Indenture, Participation Agreement, any relevant Equipment Note or any other related document, if an Indenture Default under any Indenture shall have occurred and be continuing, or if such amendment, modification, waiver or supplement will not materially adversely affect the interests of the Certificateholders. (Section 10.01)

In determining whether the Certificateholders of the requisite fractional undivided interests of Certificates of any Class have given any direction under a Pass Through Trust Agreement, Certificates owned by United or any of its affiliates will be disregarded and deemed not to be outstanding for purposes of any such determination. Notwithstanding the foregoing, (i) if any such person owns 100% of the Certificates of any Class, such Certificates shall not be so disregarded, and (ii) if any amount of Certificates of any Class so owned by any such person have been pledged in good faith, such Certificates shall not be disregarded if the pledgee establishes to the satisfaction of the applicable Trustee the pledgee’s right so to act with respect to such Certificates and that the pledgee is not United or an affiliate of United.

### **Obligation to Purchase Equipment Notes**

The Trustees will be obligated to purchase the Equipment Notes issued with respect to the Aircraft during the Delivery Period, subject to the terms and conditions of a note purchase agreement (the “Note Purchase Agreement”). Under the Note Purchase Agreement, United agrees to enter into a secured debt financing with respect to each Aircraft. The Note Purchase Agreement provides for the relevant parties to enter into a participation agreement (each, a “Participation Agreement”) and an indenture (each, an “Indenture”) relating to the financing of each Aircraft in substantially the form attached to the Note Purchase Agreement.

The description of such financing agreements in this Prospectus Supplement is based on the forms of such agreements attached to the Note Purchase Agreement. However, the terms of the financing agreements actually entered into may differ from the forms of such agreements and, consequently, may differ from the description of such agreements contained in this Prospectus Supplement. See “Description of the Equipment Notes”. Although such changes are permitted, under the Note Purchase Agreement, the terms of such agreements must not vary the Required Terms. In addition, United is obligated to certify to the Trustees that any substantive modifications do not materially and adversely affect the Certificateholders. United must also obtain written confirmation from each Rating Agency that the use of financing agreements modified in any material respect from the forms

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attached to the Note Purchase Agreement will not result in a withdrawal, suspension or downgrading of the rating of any Class of Certificates. Further, under the Note Purchase Agreement, it is a condition precedent to the obligation of each Trustee to purchase the Equipment Notes related to the financing of an Aircraft that no Triggering Event shall have occurred. The Trustees will have no right or obligation to purchase Equipment Notes after the Delivery Period Termination Date.

The “Required Terms,” as defined in the Note Purchase Agreement, mandate that:

- The initial principal amount and principal amortization schedule for each of the Equipment Notes issued with respect to each Aircraft shall be as set forth in the applicable table below for that Aircraft:

### **Boeing 737-824**

Date	N76532			
	Equipment Note Ending Balance		Scheduled Payments of Principal	
	Series AA Equipment Note	Series A Equipment Note	Series AA Equipment Note	Series A Equipment Note
At Issuance	\$ 19,227,000.00	\$8,551,000.00	\$ 0.00	\$ 0.00
January 7, 2017	19,227,000.00	8,551,000.00	0.00	0.00
July 7, 2017	19,227,000.00	8,551,000.00	0.00	0.00
January 7, 2018	18,519,794.20	8,236,434.79	707,205.80	314,565.21
July 7, 2018	18,015,742.62	8,012,264.48	504,051.58	224,170.31
January 7, 2019	17,511,744.92	7,788,118.14	503,997.70	224,146.34
July 7, 2019	17,007,803.76	7,563,996.93	503,941.16	224,121.21
January 7, 2020	16,503,921.93	7,339,902.12	503,881.83	224,094.81
July 7, 2020	16,000,102.46	7,115,835.04	503,819.47	224,067.08
January 7, 2021	15,496,348.56	6,891,797.12	503,753.90	224,037.92
July 7, 2021	14,992,663.68	6,667,789.90	503,684.88	224,007.22
January 7, 2022	14,489,051.49	6,443,815.01	503,612.19	223,974.89
July 7, 2022	13,985,515.96	6,219,874.20	503,535.53	223,940.81
January 7, 2023	13,482,061.33	5,995,969.38	503,454.63	223,904.82
July 7, 2023	12,978,692.16	5,772,102.57	503,369.17	223,866.81
January 7, 2024	12,475,413.37	5,548,275.95	503,278.79	223,826.62
July 7, 2024	11,972,230.26	5,324,491.88	503,183.11	223,784.07
January 7, 2025	11,469,148.56	5,100,752.91	503,081.70	223,738.97
July 7, 2025	10,966,174.44	4,877,061.79	502,974.12	223,691.12
January 7, 2026	10,463,314.62	4,653,421.50	502,859.82	223,640.29
July 7, 2026	9,960,576.37	4,429,835.28	502,738.25	223,586.22
January 7, 2027	9,457,967.57	4,206,306.63	502,608.80	223,528.65
July 7, 2027	8,955,496.85	3,982,839.39	502,470.72	223,467.24
January 7, 2028	8,453,173.57	3,759,437.72	502,323.28	223,401.67
July 7, 2028	0.00	0.00	8,453,173.57	3,759,437.72

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N76533

Date	Equipment Note Ending Balance		Scheduled Payments of Principal	
	Series AA	Series A	Series AA	Series A
	Equipment Note	Equipment Note	Equipment Note	Equipment Note
At Issuance	\$ 19,227,000.00	\$8,551,000.00	\$ 0.00	\$ 0.00
January 7, 2017	19,227,000.00	8,551,000.00	0.00	0.00
July 7, 2017	19,227,000.00	8,551,000.00	0.00	0.00
January 7, 2018	18,519,794.20	8,236,434.79	707,205.80	314,565.21
July 7, 2018	18,015,742.62	8,012,264.48	504,051.58	224,170.31
January 7, 2019	17,511,744.92	7,788,118.14	503,997.70	224,146.34
July 7, 2019	17,007,803.76	7,563,996.93	503,941.16	224,121.21
January 7, 2020	16,503,921.93	7,339,902.12	503,881.83	224,094.81
July 7, 2020	16,000,102.46	7,115,835.04	503,819.47	224,067.08
January 7, 2021	15,496,348.56	6,891,797.12	503,753.90	224,037.92
July 7, 2021	14,992,663.68	6,667,789.90	503,684.88	224,007.22
January 7, 2022	14,489,051.49	6,443,815.01	503,612.19	223,974.89
July 7, 2022	13,985,515.96	6,219,874.20	503,535.53	223,940.81
January 7, 2023	13,482,061.33	5,995,969.38	503,454.63	223,904.82
July 7, 2023	12,978,692.16	5,772,102.57	503,369.17	223,866.81
January 7, 2024	12,475,413.37	5,548,275.95	503,278.79	223,826.62
July 7, 2024	11,972,230.26	5,324,491.88	503,183.11	223,784.07
January 7, 2025	11,469,148.56	5,100,752.91	503,081.70	223,738.97
July 7, 2025	10,966,174.44	4,877,061.79	502,974.12	223,691.12
January 7, 2026	10,463,314.62	4,653,421.50	502,859.82	223,640.29
July 7, 2026	9,960,576.37	4,429,835.28	502,738.25	223,586.22
January 7, 2027	9,457,967.57	4,206,306.63	502,608.80	223,528.65
July 7, 2027	8,955,496.85	3,982,839.39	502,470.72	223,467.24
January 7, 2028	8,453,173.57	3,759,437.72	502,323.28	223,401.67
July 7, 2028	0.00	0.00	8,453,173.57	3,759,437.72

N86534

Date	Equipment Note Ending Balance		Scheduled Payments of Principal	
	Series AA	Series A	Series AA	Series A
	Equipment Note	Equipment Note	Equipment Note	Equipment Note
At Issuance	\$ 19,308,000.00	\$8,587,000.00	\$ 0.00	\$ 0.00
January 7, 2017	19,308,000.00	8,587,000.00	0.00	0.00
July 7, 2017	19,308,000.00	8,587,000.00	0.00	0.00
January 7, 2018	18,597,880.16	8,271,162.49	710,119.84	315,837.51
July 7, 2018	18,091,703.32	8,046,047.00	506,176.84	225,115.49
January 7, 2019	17,585,580.60	7,820,955.58	506,122.72	225,091.42
July 7, 2019	17,079,514.63	7,595,889.40	506,065.97	225,066.18
January 7, 2020	16,573,508.27	7,370,849.73	506,006.36	225,039.67
July 7, 2020	16,067,564.52	7,145,837.90	505,943.75	225,011.83
January 7, 2021	15,561,686.62	6,920,855.36	505,877.90	224,982.54
July 7, 2021	15,055,878.02	6,695,903.65	505,808.60	224,951.71
January 7, 2022	14,550,142.43	6,470,984.40	505,735.59	224,919.25
July 7, 2022	14,044,483.81	6,246,099.38	505,658.62	224,885.02
January 7, 2023	13,538,906.44	6,021,250.49	505,577.37	224,848.89
July 7, 2023	13,033,414.89	5,796,439.78	505,491.55	224,810.71
January 7, 2024	12,528,014.10	5,571,669.43	505,400.79	224,770.35
July 7, 2024	12,022,709.39	5,346,941.81	505,304.71	224,727.62
January 7, 2025	11,517,506.52	5,122,259.48	505,202.87	224,682.33
July 7, 2025	11,012,411.69	4,897,625.20	505,094.83	224,634.28
January 7, 2026	10,507,431.63	4,673,041.96	504,980.06	224,583.24
July 7, 2026	10,002,573.66	4,448,513.02	504,857.97	224,528.94
January 7, 2027	9,497,845.69	4,224,041.90	504,727.97	224,471.12
July 7, 2027	8,993,256.37	3,999,632.44	504,589.32	224,409.46
January 7, 2028	8,488,815.12	3,775,288.83	504,441.25	224,343.61
July 7, 2028	0.00	0.00	8,488,815.12	3,775,288.83

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Date	N77535			
	Equipment Note Ending Balance		Scheduled Payments of Principal	
	Series AA Equipment Note	Series A Equipment Note	Series AA Equipment Note	Series A Equipment Note
At Issuance	\$ 19,308,000.00	\$8,587,000.00	\$ 0.00	\$ 0.00
January 7, 2017	19,308,000.00	8,587,000.00	0.00	0.00
July 7, 2017	19,308,000.00	8,587,000.00	0.00	0.00
January 7, 2018	18,597,880.16	8,271,162.49	710,119.84	315,837.51
July 7, 2018	18,091,703.32	8,046,047.00	506,176.84	225,115.49
January 7, 2019	17,585,580.60	7,820,955.58	506,122.72	225,091.42
July 7, 2019	17,079,514.63	7,595,889.40	506,065.97	225,066.18
January 7, 2020	16,573,508.27	7,370,849.73	506,006.36	225,039.67
July 7, 2020	16,067,564.52	7,145,837.90	505,943.75	225,011.83
January 7, 2021	15,561,686.62	6,920,855.36	505,877.90	224,982.54
July 7, 2021	15,055,878.02	6,695,903.65	505,808.60	224,951.71
January 7, 2022	14,550,142.43	6,470,984.40	505,735.59	224,919.25
July 7, 2022	14,044,483.81	6,246,099.38	505,658.62	224,885.02
January 7, 2023	13,538,906.44	6,021,250.49	505,577.37	224,848.89
July 7, 2023	13,033,414.89	5,796,439.78	505,491.55	224,810.71
January 7, 2024	12,528,014.10	5,571,669.43	505,400.79	224,770.35
July 7, 2024	12,022,709.39	5,346,941.81	505,304.71	224,727.62
January 7, 2025	11,517,506.52	5,122,259.48	505,202.87	224,682.33
July 7, 2025	11,012,411.69	4,897,625.20	505,094.83	224,634.28
January 7, 2026	10,507,431.63	4,673,041.96	504,980.06	224,583.24
July 7, 2026	10,002,573.66	4,448,513.02	504,857.97	224,528.94
January 7, 2027	9,497,845.69	4,224,041.90	504,727.97	224,471.12
July 7, 2027	8,993,256.37	3,999,632.44	504,589.32	224,409.46
January 7, 2028	8,488,815.12	3,775,288.83	504,441.25	224,343.61
July 7, 2028	0.00	0.00	8,488,815.12	3,775,288.83

**Boeing 737-924ER**

Date	N66893			
	Equipment Note Ending Balance		Scheduled Payments of Principal	
	Series AA Equipment Note	Series A Equipment Note	Series AA Equipment Note	Series A Equipment Note
At Issuance	\$ 19,513,000.00	\$8,678,000.00	\$ 0.00	\$ 0.00
January 7, 2017	19,513,000.00	8,678,000.00	0.00	0.00
July 7, 2017	19,513,000.00	8,678,000.00	0.00	0.00
January 7, 2018	18,782,048.14	8,353,068.78	730,951.86	324,931.22
July 7, 2018	18,266,206.33	8,123,654.92	515,841.81	229,413.86
January 7, 2019	17,750,532.80	7,894,315.90	515,673.53	229,339.02
July 7, 2019	17,235,035.82	7,665,055.40	515,496.98	229,260.50
January 7, 2020	16,719,724.18	7,435,877.33	515,311.64	229,178.07
July 7, 2020	16,204,607.28	7,206,785.87	515,116.90	229,091.46
January 7, 2021	15,689,695.17	6,977,785.49	514,912.11	229,000.38
July 7, 2021	15,174,998.60	6,748,880.96	514,696.57	228,904.53
January 7, 2022	14,660,529.09	6,520,077.41	514,469.51	228,803.55
July 7, 2022	14,146,298.97	6,291,380.33	514,230.12	228,697.08
January 7, 2023	13,632,321.52	6,062,795.62	513,977.45	228,584.71
July 7, 2023	13,118,610.99	5,834,329.62	513,710.53	228,466.00
January 7, 2024	12,605,182.73	5,605,989.16	513,428.26	228,340.46
July 7, 2024	12,092,053.30	5,377,781.60	513,129.43	228,207.56
January 7, 2025	11,579,240.56	5,149,714.88	512,812.74	228,066.72
July 7, 2025	11,066,763.85	4,921,797.61	512,476.71	227,917.27
January 7, 2026	10,554,644.10	4,694,039.09	512,119.75	227,758.52
July 7, 2026	10,042,904.02	4,466,449.42	511,740.08	227,589.67
January 7, 2027	9,531,568.28	4,239,039.58	511,335.74	227,409.84
July 7, 2027	9,020,663.74	4,011,821.50	510,904.54	227,218.08
January 7, 2028	8,510,219.69	3,784,808.23	510,444.05	227,013.27
July 7, 2028	0.00	0.00	8,510,219.69	3,784,808.23



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N62894

Date	Equipment Note Ending Balance		Scheduled Payments of Principal	
	Series AA	Series A	Series AA	Series A
	Equipment Note	Equipment Note	Equipment Note	Equipment Note
At Issuance	\$ 19,676,000.00	\$8,751,000.00	\$ 0.00	\$ 0.00
January 7, 2017	19,676,000.00	8,751,000.00	0.00	0.00
July 7, 2017	19,676,000.00	8,751,000.00	0.00	0.00
January 7, 2018	18,939,327.22	8,423,016.58	736,672.78	327,983.42
July 7, 2018	18,419,165.80	8,191,681.63	520,161.42	231,334.95
January 7, 2019	17,899,174.07	7,960,422.15	519,991.73	231,259.48
July 7, 2019	17,379,360.36	7,729,241.85	519,813.71	231,180.30
January 7, 2020	16,859,733.55	7,498,144.66	519,626.81	231,097.19
July 7, 2020	16,340,303.12	7,267,134.81	519,430.43	231,009.85
January 7, 2021	15,821,079.18	7,036,216.79	519,223.94	230,918.02
July 7, 2021	15,302,072.60	6,805,395.44	519,006.58	230,821.35
January 7, 2022	14,783,294.96	6,574,675.92	518,777.64	230,719.52
July 7, 2022	14,264,758.73	6,344,063.75	518,536.23	230,612.17
January 7, 2023	13,746,477.28	6,113,564.90	518,281.45	230,498.85
July 7, 2023	13,228,464.98	5,883,185.74	518,012.30	230,379.16
January 7, 2024	12,710,737.33	5,652,933.18	517,727.65	230,252.56
July 7, 2024	12,193,311.00	5,422,814.63	517,426.33	230,118.55
January 7, 2025	11,676,204.02	5,192,838.10	517,106.98	229,976.53
July 7, 2025	11,159,435.88	4,963,012.27	516,768.14	229,825.83
January 7, 2026	10,643,027.69	4,733,346.52	516,408.19	229,665.75
July 7, 2026	10,127,002.34	4,503,851.04	516,025.35	229,495.48
January 7, 2027	9,611,384.72	4,274,536.89	515,617.62	229,314.15
July 7, 2027	9,096,201.91	4,045,416.11	515,182.81	229,120.78
January 7, 2028	8,581,483.46	3,816,501.85	514,718.45	228,914.26
July 7, 2028	0.00	0.00	8,581,483.46	3,816,501.85

N62895

Date	Equipment Note Ending Balance		Scheduled Payments of Principal	
	Series AA	Series A	Series AA	Series A
	Equipment Note	Equipment Note	Equipment Note	Equipment Note
At Issuance	\$ 20,298,000.00	\$9,027,000.00	\$ 0.00	\$ 0.00
January 7, 2017	20,298,000.00	9,027,000.00	0.00	0.00
July 7, 2017	20,298,000.00	9,027,000.00	0.00	0.00
January 7, 2018	19,859,092.38	8,832,070.03	438,907.62	194,929.97
July 7, 2018	19,323,356.39	8,593,808.50	535,735.99	238,261.53
January 7, 2019	18,787,561.74	8,355,520.88	535,794.65	238,287.62
July 7, 2019	18,251,705.55	8,117,205.89	535,856.19	238,314.99
January 7, 2020	17,715,784.75	7,878,862.16	535,920.80	238,343.73
July 7, 2020	17,179,796.07	7,640,488.25	535,988.68	238,373.91
January 7, 2021	16,643,736.00	7,402,082.59	536,060.07	238,405.66
July 7, 2021	16,107,600.80	7,163,643.51	536,135.20	238,439.08
January 7, 2022	15,571,386.46	6,925,169.24	536,214.34	238,474.27
July 7, 2022	15,035,088.66	6,686,657.85	536,297.80	238,511.39
January 7, 2023	14,498,702.80	6,448,107.30	536,385.86	238,550.55
July 7, 2023	13,962,223.89	6,209,515.36	536,478.91	238,591.94
January 7, 2024	13,425,646.59	5,970,879.67	536,577.30	238,635.69
July 7, 2024	12,888,965.12	5,732,197.65	536,681.47	238,682.02
January 7, 2025	12,352,173.26	5,493,466.53	536,791.86	238,731.12
July 7, 2025	11,815,264.27	5,254,683.32	536,908.99	238,783.21
January 7, 2026	11,278,230.85	5,015,844.77	537,033.42	238,838.55
July 7, 2026	10,741,065.09	4,776,947.37	537,165.76	238,897.40
January 7, 2027	10,203,758.39	4,537,987.28	537,306.70	238,960.09
July 7, 2027	9,666,301.37	4,298,960.35	537,457.02	239,026.93
January 7, 2028	9,128,683.84	4,059,862.03	537,617.53	239,098.32
July 7, 2028	0.00	0.00	9,128,683.84	4,059,862.03

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N62896

Date	Equipment Note Ending Balance		Scheduled Payments of Principal	
	Series AA	Series A	Series AA	Series A
	Equipment Note	Equipment Note	Equipment Note	Equipment Note
At Issuance	\$ 20,298,000.00	\$ 9,027,000.00	\$ 0.00	\$ 0.00
January 7, 2017	20,298,000.00	9,027,000.00	0.00	0.00
July 7, 2017	20,298,000.00	9,027,000.00	0.00	0.00
January 7, 2018	19,859,092.38	8,832,070.03	438,907.62	194,929.97
July 7, 2018	19,323,356.39	8,593,808.50	535,735.99	238,261.53
January 7, 2019	18,787,561.74	8,355,520.88	535,794.65	238,287.62
July 7, 2019	18,251,705.55	8,117,205.89	535,856.19	238,314.99
January 7, 2020	17,715,784.75	7,878,862.16	535,920.80	238,343.73
July 7, 2020	17,179,796.07	7,640,488.25	535,988.68	238,373.91
January 7, 2021	16,643,736.00	7,402,082.59	536,060.07	238,405.66
July 7, 2021	16,107,600.80	7,163,643.51	536,135.20	238,439.08
January 7, 2022	15,571,386.46	6,925,169.24	536,214.34	238,474.27
July 7, 2022	15,035,088.66	6,686,657.85	536,297.80	238,511.39
January 7, 2023	14,498,702.80	6,448,107.30	536,385.86	238,550.55
July 7, 2023	13,962,223.89	6,209,515.36	536,478.91	238,591.94
January 7, 2024	13,425,646.59	5,970,879.67	536,577.30	238,635.69
July 7, 2024	12,888,965.12	5,732,197.65	536,681.47	238,682.02
January 7, 2025	12,352,173.26	5,493,466.53	536,791.86	238,731.12
July 7, 2025	11,815,264.27	5,254,683.32	536,908.99	238,783.21
January 7, 2026	11,278,230.85	5,015,844.77	537,033.42	238,838.55
July 7, 2026	10,741,065.09	4,776,947.37	537,165.76	238,897.40
January 7, 2027	10,203,758.39	4,537,987.28	537,306.70	238,960.09
July 7, 2027	9,666,301.37	4,298,960.35	537,457.02	239,026.93
January 7, 2028	9,128,683.84	4,059,862.03	537,617.53	239,098.32
July 7, 2028	0.00	0.00	9,128,683.84	4,059,862.03

N66897

Date	Equipment Note Ending Balance		Scheduled Payments of Principal	
	Series AA	Series A	Series AA	Series A
	Equipment Note	Equipment Note	Equipment Note	Equipment Note
At Issuance	\$ 20,322,000.00	\$ 9,038,000.00	\$ 0.00	\$ 0.00
January 7, 2017	20,322,000.00	9,038,000.00	0.00	0.00
July 7, 2017	20,322,000.00	9,038,000.00	0.00	0.00
January 7, 2018	19,882,638.27	8,842,541.76	439,361.73	195,458.24
July 7, 2018	19,346,267.08	8,603,997.73	536,371.19	238,544.03
January 7, 2019	18,809,837.16	8,365,427.58	536,429.92	238,570.15
July 7, 2019	18,273,345.64	8,126,830.03	536,491.52	238,597.55
January 7, 2020	17,736,789.42	7,888,203.72	536,556.22	238,626.31
July 7, 2020	17,200,165.25	7,649,547.18	536,624.17	238,656.54
January 7, 2021	16,663,469.60	7,410,858.85	536,695.65	238,688.33
July 7, 2021	16,126,698.74	7,172,137.07	536,770.86	238,721.78
January 7, 2022	15,589,848.63	6,933,380.05	536,850.11	238,757.02
July 7, 2022	15,052,914.98	6,694,585.87	536,933.65	238,794.18
January 7, 2023	14,515,893.15	6,455,752.48	537,021.83	238,833.39
July 7, 2023	13,978,778.16	6,216,877.66	537,114.99	238,874.82
January 7, 2024	13,441,564.67	5,977,959.02	537,213.49	238,918.64
July 7, 2024	12,904,246.89	5,738,994.01	537,317.78	238,965.01
January 7, 2025	12,366,818.58	5,499,979.84	537,428.31	239,014.17
July 7, 2025	11,829,273.01	5,260,913.52	537,545.57	239,066.32
January 7, 2026	11,291,602.86	5,021,791.80	537,670.15	239,121.72
July 7, 2026	10,753,800.21	4,782,611.15	537,802.65	239,180.65
January 7, 2027	10,215,856.45	4,543,367.74	537,943.76	239,243.41
July 7, 2027	9,677,762.20	4,304,057.40	538,094.25	239,310.34
January 7, 2028	9,139,507.24	4,064,675.59	538,254.96	239,381.81
July 7, 2028	0.00	0.00	9,139,507.24	4,064,675.59

**Boeing 787-9**

Date	N27964			
	Equipment Note Ending Balance		Scheduled Payments of Principal	
	Series AA Equipment Note	Series A Equipment Note	Series AA Equipment Note	Series A Equipment Note
At Issuance	\$ 52,790,000.00	\$ 23,477,000.00	\$ 0.00	\$ 0.00
January 7, 2017	52,790,000.00	23,477,000.00	0.00	0.00
July 7, 2017	52,790,000.00	23,477,000.00	0.00	0.00
January 7, 2018	50,812,115.45	22,598,019.77	1,977,884.55	878,980.23
July 7, 2018	49,416,580.01	21,977,373.74	1,395,535.44	620,646.03
January 7, 2019	48,021,499.84	21,356,930.19	1,395,080.17	620,443.55
July 7, 2019	46,626,897.29	20,736,699.06	1,394,602.55	620,231.13
January 7, 2020	45,232,796.16	20,116,690.92	1,394,101.13	620,008.14
July 7, 2020	43,839,221.88	19,496,917.10	1,393,574.28	619,773.82
January 7, 2021	42,446,201.63	18,877,389.67	1,393,020.25	619,527.43
July 7, 2021	41,053,764.48	18,258,121.57	1,392,437.15	619,268.10
January 7, 2022	39,661,941.60	17,639,126.66	1,391,822.88	618,994.91
July 7, 2022	38,270,766.37	17,020,419.78	1,391,175.23	618,706.88
January 7, 2023	36,880,274.69	16,402,016.90	1,390,491.68	618,402.88
July 7, 2023	35,490,505.13	15,783,935.18	1,389,769.56	618,081.72
January 7, 2024	34,101,499.21	15,166,193.07	1,389,005.92	617,742.11
July 7, 2024	32,713,301.73	14,548,810.51	1,388,197.48	617,382.56
January 7, 2025	31,325,961.03	13,931,808.98	1,387,340.70	617,001.53
July 7, 2025	29,939,529.40	13,315,211.76	1,386,431.63	616,597.22
January 7, 2026	28,554,063.46	12,699,044.01	1,385,465.94	616,167.75
July 7, 2026	27,169,624.66	12,083,333.07	1,384,438.80	615,710.94
January 7, 2027	25,786,279.74	11,468,108.62	1,383,344.92	615,224.45
July 7, 2027	24,404,101.38	10,853,402.98	1,382,178.36	614,705.64
January 7, 2028	23,023,168.83	10,239,251.40	1,380,932.55	614,151.58
July 7, 2028	0.00	0.00	23,023,168.83	10,239,251.40

Date	N27965			
	Equipment Note Ending Balance		Scheduled Payments of Principal	
	Series AA Equipment Note	Series A Equipment Note	Series AA Equipment Note	Series A Equipment Note
At Issuance	\$ 52,820,000.00	\$ 23,491,000.00	\$ 0.00	\$ 0.00
January 7, 2017	52,820,000.00	23,491,000.00	0.00	0.00
July 7, 2017	52,820,000.00	23,491,000.00	0.00	0.00
January 7, 2018	50,841,376.67	22,611,033.31	1,978,623.33	879,966.69
July 7, 2018	49,445,037.58	21,990,029.87	1,396,339.09	621,003.44
January 7, 2019	48,049,154.03	21,369,229.03	1,395,883.55	620,800.84
July 7, 2019	46,653,748.37	20,748,640.72	1,395,405.66	620,588.31
January 7, 2020	45,258,844.41	20,128,275.54	1,394,903.96	620,365.18
July 7, 2020	43,864,467.61	19,508,144.81	1,394,376.80	620,130.73
January 7, 2021	42,470,645.16	18,888,260.61	1,393,822.45	619,884.20
July 7, 2021	41,077,406.16	18,268,635.90	1,393,239.00	619,624.71
January 7, 2022	39,684,781.76	17,649,284.52	1,392,624.40	619,351.38
July 7, 2022	38,292,805.40	17,030,221.35	1,391,976.36	619,063.17
January 7, 2023	36,901,512.98	16,411,462.35	1,391,292.42	618,759.00
July 7, 2023	35,510,943.08	15,793,024.69	1,390,569.90	618,437.66
January 7, 2024	34,121,137.28	15,174,926.84	1,389,805.80	618,097.85
July 7, 2024	32,732,140.37	14,557,188.74	1,388,996.91	617,738.10
January 7, 2025	31,344,000.74	13,939,831.91	1,388,139.63	617,356.83
July 7, 2025	29,956,770.70	13,322,879.60	1,387,230.04	616,952.31
January 7, 2026	28,570,506.92	12,706,357.03	1,386,263.78	616,522.57
July 7, 2026	27,185,270.86	12,090,291.51	1,385,236.06	616,065.52
January 7, 2027	25,801,129.32	11,474,712.77	1,384,141.54	615,578.74
July 7, 2027	24,418,155.00	10,859,653.14	1,382,974.32	615,059.63
January 7, 2028	23,036,427.21	10,245,147.89	1,381,727.79	614,505.25
July 7, 2028	0.00	0.00	23,036,427.21	10,245,147.89

**Boeing 777-322ER**

Date	N58031			
	Equipment Note Ending Balance		Scheduled Payments of Principal	
	Series AA Equipment Note	Series A Equipment Note	Series AA Equipment Note	Series A Equipment Note
At Issuance	\$ 63,559,000.00	\$ 28,267,000.00	\$ 0.00	\$ 0.00
January 7, 2017	63,559,000.00	28,267,000.00	0.00	0.00
July 7, 2017	63,559,000.00	28,267,000.00	0.00	0.00
January 7, 2018	62,183,434.49	27,655,264.29	1,375,565.51	611,735.71
July 7, 2018	60,505,920.56	26,909,212.04	1,677,513.93	746,052.25
January 7, 2019	58,828,222.96	26,163,078.11	1,677,697.60	746,133.93
July 7, 2019	57,150,332.67	25,416,858.47	1,677,890.29	746,219.64
January 7, 2020	55,472,240.07	24,670,548.87	1,678,092.60	746,309.60
July 7, 2020	53,793,934.92	23,924,144.74	1,678,305.15	746,404.13
January 7, 2021	52,115,406.24	23,177,641.20	1,678,528.68	746,503.54
July 7, 2021	50,436,642.31	22,431,033.03	1,678,763.93	746,608.17
January 7, 2022	48,757,630.56	21,684,314.64	1,679,011.75	746,718.39
July 7, 2022	47,078,357.50	20,937,480.05	1,679,273.06	746,834.59
January 7, 2023	45,398,808.67	20,190,522.81	1,679,548.83	746,957.24
July 7, 2023	43,718,968.51	19,443,435.99	1,679,840.16	747,086.82
January 7, 2024	42,038,820.25	18,696,212.16	1,680,148.26	747,223.83
July 7, 2024	40,358,345.83	17,948,843.28	1,680,474.42	747,368.88
January 7, 2025	38,677,525.74	17,201,320.66	1,680,820.09	747,522.62
July 7, 2025	36,996,338.88	16,453,634.92	1,681,186.86	747,685.74
January 7, 2026	35,314,762.42	15,705,775.92	1,681,576.46	747,859.00
July 7, 2026	33,632,771.56	14,957,732.61	1,681,990.86	748,043.31
January 7, 2027	31,950,339.37	14,209,493.03	1,682,432.19	748,239.58
July 7, 2027	30,267,436.53	13,461,044.14	1,682,902.84	748,448.89
January 7, 2028	28,584,031.07	12,712,371.71	1,683,405.46	748,672.43
July 7, 2028	0.00	0.00	28,584,031.07	12,712,371.71

Date	N59032			
	Equipment Note Ending Balance		Scheduled Payments of Principal	
	Series AA Equipment Note	Series A Equipment Note	Series AA Equipment Note	Series A Equipment Note
At Issuance	\$ 63,677,000.00	\$ 28,319,000.00	\$ 0.00	\$ 0.00
January 7, 2017	63,677,000.00	28,319,000.00	0.00	0.00
July 7, 2017	63,677,000.00	28,319,000.00	0.00	0.00
January 7, 2018	62,298,685.38	27,706,520.60	1,378,314.62	612,479.40
July 7, 2018	60,618,062.35	26,959,085.63	1,680,623.03	747,434.97
January 7, 2019	58,937,255.30	26,211,568.80	1,680,807.05	747,516.83
July 7, 2019	57,256,255.20	25,463,966.13	1,681,000.10	747,602.67
January 7, 2020	55,575,052.42	24,716,273.32	1,681,202.78	747,692.81
July 7, 2020	53,893,636.70	23,968,485.79	1,681,415.72	747,787.53
January 7, 2021	52,211,997.03	23,220,598.68	1,681,639.67	747,887.11
July 7, 2021	50,530,121.68	22,472,606.75	1,681,875.35	747,991.93
January 7, 2022	48,847,998.04	21,724,504.39	1,682,123.64	748,102.36
July 7, 2022	47,165,612.62	20,976,285.61	1,682,385.42	748,218.78
January 7, 2023	45,482,950.91	20,227,943.96	1,682,661.71	748,341.65
July 7, 2023	43,799,997.33	19,479,472.50	1,682,953.58	748,471.46
January 7, 2024	42,116,735.08	18,730,863.76	1,683,262.25	748,608.74
July 7, 2024	40,433,146.06	17,982,109.70	1,683,589.02	748,754.06
January 7, 2025	38,749,210.74	17,233,201.62	1,683,935.32	748,908.08
July 7, 2025	37,064,907.97	16,484,130.12	1,684,302.77	749,071.50
January 7, 2026	35,380,214.86	15,734,885.03	1,684,693.11	749,245.09
July 7, 2026	33,695,106.60	14,985,455.30	1,685,108.26	749,429.73
January 7, 2027	32,009,556.19	14,235,828.93	1,685,550.41	749,626.37
July 7, 2027	30,323,534.25	13,485,992.87	1,686,021.94	749,836.06
January 7, 2028	28,637,008.77	12,735,932.85	1,686,525.48	750,060.02
July 7, 2028	0.00	0.00	28,637,008.77	12,735,932.85

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**N59033**

Date	Equipment Note Ending Balance		Scheduled Payments of Principal	
	Series AA Equipment Note	Series A Equipment Note	Series AA Equipment Note	Series A Equipment Note
At Issuance	\$ 63,677,000.00	\$ 28,319,000.00	\$ 0.00	\$ 0.00
January 7, 2017	63,677,000.00	28,319,000.00	0.00	0.00
July 7, 2017	63,677,000.00	28,319,000.00	0.00	0.00
January 7, 2018	62,298,685.38	27,706,520.60	1,378,314.62	612,479.40
July 7, 2018	60,618,062.35	26,959,085.63	1,680,623.03	747,434.97
January 7, 2019	58,937,255.30	26,211,568.80	1,680,807.05	747,516.83
July 7, 2019	57,256,255.20	25,463,966.13	1,681,000.10	747,602.67
January 7, 2020	55,575,052.42	24,716,273.32	1,681,202.78	747,692.81
July 7, 2020	53,893,636.70	23,968,485.79	1,681,415.72	747,787.53
January 7, 2021	52,211,997.03	23,220,598.68	1,681,639.67	747,887.11
July 7, 2021	50,530,121.68	22,472,606.75	1,681,875.35	747,991.93
January 7, 2022	48,847,998.04	21,724,504.39	1,682,123.64	748,102.36
July 7, 2022	47,165,612.62	20,976,285.61	1,682,385.42	748,218.78
January 7, 2023	45,482,950.91	20,227,943.96	1,682,661.71	748,341.65
July 7, 2023	43,799,997.33	19,479,472.50	1,682,953.58	748,471.46
January 7, 2024	42,116,735.08	18,730,863.76	1,683,262.25	748,608.74
July 7, 2024	40,433,146.06	17,982,109.70	1,683,589.02	748,754.06
January 7, 2025	38,749,210.74	17,233,201.62	1,683,935.32	748,908.08
July 7, 2025	37,064,907.97	16,484,130.12	1,684,302.77	749,071.50
January 7, 2026	35,380,214.86	15,734,885.03	1,684,693.11	749,245.09
July 7, 2026	33,695,106.60	14,985,455.30	1,685,108.26	749,429.73
January 7, 2027	32,009,556.19	14,235,828.93	1,685,550.41	749,626.37
July 7, 2027	30,323,534.25	13,485,992.87	1,686,021.94	749,836.06
January 7, 2028	28,637,008.77	12,735,932.85	1,686,525.48	750,060.02
July 7, 2028	0.00	0.00	28,637,008.77	12,735,932.85

**N59034**

Date	Equipment Note Ending Balance		Scheduled Payments of Principal	
	Series AA Equipment Note	Series A Equipment Note	Series AA Equipment Note	Series A Equipment Note
At Issuance	\$ 63,730,000.00	\$ 28,343,000.00	\$ 0.00	\$ 0.00
January 7, 2017	63,730,000.00	28,343,000.00	0.00	0.00
July 7, 2017	63,730,000.00	28,343,000.00	0.00	0.00
January 7, 2018	62,350,734.17	27,729,668.62	1,379,265.83	613,331.38
July 7, 2018	60,668,707.03	26,981,609.18	1,682,027.14	748,059.44
January 7, 2019	58,986,495.71	26,233,467.83	1,682,211.32	748,141.35
July 7, 2019	57,304,091.18	25,485,240.55	1,682,404.53	748,227.28
January 7, 2020	55,621,483.81	24,736,923.06	1,682,607.37	748,317.49
July 7, 2020	53,938,663.31	23,988,510.79	1,682,820.50	748,412.27
January 7, 2021	52,255,618.68	23,239,998.83	1,683,044.63	748,511.96
July 7, 2021	50,572,338.17	22,491,381.97	1,683,280.51	748,616.86
January 7, 2022	48,888,809.16	21,742,654.60	1,683,529.01	748,727.37
July 7, 2022	47,205,018.16	20,993,810.71	1,683,791.00	748,843.89
January 7, 2023	45,520,950.63	20,244,843.83	1,684,067.53	748,966.88
July 7, 2023	43,836,590.99	19,495,747.04	1,684,359.64	749,096.79
January 7, 2024	42,151,922.42	18,746,512.87	1,684,668.57	749,234.17
July 7, 2024	40,466,926.81	17,997,133.24	1,684,995.61	749,379.63
January 7, 2025	38,781,584.61	17,247,599.47	1,685,342.20	749,533.77
July 7, 2025	37,095,874.65	16,497,902.15	1,685,709.96	749,697.32
January 7, 2026	35,409,774.03	15,748,031.08	1,686,100.62	749,871.07
July 7, 2026	33,723,257.91	14,997,975.23	1,686,516.12	750,055.85
January 7, 2027	32,036,299.26	14,247,722.57	1,686,958.65	750,252.66
July 7, 2027	30,348,868.71	13,497,260.03	1,687,430.55	750,462.54
January 7, 2028	28,660,934.18	12,746,573.36	1,687,934.53	750,686.67
July 7, 2028	0.00	0.00	28,660,934.18	12,746,573.36

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Date	N59035			
	Equipment Note Ending Balance		Scheduled Payments of Principal	
	Series AA Equipment Note	Series A Equipment Note	Series AA Equipment Note	Series A Equipment Note
At Issuance	\$ 63,730,000.00	\$ 28,343,000.00	\$ 0.00	\$ 0.00
January 7, 2017	63,730,000.00	28,343,000.00	0.00	0.00
July 7, 2017	63,730,000.00	28,343,000.00	0.00	0.00
January 7, 2018	62,350,734.17	27,729,668.62	1,379,265.83	613,331.38
July 7, 2018	60,668,707.03	26,981,609.18	1,682,027.14	748,059.44
January 7, 2019	58,986,495.71	26,233,467.83	1,682,211.32	748,141.35
July 7, 2019	57,304,091.18	25,485,240.55	1,682,404.53	748,227.28
January 7, 2020	55,621,483.81	24,736,923.06	1,682,607.37	748,317.49
July 7, 2020	53,938,663.31	23,988,510.79	1,682,820.50	748,412.27
January 7, 2021	52,255,618.68	23,239,998.83	1,683,044.63	748,511.96
July 7, 2021	50,572,338.17	22,491,381.97	1,683,280.51	748,616.86
January 7, 2022	48,888,809.16	21,742,654.60	1,683,529.01	748,727.37
July 7, 2022	47,205,018.16	20,993,810.71	1,683,791.00	748,843.89
January 7, 2023	45,520,950.63	20,244,843.83	1,684,067.53	748,966.88
July 7, 2023	43,836,590.99	19,495,747.04	1,684,359.64	749,096.79
January 7, 2024	42,151,922.42	18,746,512.87	1,684,668.57	749,234.17
July 7, 2024	40,466,926.81	17,997,133.24	1,684,995.61	749,379.63
January 7, 2025	38,781,584.61	17,247,599.47	1,685,342.20	749,533.77
July 7, 2025	37,095,874.65	16,497,902.15	1,685,709.96	749,697.32
January 7, 2026	35,409,774.03	15,748,031.08	1,686,100.62	749,871.07
July 7, 2026	33,723,257.91	14,997,975.23	1,686,516.12	750,055.85
January 7, 2027	32,036,299.26	14,247,722.57	1,686,958.65	750,252.66
July 7, 2027	30,348,868.71	13,497,260.03	1,687,430.55	750,462.54
January 7, 2028	28,660,934.18	12,746,573.36	1,687,934.53	750,686.67
July 7, 2028	0.00	0.00	28,660,934.18	12,746,573.36

Date	N59036			
	Equipment Note Ending Balance		Scheduled Payments of Principal	
	Series AA Equipment Note	Series A Equipment Note	Series AA Equipment Note	Series A Equipment Note
At Issuance	\$ 63,783,000.00	\$ 28,367,000.00	\$ 0.00	\$ 0.00
January 7, 2017	63,783,000.00	28,367,000.00	0.00	0.00
July 7, 2017	63,783,000.00	28,367,000.00	0.00	0.00
January 7, 2018	62,402,782.97	27,752,816.63	1,380,217.03	614,183.37
July 7, 2018	60,719,351.71	27,004,132.73	1,683,431.26	748,683.90
January 7, 2019	59,035,736.12	26,255,366.85	1,683,615.59	748,765.88
July 7, 2019	57,351,927.17	25,506,514.98	1,683,808.95	748,851.87
January 7, 2020	55,667,915.20	24,757,572.81	1,684,011.97	748,942.17
July 7, 2020	53,983,689.92	24,008,535.78	1,684,225.28	749,037.03
January 7, 2021	52,299,240.33	23,259,398.99	1,684,449.59	749,136.79
July 7, 2021	50,614,554.65	22,510,157.20	1,684,685.68	749,241.79
January 7, 2022	48,929,620.28	21,760,804.81	1,684,934.37	749,352.39
July 7, 2022	47,244,423.69	21,011,335.80	1,685,196.59	749,469.01
January 7, 2023	45,558,950.35	20,261,743.71	1,685,473.34	749,592.09
July 7, 2023	43,873,184.65	19,512,021.59	1,685,765.70	749,722.12
January 7, 2024	42,187,109.76	18,762,161.97	1,686,074.89	749,859.62
July 7, 2024	40,500,707.56	18,012,156.78	1,686,402.20	750,005.19
January 7, 2025	38,813,958.48	17,261,997.32	1,686,749.08	750,159.46
July 7, 2025	37,126,841.33	16,511,674.17	1,687,117.15	750,323.15
January 7, 2026	35,439,333.20	15,761,177.14	1,687,508.13	750,497.03
July 7, 2026	33,751,409.22	15,010,495.15	1,687,923.98	750,681.99
January 7, 2027	32,063,042.34	14,259,616.20	1,688,366.88	750,878.95
July 7, 2027	30,374,203.16	13,508,527.20	1,688,839.18	751,089.00
January 7, 2028	28,684,859.59	12,757,213.87	1,689,343.57	751,313.33
July 7, 2028	0.00	0.00	28,684,859.59	12,757,213.87

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N54037

Date	Equipment Note Ending Balance		Scheduled Payments of Principal	
	Series AA Equipment Note	Series A Equipment Note	Series AA Equipment Note	Series A Equipment Note
At Issuance	\$ 63,783,000.00	\$ 28,367,000.00	\$ 0.00	\$ 0.00
January 7, 2017	63,783,000.00	28,367,000.00	0.00	0.00
July 7, 2017	63,783,000.00	28,367,000.00	0.00	0.00
January 7, 2018	62,402,782.97	27,752,816.63	1,380,217.03	614,183.37
July 7, 2018	60,719,351.71	27,004,132.73	1,683,431.26	748,683.90
January 7, 2019	59,035,736.12	26,255,366.85	1,683,615.59	748,765.88
July 7, 2019	57,351,927.17	25,506,514.98	1,683,808.95	748,851.87
January 7, 2020	55,667,915.20	24,757,572.81	1,684,011.97	748,942.17
July 7, 2020	53,983,689.92	24,008,535.78	1,684,225.28	749,037.03
January 7, 2021	52,299,240.33	23,259,398.99	1,684,449.59	749,136.79
July 7, 2021	50,614,554.65	22,510,157.20	1,684,685.68	749,241.79
January 7, 2022	48,929,620.28	21,760,804.81	1,684,934.37	749,352.39
July 7, 2022	47,244,423.69	21,011,335.80	1,685,196.59	749,469.01
January 7, 2023	45,558,950.35	20,261,743.71	1,685,473.34	749,592.09
July 7, 2023	43,873,184.65	19,512,021.59	1,685,765.70	749,722.12
January 7, 2024	42,187,109.76	18,762,161.97	1,686,074.89	749,859.62
July 7, 2024	40,500,707.56	18,012,156.78	1,686,402.20	750,005.19
January 7, 2025	38,813,958.48	17,261,997.32	1,686,749.08	750,159.46
July 7, 2025	37,126,841.33	16,511,674.17	1,687,117.15	750,323.15
January 7, 2026	35,439,333.20	15,761,177.14	1,687,508.13	750,497.03
July 7, 2026	33,751,409.22	15,010,495.15	1,687,923.98	750,681.99
January 7, 2027	32,063,042.34	14,259,616.20	1,688,366.88	750,878.95
July 7, 2027	30,374,203.16	13,508,527.20	1,688,839.18	751,089.00
January 7, 2028	28,684,859.59	12,757,213.87	1,689,343.57	751,313.33
July 7, 2028	0.00	0.00	28,684,859.59	12,757,213.87

- The interest rate applicable to each Series of Equipment Notes must be equal to the rate applicable to the Certificates issued by the corresponding Trust.
- The payment dates for the Equipment Notes must be January 7 and July 7 (but not before January 7, 2017).
- The amounts payable under the all-risk aircraft hull insurance maintained with respect to each Aircraft must be sufficient to pay the unpaid principal amount of the related Equipment Notes together with six months of interest accrued thereon, subject to certain rights of self-insurance.
- (a) The past due rate in the Indentures, (b) the Make-Whole Premium payable under the Indentures, (c) the provisions relating to the redemption of Equipment Notes in the Indentures and (d) the indemnification of the Loan Trustees, Subordination Agent, Liquidity Provider, Trustees, Escrow Agents and registered holders of the Equipment Notes (in such capacity, the "Note Holders") with respect to certain taxes and expenses, in each case shall be provided as set forth in the form of Participation Agreement attached as an exhibit to the Note Purchase Agreement.
- In the case of the Indentures, modifications are prohibited in any material adverse respect (i) to the Granting Clause of the Indentures so as to deprive the Note Holders under all the Indentures of a first priority security interest in the Aircraft and certain of United's rights under warranties with respect to the Aircraft or to eliminate the obligations intended to be secured thereby, (ii) to certain provisions relating to the issuance, redemption, payments, and ranking of the Equipment Notes (including the obligation to pay the Make-Whole Premium in certain circumstances), (iii) to certain provisions regarding Indenture Defaults (including cross-defaults among Indentures) and remedies relating thereto, (iv) to certain provisions relating to any replaced airframe or engines with respect to an Aircraft and (v) to the provision that New York law will govern the Indentures.

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- In the case of the Participation Agreements, modifications are prohibited in any material adverse respect (i) to certain conditions to the obligations of the Trustees to purchase the Equipment Notes issued with respect to an Aircraft involving good title to such Aircraft, the release of any recorded liens on the Aircraft, obtaining a certificate of airworthiness with respect to such Aircraft, entitlement to the benefits of Section 1110 with respect to such Aircraft and filings of certain documents with the FAA and the registration of certain interests with the International Registry under the Cape Town Convention on International Interests in Mobile Equipment and the related Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment (the “Cape Town Treaty”), (ii) to the provisions restricting the Note Holder’s ability to transfer such Equipment Notes, (iii) to certain provisions requiring the delivery of legal opinions and (iv) to the provision that New York law will govern the Participation Agreement.
- In the case of all of the Participation Agreements and Indentures, modifications are prohibited in any material adverse respect as regards the interest of the Note Holders, the Subordination Agent, the Liquidity Provider or the Loan Trustee in the definition of “Make-Whole Premium”.

Notwithstanding the foregoing, any such forms of financing agreements may be modified to correct or supplement any such provision which may be defective or to cure any ambiguity or correct any mistake, provided that any such action shall not materially adversely affect the interests of the Note Holders, the Subordination Agent, the Liquidity Provider, the Loan Trustee or the Certificateholders.

### **Liquidation of Original Trusts**

On the earlier of (i) the first Business Day after June 30, 2017 or, if later, the fifth Business Day after the Delivery Period Termination Date and (ii) the fifth Business Day after the occurrence of a Triggering Event (such Business Day, the “Transfer Date”), each of the Trusts established on the Issuance Date (the “Original Trusts”) will transfer and assign all of its assets and rights to a newly created successor trust (each, a “Successor Trust”) with substantially identical terms, except that (i) the Successor Trusts will not have the right to purchase new Equipment Notes and (ii) Delaware law will govern the Original Trusts and New York law will govern the Successor Trusts. The institution acting as Trustee of each of the Original Trusts (each, an “Original Trustee”) will also act as Trustee of the corresponding Successor Trust (each, a “New Trustee”). Each New Trustee will assume the obligations of the related Original Trustee under each transaction document to which such Original Trustee was a party. Upon the effectiveness of such transfer, assignment and assumption, each of the Original Trusts will be liquidated and each of the Certificates will represent the same percentage interest in the Successor Trust as it represented in the Original Trust immediately prior to such transfer, assignment and assumption. Unless the context otherwise requires, all references in this Prospectus Supplement to the Trusts, the applicable Trustees, the Pass Through Trust Agreements and similar terms shall apply to the Original Trusts until the effectiveness of such transfer, assignment and assumption, and thereafter shall be applicable with respect to the Successor Trusts. If for any reason such transfer, assignment and assumption cannot be effected to any Successor Trust, the related Original Trust will continue in existence until it is effected. The Original Trusts may be treated as partnerships for U.S. federal income tax purposes. The Successor Trusts will be treated as grantor trusts. See “Certain U.S. Federal Tax Consequences”.

### **Termination of the Trusts**

The obligations of United and the applicable Trustee with respect to a Trust will terminate upon the distribution to Certificateholders of such Trust of all amounts required to be distributed to them pursuant to the applicable Pass Through Trust Agreement and the disposition of all property held in such Trust. The applicable Trustee will send to each Certificateholder of such Trust notice of the termination of such Trust, the amount of the proposed final payment and the proposed date for the distribution of such final payment for such Trust. The final distribution to any Certificateholder of such Trust will be made only upon surrender of such Certificateholder’s Certificates at the office or agency of the applicable Trustee specified in such notice of termination. (Trust Supplements, Section 7.01(a))



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### **The Trustees**

The Trustee for each Trust will be Wilmington Trust, National Association. The Trustee's address is Wilmington Trust, National Association, 1100 North Market Street, Wilmington, Delaware 19890-1605, Attention: Corporate Trust Administration.

### **Book-Entry; Delivery and Form**

#### ***General***

Upon issuance, each Class of Certificates will be represented by one or more fully registered global certificates. Each global certificate will be deposited with, or on behalf of, The Depository Trust Company ("DTC") and registered in the name of Cede & Co. ("Cede"), the nominee of DTC. DTC was created to hold securities for its participants ("DTC Participants") and facilitate the clearance and settlement of securities transactions between DTC Participants through electronic book-entry changes in accounts of the DTC Participants, thereby eliminating the need for physical movement of certificates. DTC Participants include securities brokers and dealers, banks, trust companies and clearing corporations and certain other organizations. Indirect access to the DTC system is available to others such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a DTC Participant, either directly or indirectly ("Indirect DTC Participants").

So long as such book-entry procedures are applicable, no person acquiring an interest in such Certificates ("Certificate Owner") will be entitled to receive a certificate representing such person's interest in such Certificates. Unless and until definitive certificates are issued under the limited circumstances described below under "—Physical Certificates", all references to actions by Certificateholders shall refer to actions taken by DTC upon instructions from DTC Participants, and all references herein to distributions, notices, reports and statements to Certificateholders shall refer, as the case may be, to distributions, notices, reports and statements to DTC or Cede, as the registered holder of such Certificates, or to DTC Participants for distribution to Certificate Owners in accordance with DTC procedures.

DTC is a limited purpose trust company organized under the laws of the State of New York, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered pursuant to Section 17A of the Securities Exchange Act of 1934, as amended (the "Exchange Act").

Under the New York Uniform Commercial Code, a "clearing corporation" is defined as:

- a person that is registered as a "clearing agency" under the federal securities laws;
- a federal reserve bank; or
- any other person that provides clearance or settlement services with respect to financial assets that would require it to register as a clearing agency under the federal securities laws but for an exclusion or exemption from the registration requirement, if its activities as a clearing corporation, including promulgation of rules, are subject to regulation by a federal or state governmental authority.

A "clearing agency" is an organization established for the execution of trades by transferring funds, assigning deliveries and guaranteeing the performance of the obligations of parties to trades.

Under the rules, regulations and procedures creating and affecting DTC and its operations, DTC is required to make book-entry transfers of the Certificates among DTC Participants on whose behalf it acts with respect to the Certificates and to receive and transmit distributions with respect to the Certificates. DTC Participants and Indirect DTC Participants with which Certificate Owners have accounts similarly are required to make book-entry transfers and receive and transmit the payments on behalf of their respective customers. Certificate Owners

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that are not DTC Participants or Indirect DTC Participants but desire to purchase, sell or otherwise transfer ownership of, or other interests in, the Certificates may do so only through DTC Participants and Indirect DTC Participants. In addition, Certificate Owners will receive all distributions with respect to the Certificates from the Trustees through DTC Participants or Indirect DTC Participants, as the case may be.

Under a book-entry format, Certificate Owners may experience some delay in their receipt of payments, because payments with respect to the Certificates will be forwarded by the Trustees to Cede, as nominee for DTC. DTC will forward payments in same-day funds to each DTC Participant who is credited with ownership of the Certificates in an amount proportionate to the face amount of that DTC Participant's holdings of beneficial interests in the Certificates, as shown on the records of DTC or its nominee. Each such DTC Participant will forward payments to its Indirect DTC Participants in accordance with standing instructions and customary industry practices. DTC Participants and Indirect DTC Participants will be responsible for forwarding distributions to Certificate Owners for whom they act. Accordingly, although Certificate Owners will not possess physical certificates, DTC's rules provide a mechanism by which Certificate Owners will receive payments on the Certificates and will be able to transfer their interests.

Unless and until physical certificates are issued under the limited circumstances described under "—Physical Certificates" below, the only Certificateholder of physical certificates will be Cede, as nominee of DTC. Certificate Owners will not be recognized by the Trustees as registered owners of Certificates under the applicable Pass Through Trust Agreement. Certificate Owners will be permitted to exercise their rights under the applicable Pass Through Trust Agreement only indirectly through DTC. DTC will take any action permitted to be taken by a Certificateholder under the applicable Pass Through Trust Agreement only at the direction of one or more DTC Participants to whose accounts with DTC the Certificates are credited. In the event any action requires approval by Certificateholders of a certain percentage of the beneficial interests in a Trust, DTC will take action only at the direction of and on behalf of DTC Participants whose holdings include undivided interests that satisfy the required percentage. DTC may take conflicting actions with respect to other undivided interests to the extent that the actions are taken on behalf of DTC Participants whose holdings include those undivided interests. DTC will convey notices and other communications to DTC Participants, and DTC Participants will convey notices and other communications to Indirect DTC Participants in accordance with arrangements among them. Arrangements among DTC and its direct and indirect participants are subject to any statutory or regulatory requirements as may be in effect from time to time. DTC's rules applicable to itself and DTC Participants are on file with the Commission.

A Certificate Owner's ability to pledge its Certificates to persons or entities that do not participate in the DTC system, or otherwise to act with respect to its Certificates, may be limited due to the lack of a physical certificate to evidence ownership of the Certificates, and because DTC can only act on behalf of DTC Participants, who in turn act on behalf of Indirect DTC Participants.

Neither United nor the Trustees will have any liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in the Certificates held by Cede, as nominee for DTC, for maintaining, supervising or reviewing any records relating to the beneficial ownership interests or for the performance by DTC, any DTC Participant or any Indirect DTC Participant of their respective obligations under the rules and procedures governing their obligations.

As long as the Certificates of any Trust are registered in the name of DTC or its nominee, United will make all payments to the Loan Trustee under the applicable Indenture in immediately available funds. The applicable Trustee will pass through to DTC in immediately available funds all payments received from United, including the final distribution of principal with respect to the Certificates of such Trust.

Any Certificates registered in the name of DTC or its nominee will trade in DTC's Same-Day Funds Settlement System until maturity. DTC will require secondary market trading activity in the Certificates to settle in immediately available funds. No assurance can be given as to the effect, if any, of settlement in same-day funds on trading activity in the Certificates.

***Physical Certificates***

Physical certificates will be issued in paper form to Certificateholders or their nominees, rather than to DTC or its nominee, only if:

- United advises the applicable Trustee in writing that DTC is no longer willing or able to discharge properly its responsibilities as depository with respect to the Certificates and United is unable to locate a qualified successor;
- United elects to terminate the book-entry system through DTC; or
- after the occurrence of an Indenture Default under any Indenture pursuant to which Equipment Notes held by a Trust were issued, Certificate Owners owning at least a majority in fractional undivided interests in such Trust advise the applicable Trustee, United and DTC through DTC Participants that the continuation of a book-entry system through DTC or a successor to DTC is no longer in the Certificate Owners' best interest.

Upon the occurrence of any of the events described in the three subparagraphs above, the applicable Trustee will notify all applicable Certificate Owners through DTC Participants of the occurrence of such event and the availability of physical certificates. Upon surrender by DTC of the global certificates and receipt of instructions for re-registration, the applicable Trustee will reissue the Certificates as physical certificates to the applicable Certificate Owners.

In the case of the physical certificates that are issued, the applicable Trustee or a paying agent will make distributions with respect to such Certificates directly to holders in whose names the physical certificates were registered at the close of business on the applicable record date. Except for the final payment to be made with respect to a Certificate, the applicable Trustee or a paying agent will make distributions by check mailed to the addresses of the registered holders as they appear on the register maintained by such Trustee. The applicable Trustee or a paying agent will make the final payment with respect to any Certificate only upon presentation and surrender of the applicable Certificate at the office or agency specified in the notice of final distribution to Certificateholders.

Physical certificates will be freely transferable and exchangeable at the office of the Trustee upon compliance with the requirements set forth in the applicable Pass Through Trust Agreement. Neither the Trustee nor any transfer or exchange agent will impose a service charge for any registration of transfer or exchange. However, the Trustee or transfer or exchange agent will require payment of a sum sufficient to cover any tax or other governmental charge attributable to a transfer or exchange.

## DESCRIPTION OF THE DEPOSIT AGREEMENTS

The following summary describes the material terms of the Deposit Agreements. The summary does not purport to be complete and is qualified in its entirety by reference to all of the provisions of the Deposit Agreements, each of which will be filed as an exhibit to a Current Report on Form 8-K to be filed by United with the Commission. The provisions of the Deposit Agreements are substantially identical except as otherwise indicated.

### General

Under the Escrow Agreements, the Escrow Agent with respect to each Trust will enter into a separate Deposit Agreement with the Depository. Pursuant to the Escrow Agreements, the Depository will establish separate accounts into which the proceeds of this Offering attributable to Certificates of the applicable Trust will be deposited (each, a “Deposit”) on behalf of such Escrow Agent. Pursuant to the Deposit Agreement with respect to each Trust (each, a “Deposit Agreement”), on each Regular Distribution Date the Depository will pay to the Paying Agent on behalf of the applicable Escrow Agent, for distribution to the Certificateholders of such Trust, an amount equal to interest accrued on the Deposits relating to such Trust during the relevant interest period at a rate per annum equal to the interest rate applicable to the Certificates issued by such Trust. After the Issuance Date, upon each financing of an Aircraft during the Delivery Period, the Trustee for each Trust will request the Escrow Agent relating to such Trust to withdraw from the Deposits relating to such Trust funds sufficient to enable the Trustee of such Trust to purchase the Equipment Note of the series applicable to such Trust issued with respect to such Aircraft. Accrued but unpaid interest on all such Deposits withdrawn will be paid on the next Regular Distribution Date. Any portion of any Deposit withdrawn that is not used to purchase such Equipment Note will be re-deposited by each Trustee into an account relating to the applicable Trust. The Deposits relating to each Trust and interest paid thereon will not be subject to the subordination provisions of the Intercreditor Agreement and will not be available to pay any other amount in respect of the Certificates.

### Unused Deposits

The Trustees’ obligations to purchase the Equipment Notes issued with respect to each Aircraft are subject to satisfaction of certain conditions at the time of financing, as set forth in the Note Purchase Agreement. See “Description of the Certificates—Obligation to Purchase Equipment Notes”. Since the Aircraft are expected to be financed from time to time during the Delivery Period, no assurance can be given that all such conditions will be satisfied at the time of financing for each such Aircraft. Moreover, delivery of the Aircraft is subject to delays in the manufacturing process and to the Aircraft manufacturer’s right to postpone deliveries under its agreement with United. See “Description of the Aircraft and Appraisals—Timing of Financing the Aircraft”.

If any funds remain as Deposits with respect to any Trust at the end of the Delivery Period or, if earlier, upon the acquisition by the Trusts of the Equipment Notes with respect to all of the Aircraft (the “Delivery Period Termination Date”), such funds will be withdrawn by the Escrow Agent and distributed, with accrued and unpaid interest thereon but without premium, to the Certificateholders of such Trust after at least 15 days’ prior written notice.

### Distribution Upon Occurrence of Triggering Event

If a Triggering Event shall occur prior to the Delivery Period Termination Date, the Escrow Agent for each Trust will withdraw any funds then held as Deposits with respect to such Trust and cause such funds, with accrued and unpaid interest thereon but without any premium, to be distributed to the Certificateholders of such Trust by the Paying Agent on behalf of the Escrow Agent, after at least 15 days’ prior written notice. Accordingly, if a Triggering Event occurs prior to the Delivery Period Termination Date, the Trusts will not acquire Equipment Notes issued with respect to Aircraft available to be financed after the occurrence of such Triggering Event.

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### **Replacement of Depositary**

If the Depositary's long-term issuer credit rating by Fitch Ratings, Inc. ("Fitch") or short-term unsecured debt rating by Moody's Investors Service, Inc. ("Moody's") falls below the Depositary Threshold Rating or if any such rating has been withdrawn or suspended, then United must, within 35 days of such event occurring, replace the Depositary with a new depositary bank that has a long-term issuer credit rating issued by Fitch and a short-term unsecured debt rating by Moody's equal to or higher than the applicable Depositary Threshold Rating, subject to receipt of written confirmation from each nationally recognized rating agency which shall have been requested to rate the Certificates and which shall then be rating the Certificates (the "Rating Agencies") that such replacement will not result in a withdrawal, suspension or downgrading of the ratings for any Class of Certificates then rated by such Rating Agency without regard to any withdrawal, suspension or downgrading of any rating of the Depositary being replaced.

At any time during the Delivery Period, United may replace the Depositary, or the Depositary may replace itself, with a new depositary bank that has a long-term issuer credit rating issued by Fitch and Moody's equal to or higher than the applicable Depositary Threshold Rating, subject to receipt of written confirmation from each Rating Agency that such replacement will not result in a withdrawal, suspension or downgrading of the ratings for any Class of Certificates then rated by such Rating Agency.

"Depositary Threshold Rating" means the long-term issuer credit rating of A- by Fitch and short-term unsecured debt rating of P-1 by Moody's.

### **Depositary**

Natixis, acting through its New York Branch ("Natixis"), will act as depositary (the "Depositary").

Natixis is a French public limited corporation (*société anonyme*) with a board of directors. Natixis is a credit institution licensed as a bank in France. The New York Branch of Natixis is licensed by the Superintendent of Financial Services of the State of New York to conduct a banking business as a branch of a foreign bank.

Natixis currently has long- and short-term credit ratings of A and F-1 from Fitch, and of A2 and P-1 from Moody's.

Natixis is the corporate, investment and financial services arm of Groupe BPCE, the second largest banking group in France. Natixis had €500 billion of consolidated assets and €19.2 billion equity capital group share as of December 31, 2015. Excluding exceptional items to reported data, Natixis had net revenues of €2,244 million for the quarter ended December 31, 2015.

Natixis is listed on the Paris stock exchange. Its primary shareholder is Groupe BPCE, which holds 71.18% of its share capital (excluding treasury shares). The remainder is publicly traded. Natixis' registered office is at 30, avenue Pierre Mendes France, 75013 Paris, France.

Natixis will provide without charge a copy of its most recent publicly available annual report. Written requests should be directed to Corporate Secretary, NATIXIS, 1251 Avenue of the Americas, New York, New York 10020; telephone (212) 872-5000.

## DESCRIPTION OF THE ESCROW AGREEMENTS

The following summary describes the material terms of the escrow and paying agent agreements (the “Escrow Agreements”). The summary does not purport to be complete and is qualified in its entirety by reference to all of the provisions of the Escrow Agreements, each of which will be filed as an exhibit to a Current Report on Form 8-K to be filed by United with the Commission. The provisions of the Escrow Agreements are substantially identical except as otherwise indicated.

U.S. Bank National Association, as escrow agent in respect of each Trust (the “Escrow Agent”), Wilmington Trust, National Association, as paying agent on behalf of the Escrow Agent in respect of each Trust (the “Paying Agent”), each Trustee and the Underwriters will enter into a separate Escrow Agreement for the benefit of the Certificateholders of each Trust as holders of the Escrow Receipts affixed thereto (in such capacity, a “Receiptholder”). The cash proceeds of the offering of Certificates of each Trust will be deposited on behalf of the Escrow Agent (for the benefit of Receiptholders) with the Depository as Deposits relating to such Trust. Each Escrow Agent shall permit the Trustee of the related Trust to cause funds to be withdrawn from such Deposits on or prior to the Delivery Period Termination Date to allow such Trustee to purchase the related Equipment Notes pursuant to the Note Purchase Agreement. In addition, the Escrow Agent shall direct the Depository to pay interest on the Deposits accrued in accordance with the Deposit Agreement to the Paying Agent for distribution to the Receiptholders.

Each Escrow Agreement requires that the Paying Agent establish and maintain, for the benefit of the related Receiptholders, one or more Paying Agent Account(s), which shall be non-interest-bearing. The Paying Agent shall deposit interest on Deposits and any unused Deposits withdrawn by the Escrow Agent in the related Paying Agent Account. The Paying Agent shall distribute these amounts on a Regular Distribution Date or Special Distribution Date, as appropriate.

Upon receipt by the Depository of cash proceeds from this Offering, the Escrow Agent will issue one or more escrow receipts (“Escrow Receipts”) which will be affixed by the relevant Trustee to each Certificate. Each Escrow Receipt evidences the related Receiptholder’s interest in amounts from time to time deposited into the Paying Agent Account and is limited in recourse to amounts deposited into such account. An Escrow Receipt may not be assigned or transferred except in connection with the assignment or transfer of the Certificate to which it is affixed. Each Escrow Receipt will be registered by the Escrow Agent in the same name and manner as the Certificate to which it is affixed.

Each Receiptholder shall have the right (individually and without the need for any other action of any person, including the Escrow Agent or any other Receiptholder), upon any default in the payment of interest on the Deposits when due by the Depository in accordance with the applicable Deposit Agreement, or upon any default in the payment of the final withdrawal when due by the Depository in accordance with the terms of the applicable Deposit Agreement and Escrow Agreement, to proceed directly against the Depository. The Escrow Agent will notify Receiptholders in the event of a default in any such payment and will promptly forward to Receiptholders upon receipt copies of all written communications relating to any payments due to the Receiptholders in respect of the Deposits.

## DESCRIPTION OF THE LIQUIDITY FACILITIES

The following summary describes the material terms of the Liquidity Facilities and certain provisions of the Intercreditor Agreement relating to the Liquidity Facilities. The summary does not purport to be complete and is qualified in its entirety by reference to all of the provisions of the Liquidity Facilities and the Intercreditor Agreement, each of which will be filed as an exhibit to a Current Report on Form 8-K to be filed by United with the Commission. The provisions of the Liquidity Facilities are substantially identical except as otherwise indicated.

### General

Commonwealth Bank of Australia, New York Branch (the “Liquidity Provider”), will enter into a separate revolving credit agreement (each, a “Liquidity Facility”) with the Subordination Agent with respect to the Class AA Trust and the Class A Trust. On any Regular Distribution Date, if, after giving effect to the subordination provisions of the Intercreditor Agreement, the Subordination Agent does not have sufficient funds for the payment of interest on the Class AA or A Certificates, the Liquidity Provider under the relevant Liquidity Facility will make an advance (an “Interest Drawing”) in the amount needed to fund such interest shortfall up to the Maximum Available Commitment. The maximum amount of Interest Drawings available under each Liquidity Facility is expected to provide an amount sufficient for the Subordination Agent to pay interest on the related Class of Certificates on up to three consecutive semiannual Regular Distribution Dates (without regard to any expected future payments of principal on such Certificates) at the respective interest rates shown on the cover page of this Prospectus Supplement for such Certificates (the “Stated Interest Rates”). If interest payment defaults occur which exceed the amount covered by and available under the Liquidity Facility for the Class AA or Class A Trust, the Certificateholders of such Trust will bear their allocable share of the deficiencies to the extent that there are no other sources of funds. The Liquidity Provider with respect to each of the Class AA and A Trusts may be replaced by one or more other entities under certain circumstances.

### Drawings

The aggregate amount available under the Liquidity Facility for the Class AA and Class A Trusts at July 7, 2017, the first Regular Distribution Date after all Aircraft are expected to have been financed pursuant to this Offering, assuming that such Aircraft are so financed and that all interest due on or prior to July 7, 2017, is paid, will be as follows:

<u>Trust</u>	<u>Available Amount</u>
Class AA	\$ 33,885,759
Class A	\$ 16,771,658

Except as otherwise provided below, the Liquidity Facility for each of the Class AA and Class A Trusts will enable the Subordination Agent to make Interest Drawings thereunder promptly on or after any Regular Distribution Date if, after giving effect to the subordination provisions of the Intercreditor Agreement, there are insufficient funds available to the Subordination Agent to pay interest on the Certificates of such Trust at the Stated Interest Rate for such Trust; provided, however, that the maximum amount available to be drawn under the Liquidity Facility with respect to the Class AA or Class A Trust on any Regular Distribution Date to fund any shortfall of interest on Certificates of such Trust will not exceed the then Maximum Available Commitment under such Liquidity Facility. The “Maximum Available Commitment” at any time under each Liquidity Facility is an amount equal to the then Maximum Commitment of such Liquidity Facility less the aggregate amount of each Interest Drawing outstanding under such Liquidity Facility at such time, provided that following a Downgrade Drawing (subject to reinstatement of the obligations of any applicable Liquidity Provider if any such Liquidity Provider has a Long-Term Rating specified for each Rating Agency in the definition of “Liquidity Threshold Rating” or higher at any time after the occurrence of a Downgrade Event and so notifies the

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Subordination Agent), a Special Termination Drawing, a Final Drawing or a Non-Extension Drawing under a Liquidity Facility, the Maximum Available Commitment under such Liquidity Facility shall be zero.

“Maximum Commitment” for the Liquidity Facility for the Class AA Trust and the Class A Trust means initially \$35,391,793 and \$17,517,065, respectively, as the same may be reduced from time to time as described below.

“Required Amount” means, in relation to the Liquidity Facility for any applicable Trust for any day, the sum of the aggregate amount of interest, calculated at the rate per annum equal to the Stated Interest Rate for such Trust, that would be payable on such Class of Certificates on each of the three successive Regular Distribution Dates immediately following such day or, if such day is a Regular Distribution Date, on such day and the succeeding two Regular Distribution Dates, in each case calculated on the basis of the Pool Balance of the corresponding Class of Certificates on such day and without regard to expected future payments of principal on such Class of Certificates.

The Liquidity Facility for any applicable Class of Certificates does not provide for drawings thereunder to pay for principal of or premium on the Certificates of such Class or any interest on the Certificates of such Class in excess of the Stated Interest Rate for such Class or more than three semiannual installments of interest thereon or principal of or interest or premium on the Certificates of any other Class. (Liquidity Facilities, Section 2.02; Intercreditor Agreement, Section 3.5) In addition, the Liquidity Facility with respect to each of the Class AA and Class A Trusts does not provide for drawings thereunder to pay any amounts payable with respect to the Deposits relating to such Trust.

Each payment by a Liquidity Provider reduces by the same amount the Maximum Available Commitment under the related Liquidity Facility, subject to reinstatement as described below. With respect to any Interest Drawing, upon reimbursement of the applicable Liquidity Provider in full or in part for the amount of such Interest Drawing plus interest thereon, the Maximum Available Commitment under the applicable Liquidity Facility will be reinstated by an amount equal to the amount of such Interest Drawing so reimbursed to an amount not to exceed the then Required Amount of such Liquidity Facility. However, the Maximum Available Commitment under such Liquidity Facility will not be so reinstated at any time if (i) a Liquidity Event of Default with respect to such Liquidity Facility shall have occurred and be continuing and less than 65% of the then aggregate outstanding principal amount of all Equipment Notes (other than Additional Equipment Notes, if any) are Performing Equipment Notes or (ii) a Final Drawing, Downgrade Drawing, Special Termination Drawing or Non-Extension Drawing shall have been made or an Interest Drawing shall have been converted into a Final Drawing. The Maximum Available Commitment under any Liquidity Facility will not be reinstated after a Final Drawing, Downgrade Drawing (except as described above), Special Termination Drawing or Non-Extension Drawing thereunder. On the first Regular Distribution Date and on each date on which the Pool Balance of the Class AA or Class A Trust shall have been reduced by payments made to the related Certificateholders pursuant to the Intercreditor Agreement, the Maximum Commitment of the Liquidity Facility for such Trust will be automatically reduced from time to time to an amount equal to the then Required Amount. (Liquidity Facilities, Section 2.04(a); Intercreditor Agreement, Section 3.5(j))

“Performing Equipment Note” means an Equipment Note with respect to which no payment default has occurred and is continuing (without giving effect to any acceleration); provided that in the event of a bankruptcy proceeding under the U.S. Bankruptcy Code in which United is a debtor any payment default existing during the 60-day period under Section 1110(a)(2)(A) of the U.S. Bankruptcy Code (or such longer period as may apply under Section 1110(b) of the U.S. Bankruptcy Code or as may apply for the cure of such payment default under Section 1110(a)(2)(B) of the U.S. Bankruptcy Code) shall not be taken into consideration until the expiration of the applicable period.

If at any time a Liquidity Provider is downgraded, or any applicable rating of a Liquidity Provider is suspended or withdrawn, by any Rating Agency such that after such downgrading, suspension or withdrawal such Liquidity Provider does not have a Long-Term Rating from such Rating Agency of the applicable Liquidity



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Threshold Rating or higher (any such downgrading, suspension or withdrawal, a “Downgrade Event”), and such Liquidity Facility is not replaced with a Replacement Facility within 35 days of the occurrence of such Downgrade Event (or, if earlier, the expiration date of such Liquidity Facility), such Liquidity Facility will be drawn up to the then Maximum Available Commitment under such Liquidity Facility (the “Downgrade Drawing”), unless no later than 30 days after the occurrence of such Downgrade Event (or, if earlier, the expiration date of such Liquidity Facility), the Rating Agency whose downgrading, suspension or withdrawal of such Liquidity Provider resulted in the occurrence of such Downgrade Event provides a written confirmation to the effect that such downgrading, suspension or withdrawal will not result in a downgrading, withdrawal or suspension of the rating by such Rating Agency for the related Class of Certificates. The proceeds of a Downgrade Drawing will be deposited into a cash collateral account (the “Cash Collateral Account”) for the applicable Class of Certificates and used for the same purposes and under the same circumstances and subject to the same conditions as cash payments of Interest Drawings under such Liquidity Facility would be used. If at any time after the occurrence of a Downgrade Event with respect to a Liquidity Provider, such Liquidity Provider has a Long-Term Rating specified by each Rating Agency in the definition of “Liquidity Threshold Rating” or higher and so notifies the Subordination Agent, amounts on deposit in the applicable Cash Collateral Account that have not been applied to the payment of interest will be reimbursed to such Liquidity Provider and the obligations of such Liquidity Provider under the related Liquidity Facility shall be reinstated to the extent of such amounts which have been reimbursed to such Liquidity Provider. For the avoidance of doubt, the foregoing requirements shall apply to each occurrence of a Downgrade Event with respect to a Liquidity Provider, regardless of whether or not one or more Downgrade Events have occurred prior thereto and whether or not any confirmation by a Rating Agency specified in the foregoing requirements has been obtained with respect to any prior occurrence of a Downgrade Event. (Liquidity Facilities, Section 2.02(c); Intercreditor Agreement, Section 3.5(c)) If a qualified Replacement Facility is subsequently provided, the balance of the applicable Cash Collateral Account will be repaid to the replaced Liquidity Provider.

“Liquidity Threshold Rating” means: (a) in the case of Fitch, a Long-Term Rating of BBB+ with respect to the Liquidity Provider for the Class AA Trust and a Long-Term Rating of BBB with respect to the Liquidity Provider for the Class A Trust, and (b) in the case of Moody’s, a Long-Term Rating of Baa2.

“Long-Term Rating” means, for any entity, (a) in the case of Fitch, long-term issuer default rating of such entity and (b) in the case of Moody’s, the long-term unsecured debt rating of such entity.

If at any time during the 18-month period prior to the final expected Regular Distribution Date, the Pool Balance for a Trust is greater than the aggregate outstanding principal amount of Equipment Notes held in such Trust (other than any Equipment Notes previously sold or with respect to which the collateral securing such Equipment Notes has been disposed of), the Liquidity Provider may, in its discretion, give notice of special termination under the applicable Liquidity Facility (a “Special Termination Notice”). The effect of the delivery of such Special Termination Notice will be to cause (i) such Liquidity Facility to expire on the fifth Business Day after the date on which such Special Termination Notice is received by the Subordination Agent, (ii) the Subordination Agent to promptly request, and the Liquidity Provider to promptly make, a special termination drawing (a “Special Termination Drawing”) in an amount equal to the Maximum Available Commitment thereunder and (iii) all amounts owing to the Liquidity Provider automatically to become accelerated. The proceeds of a Special Termination Drawing will be deposited into the applicable Cash Collateral Account and used for the same purposes under the same circumstances and subject to the same conditions as cash payments of Interest Drawings under such Liquidity Facility would be used. (Liquidity Facilities, Section 6.02; Intercreditor Agreement, Section 3.5(m))

The Liquidity Facility for each Trust provides that the applicable Liquidity Provider’s obligations thereunder will expire on the earliest of:

- The first anniversary of the Issuance Date.
- The date on which the Subordination Agent delivers to such Liquidity Provider a certification that all of the Certificates of such Trust have been paid in full.

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- The date on which the Subordination Agent delivers to such Liquidity Provider a certification that a Replacement Facility has been substituted for such Liquidity Facility.
- The fifth Business Day following receipt by the Subordination Agent of a Termination Notice from such Liquidity Provider (see “—Liquidity Events of Default”).
- The fifth Business Day following receipt by the Subordination Agent of a Special Termination Notice from such Liquidity Provider.
- The date on which no amount is or may (by reason of reinstatement) become available for drawing under such Liquidity Facility.

Each Liquidity Facility provides that it will be extended automatically for additional one-year periods unless the applicable Liquidity Provider advises the Subordination Agent 25 days prior to its then-scheduled expiration date that the expiration date will not be extended. The Intercreditor Agreement will provide that the Liquidity Facility for any applicable Trust may be replaced if such Liquidity Facility is scheduled to expire earlier than 15 days after the Final Maturity Date for the Certificates of such Trust and the expiration date of such Liquidity Facility is not extended by the 25th day prior to its then-scheduled expiration date. If such Liquidity Facility is not so extended or replaced by the 25th day prior to its then-scheduled expiration date, such Liquidity Facility will be drawn in full up to the then Maximum Available Commitment under such Liquidity Facility (the “Non-Extension Drawing”). The proceeds of the Non-Extension Drawing under any Liquidity Facility will be deposited in the Cash Collateral Account for the related Trust to be used for the same purposes and under the same circumstances, and subject to the same conditions, as cash payments of Interest Drawings under such Liquidity Facility would be used. (Liquidity Facilities, Section 2.02(b); Intercreditor Agreement, Section 3.5(d))

Upon receipt by the Subordination Agent of a Termination Notice with respect to any Liquidity Facility from the relevant Liquidity Provider, the Subordination Agent shall request a final drawing (a “Final Drawing”) under such Liquidity Facility, in an amount equal to the then Maximum Available Commitment thereunder. The Subordination Agent will hold the proceeds of the Final Drawing in the Cash Collateral Account for the related Trust as cash collateral to be used for the same purposes and under the same circumstances, and subject to the same conditions, as cash payments of Interest Drawings under such Liquidity Facility would be used. (Liquidity Facilities, Section 2.02(d); Intercreditor Agreement, Section 3.5(i))

Drawings under any Liquidity Facility will be made by delivery by the Subordination Agent of a certificate in the form required by such Liquidity Facility. Upon receipt of such a certificate, the relevant Liquidity Provider is obligated to make payment of the drawing requested thereby in immediately available funds. Upon payment by the relevant Liquidity Provider of the amount specified in any drawing under any Liquidity Facility, such Liquidity Provider will be fully discharged of its obligations under such Liquidity Facility with respect to such drawing and will not thereafter be obligated to make any further payments under such Liquidity Facility in respect of such drawing to the Subordination Agent or any other person.

## **Replacement Liquidity Facility**

A “Replacement Facility” for any Liquidity Facility will mean an irrevocable liquidity facility (or liquidity facilities) in substantially the form of the replaced Liquidity Facility, including reinstatement provisions, or in such other form (which may include a letter of credit) as shall permit the Rating Agencies to confirm in writing their respective ratings then in effect for the Certificates of an applicable Trust (before downgrading of such ratings, if any, as a result of the downgrading of the replaced Liquidity Provider), in a face amount (or in an aggregate face amount) equal to the then Required Amount for the replaced Liquidity Facility and issued by a person (or persons) having a Long-Term Rating issued by each applicable Rating Agency which is equal to or higher than the applicable Liquidity Threshold Rating. (Intercreditor Agreement, Section 1.1) The provider of any Replacement Facility will have the same rights (including, without limitation, priority distribution rights and rights as “Controlling Party” under the Intercreditor Agreement) as the Liquidity Provider being replaced.

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Subject to certain limitations, United may, at its option, arrange for a Replacement Facility at any time to replace the Liquidity Facility for any applicable Trust (including without limitation any Replacement Facility described in the following sentence). In addition, if a Liquidity Provider shall determine not to extend any Replacement Facility, then such Liquidity Provider may, at its option, arrange for another Replacement Facility to replace such Replacement Facility (i) during the period no earlier than 40 days and no later than 25 days prior to the then scheduled expiration date of such Replacement Facility and (ii) at any time after a Non-Extension Drawing has been made under such Liquidity Facility. The Liquidity Provider may also arrange for a Replacement Facility to replace any of its Liquidity Facilities at any time after a Downgrade Drawing under such Liquidity Facility. If any Replacement Facility is provided at any time after a Downgrade Drawing, a Special Termination Drawing or a Non-Extension Drawing under any Liquidity Facility, the funds with respect to such Liquidity Facility on deposit in the Cash Collateral Account for such Trust will be returned to the Liquidity Provider being replaced. (Intercreditor Agreement, Section 3.5(e))

## **Reimbursement of Drawings**

The Subordination Agent must reimburse amounts drawn under any Liquidity Facility by reason of an Interest Drawing, Final Drawing, Downgrade Drawing, Special Termination Drawing or Non-Extension Drawing and interest thereon, but only to the extent that the Subordination Agent has funds available therefor. See “Description of the Intercreditor Agreement—Priority of Distributions”.

### ***Interest Drawings, Special Termination Drawing and Final Drawing***

Amounts drawn by reason of an Interest Drawing, Special Termination Drawing or Final Drawing will be immediately due and payable, together with interest on the amount of such drawing. From the date of the drawing to (but excluding) the third business day following the applicable Liquidity Provider’s receipt of the notice of such Interest Drawing or Final Drawing, interest will accrue at the Base Rate plus 3.75% per annum. Thereafter, interest will accrue at LIBOR for the applicable interest period (or, as described in the fourth paragraph under “—Reimbursement of Drawings—Interest Drawings, Special Termination Drawing and Final Drawing”, the Base Rate) plus 3.75% per annum. Any Special Termination Drawing under the Liquidity Facilities, other than any portion thereof applied to the payment of interest on the Certificates, will bear interest (x) subject to clause (y) below, in an amount equal to the investment earnings on amounts deposited in the Cash Collateral Account attributable to such Liquidity Facility plus a specified rate per annum on the outstanding amount from time to time of such Special Termination Drawing and (y) from and after the date, if any, on which it is converted into a Final Drawing as described below under “—Liquidity Events of Default”, at a rate equal to LIBOR for the applicable interest period (or, as described in the fourth paragraph under “—Interest Drawings, Special Termination Drawing and Final Drawing”, the Base Rate) plus 3.75% per annum.

“Base Rate” means, on any day, a fluctuating interest rate per annum in effect from time to time, which rate per annum shall at all times be equal to (a) the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers, as published for such day (or, if such day is not a business day, for the next preceding business day) by the Federal Reserve Bank of New York, or if such rate is not so published for any day that is a business day, the average of the quotations for such day for such transactions received by the applicable Liquidity Provider from three Federal funds brokers of recognized standing selected by it, plus (b) one-quarter of one percent (1/4 of 1%).

“LIBOR” means, with respect to any interest period, (i) the rate per annum appearing on Reuters Screen LIBOR01 Page (or any successor or substitute therefor) at approximately 11:00 a.m. (London time) two business days before the first day of such interest period, as the rate for dollar deposits with a maturity comparable to such interest period, or (ii) if the rate calculated pursuant to clause (i) above is not available, the average (rounded upwards, if necessary, to the next 1/16 of 1%) of the rates per annum at which deposits in dollars are offered for the relevant interest period by three banks of recognized standing selected by the applicable Liquidity Provider in the London interbank market at approximately 11:00 a.m. (London time) two business days before the first day

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of such interest period in an amount approximately equal to the principal amount of the drawing to which such interest period is to apply and for a period comparable to such interest period; provided that if LIBOR determined as provided above with respect to any interest period would be less than zero percent (0%), then LIBOR for such interest period shall be deemed to be zero percent (0%).

If at any time, a Liquidity Provider shall have determined (which determination shall be conclusive and binding upon the Subordination Agent, absent manifest error) that, by reason of circumstances affecting the relevant interbank lending market generally, LIBOR determined or to be determined for the current or the immediately succeeding interest period will not adequately and fairly reflect the cost to such Liquidity Provider (as conclusively certified by such Liquidity Provider, absent manifest error) of making or maintaining LIBOR advances, such Liquidity Provider shall give notice thereof (a "Rate Determination Notice") to the Subordination Agent. If such notice is given, then the outstanding principal amount of the LIBOR advances under the applicable Liquidity Facility shall be converted to Base Rate advances effective from the date of the Rate Determination Notice; provided that the rate then applicable in respect of such Base Rate advances shall be increased by one percent (1.00%). Each applicable Liquidity Provider shall withdraw a Rate Determination Notice given under the applicable Liquidity Facility when such Liquidity Provider determines that the circumstances giving rise to such Rate Determination Notice no longer apply to such Liquidity Provider, and the Base Rate advances under the applicable Liquidity Facility shall be converted to LIBOR advances effective as of the first day of the next succeeding interest period after the date of such withdrawal. Each change in the Base Rate shall become effective immediately. (Liquidity Facilities, Section 3.07(g))

### ***Downgrade Drawings and Non-Extension Drawings***

The amount drawn under any Liquidity Facility by reason of a Downgrade Drawing or a Non-Extension Drawing will be treated as follows:

- Such amount will be released on any Distribution Date to the applicable Liquidity Provider to the extent that such amount exceeds the Required Amount.
- Any portion of such amount withdrawn from the Cash Collateral Account for such Certificates to pay interest on such Certificates will be treated in the same way as Interest Drawings.
- The balance of such amount will be invested in certain specified eligible investments.

Any Downgrade Drawing under any Liquidity Facility, other than any portion thereof applied to the payment of interest on the applicable Certificates, will bear interest (x) subject to clause (y) below, in an amount equal to the investment earnings (subject to a specified minimum) on amounts deposited in the Cash Collateral Account attributable to such Liquidity Facility plus a specified rate per annum on the outstanding amount from time to time of such Downgrade Drawing and (y) from and after the date, if any, on which it is converted into a Final Drawing as described below under "—Liquidity Events of Default", at a rate equal to LIBOR for the applicable interest period (or, as described in the fourth paragraph under "—Interest Drawings, Special Termination Drawing and Final Drawing", the Base Rate) plus 3.75% per annum.

Any Non-Extension Drawing under any Liquidity Facility, other than any portion thereof applied to the payment of interest on the applicable Certificates, will bear interest (x) subject to clause (y) below, in an amount equal to the investment earnings on amounts deposited in the Cash Collateral Account attributable to such Liquidity Facility plus a specified rate per annum on the outstanding amount from time to time of such Non-Extension Drawing and (y) from and after the date, if any, on which it is converted into a Final Drawing as described below under "—Liquidity Events of Default", at a rate equal to LIBOR for the applicable interest period (or, as described in the fourth paragraph under "—Interest Drawings, Special Termination Drawing and Final Drawing", the Base Rate) plus 3.75% per annum.

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### **Liquidity Events of Default**

Events of default under each Liquidity Facility (each, a “Liquidity Event of Default”) will consist of:

- The acceleration of all of the Equipment Notes (provided, that if such acceleration occurs during the Delivery Period, the aggregate principal amount thereof exceeds \$450 million).
- Certain bankruptcy or similar events involving United. (Liquidity Facilities, Section 1.01)

If (i) any Liquidity Event of Default under any Liquidity Facility has occurred and is continuing and (ii) less than 65% of the aggregate outstanding principal amount of all Equipment Notes (other than any Additional Equipment Notes, if any) are Performing Equipment Notes, the applicable Liquidity Provider may, in its discretion, give a notice of termination of such Liquidity Facility to the Subordination Agent (a “Termination Notice”). The Termination Notice will have the following consequences:

- Such Liquidity Facility will expire on the fifth Business Day after the date on which such Termination Notice is received by the Subordination Agent.
- The Subordination Agent will promptly request, and the applicable Liquidity Provider will make, a Final Drawing thereunder in an amount equal to the then Maximum Available Commitment thereunder.
- Any drawing remaining unreimbursed as of the date of termination will be automatically converted into a Final Drawing under such Liquidity Facility.
- All amounts owing to the applicable Liquidity Provider automatically will be accelerated.

Notwithstanding the foregoing, the Subordination Agent will be obligated to pay amounts owing to the applicable Liquidity Provider only to the extent of funds available therefor after giving effect to the payments in accordance with the provisions set forth under “Description of the Intercreditor Agreement—Priority of Distributions”. (Liquidity Facilities, Section 2.09) Upon the circumstances described below under “Description of the Intercreditor Agreement—Intercreditor Rights”, such Liquidity Provider may become the Controlling Party with respect to the exercise of remedies under the Indentures. (Intercreditor Agreement, Section 2.6(c))

### **Liquidity Provider**

The initial Liquidity Provider for each Liquidity Facility will be Commonwealth Bank of Australia, New York Branch. The Liquidity Provider meets the Liquidity Threshold Rating.

## DESCRIPTION OF THE INTERCREDITOR AGREEMENT

The following summary describes the material provisions of the Intercreditor Agreement (the “Intercreditor Agreement”) among the Trustees, the Liquidity Provider and Wilmington Trust, National Association, as subordination agent (the “Subordination Agent”). The summary does not purport to be complete and is qualified in its entirety by reference to all of the provisions of the Intercreditor Agreement, which will be filed as an exhibit to a Current Report on Form 8-K to be filed by United with the Commission.

### Intercreditor Rights

#### *Controlling Party*

Each Loan Trustee will be directed in taking, or refraining from taking, any action under an Indenture or with respect to the Equipment Notes issued under such Indenture, by the holders of at least a majority of the outstanding principal amount of the Equipment Notes issued under such Indenture, so long as no Indenture Default shall have occurred and be continuing thereunder. For so long as the Subordination Agent is the registered holder of the Equipment Notes, the Subordination Agent will act with respect to the preceding sentence in accordance with the directions of the Trustees for whom the Equipment Notes issued under such Indenture are held as Trust Property, to the extent constituting, in the aggregate, directions with respect to the required principal amount of Equipment Notes.

After the occurrence and during the continuance of an Indenture Default under an Indenture, each Loan Trustee will be directed in taking, or refraining from taking, any action thereunder or with respect to the Equipment Notes issued under such Indenture, including acceleration of such Equipment Notes or foreclosing the lien on the related Aircraft, by the Controlling Party, subject to the limitations described below. See “Description of the Certificates—Indenture Defaults and Certain Rights Upon an Indenture Default” for a description of the rights of the Certificateholders of each Trust to direct the respective Trustees.

The “Controlling Party” will be:

- The Class AA Trustee.
- Upon payment of Final Distributions to the holders of Class AA Certificates, the Class A Trustee.
- Under certain circumstances, and notwithstanding the foregoing, the Liquidity Provider (including, if any Class B Certificates are issued, the liquidity provider for the Class B Certificates) with the largest amount owed to it, as discussed in the next paragraph.

At any time after 18 months from the earliest to occur of (x) the date on which the entire available amount under any Liquidity Facility shall have been drawn (for any reason other than a Downgrade Drawing, Special Termination Drawing or Non-Extension Drawing that has not been converted into a Final Drawing) and shall remain unreimbursed, (y) the date on which the entire amount of any Downgrade Drawing, Special Termination Drawing or Non-Extension Drawing shall have been withdrawn from the relevant Cash Collateral Account to pay interest on the relevant Class of Certificates and shall remain unreimbursed and (z) the date on which all Equipment Notes shall have been accelerated (provided that if such acceleration occurs prior to the Delivery Period Termination Date, the aggregate principal amount thereof exceeds \$450 million), the Liquidity Provider (including, if any Class B Certificates are issued, the liquidity provider for the Class B certificates) with the highest outstanding amount of Liquidity Obligations (so long as such Liquidity Provider has not defaulted in its obligation to make any drawing under any Liquidity Facility) shall have the right to become the Controlling Party.

For purposes of giving effect to the rights of the Controlling Party, each Trustee (to the extent not the Controlling Party) shall irrevocably agree, and the Certificateholders (other than the Certificateholders represented by the Controlling Party) will be deemed to agree by virtue of their purchase of Certificates, that the

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Subordination Agent, as record holder of the Equipment Notes, shall exercise its voting rights in respect of the Equipment Notes as directed by the Controlling Party. (Intercreditor Agreement, Section 2.6) For a description of certain limitations on the Controlling Party's rights to exercise remedies, see "Description of the Equipment Notes—Remedies".

"Final Distributions" means, with respect to the Certificates of any Trust on any Distribution Date, the sum of (x) the aggregate amount of all accrued and unpaid interest on such Certificates (excluding interest payable on the Deposits relating to such Trust) and (y) the Pool Balance of such Certificates as of the immediately preceding Distribution Date (less the amount of the Deposits for such Class of Certificates as of such preceding Distribution Date other than any portion of such Deposits thereafter used to acquire Equipment Notes pursuant to the Note Purchase Agreement). For purposes of calculating Final Distributions with respect to the Certificates of any Trust, any premium paid on the Equipment Notes held in such Trust which has not been distributed to the Certificateholders of such Trust (other than such premium or a portion thereof applied to the payment of interest on the Certificates of such Trust or the reduction of the Pool Balance of such Trust) shall be added to the amount of such Final Distributions.

### ***Limitation on Exercise of Remedies***

So long as any Certificates are outstanding, during nine months after the earlier of (x) the acceleration of the Equipment Notes under any Indenture and (y) the bankruptcy or insolvency of United, without the consent of each Trustee (and each Additional Trustee, if any Additional Junior Certificates are outstanding), no Aircraft subject to the lien of such Indenture or such Equipment Notes may be sold in the exercise of remedies under such Indenture, if the net proceeds from such sale would be less than the Minimum Sale Price for such Aircraft or such Equipment Notes.

"Minimum Sale Price" means, with respect to any Aircraft or the Equipment Notes issued in respect of such Aircraft, at any time, in the case of the sale of an Aircraft, 75%, or in the case of the sale of related Equipment Notes, 85%, of the Appraised Current Market Value of such Aircraft.

Following the occurrence and during the continuation of an Indenture Default under any Indenture, in the exercise of remedies pursuant to such Indenture, the Loan Trustee under such Indenture may be directed to lease the Aircraft to any person (including United) so long as the Loan Trustee in doing so acts in a "commercially reasonable" manner within the meaning of Article 9 of the Uniform Commercial Code as in effect in any applicable jurisdiction (including Sections 9-610 and 9-627 thereof).

If following certain events of bankruptcy, reorganization or insolvency with respect to United described in the Intercreditor Agreement (a "United Bankruptcy Event") and during the pendency thereof, the Controlling Party receives a proposal from or on behalf of United to restructure the financing of any one or more of the Aircraft, the Controlling Party will promptly thereafter give the Subordination Agent and each Trustee (each Additional Trustee, if any Additional Junior Certificates are outstanding) notice of the material economic terms and conditions of such restructuring proposal whereupon the Subordination Agent acting on behalf of each Trustee (and each Additional Trustee, if Additional Junior Certificates are outstanding) will endeavor using reasonable commercial efforts to make such terms and conditions of such restructuring proposal available to all Certificateholders (and, if then outstanding, holders of Additional Junior Certificates) (whether by posting on DTC's Internet board or otherwise) and to each Liquidity Provider that has not made a Final Drawing. Thereafter, neither the Subordination Agent nor any Trustee, whether acting on instructions of the Controlling Party or otherwise, may, without the consent of each Trustee (and each Additional Trustee, if any Additional Junior Certificates are outstanding), enter into any term sheet, stipulation or other agreement (whether in the form of an adequate protection stipulation, an extension under Section 1110(b) of the U.S. Bankruptcy Code or otherwise) to effect any such restructuring proposal with or on behalf of United unless and until the material economic terms and conditions of such restructuring proposal shall have been made available to all Certificateholders (and, if then outstanding, holders of Additional Junior Certificates) and to each Liquidity



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Provider that has not made a Final Drawing for a period of not less than 15 calendar days (except that such requirement shall not apply to any such term sheet, stipulation or other agreement that is entered into on or prior to the expiry of the 60-Day Period and that is effective for a period not longer than three months from the expiry of the 60-Day Period).

In the event that any holder of Class A Certificates or, if issued, of Additional Junior Certificates, gives irrevocable notice of the exercise of its right to purchase all (but not less than all) of the Class of Certificates represented by the then Controlling Party (as described in “Description of the Certificates—Purchase Rights of Certificateholders”), prior to the expiry of the 15-day notice period specified above, such Controlling Party may not direct the Subordination Agent or any Trustee to enter into any such restructuring proposal with respect to any of the Aircraft, unless and until such holder fails to purchase such Class of Certificates on the date that it is required to make such purchase.

### **Post Default Appraisals**

Upon the occurrence and continuation of an Indenture Default under any Indenture, the Subordination Agent will be required to obtain three desktop appraisals from the appraisers selected by the Controlling Party setting forth the current market value, current lease rate and distressed value (in each case, as defined by the International Society of Transport Aircraft Trading) of the Aircraft subject to such Indenture (each such appraisal, an “Appraisal” and the current market value appraisals being referred to herein as the “Post Default Appraisals”). For so long as any Indenture Default shall be continuing under any Indenture, and without limiting the right of the Controlling Party to request more frequent Appraisals, the Subordination Agent will be required to obtain additional Appraisals on the date that is 364 days from the date of the most recent Appraisal or if a United Bankruptcy Event shall have occurred and is continuing, on the date that is 180 days from the date of the most recent Appraisal.

“Appraised Current Market Value” of any Aircraft means the lower of the average and the median of the three most recent Post Default Appraisals of such Aircraft.

### **Priority of Distributions**

All payments in respect of the Equipment Notes and certain other payments received on each Regular Distribution Date or Special Distribution Date (each, a “Distribution Date”) will be promptly distributed by the Subordination Agent on such Distribution Date in the following order of priority:

- To the Subordination Agent, any Trustee, any Certificateholder and any Liquidity Provider to the extent required to pay certain out-of-pocket costs and expenses actually incurred by the Subordination Agent (or reasonably expected to be incurred by the Subordination Agent for the period ending on the next succeeding Regular Distribution Date, which shall not exceed \$150,000 unless approved in writing by the Controlling Party) or the Liquidity Provider or any Trustee or to reimburse any Certificateholder or the Liquidity Provider in respect of payments made to the Subordination Agent or any Trustee in connection with the protection or realization of the value of the Equipment Notes held by the Subordination Agent or any Collateral under (and as defined in) any Indenture (collectively, the “Administration Expenses”).
- To the Liquidity Provider (a) to the extent required to pay the Liquidity Expenses or (b) in the case of a Special Payment on account of the redemption, purchase or prepayment of Equipment Notes issued pursuant to an Indenture (an “Equipment Note Special Payment”), so long as no Indenture Default has occurred and is continuing under any Indenture, the amount of accrued and unpaid Liquidity Expenses that are not yet due, multiplied by the Section 2.4 Fraction or, if an Indenture Default has occurred and is continuing, clause (a) will apply.
- To the Liquidity Provider (a) to the extent required to pay interest accrued on the Liquidity Obligations and if a Special Termination Drawing has been made and has not been converted into a Final Drawing,



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to pay the outstanding amount of such Special Termination Drawing or (b) in the case of an Equipment Note Special Payment, so long as no Indenture Default has occurred and is continuing under any Indenture, to the extent required to pay accrued and unpaid interest then in arrears on the Liquidity Obligations plus an amount equal to the amount of accrued and unpaid interest on the Liquidity Obligations not in arrears, multiplied by the Section 2.4 Fraction and if a Special Termination Drawing has been made and has not been converted into a Final Drawing, the outstanding amount of such Special Termination Drawing or, if an Indenture Default has occurred and is continuing, clause (a) will apply.

- To (i) the Liquidity Provider to the extent required to pay the outstanding amount of all Liquidity Obligations and (ii) if applicable, with respect to any particular Liquidity Facility, unless (in the case of this clause (ii) only) (x) less than 65% of the aggregate outstanding principal amount of all Equipment Notes (other than Additional Equipment Notes, if any) are Performing Equipment Notes and a Liquidity Event of Default shall have occurred and is continuing under such Liquidity Facility or (y) a Final Drawing shall have occurred under such Liquidity Facility or an Interest Drawing for such Liquidity Facility shall have been converted into a Final Drawing, the Subordination Agent to replenish the Cash Collateral Account with respect to such Liquidity Facility up to the Required Amount for the related Class of Certificates.
- To the Subordination Agent, any Trustee or any Certificateholder to the extent required to pay certain fees, taxes, charges and other amounts payable.
- To the Class AA Trustee (a) to the extent required to pay accrued and unpaid interest at the Stated Interest Rate on the Pool Balance of the Class AA Certificates (excluding interest, if any, payable with respect to the Deposits relating to such Class of Certificates) or (b) in the case of an Equipment Note Special Payment, so long as no Indenture Default has occurred and is continuing under any Indenture, to the extent required to pay any such interest that is then due (excluding interest, if any, payable with respect to the Deposits relating to such Class of Certificates) together with (without duplication) accrued and unpaid interest at the Stated Interest Rate on the outstanding principal amount of the Series AA Equipment Notes held in the Class AA Trust being redeemed, purchased or prepaid or, if an Indenture Default has occurred and is continuing, clause (a) will apply.
- To the Class A Trustee (a) to the extent required to pay accrued and unpaid Class A Adjusted Interest on the Class A Certificates (excluding interest, if any, payable with respect to the Deposits relating to such Class of Certificates) or (b) in the case of an Equipment Note Special Payment, so long as no Indenture Default has occurred and is continuing under any Indenture, to the extent required to pay any such Class A Adjusted Interest that is then due (excluding interest, if any, payable with respect to the Deposits relating to such Class of Certificates) or, if an Indenture Default has occurred and is continuing, clause (a) will apply.
- To the Class AA Trustee to the extent required to pay Expected Distributions on the Class AA Certificates.
- To the Class A Trustee (a) to the extent required to pay accrued and unpaid interest at the Stated Interest Rate on the Pool Balance of the Class A Certificates (other than Class A Adjusted Interest paid above and interest, if any, payable with respect to the Deposits relating to the Class A Trust) or (b) in the case of an Equipment Note Special Payment, so long as no Indenture Default has occurred and is continuing under any Indenture, to the extent required to pay any such interest that is then due (other than Class A Adjusted Interest paid above) (excluding interest, if any, payable with respect to the Deposits relating to such Class of Certificates) together with (without duplication) accrued and unpaid interest at the Stated Interest Rate on the outstanding principal amount of the Series A Equipment Notes held in the Class A Trust and being redeemed, purchased or prepaid or, if an Indenture Default has occurred and is continuing, clause (a) will apply.
- To the Class A Trustee to the extent required to pay Expected Distributions on the Class A Certificates.

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If any Class B Certificates are issued, the Class B Certificates may have the benefit of credit support similar to the Liquidity Facilities or different therefrom and the priority of distributions in the Intercreditor Agreement may be revised so that claims for fees, interest, expenses, reimbursement of advances and other obligations arising from such credit support may rank equally with similar claims in respect of the Liquidity Facilities if certain conditions are met. See “Possible Issuance of Additional Junior Certificates and Refinancing of Certificates”.

If any Additional Junior Certificates have been issued, the priority of distributions in the Intercreditor Agreement may be revised such that certain obligations relating to such Additional Junior Certificates may rank ahead of certain obligations with respect to the Certificates. See “Possible Issuance of Additional Junior Certificates and Refinancing of Certificates”.

“Section 2.4 Fraction” means, with respect to any Special Distribution Date, a fraction, the numerator of which shall be the amount of principal of the applicable Series AA Equipment Notes and Series A Equipment Notes being redeemed, purchased or prepaid on such Special Distribution Date, and the denominator of which shall be the aggregate unpaid principal amount of all Series AA Equipment Notes and Series A Equipment Notes outstanding as of such Special Distribution Date.

“Liquidity Obligations” means the obligations of the Subordination Agent to reimburse or to pay the Liquidity Provider all principal, interest, fees and other amounts owing to it under each Liquidity Facility or certain other agreements.

“Liquidity Expenses” means the Liquidity Obligations other than any interest accrued thereon or the principal amount of any drawing under the Liquidity Facilities.

“Expected Distributions” means, with respect to the Certificates of any Trust on any Distribution Date (the “Current Distribution Date”), the difference between:

(A) the Pool Balance of such Certificates as of the immediately preceding Distribution Date (or, if the Current Distribution Date is the first Distribution Date, the original aggregate face amount of the Certificates of such Trust), and

(B) the Pool Balance of such Certificates as of the Current Distribution Date calculated on the basis that (i) the principal of the Equipment Notes other than Performing Equipment Notes (the “Non-Performing Equipment Notes”) held in such Trust has been paid in full and such payments have been distributed to the holders of such Certificates, (ii) the principal of the Performing Equipment Notes held in such Trust has been paid when due (but without giving effect to any acceleration of Performing Equipment Notes) and such payments have been distributed to the holders of such Certificates and (iii) the principal of any Equipment Notes formerly held in such Trust that have been sold pursuant to the Intercreditor Agreement has been paid in full and such payments have been distributed to the holders of such Certificates, but without giving effect to any reduction in the Pool Balance as a result of any distribution attributable to Deposits occurring after the immediately preceding Distribution Date (or, if the Current Distribution Date is the first Distribution Date, occurring after the initial issuance of the Certificates of such Trust).

For purposes of calculating Expected Distributions with respect to the Certificates of any Trust, any premium paid on the Equipment Notes held in such Trust that has not been distributed to the Certificateholders of such Trust (other than such premium or a portion thereof applied to the payment of interest on the Certificates of such Trust or the reduction of the Pool Balance of such Trust) shall be added to the amount of Expected Distributions.

“Class A Adjusted Interest” means, as of any Distribution Date, (I) any interest described in clause (II) of this definition accruing prior to the immediately preceding Distribution Date which remains unpaid and (II)

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interest at the Stated Interest Rate for the Class A Certificates (x) for the number of days during the period commencing on, and including, the immediately preceding Distribution Date (or, if the current Distribution Date is the first Distribution Date, the Issuance Date) and ending on, but excluding, the current Distribution Date, on the Preferred A Pool Balance on such Distribution Date and (y) on the principal amount calculated pursuant to clauses (B)(i), (ii), (iii) and (iv) of the definition of Preferred A Pool Balance for each Series A Equipment Note with respect to which a disposition, distribution, sale or Deemed Disposition Event has occurred since the immediately preceding Distribution Date (but only if no such event has previously occurred with respect to such Series A Equipment Note), for each day during the period, for each such Series A Equipment Note, commencing on, and including, the immediately preceding Distribution Date (or, if the current Distribution Date is the first Distribution Date, the Issuance Date) and ending on, but excluding the date of disposition, distribution, sale or Deemed Disposition Event with respect to such Series A Equipment Note, Aircraft or Collateral under (and as defined in) the related Indenture, as the case may be.

“Preferred A Pool Balance” means, as of any date, the excess of (A) the Pool Balance of the Class A Certificates as of the immediately preceding Distribution Date (or, if such date is on or before the first Distribution Date, the original aggregate face amount of the Class A Certificates) (after giving effect to payments made on such date) over (B) the sum of (i) the outstanding principal amount of each Series A Equipment Note that remains unpaid as of such date subsequent to the disposition of the Collateral under (and as defined in) the related Indenture and after giving effect to any distributions of the proceeds of such disposition applied under such Indenture to the payment of each such Series A Equipment Note, (ii) the outstanding principal amount of each Series A Equipment Note that remains unpaid as of such date subsequent to the scheduled date of mandatory redemption of such Series A Equipment Note following an Event of Loss with respect to the Aircraft which secured such Series A Equipment Note and after giving effect to the distributions of any proceeds in respect of such Event of Loss applied under such Indenture to the payment of each such Series A Equipment Note, (iii) the excess, if any, of (x) the outstanding amount of principal and interest as of the date of sale of each Series A Equipment Note previously sold over (y) the purchase price received with respect to the sale of such Series A Equipment Note (net of any applicable costs and expenses of sale) and (iv) the outstanding principal amount of any Series A Equipment Note with respect to which a Deemed Disposition Event has occurred; provided, however, that if more than one of the clauses (i), (ii), (iii) and (iv) is applicable to any one Series A Equipment Note, only the amount determined pursuant to the clause that first became applicable shall be counted with respect to such Series A Equipment Note.

“Deemed Disposition Event” means, in respect of any Equipment Note, the continuation of an Indenture Default in respect of such Equipment Note without an Actual Disposition Event occurring in respect of such Equipment Note for a period of five years from the date of the occurrence of such Indenture Default.

“Actual Disposition Event” means, in respect of any Equipment Note, (i) the disposition of the Aircraft securing such Equipment Note, (ii) the occurrence of the mandatory redemption date for such Equipment Note following an Event of Loss with respect to the Aircraft which secured such Equipment Note or (iii) the sale of such Equipment Note.

Interest Drawings under the applicable Liquidity Facility and withdrawals from the applicable Cash Collateral Account in respect of interest on the Certificates of the Class AA or A Trust, as applicable, will be distributed to the Trustee for such Trust, notwithstanding the priority of distributions set forth in the Intercreditor Agreement and otherwise described herein. All amounts on deposit in the Cash Collateral Account for any such Trust that are in excess of the Required Amount will be paid to the applicable Liquidity Provider.

### **Voting of Equipment Notes**

In the event that the Subordination Agent, as the registered holder of any Equipment Note, receives a request for its consent to any amendment, supplement, modification, consent or waiver under such Equipment Note or the related Indenture (or, if applicable, the related Participation Agreement or other related document),

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(i) if no Indenture Default shall have occurred and be continuing with respect to such Indenture, the Subordination Agent shall request directions from each applicable Trustee and shall vote or consent in accordance with such directions and (ii) if any Indenture Default shall have occurred and be continuing with respect to such Indenture, the Subordination Agent will exercise its voting rights as directed by the Controlling Party, subject to certain limitations; provided that no such amendment, modification, consent or waiver shall, without the consent of the Liquidity Provider and each affected Certificateholder, reduce the amount of principal or interest payable by United under any Equipment Note or change the time of payments or method of calculation of any amount under any Equipment Note. (Intercreditor Agreement, Section 9.1(b))

### **List of Certificateholders**

Upon the occurrence of an Indenture Default, the Subordination Agent shall instruct the Trustee to, and the Trustee shall, request that DTC post on its Internet bulletin board a securities position listing setting forth the names of all the parties reflected on DTC's books as holding interests in the Certificates.

### **Reports**

Promptly after the occurrence of a Triggering Event or an Indenture Default resulting from the failure of United to make payments on any Equipment Note and on every Regular Distribution Date while the Triggering Event or such Indenture Default shall be continuing, the Subordination Agent will provide to the Trustee, the Liquidity Provider, the Rating Agencies and United a statement setting forth the following information:

- After a bankruptcy of United, with respect to each Aircraft, whether such Aircraft is (i) subject to the 60-day period of Section 1110 of the U.S. Bankruptcy Code, (ii) subject to an election by United under Section 1110(a) of the U.S. Bankruptcy Code, (iii) covered by an agreement contemplated by Section 1110(b) of the U.S. Bankruptcy Code or (iv) not subject to any of (i), (ii) or (iii).
- To the best of the Subordination Agent's knowledge, after requesting such information from United, (i) whether the Aircraft are currently in service or parked in storage, (ii) the maintenance status of the Aircraft and (iii) the location of the Engines (as defined in the Indentures). United has agreed to provide such information upon request of the Subordination Agent, but no more frequently than every three months with respect to each Aircraft so long as it is subject to the lien of an Indenture.
- The current Pool Balance of the Certificates, the Preferred A Pool Balance and outstanding principal amount of all Equipment Notes for all Aircraft.
- The expected amount of interest which will have accrued on the Equipment Notes and on the Certificates as of the next Regular Distribution Date.
- The amounts paid to each person on such Distribution Date pursuant to the Intercreditor Agreement.
- Details of the amounts paid on such Distribution Date identified by reference to the relevant provision of the Intercreditor Agreement and the source of payment (by Aircraft and party).
- If the Subordination Agent has made a Final Drawing under any Liquidity Facility.
- The amounts currently owed to each Liquidity Provider.
- The amounts drawn under each Liquidity Facility.
- After a United Bankruptcy Event, any operational reports filed by United with the bankruptcy court which are available to the Subordination Agent on a non-confidential basis.

### **The Subordination Agent**

Wilmington Trust, National Association will be the Subordination Agent under the Intercreditor Agreement. United and its affiliates may from time to time enter into banking and trustee relationships with the

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Subordination Agent and its affiliates. The Subordination Agent's address is Wilmington Trust, National Association, 1100 North Market Street, Wilmington, Delaware 19890-1605, Attention: Corporate Trust Administration.

The Subordination Agent may resign at any time, in which event a successor Subordination Agent will be appointed as provided in the Intercreditor Agreement. The Controlling Party may remove the Subordination Agent for cause as provided in the Intercreditor Agreement. In such circumstances, a successor Subordination Agent will be appointed as provided in the Intercreditor Agreement. Any resignation or removal of the Subordination Agent and appointment of a successor Subordination Agent does not become effective until acceptance of the appointment by the successor Subordination Agent. (Intercreditor Agreement, Section 8.1)

**DESCRIPTION OF THE AIRCRAFT AND THE APPRAISALS**

**The Aircraft**

The 18 aircraft to be financed pursuant to this Offering (collectively, the “Aircraft”) will consist of four new Boeing 737-824 aircraft, five new Boeing 737-924ER aircraft, two new Boeing 787-9 aircraft and seven new Boeing 777-322ER aircraft scheduled for delivery from January 2016 to March 2017 (four of which have been delivered prior to the date hereof). See “—The Appraisals” for a description of the 18 aircraft that may be financed with the proceeds of this Offering.

***Boeing 737-824 Aircraft***

The Boeing 737-824 aircraft is a medium-range aircraft with a seating capacity of approximately 166 passengers. The engine type utilized on United’s 737-824 aircraft is the CFM International, Inc. CFM56-7B27.

***Boeing 737-924ER Aircraft***

The Boeing 737-924ER aircraft is a medium-range aircraft with a seating capacity of approximately 179 passengers. The engine type utilized on United’s 737-924ER aircraft is the CFM International, Inc. CFM56-7B27.

***Boeing 787-9 Aircraft***

The Boeing 787-9 aircraft is a long-range aircraft with a seating capacity of approximately 252 passengers. The engine type utilized on United’s 787-9 aircraft is the General Electric GENx-1B74/75.

***Boeing 777-322ER Aircraft***

The Boeing 777-322ER aircraft is a long-range aircraft with a seating capacity between 350 to 390 passengers. The engine type utilized on United’s 777-322ER aircraft is the General Electric GE90-115BL.

**The Appraisals**

The table below sets forth the appraised values of the aircraft to be financed with the proceeds of this Offering, as determined by Aircraft Information Services, Inc. (“AIS”), BK Associates, Inc. (“BK”) and Morten Beyer & Agnew, Inc. (“MBA”), independent aircraft appraisal and consulting firms (the “Appraisers”).

Aircraft Type	Registration Number(1)	Manufacturer’s Serial Number(1)	Delivery Month(1)	Appraiser’s Valuations			Appraised Value(2)
				AISI	BK	MBA	
Boeing 737-824	N76532	62749	June 2016	\$ 52,390,000	\$ 51,000,000	\$ 48,400,000	\$ 50,596,667
Boeing 737-824	N76533	62748	June 2016	52,390,000	51,000,000	48,400,000	50,596,667
Boeing 737-824	N86534	62750	August 2016	52,570,000	51,250,000	48,610,000	50,810,000
Boeing 737-824	N77535	62751	August 2016	52,570,000	51,250,000	48,610,000	50,810,000
Boeing 737-924ER	N66893	42197	January 2016	51,320,000	52,390,000	51,350,000	51,350,000
Boeing 737-924ER	N62894	42198	February 2016	51,780,000	52,500,000	51,450,000	51,780,000
Boeing 737-924ER	N62895	62769	October 2016	53,620,000	54,400,000	52,230,000	53,416,667
Boeing 737-924ER	N62896	62768	October 2016	53,620,000	54,400,000	52,230,000	53,416,667
Boeing 737-924ER	N66897	62814	November 2016	53,710,000	54,400,000	52,330,000	53,480,000
Boeing 787-9	N27964	37813	February 2016	140,240,000	141,730,000	134,790,000	138,920,000
Boeing 787-9	N27965	37815	February 2016	140,460,000	141,750,000	134,790,000	139,000,000
Boeing 777-322ER	N58031	62642	December 2016	166,520,000	180,000,000	167,260,000	167,260,000
Boeing 777-322ER	N59032	62644	January 2017	166,800,000	180,600,000	167,570,000	167,570,000
Boeing 777-322ER	N59033	62643	January 2017	166,800,000	180,600,000	167,570,000	167,570,000
Boeing 777-322ER	N59034	62646	February 2017	167,070,000	180,600,000	167,710,000	167,710,000
Boeing 777-322ER	N59035	62645	February 2017	167,070,000	180,600,000	167,710,000	167,710,000
Boeing 777-322ER	N59036	62648	March 2017	167,350,000	180,600,000	167,850,000	167,850,000
Boeing 777-322ER	N54037	62649	March 2017	167,350,000	180,600,000	167,850,000	167,850,000

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- (1) The indicated registration number, manufacturer's serial number and delivery month for each aircraft not yet delivered to United reflect our current expectations, although these may differ for the actual Aircraft financed hereunder. The financing pursuant to this Offering of each Aircraft is expected to be effected at or around the time of delivery of such Aircraft by the manufacturer to United, or, in the case of an Aircraft delivered to United in 2016 prior to the date hereof, after United's determination to so finance such Aircraft. The actual delivery date for any aircraft may be subject to delay or acceleration. See "—Timing of Financing the Aircraft". United has certain rights to substitute other aircraft if the scheduled delivery date of any aircraft is delayed for more than 30 days after the month scheduled for delivery. See "—Substitute Aircraft".
- (2) The appraised value of each aircraft set forth above is the lesser of the average and median values of such aircraft as appraised by the Appraisers.

For purposes of the foregoing chart, AISI, BK and MBA were each asked to provide its opinion as to the appraised base value of each aircraft, projected as of the scheduled delivery month of the applicable aircraft. As part of this process, all three Appraisers performed "desk top" appraisals without any physical inspection of the aircraft. The appraisals are based on various assumptions and methodologies, which vary among the appraisals. The Appraisers have delivered letters summarizing their respective appraisals, copies of which are annexed to this Prospectus Supplement as Appendix II. For a discussion of the assumptions and methodologies used in each of the appraisals, reference is hereby made to such summaries.

An appraisal is only an estimate of value. It is not indicative of the price at which an aircraft may be purchased from the manufacturer. Nor should it be relied upon as a measure of realizable value. The proceeds realized upon a sale of any Aircraft may be less than its appraised value. The value of the Aircraft in the event of the exercise of remedies under the applicable Indenture will depend on market and economic conditions, the availability of buyers, the condition of the Aircraft and other similar factors. Accordingly, there can be no assurance that the proceeds realized upon any such exercise with respect to the Equipment Notes and the Aircraft pursuant to the applicable Indenture would equal the appraised value of such Aircraft or be sufficient to satisfy in full payments due on such Equipment Notes or the Certificates. See "Risk Factors—Risk Factors Relating to the Certificates and the Offering—The Appraisals are only estimates of Aircraft value."

### **Timing of Financing the Aircraft**

The aircraft that may be financed with the proceeds of this Offering are scheduled for delivery under United's purchase agreements with The Boeing Company ("Boeing") from January 2016 through March 2017 (four of which have been delivered prior to the date hereof). See the table under "—The Appraisals" for the scheduled month of delivery of each such aircraft. Under such purchase agreements, delivery of an aircraft may be delayed due to "excusable delay", which is defined to include, among other things, acts of God, governmental acts or failures to act, strikes or other labor troubles, inability to procure materials, or any other cause beyond the applicable manufacturer's control or not occasioned by the applicable manufacturer's fault or negligence.

The Note Purchase Agreement provides that the period for financing the Aircraft under this Offering (the "Delivery Period") will expire on June 30, 2017. In addition, if a labor strike occurs at Boeing prior to the scheduled expiration of the Delivery Period, the expiration date of the Delivery Period will be extended by the number of days that such strike continued in effect, but not more than 60 days.

If the scheduled delivery date of any aircraft that may be financed with the proceeds of this Offering is delayed by more than 30 days after the month scheduled for delivery, United has the right to replace such aircraft with a Substitute Aircraft, subject to certain conditions. See "—Substitute Aircraft". If delivery of any such aircraft is delayed beyond the Delivery Period Termination Date and United does not exercise its right to replace such aircraft with a Substitute Aircraft, there will be unused Deposits that will be distributed to Certificateholders together with accrued and unpaid interest thereon but without a premium. See "Description of the Deposit Agreements—Unused Deposits".

**Substitute Aircraft**

If the scheduled delivery date for any aircraft that may be financed with the proceeds of this Offering is delayed by more than 30 days after the month scheduled for delivery, United may identify for delivery a substitute aircraft (each, together with the substitute aircraft referred to below, a “Substitute Aircraft”) therefor meeting the following conditions:

- A Substitute Aircraft must be of the same model as the aircraft being replaced.
- United will be obligated to obtain written confirmation from each Rating Agency that substituting such Substitute Aircraft for the replaced aircraft will not result in a withdrawal, suspension or downgrading of the ratings of any Class of Certificates.



## DESCRIPTION OF THE EQUIPMENT NOTES

The following summary describes the material terms of the Equipment Notes. The summary makes use of terms defined in, and is qualified in its entirety by reference to all of the provisions of, the Equipment Notes, the Indentures, the Participation Agreements and the Note Purchase Agreement. The Note Purchase Agreement and the forms of the Equipment Notes, the Indentures and the Participation Agreements each will be filed as an exhibit to a Current Report on Form 8-K to be filed by United with the Commission. Except as otherwise indicated, the following summaries relate to the Equipment Notes, the Indenture and the Participation Agreement that may be applicable to each Aircraft.

Under the Note Purchase Agreement, United will enter into a secured debt financing with respect to each Aircraft. The Note Purchase Agreement provides for the relevant parties to enter into a Participation Agreement and an Indenture relating to the financing of each Aircraft.

The description of such financing agreements in this Prospectus Supplement is based on the forms of such agreements annexed to the Note Purchase Agreement. However, the terms of the financing agreements actually entered into may differ from the forms of such agreements and, consequently, may differ from the description of such agreements contained in this Prospectus Supplement. Although such changes are permitted, under the Note Purchase Agreement the terms of such agreements must not vary the Required Terms. In addition, United will be obligated to certify to the Trustees that any substantive modifications do not materially and adversely affect the Certificateholders. United must also obtain written confirmation from each Rating Agency that the use of financing agreements modified in any material respect from the forms attached to the Note Purchase Agreement would not result in a withdrawal, suspension or downgrading of the ratings of any Class of Certificates. See “Description of the Certificates—Obligation to Purchase Equipment Notes”.

### General

Equipment Notes will be issued in two series with respect to each Aircraft (the “Series AA Equipment Notes” and the “Series A Equipment Notes” and, collectively, the “Equipment Notes”). United may elect to issue one or more series of Additional Equipment Notes with respect to an Aircraft at any time, which will be funded from sources other than this Offering and will be subordinated in right of payment to the Equipment Notes. See “Possible Issuance of Additional Junior Certificates and Refinancing of Certificates”. The Equipment Notes with respect to each Aircraft will be issued under a separate Indenture among United and Wilmington Trust, National Association, as indenture trustee thereunder (each, a “Loan Trustee”).

United’s obligations under the Equipment Notes will be general obligations of United.

### Subordination

The Indentures provide for the following subordination provisions applicable to the Equipment Notes:

- Series AA Equipment Notes issued in respect of an Aircraft will rank senior in right of payment to other Equipment Notes issued in respect of such Aircraft.
- Series A Equipment Notes issued in respect of an Aircraft will rank junior in right of payment to the Series AA Equipment Notes issued in respect of such Aircraft.

If United elects to issue Additional Equipment Notes with respect to an Aircraft, they will be subordinated in right of payment to the Series AA and Series A Equipment Notes issued with respect to such Aircraft. See “Possible Issuance of Additional Junior Certificates and Refinancing of Certificates”.

### Principal and Interest Payments

Subject to the provisions of the Intercreditor Agreement, interest paid on the Equipment Notes held in each Trust will be passed through to the Certificateholders of such Trust on the dates and at the rate per annum set

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forth on the cover page of this Prospectus Supplement with respect to Certificates issued by such Trust until the final expected Regular Distribution Date for such Trust. Subject to the provisions of the Intercreditor Agreement, principal paid on the Equipment Notes held in each Trust will be passed through to the Certificateholders of such Trust in scheduled amounts on the dates set forth herein until the final expected Regular Distribution Date for such Trust.

Interest will be payable on the unpaid principal amount of each Equipment Note at the rate applicable to such Equipment Note on January 7 and July 7 of each year, commencing on the first such date to occur after initial issuance thereof (but not before January 7, 2017). Such interest will be computed on the basis of a 360-day year of twelve 30-day months.

Scheduled principal payments on the Equipment Notes will be made on January 7 and July 7 of each year, commencing on January 7, 2018. See “Description of the Certificates—Pool Factors” for a discussion of the scheduled payments of principal of the Equipment Notes and possible revisions thereto.

If any date scheduled for a payment of principal, premium (if any) or interest with respect to the Equipment Notes is not a Business Day, such payment will be made on the next succeeding Business Day, without any additional interest.

United is also required to pay under each Indenture such Indenture’s pro rata share of:

- the fees, the interest payable on drawings under each Liquidity Facility in excess of earnings on cash deposits from such drawings plus certain other amounts and certain other payments due to the Liquidity Provider under each Liquidity Facility and
- compensation and certain expenses payable to the Pass Through Trustee and the Subordination Agent.

## **Redemption**

If an Event of Loss occurs with respect to an Aircraft and such Aircraft is not replaced by United under the related Indenture, the Equipment Notes issued with respect to such Aircraft will be redeemed, in whole, in each case at a price equal to the aggregate unpaid principal amount thereof, together with accrued interest thereon to, but not including, the date of redemption, but without premium, on a Special Distribution Date. (Indentures, Section 2.10)

All of the Equipment Notes issued with respect to an Aircraft may be redeemed prior to maturity at any time, at the option of United, only if all outstanding Equipment Notes with respect to all other Aircraft are simultaneously redeemed. In addition, United may elect to redeem the Series A Equipment Notes issued with respect to all Aircraft in connection with a refinancing of such Series. The redemption price for any optional redemption will be the unpaid principal amount of the relevant Equipment Notes, together with accrued and unpaid interest thereon to, but not including, the date of redemption, plus a Make-Whole Premium. (Indentures, Section 2.11) See “Possible Issuance of Additional Junior Certificates and Refinancing of Certificates”.

“Make-Whole Premium” means, with respect to any Equipment Note, an amount (as determined by an independent investment bank of national standing) equal to the excess, if any, of (a) the present value of the remaining scheduled payments of principal and interest to maturity of such Equipment Note computed by discounting such payments on a semiannual basis on each payment date under the applicable Indenture (assuming a 360-day year of twelve 30-day months) using a discount rate equal to the Treasury Yield plus the applicable Make-Whole Spread over (b) the outstanding principal amount of such Equipment Note plus accrued interest to the date of determination. The “Make-Whole Spread” applicable to each Series of Equipment Notes is set forth below:

	<u>Make-Whole Spread</u>
Series AA Equipment Notes	0.25%
Series A Equipment Notes	0.30%

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For purposes of determining the Make-Whole Premium, “Treasury Yield” means, at the date of determination with respect to any Equipment Note, the interest rate (expressed as a decimal and, in the case of United States Treasury bills, converted to a bond equivalent yield) determined to be the per annum rate equal to the semiannual yield to maturity for United States Treasury securities maturing on the Average Life Date of such Equipment Note and trading in the public securities markets either as determined by interpolation between the most recent weekly average yield to maturity for two series of United States Treasury securities trading in the public securities markets, (A) one maturing as close as possible to, but earlier than, the Average Life Date of such Equipment Note and (B) the other maturing as close as possible to, but later than, the Average Life Date of such Equipment Note, in each case as published in the most recent H.15(519) or, if a weekly average yield to maturity for United States Treasury securities maturing on the Average Life Date of such Equipment Note is reported in the most recent H.15(519), such weekly average yield to maturity as published in such H.15(519). “H.15(519)” means the weekly statistical release designated as such, or any successor publication, published by the Board of Governors of the Federal Reserve System. The date of determination of a Make-Whole Premium shall be the third Business Day prior to the applicable payment or redemption date and the “most recent H.15(519)” means the H.15(519) published prior to the close of business on the third Business Day prior to the applicable payment or redemption date.

“Average Life Date” for any Equipment Note shall be the date which follows the time of determination by a period equal to the Remaining Weighted Average Life of such Equipment Note.

“Remaining Weighted Average Life” on a given date with respect to any Equipment Note shall be the number of days equal to the quotient obtained by dividing (a) the sum of each of the products obtained by multiplying (i) the amount of each then remaining scheduled payment of principal of such Equipment Note by (ii) the number of days from and including such determination date to but excluding the date on which such payment of principal is scheduled to be made, by (b) the then outstanding principal amount of such Equipment Note.

## **Security**

### ***Aircraft***

The Equipment Notes issued with respect to each Aircraft will be secured by a security interest in such Aircraft and each of the other Aircraft for which Equipment Notes are outstanding and an assignment to the Loan Trustee of certain of United’s rights under warranties with respect to the Aircraft.

Since the Equipment Notes are cross-collateralized, any proceeds from the sale of an Aircraft securing Equipment Notes or other exercise of remedies under an Indenture with respect to such Aircraft will (subject to the provisions of the U.S. Bankruptcy Code) be available for application to shortfalls with respect to obligations due under the other Equipment Notes at the time such proceeds are received. In the absence of any such shortfall, excess proceeds will be held as additional collateral by the Loan Trustee under such Indenture for such other Equipment Notes. However, if an Equipment Note ceases to be held by the Subordination Agent (as a result of sale upon the exercise of remedies or otherwise), it ceases to be entitled to the benefits of cross-collateralization.

See Appendix III to this Prospectus Supplement for tables setting forth the projected loan to value ratios for each of the aircraft that may be financed pursuant to this Offering.

### ***Cash***

Cash, if any, held from time to time by the Loan Trustee with respect to any Aircraft, including funds held as the result of an Event of Loss to such Aircraft, will be invested and reinvested by such Loan Trustee, at the direction of United, in investments described in the related Indenture. (Indentures, Section 6.06)

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### **Limitation of Liability**

Except as otherwise provided in the Indentures, each Loan Trustee, in its individual capacity, will not be answerable or accountable under the Indentures or under the Equipment Notes under any circumstances except, among other things, for its own willful misconduct or gross negligence. (Indentures, Section 7.01)

### **Indenture Defaults, Notice and Waiver**

Events of default under each Indenture (“Indenture Defaults”) will include:

- The failure by United to pay any amount, when due, under such Indenture or under any Equipment Note issued thereunder that continues for more than ten Business Days, in the case of principal, interest or Make-Whole Premium, and, in all other cases, ten Business Days after United receives written notice from the related Loan Trustee.
- Any representation or warranty made by United in such Indenture, the related Participation Agreement or certain related documents furnished to the Loan Trustee or any holder of an Equipment Note pursuant thereto being false or incorrect in any material respect when made that continues to be material and adverse to the interests of the Loan Trustee or Note Holders and remains unremedied after notice and specified cure periods.
- Failure by United to perform or observe any covenant or obligation for the benefit of the Loan Trustee or holders of Equipment Notes under such Indenture or certain related documents that continues after notice and specified cure periods.
- The lapse or cancellation of insurance required under such Indenture.
- The occurrence of an Indenture Default under any other Indenture.
- The occurrence of certain events of bankruptcy, reorganization or insolvency of United. (Indentures, Section 5.01)

The holders of a majority in principal amount of the outstanding Equipment Notes issued with respect to any Aircraft, by notice to the Loan Trustee, may on behalf of all the holders waive any existing default and its consequences under the Indenture with respect to such Aircraft, except a default in the payment of the principal of, or premium or interest on any such Equipment Notes or a default in respect of any covenant or provision of such Indenture that cannot be modified or amended without the consent of each holder of Equipment Notes. (Indentures, Section 5.06) See “Description of the Intercreditor Agreement—Voting of Equipment Notes” regarding the persons entitled to direct the vote of Equipment Notes.

### **Remedies**

If an Indenture Default (other than certain events of bankruptcy, reorganization or insolvency) occurs and is continuing under an Indenture, the related Loan Trustee or the holders of a majority in principal amount of the Equipment Notes outstanding under such Indenture may declare the principal of all such Equipment Notes issued thereunder immediately due and payable, together with all accrued but unpaid interest thereon. If certain events of bankruptcy, reorganization or insolvency occur with respect to United, such amounts shall be due and payable without any declaration or other act on the part of the related Loan Trustee or holders of Equipment Notes. The holders of a majority in principal amount of Equipment Notes outstanding under an Indenture may rescind any declaration of acceleration of such Equipment Notes at any time before the judgment or decree for the payment of the money so due shall be entered if (i) there has been paid to the related Loan Trustee an amount sufficient to pay all principal, interest and premium, if any, on any such Equipment Notes, to the extent such amounts have become due otherwise than by such declaration of acceleration and (ii) all other Indenture Defaults and incipient Indenture Defaults with respect to any covenant or provision of such Indenture have been cured. (Indentures, Section 5.02(b))

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Each Indenture provides that if an Indenture Default under such Indenture has occurred and is continuing, the related Loan Trustee may exercise certain rights or remedies available to it under such Indenture or under applicable law.

In the case of Chapter 11 bankruptcy proceedings in which an air carrier is a debtor, Section 1110 of the U.S. Bankruptcy Code (“Section 1110”) provides special rights to holders of security interests with respect to “equipment” (defined as described below). Under Section 1110, the right of such holders to take possession of such equipment in compliance with the provisions of a security agreement is not affected by any provision of the U.S. Bankruptcy Code or any power of the bankruptcy court. Such right to take possession may not be exercised for 60 days following the date of commencement of the reorganization proceedings. Thereafter, such right to take possession may be exercised during such proceedings unless, within the 60-day period or any longer period consented to by the relevant parties, the debtor agrees to perform its future obligations and cures all existing and future defaults on a timely basis. Defaults resulting solely from the financial condition, bankruptcy, insolvency or reorganization of the debtor need not be cured.

“Equipment” is defined in Section 1110, in part, as an aircraft, aircraft engine, propeller, appliance, or spare part (as defined in Section 40102 of Title 49 of the U.S. Code) that is subject to a security interest granted by, leased to, or conditionally sold to a debtor that, at the time such transaction is entered into, holds an air carrier operating certificate issued pursuant to chapter 447 of Title 49 of the U.S. Code for aircraft capable of carrying ten or more individuals or 6,000 pounds or more of cargo. Rights under Section 1110 are subject to certain limitations in the case of equipment first placed in service on or prior to October 22, 1994.

It is a condition to the Trustees’ obligation to purchase Equipment Notes with respect to each Aircraft that outside counsel to United, which is expected to be Hughes Hubbard & Reed LLP, provide its opinion to the Trustees that the Loan Trustees will be entitled to the benefits of Section 1110 with respect to the airframe and engines comprising such Aircraft, assuming that, at the time of such transaction, United holds an air carrier operating certificate issued pursuant to chapter 447 of Title 49 of the U.S. Code for aircraft capable of carrying ten or more individuals or 6,000 pounds or more of cargo. For a description of certain limitations on the Loan Trustee’s exercise of rights contained in the Indenture, see “—Indenture Defaults, Notice and Waiver”.

The opinion of Hughes Hubbard & Reed LLP will not address the possible replacement of an Aircraft after an Event of Loss in the future, the consummation of which is conditioned upon the contemporaneous delivery of an opinion of counsel to the effect that the related Loan Trustee will be entitled to Section 1110 benefits with respect to such replacement unless there is a change in law or court interpretation that results in Section 1110 not being available. See “—Certain Provisions of the Indentures—Events of Loss”. The opinion of Hughes Hubbard & Reed LLP will also not address the availability of Section 1110 with respect to any possible lessee of an Aircraft if it is leased by United.

If an Indenture Default under any Indenture occurs and is continuing, any sums held or received by the related Loan Trustee may be applied to reimburse such Loan Trustee for any tax, expense or other loss incurred by it and to pay any other amounts due to such Loan Trustee prior to any payments to holders of the Equipment Notes issued under such Indenture. (Indentures, Section 3.03)

### **Modification of Indentures**

Without the consent of holders of a majority in principal amount of the Equipment Notes outstanding under any Indenture, the provisions of such Indenture and the related Participation Agreement may not be amended or modified, except to the extent indicated below.

Without the consent of the Liquidity Provider and the holder of each Equipment Note outstanding under any Indenture affected thereby, no amendment or modification of such Indenture may among other things (a) reduce the principal amount of, or premium, if any, or interest payable on, any Equipment Notes issued under such

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Indenture or change the date on which any principal, premium, if any, or interest is due and payable, (b) permit the creation of any security interest with respect to the property subject to the lien of such Indenture, except as provided in such Indenture, or deprive any holder of an Equipment Note issued under such Indenture of the benefit of the lien of such Indenture upon the property subject thereto or (c) modify the percentage of holders of Equipment Notes issued under such Indenture required to take or approve any action under such Indenture. (Indentures, Section 10.01(a))

Any Indenture may be amended without the consent of the holders of Equipment Notes to, among other things, cure any defect or inconsistency in such Indenture or the Equipment Notes issued thereunder (provided that such change does not adversely affect the interests of any such holder) or provide for the re-issuance thereunder of Series A Equipment Notes or the issuance or successive repayment and issuance from time to time thereunder of one or more series of Additional Equipment Notes (and the re-issuance of Series A Equipment Notes or issuance of one or more series of Additional Equipment Notes under other Indentures) and any related credit support arrangements. See “Possible Issuance of Additional Junior Certificates and Refinancing of Certificates”. (Indentures, Section 10.01(b))

### **Indemnification**

United will be required to indemnify each Loan Trustee, each Liquidity Provider, the Subordination Agent, the Escrow Agent and each Trustee, but not the holders of Certificates, for certain losses, claims and other matters.

### **Certain Provisions of the Indentures**

#### ***Maintenance***

United is obligated under each Indenture, among other things and at its expense, to keep each Aircraft duly registered and insured, and to maintain, service, repair and overhaul the Aircraft so as to keep it in as good an operating condition as when delivered to United, ordinary wear and tear excepted, and in such condition as required to maintain the airworthiness certificate for the Aircraft in good standing at all times. (Indentures, Section 4.02)

#### ***Possession, Lease and Transfer***

Each Aircraft may be operated by United or, subject to certain restrictions, by certain other persons. Normal interchange agreements with respect to the Airframe and normal interchange, pooling and borrowing agreements with respect to any Engine, in each case customary in the commercial airline industry, are permitted. Leases are also permitted to U.S. air carriers and foreign air carriers that have their principal executive office in certain specified countries, subject to a reasonably satisfactory legal opinion that, among other things, such country would recognize the Loan Trustee’s security interest in respect of the applicable Aircraft. In addition, a lessee may not be subject to insolvency or similar proceedings at the commencement of such lease. (Indentures, Section 4.02) Permitted foreign air carriers are not limited to those based in a country that is a party to the Convention on the International Recognition of Rights in Aircraft (Geneva 1948) (the “Convention”) or the Cape Town Treaty. It is uncertain to what extent the relevant Loan Trustee’s security interest would be recognized if an Aircraft is registered or located in a jurisdiction not a party to the Convention or the Cape Town Treaty. Moreover, in the case of an Indenture Default, the ability of the related Loan Trustee to realize upon its security interest in an Aircraft could be adversely affected as a legal or practical matter if such Aircraft were registered or located outside the United States.

#### ***Registration***

United is required to keep each Aircraft duly registered under the Transportation Code with the FAA and to record each Indenture and certain other documents under the Transportation Code. In addition, United is required

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to register the “international interests” created pursuant to the Indenture under the Cape Town Treaty. (Indentures, Section 4.02(e)) Such recordation of the Indenture and certain other documents with respect to each Aircraft will give the relevant Loan Trustee a first-priority, perfected security interest in such Aircraft under U.S. law. If such Aircraft is located outside the United States, under U.S. law the effect of such perfection and the priority of such security interest will be governed by the law of the jurisdiction where such Aircraft is located. The Convention provides that such security interest will be recognized, with certain limited exceptions, in those jurisdictions that have ratified or adhere to the Convention. The Cape Town Treaty provides that a registered “international interest” has priority over a subsequently registered interest and over an unregistered interest for purposes of the law of those jurisdictions that have ratified the Cape Town Treaty. There are many jurisdictions in the world that have not ratified either the Convention or the Cape Town Treaty, and the Aircraft may be located in any such jurisdiction from time to time.

So long as no Indenture Default exists, United has the right to register any Aircraft in a country other than the United States at its own expense in connection with a permitted lease of the Aircraft to a permitted foreign air carrier, subject to certain conditions set forth in the related Indenture. These conditions include a requirement that an opinion of counsel be provided that the lien of the applicable Indenture will continue as a first priority security interest in the applicable Aircraft. (Indentures, Section 4.02(e)).

### ***Liens***

United is required to maintain each Aircraft free of any liens, other than the rights of the relevant Loan Trustee, the holders of the Equipment Notes and United arising under the applicable Indenture or the other operative documents related thereto, and other than certain limited liens permitted under such documents, including but not limited to (i) liens for taxes either not yet due or being contested in good faith by appropriate proceedings; (ii) materialmen’s, mechanics’ and other similar liens arising in the ordinary course of business and securing obligations that either are not yet delinquent for more than 60 days or are being contested in good faith by appropriate proceedings; (iii) judgment liens so long as such judgment is discharged or vacated within 60 days or the execution of such judgment is stayed pending appeal or discharged, vacated or reversed within 60 days after expiration of such stay; and (iv) any other lien as to which United has provided a bond or other security adequate in the reasonable opinion of the Loan Trustee; provided that in the case of each of the liens described in the foregoing clauses (i), (ii) and (iii), such liens and proceedings do not involve any material risk of the sale, forfeiture or loss of such Aircraft or the interest of the Loan Trustee therein or impair the lien of the relevant Indenture. (Indentures, Section 4.01)

### ***Replacement of Parts; Alterations***

United is obligated to replace all parts at its expense that may from time to time be incorporated or installed in or attached to any Aircraft and that may become lost, damaged beyond repair, worn out, stolen, seized, confiscated or rendered permanently unfit for use. United or any permitted lessee has the right, at its own expense, to make such alterations, modifications and additions with respect to each Aircraft as it deems desirable in the proper conduct of its business and to remove parts which it deems to be obsolete or no longer suitable or appropriate for use, so long as such alteration, modification, addition or removal does not materially diminish the fair market value, utility, condition or useful life of the related Aircraft or Engine or invalidate the Aircraft’s airworthiness certificate. United or any permitted lessee may remove any part from an Aircraft without replacing it if such part is in addition to (and not in replacement of) any part originally incorporated in an Aircraft at the time of delivery under the Indenture, is not required to be incorporated in the Aircraft under applicable law, regulatory mandate or other obligation and may be removed without materially diminishing the fair market value, utility or remaining useful life of such Aircraft (assuming such part had not been incorporated in such Aircraft). (Indentures, Section 4.04(d))

### ***Insurance***

United is required to maintain, at its expense (or at the expense of a permitted lessee), all-risk aircraft hull insurance covering each Aircraft, at all times in an amount not less than the unpaid principal amount of the

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Equipment Notes relating to such Aircraft together with six months of interest accrued thereon (the “Debt Balance”). However, after giving effect to self-insurance permitted as described below, the amount payable under such insurance may be less than such amounts payable with respect to the Equipment Notes. In the event of a loss involving insurance proceeds in excess of \$8,000,000 per occurrence in the case of a Boeing 737-824 Aircraft, \$8,000,000 per occurrence in the case of a Boeing 737-924ER Aircraft, \$18,000,000 per occurrence in the case of a Boeing 787-9 Aircraft and \$18,000,000 per occurrence in the case of a Boeing 777-322ER Aircraft, such proceeds up to the Debt Balance of the relevant Aircraft will be payable to the applicable Loan Trustee, for so long as the relevant Indenture shall be in effect. In the event of a loss involving insurance proceeds of up to the amount per occurrence set forth in the preceding sentence with respect to the relevant model of Aircraft, such proceeds will be payable directly to United so long as no Indenture Default exists under the related Indenture. So long as the loss does not constitute an Event of Loss, insurance proceeds will be applied to repair or replace the property. (Indentures, Section 4.06 and Annex B)

In addition, United is obligated to maintain commercial airline liability insurance at its expense (or at the expense of a permitted lessee), including, without limitation, passenger liability, baggage liability, cargo and mail liability, hangarkeeper’s liability and contractual liability insurance with respect to each Aircraft. Such liability insurance must be underwritten by insurers of nationally or internationally recognized responsibility. The amount of such liability insurance coverage per occurrence may not be less than the amount of commercial airline liability insurance from time to time applicable to aircraft owned or leased and operated by United (or a permitted lessee) of the same type and operating on similar routes as such Aircraft. (Indentures, Section 4.06 and Annex B)

United is also required to maintain war risk, hijacking and allied perils insurance if it (or any permitted lessee) operates any Aircraft, Airframe or Engine in any area of recognized hostilities or if United (or any permitted lessee) maintains such insurance with respect to other aircraft operated on the same international routes or areas on or in which the Aircraft is operated. (Indentures, Section 4.06 and Annex B)

United (or a permitted lessee) may self-insure under a program applicable to all aircraft in its fleet, but the amount of such self-insurance in the aggregate may not exceed 100% of the largest replacement value of any single aircraft in United’s fleet or 1 ½% of the average aggregate insurable value (during the preceding policy year) of all aircraft on which United carries insurance, whichever is less, unless an insurance broker of national standing shall certify that the standard among all other major U.S. airlines is a higher level of self-insurance, in which case United may self-insure the Aircraft to such higher level. In addition, United (or a permitted lessee) may self-insure to the extent of any applicable deductible per Aircraft that does not exceed industry standards for major U.S. airlines. (Indentures, Section 4.06 and Annex B)

In respect of each Aircraft, United is required to name as additional insured parties the Loan Trustees, the holders of the Equipment Notes and the Liquidity Provider under all liability insurance policies required with respect to such Aircraft. In addition, the insurance policies will be required to provide that, in respect of the interests of such additional insured persons, the insurance shall not be invalidated or impaired by any act or omission of United, any permitted lessee or any other person. (Indentures, Section 4.06 and Annex B)

### ***Events of Loss***

If an Event of Loss occurs with respect to the Airframe or the Airframe and Engines of an Aircraft, United must elect within 45 days after such occurrence either to make payment with respect to such Event of Loss or to replace such Airframe and any such Engines. Not later than the first Business Day following the earlier of (i) the 120th day following the date of occurrence of such Event of Loss, and (ii) the fourth Business Day following the receipt of the insurance proceeds in respect of such Event of Loss, United must either (i) pay to the Loan Trustee the outstanding principal amount of the Equipment Notes, together with certain additional amounts, but, in any case, without any Make-Whole Premium or (ii) unless an Indenture Default or failure to pay principal or interest under the Indenture or certain bankruptcy defaults shall have occurred and is continuing, substitute an airframe



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(or airframe and one or more engines, as the case may be) for the Airframe, or Airframe and Engine(s), that suffered such Event of Loss. (Indentures, Sections 2.10 and 4.05(a))

If United elects to replace an Airframe (or Airframe and one or more Engines, as the case may be) that suffered such Event of Loss, it shall subject such an airframe (or airframe and one or more engines) to the lien of the Indenture, and such replacement airframe or airframe and engines must be the same model as the Airframe or Airframe and Engines to be replaced or an improved model, with a value, utility and remaining useful life (without regard to hours or cycles remaining until the next regular maintenance check) at least equal to the Airframe or Airframe and Engines to be replaced, assuming that such Airframe and such Engines had been maintained in accordance with the related Indenture. United is also required to provide to the relevant Loan Trustee reasonably acceptable opinions of counsel to the effect, among other things, that (i) certain specified documents have been duly filed under the Transportation Code and (ii) such Loan Trustee will be entitled to receive the benefits of Section 1110 of the U.S. Bankruptcy Code with respect to any such replacement airframe (unless, as a result of a change in law or court interpretation, such benefits are not then available). (Indentures, Section 4.05(c))

If United elects not to replace such Airframe, or Airframe and Engine(s), then upon payment of the outstanding principal amount of the Equipment Notes issued with respect to such Aircraft, together with accrued and unpaid interest thereon and all additional amounts then due and unpaid with respect to such Aircraft, the lien of the Indenture shall terminate with respect to such Aircraft, and the obligation of United thereafter to make interest and principal payments with respect thereto shall cease. (Indentures, Sections 2.10, 3.02 and 4.05(a)(ii))

If an Event of Loss occurs with respect to an Engine alone, United will be required to replace such Engine within 60 days after the occurrence of such Event of Loss with another engine, free and clear of all liens (other than certain permitted liens). Such replacement engine shall be the same make and model as the Engine to be replaced, or an improved model, suitable for installation and use on the Airframe, and having a value, utility and remaining useful life (without regard to hours or cycles remaining until overhaul) at least equal to the Engine to be replaced, assuming that such Engine had been maintained in accordance with the relevant Indenture. (Indentures, Section 4.05)

An “Event of Loss” with respect to an Aircraft, Airframe or any Engine means any of the following events with respect to such property:

- The destruction of such property, damage to such property beyond economic repair or rendition of such property permanently unfit for normal use.
- The actual or constructive total loss of such property or any damage to such property or requisition of title or use of such property which results in an insurance settlement with respect to such property on the basis of a total loss or a constructive or compromised total loss.
- Any theft, hijacking or disappearance of such property for a period of 180 consecutive days or more.
- Any seizure, condemnation, confiscation, taking or requisition of title to such property by any governmental entity or purported governmental entity (other than a U.S. government entity) for a period exceeding 180 consecutive days.
- As a result of any law, rule, regulation, order or other action by the FAA or any governmental entity, the use of such property in the normal course of United’s business of passenger air transportation is prohibited for 180 consecutive days, unless United, prior to the expiration of such 180-day period, shall have undertaken and shall be diligently carrying forward steps which are necessary or desirable to permit the normal use of such property by United, but in any event if such use shall have been prohibited for a period of two consecutive years, provided that no Event of Loss shall be deemed to have occurred if such prohibition has been applicable to United’s entire U.S. registered fleet of similar property and United, prior to the expiration of such two-year period, shall have conformed at least one

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unit of such property in its fleet to the requirements of any such law, rule, regulation, order or other action and commenced regular commercial use of the same and shall be diligently carrying forward, in a manner which does not discriminate against applicable property in so conforming such property, steps which are necessary or desirable to permit the normal use of such property by United, but in any event if such use shall have been prohibited for a period of three years.

- With respect to any Engine, any divestiture of title to such Engine in connection with pooling or certain other arrangements shall be treated as an Event of Loss. (Indentures, Annex A)

## POSSIBLE ISSUANCE OF ADDITIONAL JUNIOR CERTIFICATES AND REFINANCING OF CERTIFICATES

### Issuance of Additional Junior Certificates

United may elect to issue one or more additional series of equipment notes (each, a series of “Additional Equipment Notes”) with respect to any Aircraft at any time, each of which will be funded from sources other than this offering (this “Offering”) but will be issued under the same Indenture as the Equipment Notes for such Aircraft. Any Additional Equipment Note issued under an Indenture will be subordinated in right of payment to the Series AA and Series A Equipment Notes issued under such Indenture and may also be subordinated in right of payment to other Additional Equipment Notes that rank senior in right of payment to such Additional Equipment Notes. United will fund the sale of any series of Additional Equipment Notes through the sale of related pass through certificates (the “Additional Junior Certificates” and, in the case of certificates generally subordinated to the Class AA Certificates and Class A Certificates, but no other Additional Junior Certificates, the “Class B Certificates”) issued by a single related United Airlines pass through trust (each such trust, an “Additional Trust”).

The trustee of, and the liquidity provider (if any) for, any Additional Trust (each, an “Additional Trustee”) will become a party to the Intercreditor Agreement. The Intercreditor Agreement will be amended by written agreement of United and the Subordination Agent to provide for the subordination of the Additional Junior Certificates to the Administration Expenses, the Liquidity Obligations, the Class AA and Class A Certificates and, if applicable, any other Additional Junior Certificates that rank senior in right of payment to such Additional Equipment Notes. The priority of distributions under the Intercreditor Agreement may be revised, however, to provide for distribution of “Adjusted Interest” with respect to each issued class of Additional Junior Certificates (calculated in a manner substantially similar to the calculation of Class A Adjusted Interest but with respect to the applicable class of Additional Junior Certificates) after Class A Adjusted Interest, but before Expected Distributions on the Class AA Certificates.

The holders of Additional Junior Certificates will have the right to purchase all of the Class AA and Class A Certificates and, if applicable, a previously issued or concurrently issued Class of Additional Junior Certificates under certain circumstances after a bankruptcy of United. See “Description of the Certificates—Purchase Rights of Certificateholders”. In addition, the applicable Additional Trustee may be the Controlling Party upon payment of Final Distributions to the holders of the Class A Certificates, subject to the rights of the Liquidity Provider to be the Controlling Party under certain circumstances. See “Description of the Intercreditor Agreement—Intercreditor Rights”.

Any such issuance of Additional Equipment Notes and Additional Junior Certificates, and any such amendment of the Intercreditor Agreement (and any amendment of an Indenture in connection with such issuance) are contingent upon each Rating Agency providing written confirmation that such actions will not result in a withdrawal, suspension or downgrading of the rating of any Class of Certificates. The issuance of Additional Equipment Notes and Additional Certificates in compliance with the foregoing conditions will not require the consent of any Trustee or any holders of any class of Certificates.

### Refinancing of Certificates

United may elect to repay (either pursuant to a redemption or at Final Maturity) and at such time or subsequently re-issue Series A Equipment Notes (or any series of Additional Equipment Notes if so provided under the terms thereof) (any such re-issued equipment notes, the “Refinancing Equipment Notes”) in respect of all (but not less than all) of the Aircraft secured by such refinanced notes at any time after the Issuance Date. Refinancing Equipment Notes may have the same series designation as, and the same or differing terms as, the corresponding repaid Equipment Notes. In such case, United will fund the sale of such Refinancing Equipment Notes through the sale of pass through certificates (any such certificates, the “Refinancing Certificates”) issued by a United Airlines pass through trust (any such trust, the “Refinancing Trust”).

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The trustee of each Refinancing Trust will become a party to the Intercreditor Agreement and the Intercreditor Agreement will be amended by written agreement of United and the Subordination Agent to provide for the subordination of the Refinancing Certificates to the Administration Expenses, the Liquidity Obligations and the Class AA Certificates and each other class of Certificates that ranks senior in right of payment to such Refinancing Certificates, in the same manner that the corresponding Class of refinanced Certificates were subordinated. Any such issuance of Refinancing Equipment Notes and Refinancing Certificates, and any such amendment of the Intercreditor Agreement (and any amendment of an Indenture in connection with such re-issuance), are contingent upon each Rating Agency providing written confirmation that such actions will not result in a withdrawal, suspension or downgrading of the rating of any Class of Certificates that remains outstanding. The issuance of Refinancing Certificates in compliance with the foregoing conditions will not require the consent of any Trustees or any holders of any class of Certificates.

### **Additional Liquidity Facilities**

Refinancing Certificates in respect of refinanced Class A Certificates may have the benefit of credit support similar to the Liquidity Facility for the Class A Trust or different therefrom and claims for fees, interest, expenses, reimbursement of advances and other obligations arising from such credit support may rank equally with similar claims in respect of the Liquidity Facilities, so long as the prior written consent of the Liquidity Provider shall have been obtained and each Rating Agency shall have provided written confirmation to the effect that such actions will not result in a withdrawal, suspension, or downgrading of the rating of any class of Certificates then rated by such Rating Agency and that remains outstanding.

Class B Certificates and Refinancing Certificates in respect of refinanced Class B Certificates may have the benefit of credit support similar to the Liquidity Facilities or different therefrom and claims for fees, interest, expenses, reimbursement of advances and other obligations arising from such credit support may rank equally with similar claims in respect of the Liquidity Facilities, so long as the prior written consent of the Liquidity Provider shall have been obtained and each Rating Agency shall have provided written confirmation to the effect that such actions will not result in a withdrawal, suspension, or downgrading of the rating of any class of Certificates then rated by such Rating Agency and that remains outstanding.

Additional Junior Certificates that are subordinate to the Class B Certificates and Refinancing Certificates in respect of such refinanced Additional Certificates may have the benefit of credit support similar to the Liquidity Facilities or different therefrom (*provided* that claims for fees, interest, expenses, reimbursement of advances and other obligations arising from such credit support shall be subordinated to the Administration Expenses, the Liquidity Obligations, the Class AA Certificates, the Class A Certificates and any Additional Certificates that rank senior in right of payment to the applicable Additional Certificates or Refinancing Certificates), so long as each Rating Agency shall have provided written confirmation to the effect that such actions will not result in a withdrawal, suspension, or downgrading of the rating of any class of Certificates then rated by such Rating Agency and that remains outstanding.

## CERTAIN U.S. FEDERAL TAX CONSEQUENCES

### General

The following summary describes all material generally applicable U.S. federal income tax consequences, as well as certain Medicare tax considerations, to Certificateholders of the purchase, ownership and disposition of the Certificates. Except as otherwise specified, the summary is addressed to beneficial owners of Certificates that are (i) citizens or residents of the United States, (ii) corporations created or organized in or under the laws of the United States or any state therein or the District of Columbia, (iii) estates the income of which is subject to U.S. federal income taxation regardless of its source, or (iv) trusts that (1) meet the following two tests: (a) a U.S. court is able to exercise primary supervision over the administration of the trust and (b) one or more U.S. fiduciaries have the authority to control all substantial decisions of the trust or (2) were in existence on August 20, 1996 and treated as U.S. persons and have validly elected to continue to be so treated (“U.S. Persons”) that will hold the Certificates as capital assets (“U.S. Certificateholders”). This summary does not address the tax treatment of U.S. Certificateholders that may be subject to special tax rules, such as banks, insurance companies, dealers in securities or commodities, partnerships, holders subject to the mark-to-market rules, tax-exempt entities, holders that will hold Certificates as part of a straddle or holders that have a “functional currency” other than the U.S. Dollar, nor, except as otherwise specified, does it address the tax treatment of U.S. Certificateholders that do not acquire Certificates at the public offering price as part of the initial offering. The summary does not purport to be a comprehensive description of all of the tax considerations that may be relevant to a decision to purchase Certificates. This summary does not describe any tax consequences arising under the laws of any state, locality or taxing jurisdiction other than the United States.

The summary is based upon the tax laws and practice of the United States as in effect on the date of this Prospectus Supplement, as well as judicial and administrative interpretations thereof (in final or proposed form) available on or before such date. All of the foregoing are subject to change, which change could apply retroactively. We have not sought any ruling from the U.S. Internal Revenue Service (the “IRS”) with respect to the tax consequences described below, and we cannot assure you that the IRS will not take contrary positions. The Trusts are not indemnified for any U.S. federal income taxes that may be imposed upon them, and the imposition of any such taxes on a Trust could result in a reduction in the amounts available for distribution to the Certificateholders of such Trust. Prospective investors should consult their own tax advisors with respect to the federal, state, local and foreign tax consequences to them of the purchase, ownership and disposition of the Certificates.

### Tax Status of the Trusts

Although there is no authority addressing the characterization of entities that are similar to the Trusts in all material respects, each of the Original Trusts should be classified as a grantor trust for U.S. federal income tax purposes. If, as may be the case, the Original Trusts are not classified as grantor trusts, they will be classified as partnerships for U.S. federal income tax purposes and will not be classified as publicly traded partnerships taxable as corporations provided that at least 90% of each Original Trust’s gross income for each taxable year of its existence is “qualifying income” (which is defined to include, among other things, interest income, gain from the sale or disposition of capital assets held for the production of interest income, and income derived with respect to a business of investing in securities). Income derived by the Original Trusts from the Equipment Notes will constitute qualifying income and the Trusts therefore will meet the 90% test described above, assuming that the Original Trusts operate in accordance with the terms of the Pass Through Trust Agreements and other agreements to which they are parties. The Successor Trusts will be classified as grantor trusts.

### Taxation of Certificateholders Generally

#### *Trusts Classified as Grantor Trusts*

Assuming that a Trust is classified as a grantor trust, a U.S. Certificateholder will be treated as owning its pro rata undivided interest in the relevant Deposits and each of the Equipment Notes held by the Trust, the

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Trust's contractual rights and obligations under the Note Purchase Agreement, and any other property held by the Trust. Accordingly, each U.S. Certificateholder's share of interest paid on the Equipment Notes will be taxable as ordinary income, as it is paid or accrued, in accordance with such U.S. Certificateholder's method of accounting for U.S. federal income tax purposes, and a U.S. Certificateholder's share of premium, if any, paid on redemption of an Equipment Note will be treated as capital gain. Any amounts received by a Trust under a Liquidity Facility in order to make interest payments will be treated for U.S. federal income tax purposes as having the same characteristics as the payments they replace. The Deposits likely will be subject to the original issue discount and contingent payment debt instrument rules, with the result that a U.S. Certificateholder will be required to include interest income on the Deposits on an accrual basis, regardless of its normal method of accounting and with a possible slight deferral in the timing of income as compared to holding a single debt instrument with terms comparable to a Certificate.

In the case of a subsequent purchaser of a Certificate, the purchase price for the Certificate should be allocated among the relevant Deposits and the assets held by the relevant Trust (including the Equipment Notes and the rights and obligations under the Note Purchase Agreement with respect to Equipment Notes not theretofore issued) in accordance with their relative fair market values at the time of purchase. Any portion of the purchase price allocable to the right and obligation under the Note Purchase Agreement to acquire an Equipment Note should be included in the purchaser's basis in its share of the Equipment Note when issued. Although the matter is not entirely clear, in the case of a purchaser after initial issuance of the Certificates but prior to the Delivery Period Termination Date, if the purchase price reflects a "negative value" associated with the obligation to acquire an Equipment Note pursuant to the Note Purchase Agreement being burdensome under conditions existing at the time of purchase (e.g., as a result of the interest rate on the unissued Equipment Notes being below market at the time of purchase of a Certificate), such negative value probably would be added to such purchaser's basis in its interest in the Deposits and the remaining assets of the Trust and reduce such purchaser's basis in its share of the Equipment Notes when issued. The preceding two sentences do not apply to purchases of Certificates following the Delivery Period Termination Date.

A U.S. Certificateholder who is treated as purchasing an interest in an Equipment Note at a market discount (generally, at a cost less than its remaining principal amount) that exceeds a statutorily defined de minimis amount will be subject to the "market discount" rules of the Code. These rules provide, in part, that gain on the sale or other disposition of a debt instrument with a term of more than one year and partial principal payments (including partial redemptions) on such a debt instrument are treated as ordinary income to the extent of accrued but unrecognized market discount. The market discount rules also provide for deferral of interest deductions with respect to debt incurred or continued to purchase or carry a debt instrument that has market discount. A U.S. Certificateholder who purchases an interest in an Equipment Note at a premium may elect to amortize the premium as an offset to interest income on the Equipment Note under rules prescribed by the Code and Treasury regulations promulgated under the Code.

Each U.S. Certificateholder will be entitled to deduct, consistent with its method of accounting, its pro rata share of fees and expenses paid or incurred by the corresponding Trust as provided in Section 162 or 212 of the Code. Certain fees and expenses, including fees paid to the Trustee and the Liquidity Provider, will be borne by parties other than the Certificateholders. It is possible that payments related to such fees and expenses will be treated as constructively received by the Trust, in which event a U.S. Certificateholder will be required to include in income and will be entitled to deduct its pro rata share of such fees and expenses. If a U.S. Certificateholder is an individual, estate or trust, the deduction for such holder's share of such fees or expenses will be allowed only to the extent that all of such holder's miscellaneous itemized deductions, including such holder's share of such fees and expenses, exceed 2% of such holder's adjusted gross income. In addition, in the case of U.S. Certificateholders who are individuals, certain otherwise allowable itemized deductions will be subject generally to additional limitations on itemized deductions under applicable provisions of the Code.

### ***Original Trusts Classified as Partnerships***

If an Original Trust is classified as a partnership (and not as a publicly traded partnership taxable as a corporation) for U.S. federal income tax purposes, income or loss with respect to the assets held by the Trust will be calculated at the Trust level, but the Trust itself will not be subject to U.S. federal income tax. Generally, a U.S. Certificateholder would be required to report its share of the Trust's items of income and deduction on its tax return for its taxable year within which the Trust's taxable year (which should be a calendar year) ends as well as income from its interest in the relevant Deposits. A U.S. Certificateholder's basis in its interest in the Trust would be equal to its purchase price therefor including its share of any funds withdrawn from the Depository and used to purchase Equipment Notes, plus its share of the Trust's net income, minus its share of any net losses of the Trust, and minus the amount of any distributions from the Trust. In the case of an original purchaser of a Certificate that is a calendar year taxpayer, income or loss generally should be the same as it would be if the Trust were classified as a grantor trust, except that income or loss would be reported on an accrual basis even if the U.S. Certificateholder otherwise uses the cash method of accounting. A subsequent purchaser, however, generally would be subject to tax on the same basis as an original holder with respect to its interest in the Original Trust, and would not be subject to the market discount rules or the bond premium rules during the duration of the Original Trust, except that it is possible that, in the case of a subsequent purchaser that purchases Certificates at a time when the total adjusted tax basis of the Trust's assets exceeds their fair market value by more than \$250,000, taxable income would be computed as if the adjusted basis of the Trust's assets were reduced by the amount of such excess.

### **Effect of Reallocation of Payments under the Intercreditor Agreement**

In the event that the Class A Trust receives less than the full amount of the interest, principal or premium paid with respect to the Equipment Notes held by it because of the subordination of the Class A Trust under the Intercreditor Agreement, the corresponding owners of beneficial interests in the Class A Certificates would probably be treated for federal income tax purposes as if they had:

- received as distributions their full share of interest, principal or premium;
- paid over to the holders of Class AA Certificates an amount equal to their share of the amount of the shortfall; and
- retained the right to reimbursement of the amount of the shortfall to the extent of future amounts payable to them on account of the shortfall.

Under this analysis:

- Class A Certificateholders incurring a shortfall would be required to include as current income any interest or other income of the Class A Trust that was a component of the shortfall, even though that amount was in fact paid to the holders of Class AA Certificates;
- a loss would only be allowed to Class A Certificateholders when their right to receive reimbursement of the shortfall becomes worthless; that is, when it becomes clear that funds will not be available from any source to reimburse the shortfall; and
- reimbursement of the shortfall before a claim of worthlessness would not be taxable income to the Class A Certificateholders because the amount reimbursed would have been previously included in income.

These results should not significantly affect the inclusion of income for Class A Certificateholders on the accrual method of accounting, but could accelerate inclusion of income to Class A Certificateholders on the cash method of accounting by, in effect, placing them on the accrual method.

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### **Dissolution of Original Trusts and Formation of New Trusts**

Assuming that the Original Trusts are classified as grantor trusts, the dissolution of an Original Trust and distribution of interests in the related Successor Trust will not be a taxable event to U.S. Certificateholders, who will continue to be treated as owning their shares of the property transferred from the Original Trust to the Successor Trust. If the Original Trusts are classified as partnerships, a U.S. Certificateholder will be deemed to receive its share of the Equipment Notes and any other property transferred by the Original Trust to the Successor Trust in liquidation of its interest in the Original Trust in a non-taxable transaction. In such case, the U.S. Certificateholder's basis in the property so received will be equal to its basis in its interest in the Original Trust, allocated among the various assets received based upon their bases in the hands of the Original Trust and any unrealized appreciation or depreciation in value in such assets, and the U.S. Certificateholder's holding period for the Equipment Notes and other property will include the Original Trust's holding period.

### **Sale or Other Disposition of the Certificates**

Upon the sale, exchange or other disposition of a Certificate, a U.S. Certificateholder generally will recognize capital gain or loss (subject to the possible recognition of ordinary income under the market discount rules) equal to the difference between the amount realized on the disposition (other than any amount attributable to accrued interest which will be taxable as ordinary income and any amount attributable to any Deposits) and the U.S. Certificateholder's adjusted tax basis in the Note Purchase Agreement, Equipment Notes and any other property held by the corresponding Trust. Any such gain or loss will be long-term capital gain or loss to the extent attributable to property held by the Trust for more than one year. In the case of individuals, estates and trusts, the maximum rate of tax on net long-term capital gains generally is 20%. Any gain with respect to an interest in a Deposit will likely be treated as ordinary income. Notwithstanding the foregoing, if the Original Trusts are classified as partnerships, gain or loss with respect to a disposition of an interest in an Original Trust will be calculated and characterized by reference to the U.S. Certificateholder's adjusted tax basis and holding period for its interest in the Original Trust.

### **3.8% Medicare Tax on "Net Investment Income"**

U.S. Certificateholders that are individuals, estates, and certain trusts are subject to an additional 3.8% tax on all or a portion of their "net investment income," which may include the interest payments and any gain realized with respect to the Equipment Notes and the Deposits, to the extent of their net investment income that, when added to their other modified adjusted gross income, exceeds \$200,000 for an unmarried individual, estate or trust, \$250,000 for a married taxpayer filing a joint return (or a surviving spouse), or \$125,000 for a married individual filing a separate return. U.S. Certificateholders should consult their advisors with respect to the 3.8% Medicare tax.

### **Foreign Certificateholders**

Subject to the discussion of FATCA and backup withholding below, payments of principal, interest and premium on the Equipment Notes or Deposits to, or on behalf of, any beneficial owner of a Certificate that is for U.S. federal income tax purposes a nonresident alien (other than certain former United States citizens or residents), foreign corporation, foreign trust, or foreign estate (a "non-U.S. Certificateholder") will not be subject to U.S. federal withholding tax provided that:

- the non-U.S. Certificateholder does not actually or constructively own 10% or more of the total combined voting power of all classes of stock of United;
- the non-U.S. Certificateholder is not a bank receiving interest pursuant to a loan agreement entered into in the ordinary course of its trade or business, or a controlled foreign corporation for U.S. tax purposes that is related to United; and
- certain certification requirements (including identification of the beneficial owner of the Certificate) are complied with.



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Subject to the discussion of FATCA and backup withholding below, any capital gain (not including any amount treated as interest) realized upon the sale, exchange, retirement or other disposition of a Certificate or upon receipt of premium paid on an Equipment Note by a non-U.S. Certificateholder will not be subject to U.S. federal income or withholding taxes if (i) such gain is not effectively connected with a U.S. trade or business of the holder and (ii) in the case of an individual, such holder is not present in the United States for 183 days or more in the taxable year of the sale, exchange, retirement or other disposition or receipt.

Sections 1471 through 1474 of the Code ("FATCA") generally impose a withholding tax of 30% on U.S. sourced interest paid on, and the gross proceeds of a disposition of, debt obligations paid to (i) a foreign financial institution, as defined for purposes of FATCA (whether as a beneficial owner or an intermediary), unless (a) such institution enters into an agreement with the United States government to collect and provide to the United States tax authorities substantial information regarding United States account holders of such institution (which would include certain equity and debt holders of such institution, as well as certain account holders that are foreign entities with United States owners), (b) such institution is resident in a country that has entered into an agreement with the United States regarding the exchange of certain information with respect to United States account holders and complies with local legislation enacted to give effect to such agreement, or (c) such institution otherwise establishes an exemption from FATCA withholding or (ii) a foreign entity that is not a financial institution, unless such entity provides the withholding agent with a certification identifying the substantial United States owners of the entity, which generally includes any U.S. Person who directly or indirectly owns more than 10% of the entity, or otherwise establishes an exemption from FATCA withholding. Pursuant to final regulations and subsequent IRS guidance, this new withholding tax will not apply to gross proceeds from the disposition of debt instruments paid on or before December 31, 2018. Investors are encouraged to consult with their own tax advisors regarding the implications of this legislation on their investment in the Certificates.

## **Backup Withholding**

Payments made on the Certificates and proceeds from the sale of Certificates will not be subject to backup withholding tax unless, in general, the Certificateholder fails to comply with certain reporting procedures or otherwise fails to establish an exemption from such tax under applicable provisions of the Code. Backup withholding is not an additional tax. A Certificateholder generally will be entitled to credit any amounts withheld under the backup withholding rules against its U.S. federal income tax liability or to obtain a refund of the amounts withheld, provided the required information is furnished to the IRS in a timely manner.

## CERTAIN DELAWARE TAXES

The Trustee is a national banking association with its corporate trust office in Delaware. In the opinion of Morris James LLP, Wilmington, Delaware, counsel to the Trustee, under currently applicable law, assuming that the Trusts will not be taxable as corporations, but, rather, will be classified as grantor trusts under subpart E, Part I of Subchapter J of the Code or as partnerships under Subchapter K of the Code, (i) the Trusts will not be subject to any tax (including, without limitation, net or gross income, tangible or intangible property, net worth, capital, franchise or doing business tax), fee or other governmental charge under the laws of the State of Delaware or any political subdivision thereof and (ii) Certificateholders that are not residents of or otherwise subject to tax in Delaware will not be subject to any tax (including, without limitation, net or gross income, tangible or intangible property, net worth, capital, franchise or doing business tax), fee or other governmental charge under the laws of the State of Delaware or any political subdivision thereof as a result of purchasing, holding (including receiving payments with respect to) or selling a Certificate.

Neither the Trusts nor the Certificateholders will be indemnified for any state or local taxes imposed on them, and the imposition of any such taxes on a Trust could result in a reduction in the amounts available for distribution to the Certificateholders of such Trust. In general, should a Certificateholder or any Trust be subject to any state or local tax which would not be imposed if the Trustee were located in a different jurisdiction in the United States, the Trustee will resign and a new Trustee in such other jurisdiction will be appointed.

## CERTAIN ERISA CONSIDERATIONS

The Employee Retirement Income Security Act of 1974, as amended (“ERISA”), imposes certain requirements on employee benefit plans subject to Title I of ERISA (“ERISA Plans”), and on those persons who are fiduciaries with respect to ERISA Plans. Investments by ERISA Plans are subject to ERISA’s general fiduciary requirements, including, but not limited to, the requirements of investment prudence and diversification and the requirement that an ERISA Plan’s investments be made in accordance with the documents governing the Plan.

Section 406 of ERISA and Section 4975 of the Code prohibit certain transactions involving the assets of an ERISA Plan (as well as those plans that are not subject to ERISA but which are subject to Section 4975 of the Code, such as individual retirement accounts (together with ERISA Plans, “Plans”)) and certain persons (referred to as “parties in interest” or “disqualified persons”) having certain relationships to such Plans, unless a statutory or administrative exemption is applicable to the transaction. A party in interest or disqualified person who engages in a prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and the Code.

The Department of Labor has promulgated a regulation, 29 CFR Section 2510.3-101 (the “Plan Asset Regulation”), describing what constitutes the assets of a Plan with respect to the Plan’s investment in an entity for purposes of ERISA and Section 4975 of the Code. Under the Plan Asset Regulation, as modified by Section 3(42) of ERISA, if a Plan invests (directly or indirectly) in a Certificate, the Plan’s assets will include both the Certificate and an undivided interest in each of the underlying assets of the corresponding Trust, including the Equipment Notes held by such Trust, unless it is established that equity participation in such Trust by Plans and entities whose underlying assets include Plan assets by reason of a Plan’s investment in the entity is not “significant” within the meaning of the Plan Asset Regulation, as modified by Section 3(42) of ERISA. In this regard, the extent to which there is equity participation in a particular Trust by, or on behalf of, employee benefit plans will not be monitored. If the assets of a Trust are deemed to constitute the assets of a Plan, transactions involving the assets of such Trust could be subject to the prohibited transaction provisions of ERISA and Section 4975 of the Code unless a statutory or administrative exemption is applicable to the transaction.

The fiduciary of a Plan that proposes to purchase and hold any Certificates should consider, among other things, whether such purchase and holding may involve a direct or indirect (i) extension of credit to a party in interest or a disqualified person, (ii) sale or exchange of any property between a Plan and a party in interest or a disqualified person, or (iii) transfer to, or use by or for the benefit of, a party in interest or a disqualified person, of any Plan assets. Such parties in interest or disqualified persons could include, without limitation, United and its affiliates, the Underwriters, the Loan Trustee, the Escrow Agent, the Depository, the Trustee and the Liquidity Provider. In addition, if one Class of Certificates is purchased by a Plan and another Class of Certificates is held by a party in interest or a disqualified person with respect to such Plan, the exercise by the holder of the subordinate Class of Certificates of its right to purchase the senior Class of Certificates upon the occurrence and during the continuation of a Certificate Buyout Event could be considered to constitute a prohibited transaction unless a statutory or administrative exemption were applicable. Depending on the identity of the Plan fiduciary making the decision to acquire or hold Certificates on behalf of a Plan, Prohibited Transaction Class Exemption (“PTCE”) 91-38 (relating to investments by a bank collective investment fund), PTCE 84-14 (relating to transactions effected by a “qualified professional asset manager”), PTCE 95-60 (relating to investments by an insurance company general account), PTCE 96-23 (relating to transactions directed by an in-house professional asset manager) or PTCE 90-1 (relating to investments by an insurance company pooled separate account) (collectively, the “Class Exemptions”) could provide an exemption from the prohibited transaction provisions of ERISA and Section 4975 of the Code. However, there can be no assurance that any of these Class Exemptions or any other exemption will be available with respect to any particular transaction involving the Certificates.

Governmental plans, certain church plans, and foreign plans (collectively, “Similar Law Plans”) while not subject to the fiduciary responsibility provisions of ERISA or the prohibited transaction provisions of ERISA and

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Section 4975 of the Code, may nevertheless be subject to other laws that are substantially similar to the foregoing provisions of ERISA and the Code. Fiduciaries of any such plans should consult with their counsel before purchasing any Certificates.

Any Plan fiduciary which proposes to cause a Plan to purchase any Certificates should consult with its counsel regarding the applicability of the fiduciary responsibility and prohibited transaction provisions of ERISA and Section 4975 of the Code to such an investment, and to confirm that such purchase and holding will not constitute or result in a non-exempt prohibited transaction or any other violation of an applicable requirement of ERISA.

Each person who acquires or accepts a Certificate or an interest therein, will be deemed by such acquisition or acceptance to have represented and warranted that either: (i) no assets of a Plan or any Similar Law Plan have been used to purchase or hold such Certificate or an interest therein or (ii) the purchase and holding of such Certificate or an interest therein either (a) in the case of Plan assets, are exempt from the prohibited transaction restrictions of ERISA and the Code pursuant to one or more prohibited transaction statutory or administrative exemptions or (b) in the case of Similar Law Plan assets, will not violate any similar state, local or foreign law.

**UNDERWRITING**

Under the terms and subject to the conditions contained in an underwriting agreement dated the date of this Prospectus Supplement among United, the Depository and Morgan Stanley & Co. LLC, Credit Suisse Securities (USA) LLC and Goldman, Sachs & Co. as representatives of the several underwriters listed below (collectively, the “Underwriters”), United has agreed to cause each Trust to sell to the Underwriters, and each of the Underwriters has severally agreed to purchase, the following respective face amounts of the Class AA and Class A Certificates:

<b>Underwriter</b>	<b>Face Amount of Class AA Certificates</b>	<b>Face Amount of Class A Certificates</b>
Morgan Stanley & Co. LLC	\$ 99,940,000	\$ 44,447,000
Credit Suisse Securities (USA) LLC	99,940,000	44,447,000
Goldman, Sachs & Co.	99,940,000	44,447,000
Citigroup Global Markets Inc.	99,939,000	44,447,000
Deutsche Bank Securities Inc.	99,939,000	44,446,000
Merrill Lynch, Pierce, Fenner & Smith Incorporated	99,939,000	44,446,000
Barclays Capital Inc.	99,939,000	44,446,000
BNP Paribas Securities Corp.	14,575,000	6,482,000
Credit Agricole Securities (USA) Inc.	14,575,000	6,482,000
Total	<u>\$ 728,726,000</u>	<u>\$ 324,090,000</u>

The underwriting agreement provides that the obligations of the Underwriters are subject to certain conditions precedent and that the Underwriters are obligated to purchase all of the Certificates if any are purchased. If an Underwriter defaults on its purchase commitment, the purchase commitments of the non-defaulting Underwriters may be increased or the offering of the Certificates may be terminated. The Certificates are offered subject to receipt and acceptance by the Underwriters and to certain other conditions, including the right to reject orders in whole or in part.

The aggregate proceeds from the sale of the Certificates will be \$1,052,816,000. United will pay the Underwriters a commission of \$10,528,160. United estimates that its expenses associated with the offer and sale of the Certificates will be approximately \$3,800,000.

The Underwriters propose to offer the Certificates to the public initially at the public offering prices on the cover page of this Prospectus Supplement and to selling group members at those prices less the concessions set forth below. The Underwriters and selling group members may allow a discount to other broker/dealers as set forth below. After the initial public offering, the public offering prices and concessions and discounts may be changed by the Underwriters.

<b>Pass Through Certificates</b>	<b>Concession To Selling Group Members</b>	<b>Discount To Broker/Dealers</b>
2016-1AA	0.50%	0.25%
2016-1A	0.50%	0.25%

Each Class of Certificates is a new issue of securities with no established trading market. United does not intend to apply for the listing of the Certificates on a national securities exchange.

The Underwriters have advised United that one or more of the Underwriters currently intend to make a market in the Certificates, as permitted by applicable laws and regulations. The Underwriters are not obligated, however, to make a market in the Certificates and any such market making may be discontinued at any time at their sole discretion. Accordingly, no assurance can be given as to the liquidity of the trading market for the Certificates.

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United has agreed to indemnify the several Underwriters against certain liabilities including liabilities under the Securities Act of 1933, as amended, or contribute to payments which the Underwriters may be required to make in that respect.

From time to time, the several Underwriters or their affiliates have performed and are performing investment banking and advisory services for, and have provided and are providing general financing and banking services to, UAL, United and their affiliates. In particular, (i) affiliates of Morgan Stanley & Co. LLC, (ii) Goldman, Sachs & Co., (iii) affiliates of Citigroup Global Markets Inc. and (iv) BNP Paribas Securities Corp. or its affiliate serve as counterparties to certain fuel hedging arrangements with United. Affiliates of each of the Underwriters are lenders to UAL and/or United. Affiliates of Morgan Stanley & Co. LLC, Citigroup Global Markets Inc., Credit Agricole Securities (USA) Inc. and BNP Paribas Securities Corp. are liquidity facility providers to United.

In addition, in the ordinary course of their various business activities, the Underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers, and such investment and securities activities may involve securities and/or instruments of United. The Underwriters and their respective affiliates that have a lending relationship with United may hedge their credit exposure to United. Such Underwriters and their affiliates may hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in United's securities, including potentially the Certificates offered hereby. Any such short positions could adversely affect future trading prices of the Certificates offered hereby. The Underwriters and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may at any time hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

United expects that delivery of the Certificates will be made against payment therefor on or about the closing date specified on the cover page of this Prospectus Supplement, which will be the fifth business day following the date hereof (this settlement cycle being referred to as T+5). Under Rule 15c6-1 of the Commission under the Exchange Act, trades in the secondary market generally are required to settle in three business days, unless the parties to the trade expressly agree otherwise. Accordingly, purchasers who wish to trade Certificates on a day prior to the third business day before the date of initial delivery of the Certificates will be required, by virtue of the fact that the Certificates initially will settle on a delayed basis, to specify an alternate settlement cycle at the time of any trade to prevent a failed settlement and should consult their own advisor.

To facilitate the offering of the Certificates, the Underwriters may engage in transactions that stabilize, maintain or otherwise affect the price of the Certificates. Specifically, the Underwriters may overallocate in connection with this Offering, creating a short position in the Certificates for their own account. To cover overallocations or to stabilize the price of the Certificates, the Underwriters may bid for, and purchase, Certificates in the open market. Finally, the Underwriters may reclaim selling concessions allowed to an agent or a dealer for distributing Certificates in this Offering, if the Underwriters repurchase previously distributed Certificates in transactions to cover syndicate short positions, in stabilization transactions or otherwise. Any of these activities may stabilize or maintain the market price of the Certificates above independent market levels. The Underwriters are not required to engage in these activities, and may end any of these activities at any time.

## **Selling Restrictions**

This Prospectus Supplement and the accompanying Prospectus do not constitute an offer of, or a solicitation of an offer by or on behalf of us or the Underwriters to subscribe for or purchase, any of the Certificates in any jurisdiction to or from any person to whom or from whom it is unlawful to make such an offer or solicitation in that jurisdiction. This distribution of this Prospectus Supplement and the accompanying Prospectus and the offering of the Certificates in certain jurisdictions may be restricted by law. We and the Underwriters require persons into whose possession this Prospectus Supplement and the accompanying Prospectus come to observe the following restrictions.

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### ***European Economic Area***

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a “Relevant Member State”), with effect from and including the Relevant Implementation Date, an offer of Certificates which are the subject of this offering contemplated by this Prospectus Supplement may not be made to the public in that Relevant Member State other than:

(a) to any legal entity which is a qualified investor as defined in the Prospectus Directive;

(b) to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the representatives of the Underwriters for any such offer; or

(c) in any other circumstances falling within Article 3(2) of the Prospectus Directive;

provided that no such offer of Certificates shall require United or any Underwriter to publish a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an “offer of Certificates to the public” in relation to any Certificates in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Certificates to be offered so as to enable an investor to decide to purchase or subscribe for the Certificates, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State, the expression “Prospectus Directive” means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State, and the expression “2010 PD Amending Directive” means Directive 2010/73/EU.

### ***United Kingdom***

In the United Kingdom, this Prospectus Supplement is being distributed only to, and is directed only at, and any offer subsequently made may only be directed at persons who are “qualified investors” (as defined in the Prospectus Directive) (i) who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “Order”) and/or (ii) who are high net worth companies (or persons to whom it may otherwise be lawfully communicated) falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as “relevant persons”). This document must not be acted on or relied on in the United Kingdom by persons who are not relevant persons. In the United Kingdom, any investment or investment activity to which this document relates is only available to, and will be engaged in with, relevant persons. For the purpose of this paragraph, the expression “Prospectus Directive” means Directive 2003/71/EC (including the 2010 PD Amending Directive) and includes any relevant implementing measure in the United Kingdom.

### ***Canada***

The Certificates may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 *Prospectus Exemptions* or subsection 73.3(1) of the *Securities Act* (Ontario), and are permitted clients, as defined in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*. Any resale of the Certificates must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Prospectus Supplement (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the

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time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 (or, in the case of securities issued or guaranteed by the government of a non-Canadian jurisdiction, section 3A.4) of National Instrument 33-105 *Underwriting Conflicts* (NI 33-105), the Underwriters are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this Offering.

### ***Hong Kong***

The Certificates may not be offered or sold by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap.32, Laws of Hong Kong), or (ii) to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap.571, Laws of Hong Kong) and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a "prospectus" within the meaning of the Companies Ordinance (Cap.32, Laws of Hong Kong), and no advertisement, invitation or document relating to the Certificates may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to Certificates which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder.

### ***Singapore***

This Prospectus Supplement has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Prospectus Supplement and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Certificates may not be circulated or distributed, nor may the Certificates be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), (ii) to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Certificates are subscribed or purchased under Section 275 by a relevant person which is: (a) a corporation (which is not an accredited investor) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor, shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest in that trust shall not be transferable for 6 months after that corporation or that trust has acquired the Certificates under Section 275 except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA; (2) where no consideration is given for the transfer; or (3) by operation of law.

### ***Japan***

The Certificates have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (the Financial Instruments and Exchange Law) and each Underwriter has agreed that it will not offer or sell any Certificates, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Law and any other applicable laws, regulations and ministerial guidelines of Japan.



## **LEGAL MATTERS**

The validity of the Certificates is being passed upon for United by Hughes Hubbard & Reed LLP, New York, New York, and for the Underwriters by Milbank, Tweed, Hadley & McCloy LLP, New York, New York. Morris James LLP, Wilmington, Delaware, counsel for Wilmington Trust, National Association, as Trustee, will pass upon certain matters of Delaware law relating to the Pass Through Trust Agreements, including that the Certificates are binding obligations of the Trustee, and Milbank, Tweed, Hadley & McCloy LLP will rely on such opinion.

## **EXPERTS**

United's consolidated financial statements, and the related financial statement schedule, appearing in our Annual Report on Form 10-K filed with the Commission on February 18, 2016, have been audited by Ernst & Young LLP, independent registered public accounting firm, as set forth in their report thereon, which is incorporated by reference herein. United's consolidated financial statements are incorporated by reference in reliance upon such report given on the authority of Ernst & Young LLP as experts in accounting and auditing.

The references to AISI, BK and MBA, and to their appraisal reports, dated May 15, 2016, May 20, 2016 and May 20, 2016, respectively, are included herein in reliance upon the authority of each such firm as an expert with respect to the matters contained in its appraisal report.

## INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

This Prospectus Supplement incorporates by reference the following documents previously filed by United with the Commission (excluding any portions of such documents that have been “furnished” but not “filed” for purposes of the Exchange Act) that are not delivered with this Prospectus Supplement:

<u>Filing</u>	<u>Date Filed</u>
Annual Report on Form 10-K for the year ended December 31, 2015	February 18, 2016
Quarterly Report on Form 10-Q for the quarter ended March 31, 2016	April 21, 2016
Current Report on Form 8-K	January 7, 2016
Current Report on Form 8-K	March 17, 2016
Current Report on Form 8-K	April 20, 2016

United’s Commission file number is 1-10323.

Reference is made to the information under “Incorporation of Certain Documents by Reference” in the accompanying Prospectus. All documents filed under the Exchange Act with the Commission prior to January 1, 2016, and incorporated by reference in the accompanying Prospectus have been superseded by the above-listed documents and shall not be deemed to constitute a part of the accompanying Prospectus or the Prospectus Supplement. In addition, for the avoidance of doubt, the Annual Report on Form 10-K for the year ended December 31, 2015 and the Quarterly Report on Form 10-Q for the quarter ended March 31, 2016, of UAL are not incorporated by reference in this Prospectus Supplement.

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APPENDIX II—APPRAISAL LETTERS



**Mr. Gerry Laderman**  
**Senior Vice President—Finance & Acting Chief Financial Officer**  
**United Airlines, Inc.**  
**233 South Wacker Drive**  
**14th Floor HDQFT**  
**Chicago, IL 60606**

**Sight Unseen New and Maintenance Adjusted**  
**Base Value Opinion**  
**18 United Airlines Aircraft Portfolio**

**AISI File No.: A6S038BVO-06**

**Report Date: 15 May 2016**  
**Values as of: 15 May 2016**

**Main Office: 1409 Peachtree Street, Suite 200, Atlanta, Georgia 30309**  
**TEL: 404 870-AISI (2474) E-MAIL: mail@AISI.aero www.aisi.aero**



15 May 2016

Mr. Gerry Laderman  
Senior Vice President—Finance & Acting Chief Financial Officer  
United Airlines, Inc.  
233 South Wacker Drive  
14th Floor HDQFT  
Chicago, IL 60606

Subject: AISI Sight Unseen New and Maintenance Adjusted Base Value Opinion for 18 United Airlines Aircraft Portfolio.  
AISI File number: A6S038BVO-06

Ref: (a) Email messages UAL to AISI; 06—12 May 2016

Dear Mr. Laderman:

Aircraft Information Services, Inc. (AISI) has been requested to offer our opinion of the sight unseen new and maintenance adjusted (for delivered aircraft) base values as of 15 May 2016, in May 2016 and delivery date U.S. Dollars, for a portfolio of four future delivery United Airlines 737-800 Aircraft, with CFM56-7B27E/F engines, at 174,200 lbs. maximum takeoff weight, two delivered and three future delivery Boeing 737-924ER aircraft, with CFM56-7B27E/F engines, at 187,700 lbs. maximum takeoff weight, two delivered Boeing 787-9 aircraft, with GENx-1B74/75/P2 engines, at 560,000 lbs. maximum takeoff weight, and seven future delivery United Airlines 777-300ER Aircraft with GE90-115BL engines, at 775,000 lbs. maximum takeoff weight, as identified and defined in Table I and reference (a) above (the 'Aircraft').

## 1. Methodology and Definitions

The standard terms of reference for commercial aircraft value are 'base value' and 'current market value' of an 'average' aircraft. Base value is a theoretical value that assumes a hypothetical balanced market while current market value is the value in the actual market; both assume a hypothetical average aircraft condition. All other values are derived from these values. AISI value definitions are consistent with the current, 30 January 2013 definitions of the International Society of Transport Aircraft Trading (ISTAT). AISI is a member of ISTAT and employs one ISTAT Certified Senior Appraiser and two ISTAT Certified Appraisers.

AISI defines 'base value' as that of a transaction between an equally willing and informed buyer and seller, neither under compulsion to buy or sell, for a single unit cash transaction with no hidden value or liability, with supply and demand of the sale item roughly in balance and with no event which would cause a short term change in the market. Base values are typically given for aircraft in 'new' condition, 'average half-life' condition, or 'adjusted' for an aircraft in a specifically described condition at a specific time.

An 'average' aircraft is an operable airworthy aircraft in average physical condition and with average accumulated flight hours and cycles, with clear title and standard unrestricted certificate of airworthiness, and

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registered in an authority which does not represent a penalty to aircraft value or liquidity, with no damage history and with inventory configuration and level of modification which is normal for its intended use and age. Note that a stored aircraft is not an average aircraft. AISI assumes average condition unless otherwise specified in this report.

AISI also assumes that airframe, engine and component parts are from the original equipment manufacturer (OEM) and that maintenance, maintenance program and essential records are sufficient to permit normal commercial operation under a strict airworthiness authority.

'Half-life' condition assumes that every component or maintenance service which has a prescribed interval that determines its service life, overhaul interval or interval between maintenance services, is at a condition which is one-half of the total interval.

An 'adjusted' appraisal reflects an adjustment from half life condition for the actual condition, utilization, life remaining or time remaining of an airframe, engine or component.

A 'new' aircraft is an aircraft with no utilization and is equipped with engines, buyer furnished equipment, seller furnished equipment and other equipment typical or required for the mission for which the aircraft is designed.

It should be noted that AISI and ISTAT value definitions apply to a transaction involving a single aircraft, and that transactions involving more than one aircraft are often executed at considerable and highly variable discounts to a single aircraft price, for a variety of reasons relating to an individual buyer or seller.

AISI defines 'current market value', which is synonymous with the older term 'fair market value' as that value which reflects the actual market conditions including short term events, whether at, above or below the base value conditions. Assumptions of a single unit sale and definitions of aircraft condition, buyer/seller qualifications and type of transaction remain unchanged from that of base value. Current market value takes into consideration the status of the economy in which the aircraft is used, the status of supply and demand for the particular aircraft type, the value of recent transactions and the opinions of informed buyers and sellers. Note that for a current market value to exist, the seller may not be under duress. Current market value assumes that there is no short term time constraint to buy or sell.

AISI defines 'distressed market value' as that value which reflects the actual market condition including short term events, when the market for the subject aircraft is so depressed that the seller is under duress. Distressed market value assumes that there is a time constraint to sell within a period of less than 1 year. All other assumptions remain unchanged from that of 'current market value'.



AISI encourages the use of base values to consider historical trends, to establish a consistent baseline for long term value comparisons and future value considerations, or to consider how actual market values vary from theoretical base values. Base values are less volatile than current market values and tend to diminish regularly with time. Base values are normally inappropriate to determine near term values. AISI encourages the use of current market values to consider the probable near term value of an aircraft when the seller is not under duress. AISI encourages the use of distressed market values to consider the probable near term value of an aircraft when the seller is under duress.

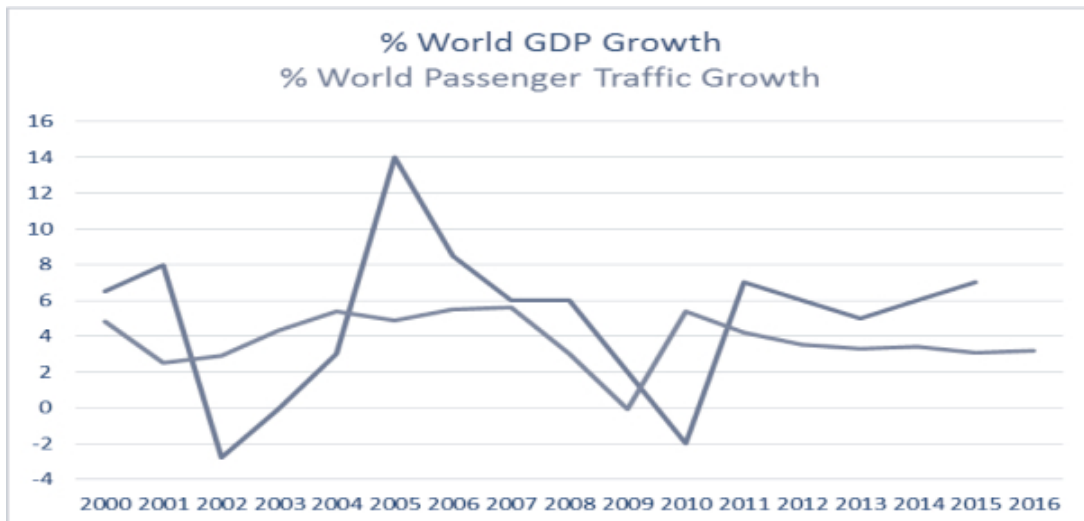
No physical inspection of the Aircraft or their essential records was made by AISI for the purposes of this report, nor has any attempt been made to verify information provided to us, which is assumed to be correct and applicable to the Aircraft.

It should be noted that the values given are not directly additive, that is, the total of the given values is not the value of the fleet but rather the sum of the values of the individual aircraft if sold individually over time so as not to exceed demand.

**2. Market Analysis**

• **Macro-Economic Impact on Aircraft Values**

AISI tracks two key metrics while valuing and attempting to predict the future value retention performance of aircraft in today’s, world-wide aircraft market. We believe that GDP growth on a global and national scale is a good indicator of the ability of growing numbers of new and used aircraft to be financed and placed into operation. We also believe that the more specific health of world-wide and national passenger aircraft markets are correlated to GDP growth and provide key validation of GDP performance-related trends.

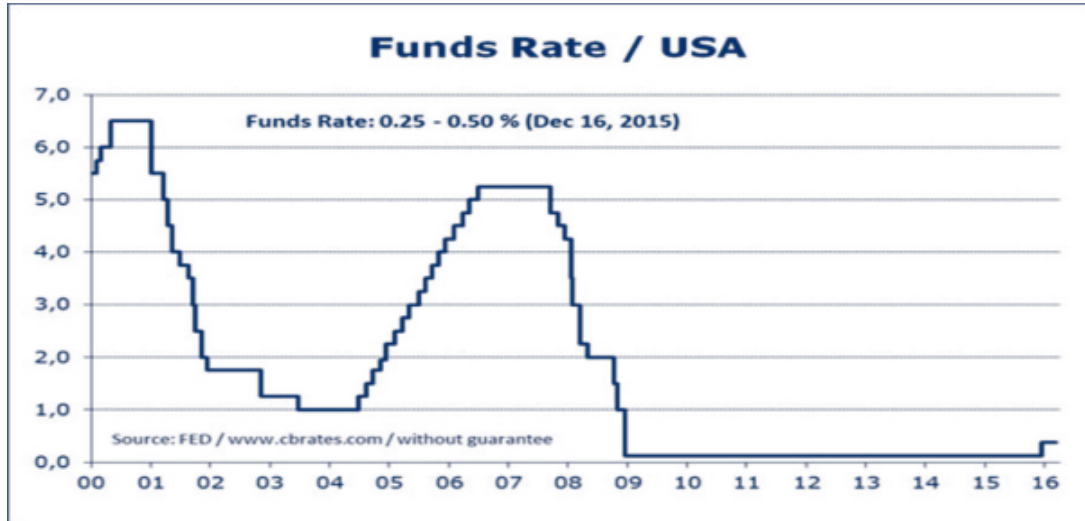






The previous chart indicates that the industry has experienced, and will probably continue to experience, a significant positive spread between Airline Passenger Traffic growth and GDP growth in the near-to-medium term. If world GDP growth can ever exceed the anemic 3% annual percentage growth rate in place since 2011, we would expect very robust increases in passenger demand and hence, overall demand for passenger aircraft.

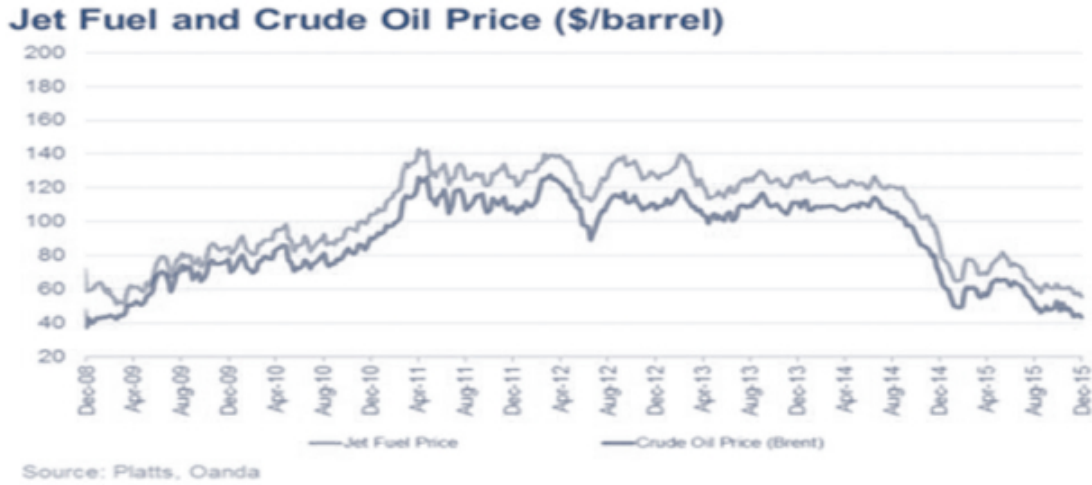
AISI also tracks interest rate trends as a proxy for continued demand for aircraft financing.



The above chart shows the results of the low interest rate policy of the US Federal Reserve since the 2008 financial crisis. AISI believes that this low interest rate environment is in the net, a very positive driver for aircraft financing opportunities. Aircraft lease rates are currently in the mid-to-upper single digit annual percentage rate range dependent of course, on the level of operator risk. In our view, this leaves plenty of spread for financiers to operate in between the cost of acquisition and the actual return on an aircraft lease. As investors clamor for these above market returns, we believe demand for aircraft asset backed financing will continue to be robust. We don't see anything but gradual monetary policy tightening by governments world-wide, so we expect the current strong demand for aircraft financing opportunities to continue for the near-to –intermediate and even the longer term.

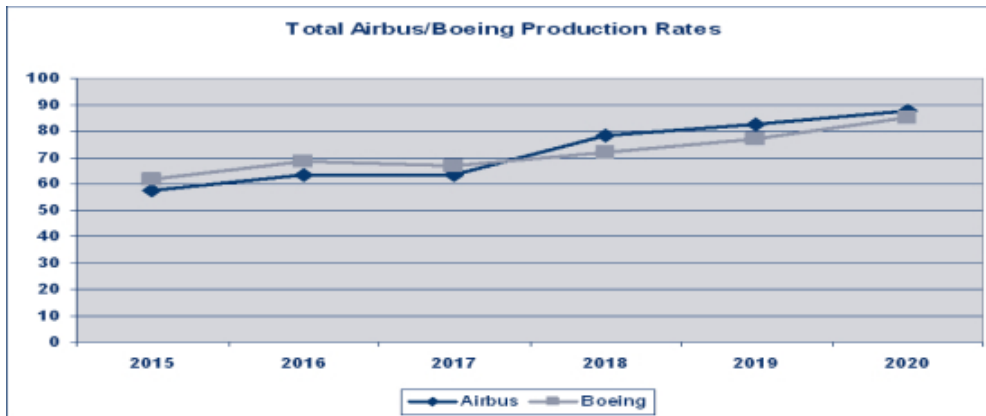
- **Aircraft Industry Specific Drivers of Aircraft Values**

AISI also tracks aviation jet fuel prices and aircraft manufacturer production rate trends while valuing and attempting to predict the future value retention performance of aircraft in today's, world-wide aircraft market.



The above chart shows the sharp drop in overall jet fuel prices over the last two years. Low fuel prices can be a two-edged sword for aircraft demand; generally positive for older aircraft, but low fuel prices can blunt demand for new aircraft and their expensive, fuel-saving technologies.

AISI believes that the most positive factor of low-fuel-price-driven demand for passenger aircraft comes from the improvement of operator balance sheets. Operators and their lessors greatly benefit from the ability of operators to comfortably service leases while seeking to open new routes that might have been marginal to operate in a high fuel price environment. This results in an overall increase in demand for both new and used aircraft as operators struggle to meet growing passenger demand for travel at reasonable, low-cost-fuel, fare levels. We do not see any major move to a high fuel price environment in the near to medium term. Boeing and Airbus monthly production rates are predicted to markedly increase through the end of the decade:



Sources: Airbus, Boeing, Leeham Co. Estimates



While the previous chart is ominous, we feel that Boeing and Airbus are in a huge market that will continue to be in a rough, supply-demand equilibrium. Currently, there are no “white tail” (planes manufactured, but not sold) aircraft sitting on the OEM ramps. In our view, wide-spread discounting is being supplanted by duopolistic price signaling, enabling new aircraft values to remain relatively firm, at least in the near term. Both manufacturers have announced rate decreases for their B777 and A330 production lines in an attempt to bridge the gap to the introduction of B777-X and A330NEO aircraft. The B747-8 and the A380 have also had production rates either cut or scheduled to be cut to meet dwindling demand for those aircraft. AISI believes that wide-spread “overbooking” of production slots and the ability of manufacturers to produce aircraft only for waiting customers outweighs most over-production fears.

• **The B737-800 Market**

The B737-800 is a twin engine, narrowbody, two man crew aircraft typically seating 160 passengers in mixed class configuration. Typical range with full passengers at low MTOW is approximately 1,925 nautical miles, while at high MTOW the range increases to approximately 2,900 nautical miles. The aircraft is part of the Boeing B737-600/700/800 Next Generation (NG) family, replacing the B737-500/300/400, respectively. The aircraft has a larger wing, a higher cruise speed, longer range, and higher initial cruise altitude capability than its predecessor, the B737-400, while operating at higher gross weights, with a larger passenger cabin and more powerful CFM56-7B variants of the same engine.

The B737-800 has the largest B737 NG family fleet with 3929 active aircraft, 1042 on order, and a strong customer base of 210 operators with excellent, world-wide distribution. A significant number of the active B737-800 fleet, approximately 2088 aircraft, are operated via either a capital lease or an operating lease. There are 3757 winglet equipped aircraft in service, 731 on order, which provide an increase in long range cruise efficiency. The non-winglet variant has 172 aircraft in service for 69 operators, with 311 on order. While winglets are not particularly useful to short haul operators, it has become obvious that winglet equipped aircraft are preferred. Non-winglet aircraft are able to be retrofitted with winglets.

The major competitor to the B737-800 is the Airbus A320. The B737-800 also competes with the smaller B737-700 and A319, the earlier B737-300/400 variants and to a lesser degree the MD- 80/90. The aircraft was first delivered in 1998.

Twenty-Seven winglet equipped B737-800 aircraft are currently inactive, mostly for major checks and/or modifications, or those aircraft that are at lease-end and are seeking new operating placements. Current low fuel prices, and continued capacity constraint strategies from major operators should work to keep all but the most aged B737-800s in revenue service.



AISI analysis of the market for the B737 type indicates that Boeing and Airbus are “overbooking” production slots which allows buyers later in the backlog to take any earlier production slots that become available if scheduled buyers default at delivery. This has worked to firm up the value of all aircraft, particularly used aircraft, as new aircraft aren’t searching long and hard for willing buyers.

AISI’s January 2016 values update has the Base and Current Market Value of new B737-800 aircraft declining only 1% from January 2015 values. This indicates a very strong market presence for this aircraft.

We see values remaining relatively firm even as Boeing is nearing production of the re-engined B737MAX family with the first aircraft, a B737-MAX 8, re-engined with CFM56-LEAP-1B engines, to be delivered in 2016. At the time of this report, 2626 orders have been placed by 52 operators for the B737-8MAX aircraft. This is an indicator of wide acceptance of this new family of aircraft, and with production slots for both B737-800NG and B737-8MAX sold out over the production transition period, values should remain firm even as the B737-8MAX enters production in 2016.

Airbus is offering the A319/320/321 family re-engined with either the CFM56 LEAP-1A or the PW GTF engines, the most modern and efficient engines available. Deliveries for the first variant, the A320-200 NEO, occurred in December, 2015.

In comparing the B737MAX versus the A320NEO family, operational cost efficiencies may slightly favor future A320 family aircraft values, as it does not appear as potentially beneficial to re-engine the B737 family due to the more limited B737 under-wing clearance which does not permit as large an engine fan as with the A320 family. However, the slight aerodynamic and weight advantage of the slightly smaller B737 fuselage compared to the A320 will probably nullify most of this engine fan advantage. We expect both the MAX and NEO types to be very competitive, as they are today, but they will enjoy only a short production run of about 10-15 years.

Over the long term, the presently defined B737 Next Generation/ MAX family is almost certainly near its last decade of production. Boeing has announced their intention to replace the B737 family with all new models, with the first deliveries starting no earlier than approximately 2025.

The aircraft has large potential for future cargo conversion and active conversion programs have been started by at least two companies. In July, 2015, Aeronautical Engineers Inc. (AEI), a well-known freighter conversion company, announced that it had won a contract to convert 20 B737-800 aircraft owned by GE Capital Aviation Services (GECAS) with first delivery scheduled for 2017. In early November, AEI announced an additional order for 15 B737-800SF conversions and 15 additional options for conversion from Aviation Capital Group.



Boeing launched the B737-800BCF with 30 firm orders and 25 commitments, including 10 firm and 10 commitments from YTO Airlines (China); 10 firm from China Postal Airlines; five firm from GECAS (US); plus commitments from SF Airlines (China) and Cargo Air (Bulgaria). The first B737-800BCF is expected to be delivered in 4Q 2017. It appears that market growth and B737-800 value reductions have coincided enough to make B737-800 freighter conversions economically practical for most of the off-of-last-passenger-lease B737-800 aircraft.

• **The B737-900ER Market**

The B737-900ER is a twin engine, narrowbody, two man crew aircraft typically seating 180 passengers in two class configuration, designed as the largest of the very successful B737-600/700/700ER/800/900 family. The B737-900ER replaces the earlier B737-900 that terminated production in 2006. The B737-900ER has considerably more flexibility than the B737-900 with a flat aft pressure bulkhead that typically provides additional rear galley space and a row of additional passenger seats at the same pitch, optional auxiliary lower cargo compartment fuel tanks that can provide in excess of 3200 nm range at high maximum takeoff weight, and aft passenger door options that can increase the exit limit maximum seating capacity from 189 to 215 passengers at closer seat pitches. Typical range with 180 passengers at lower maximum takeoff weight is approximately 2800 nm. The B737-900ER aircraft valued in this report include the split scimitar winglet option.

There are 134 orders for the B737-900ER, with the majority ordered by Delta Air Lines (62) and Alaska Airlines (23). There have been 380 aircraft delivered to 21 operators and one B737-900ER aircraft is inactive. Sixty percent of the total B737-900ER fleet is based in North America. By comparison, the B737-900 fleet, in production from 2000 to 2006, totals 52 aircraft with a small customer base of six airlines, but with no aircraft inactive.

The major competitor to the B737-900ER is the 220 seat Airbus A321-200 with the capability to seat up to 230 passengers in single-class configuration now and up to 240 passengers (with door modifications) in 2018. The B737-900ER will be limited to no more than 220 seats, even in -9MAX configuration, and the Aircraft does not have the range to service the majority of trans- Atlantic single aisle markets. Furthermore, the B737-900ER and the B737-9MAX will certainly not be able to compete with the 97 metric ton A321-200NEO, equipped with three auxiliary fuel tanks, designed for an equivalent-to-B757-200 3,900 nautical mile range, and with an entry into service planned for 2019.

<u>Aircraft Type</u>	<u>In Service</u>	<u>On Order</u>	<u>Number of Operators</u>
<b>B737-900ER</b>	380	134	21
<b>B737-9MAX</b>	0	417	11
<b>A321-200CEO</b>	1159	419	109
<b>A321-200NEO</b>	0	1119	42



The B737-900ER/MAX is at a significant market-presence disadvantage relative to the A321-200 CEO/NEO which is confirmed in the above Table

The B737-900 ER seems to be best-suited for up to trans-continental, US domestic markets with Delta, United, and Alaska Airlines being major customers. As operators continue to up-gauge from smaller to larger models within aircraft families, we expect the A321 to increase its market dominance over the B737-900ER.

Accordingly, new, average-build B737-900ER Base Values have declined 3% relative to 2015 Base Values, and Current Market Values for the same aircraft have declined 2% relative to 2015 in AISI's most recent values update. The market for the B737-900ER has declined to "soft" from "average". In contrast, A321-200 Base and Current Market Values have remained steady. We see the B737-900ER's market performance relative to the A321-200 to be the main driver behind Boeing's coming decision to design and introduce a next-generation narrow-body aircraft no later than 2025.

The aircraft has potential for future cargo conversion, but due to relatively high cost, we expect the potential for freighter conversion to be confined to the older B737 variants for domestic small package carrier market. It will be many years before market growth and B737-900ER passenger aircraft values reductions coincide to make a B737-900ERF practical.

- **The B787-9 Market**

The Boeing 787-9 entered into service with Air New Zealand in June of 2014. The B787 marks the beginning of a new technological standard for the industry that features 80% composite construction by volume; bleed-less electric-powered pressurization, anti-ice and air conditioning systems; and 5,000 psi hydraulic systems. The B787-9 can carry 250 - 290 passengers on routes of 8,000 to 8,500 nautical miles (14,800 to 15,750 km), while the shorter B787-8 can carry 210 -250 passengers on routes of 7,650 to 8,200 nautical miles (14,200 to 15,200 km). The B787-10, which basically sacrifices B787-9 range for capacity, will carry 290 - 335 passengers up to 7,000 nautical miles (12,900km).

The B787-9 is targeted at the B777-200 and A330 markets while the B787-8 is designed to replace B767 type aircraft. The follow-on B787-10 will likely target the B777-300ER and A350-900 market segments.

Despite battery and engine icing problems along with construction and certification delays, the B787 has been well received by the industry. To date, 601 B787-9s have been ordered by 42 customers, with 87 delivered to 15 customers. The B787-9 has clearly established itself as the hottest seller in its market segment compared to the 142 B787-8s on order by 33 customers, with 298 delivered to 37 operators. Surprisingly, only 162 B787-10s have been ordered by nine customers.



GE has engines on 240 ordered and delivered B787-8s, while Rolls Royce powers or will power 157. The split is wider for B787-9 aircraft with Rolls Royce engines currently selected for 153 and GE engines selected to power 281 aircraft. In the B787-10 engine market, GE has a similar lead with 89 compared to 30 Rolls Royce powered airframes. All models of the B787 have significant numbers of orders with engines unconfirmed, so Rolls Royce still has an opportunity to close the gap in this market.

The production rate of 787-8 and 787-9 aircraft is currently at 10 aircraft per month. Boeing has announced that production of the B787-10 will be assigned to their South Carolina factory which should allow for an effective production ramp up to 14 aircraft per month for the total 787 product line.

Similar to previous aircraft programs leading the industry to a new technological plateau, Boeing is expected to make more significant than normal improvements to its production processes over the life of the program. These production improvements are likely to increase the aircraft’s overall performance and provide value to both Boeing and to operators as the B787 production line matures.

Longer-term, the major obstacle to preserving B787 values would be any persistent and significant reduction in the aircraft’s ETOPs capabilities due to nagging electrical and engine icing problems. We note that the entire 787 family of aircraft just received 330 minute ETOPs approval from the FAA. The B787-8 has had more than its fair share of development and production problems, so it is important that the B787-9 can continue to be delivered relatively trouble free and that the reputation of the entire B787 program can be viewed in a more value-positive light.

AISI’s most recent, January 2016 values update shows Base Value, year over year *increases* for average build, new B787-9s of 3%. This reflects the market’s continued strong demand for B787- 9s despite the introduction of the higher-capacity A350-900 and the announcement of the Airbus A330NEO. Current Market Values have also shown 3% increases, confirming strong demand for B787s as operators seek the efficiencies of this aircraft with nearer-term deliveries sold out for the foreseeable future.

**B787 Family Specifications**

	B 787-8	B787-9	B787-10
MTOW	502,500 lbs.	553,000 lbs.	557,000
Cargo Volume ( <i>cubic feet</i> )	4,400	5,400	6,187
Design Range	7685 n. mi.	8035 n. mi.	7020 n. mi.
Passengers*	242	280	323

\*Three class seating  
 Source: Boeing



• **The B777-300ER Market**

The B777-300ER is the largest and most delivered, twin engine, wide-body Boeing aircraft. It is a two aisle, single passenger deck, two man cockpit crew aircraft seating approximately 368 passengers in three classes and is capable of 7,200 nautical mile range. The aircraft is offered only with the GE90 engine and is designed to fill the capacity gap between the B777-200 and the larger B747-400, B747-8, and the A-380.

The B777-300ER dominates its market space and eventually compelled Airbus to introduce the A350-900, as the A380, A330-200, A330-300, and all models of the A340 were never able to mount a serious challenge to the B777-300ER. Boeing has countered the successful introduction of the A350-900 by announcing production of the B777X family consisting of the B777-8X (350 passengers/ 9,300 nm. range) and the B777-9X (400 passengers / 8,200 nm. range). Fifty-three orders for the 8X and 253 orders for B777-9X have been announced with entry into service scheduled for 2021.

The B777-300ER comes from a large family of B777 aircraft as summarized in the table below:

<u>777 Model</u>	<u>In Service</u>	<u>On Order</u>	<u>In Storage</u>	<u># Operators</u>
-200	78		5	10
-200ER	369		37	44
-200LR	58		1	14
-300	51		6	8
-300ER	632	165	3	46
-200F	120	40		19
-8X		53		3
-9X		253		7

The current B777-300ER market is in average market condition, as it remains the best-selling aircraft in its class. However, the chart above indicates a backlog covering production only out to mid-2018 at the current rate of 8.3 B777 aircraft per month. This left Boeing with a potential “production gap” of 300+ unsold B777 aircraft delivery slots until the B777-9X enters service in mid-2021.

Values for new B777-300ERs and B777-200Fs would have come under needless additional pressure if Boeing had held firm on its promise not to cut B777 production rates during the transition from the B777-300ER to the B777-9X. Cooler heads have prevailed and Boeing has now cut the current 8.3 per month B777 production rate to seven aircraft per month beginning in 2017 and to 5.5 aircraft per month in 2018 and 2019. Analysts still wonder if customers will buy current technology B777s in 2018 or 2019, instead of opting for more readily available A-350s, or just waiting for the B777X family in the year 2021 and beyond.





In our view, Boeing will have to sell 150+ of additional B777 family aircraft between now and 2021 for the company to maintain any kind of pricing power for the current B777 family, even with the announced production cutbacks. The B777-300ER aircraft does have financially strong owners and operators with 405 out of the total 1308 in service B777 fleet currently on operating leases and a world-wide, evenly-distributed, operator base.

But with only 46 current B777-300ER operators, of which less than 20 have the financial capabilities to place large orders, it is difficult to imagine where customers for orders of 150+ aircraft will emerge between now and 2021. Even if large orders for the B777 are announced in the immediate future, we believe those orders will be heavily discounted and they will put immediate pressure on both new and used B777 current market values.

AISI's most recent, January 2016 values update, reflecting the above concerns, shows year over year declines in base and current market values for an average-build, new B777-300ER aircraft of 4% and 5% respectively. We expect these values to continue to decline in light of Boeing's planned B777 production rates.

Currently, early year-of build B777-200 and B777-200ER aircraft are beginning to be parted out. This development reflects an average, 25 year wide-body aircraft economic useful life and is not an indication that even these early-build aircraft are falling out of favor. The costs of major airframe checks and the benefits of continued low interest rates make replacing the oldest B777s with newer aircraft very compelling. Unfortunately for Boeing, the number of B777 aircraft nearing the end of their operating lives is not significant enough to put a dent in their earlier-mentioned "production gap".

The B777-300ER is a candidate for cargo conversion but with a 2004 entry into service, residual values are too high to add to an approximately \$30 million USD cargo conversion cost. Boeing has announced a program of converting ageing B777-300ERs as part of a new-aircraft sales campaign, but so far, no orders for conversions have been announced. B777-200 family aircraft are considered sub-optimal to the B777-300s with regard to cargo conversions.

As major airlines continue to opt for wide-body twins over four-engined aircraft on premium routes, we see only moderate over-production threats (which could be further mitigated by Boeing), to the B777-300ER market. Continued low fuel prices and interest rates should help support B777-300ER values and may even help Boeing make the case for current technology B777s over higher-cost, next generation B777X and A350 aircraft.



### 3. Valuations

Adjustments from half life have been applied based on the current maintenance status of the already delivered Aircraft as indicated to AISI by the client and in accordance with standard AISI methods. Adjustments are calculated only where there is sufficient information to do so, or where reasonable assumptions can be made, otherwise half life condition is assumed.

All hours and cycle information provided for airframe, gear, and engines have been projected from the maintenance status summary sheet dates to 15 May 2016 based on a daily utilization factor calculated for each aircraft. All maintenance work that became due as a result of projecting the hour and cycle information was assumed to have been completed and a new cycle started unless this would require more than one additional cycle, in which case half life was assumed.

The B737-800 Aircraft are 120 minute ETOPS certified and are equipped with split scimitar winglets installed by United after delivery from Boeing. Split scimitar winglets are the latest technology winglets which provide significant fuel savings and performance increases over the standard, blended winglets normally found on B737-800 aircraft. The B737-800 Aircraft are at the highest MTOW available and have a high thrust engine variant.

The B737-900ER Aircraft are also equipped with split scimitar winglets and are also 120 minute ETOPS certified, but these features are more generic on this aircraft. Hence, there is a smaller than may be expected differentiation in value between the higher-in-demand and richly-equipped B737- 800, and the less popular, and more standard-equipped B737-900ER. The B737-900ER Aircraft are at the highest MTOW available and have a high thrust engine variant.

The B777-300ER Aircraft are assumed to be capable of 330 minute ETOPS operation with the avionics and equipment necessary for that capability. They are also equipped with both overhead flight crew and cabin crew rest facilities and have a large aft cargo door. The 775,000 pound MTOW on the B777-300ER Aircraft is the highest MTOW option available.

The 787-9 aircraft are assumed to be capable of 330 minute ETOPS operation with the avionics and equipment necessary for that capability and are equipped with both overhead flight crew and cabin crew rest facilities.

It is our considered opinion that the sight unseen new base values as of 15 May 2016, in May 2016 and in delivery date U.S. Dollars, are as follows in Table I subject to the assumptions, definitions, and disclaimers herein.



**TABLE I**  
 AISI File A6S038BVO-06  
 Report Dated: 15 May 2016  
 Values as of: 15 May 2016

<u>No</u>	<u>Type</u>	<u>Reg Num</u>	<u>MSN</u>	<u>DOM</u>	<u>Engine *</u>	<u>MTOW **</u>	<u>New Base Value May-16 \$MUS Dollars</u>	<u>Maintenance Adjusted Base Value May-16 \$MUS Dollars</u>
1	B737-800	N76532	62749	Jun-16	CFM56-7B27E/F	174,200	52.39	n/a
2	B737-800	N76533	62748	Jun-16	CFM56-7B27E/F	174,200	52.39	n/a
3	B737-800	N77535	62751	Aug-16	CFM56-7B27E/F	174,200	52.57	n/a
4	B737-800	N86534	62750	Aug-16	CFM56-7B27E/F	174,200	52.57	n/a
5	B737-900ER	N66893	42197	Jan-16	CFM56-7B27E/F	187,700	n/a	51.32
6	B737-900ER	N62894	42198	Feb-16	CFM56-7B27E/F	187,700	n/a	51.78
7	B737-900ER	N62895	62769	Oct-16	CFM56-7B27E/F	187,700	53.62	n/a
8	B737-900ER	N62896	62768	Oct-16	CFM56-7B27E/F	187,700	53.62	n/a
9	B737-900ER	N66897	62814	Nov-16	CFM56-7B27E/F	187,700	53.71	n/a
10	787-9	N27964	37813	Feb-16	GEEnx 1B74/75/P2	560,000	n/a	140.24
11	787-9	N27965	37815	Feb-16	GEEnx 1B74/75/P2	560,000	n/a	140.46
12	777-300ER	N58031	62642	Dec-16	GE90-115BL	775,000	166.52	n/a
13	777-300ER	N59032	62644	Jan-17	GE90-115BL	775,000	166.80	n/a
14	777-300ER	N59033	62643	Jan-17	GE90-115BL	775,000	166.80	n/a
15	777-300ER	N59034	62646	Feb-17	GE90-115BL	775,000	167.07	n/a
16	777-300ER	N59035	62645	Feb-17	GE90-115BL	775,000	167.07	n/a
17	777-300ER	N54037	62649	Mar-17	GE90-115BL	775,000	167.35	n/a
18	777-300ER	N59036	62648	Mar-17	GE90-115BL	775,000	167.35	n/a
<b>TOTALS</b>							<b>1,539.83</b>	<b>383.80</b>

\* The CFM56-7B27E/F is a high takeoff thrust engine variant for both the B737-800 and the B737-900ER aircraft

\*\* The MTOW for the B737-800, the B737-900ER, and the B777-300ER aircraft are the highest certified for these aircraft

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Unless otherwise agreed by Aircraft Information Services, Inc. (AISI) in writing, this report shall be for the sole use of the client/addressee. This report is offered as a fair and unbiased assessment of the subject aircraft. AISI has no past, present, or anticipated future interest in any of the subject aircraft. The conclusions and opinions expressed in this report are based on published information, information provided by others, reasonable interpretations and calculations thereof and are given in good faith. AISI certifies that this report has been independently prepared and it reflects AISI's conclusions and opinions which are judgments that reflect conditions and values current at the time of this report. The values and conditions reported upon are subject to any subsequent change. AISI shall not be liable to any party for damages arising out of reliance or alleged reliance on this report, or for any party's action or failure to act as a result of reliance or alleged reliance on this report.

Sincerely,

*AIRCRAFT INFORMATION SERVICES, INC.*

A handwritten signature in blue ink that reads "D Miller". The signature is written in a cursive, somewhat stylized script.

Dave Miller  
Certified Appraiser, International Society of Transport Aircraft Trading

A handwritten signature in blue ink that reads "Mark D. Halsor". The signature is written in a cursive, somewhat stylized script.

Mark D. Halsor  
Certified Appraiser, International Society of Transport Aircraft Trading



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May 20, 2016

Mr. Gerry Laderman  
Senior Vice President-Finance & acting Chief Financial Officer  
United Airlines, Inc.  
233 S. Wacker Drive, 14<sup>th</sup> Floor HDQFT  
Chicago, IL 60606

Dear Mr. Laderman:

In response to your request, BK Associates, Inc. is pleased to provide our opinion regarding the Base Values (BV) for 18 Boeing aircraft in the United Airlines, Inc. ("United") fleet. The Aircraft include five Boeing 737-900ERs, four Boeing 737-800s, two Boeing 787-9s and seven Boeing 777-300ERs, four of which have already been delivered and 14 of which are scheduled for future delivery to United and identified as "United 2016-1 EETC". Each of the Boeing Aircraft is further identified by type, manufacturer's serial number, registration number, date of manufacture, engine type/variant and maximum takeoff weight in the attached Figure 1.

## CONCLUSIONS

Based upon our knowledge of these aircraft types, our knowledge of the capabilities and uses to which they have been put in various parts of the world, our knowledge of the marketing of used aircraft, and our knowledge of aircraft in general, it is our opinion that the values in millions of U.S. dollars of each aircraft are as shown in Figure 1.

We believe the B737-900ERs and B737-800s are equipped with scimitar winglets, the B787-9s are equipped with crew rest areas and the B777-300ERs are equipped with crew rest areas and a cargo door.

Values of the yet-to-be delivered Aircraft reflect the new aircraft delivery maintenance configuration. For the few aircraft that are already in service, we have provided a maintenance adjusted value that accounts for maintenance time consumed and depreciation of the asset.

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Mr. Gerry Laderman

May 20, 2016

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## DEFINITIONS

According to the International Society of Transport Aircraft Trading's (ISTAT) definition of Base Value, to which BK Associates, Inc. subscribes, the base value is the Appraiser's opinion of the underlying economic value of an aircraft in an open, unrestricted, stable market environment with a reasonable balance of supply and demand, and assumes full consideration of its "highest and best use". An aircraft's base value is founded in the historical trend of values and in the projection of future value trends and presumes an arm's length, cash transaction between willing, able and knowledgeable parties, acting prudently, with an absence of duress and with a reasonable period of time available for marketing. The base value normally refers to a transaction involving a single aircraft. When multiple aircraft are acquired in the same transaction, the trading price of each unit may be discounted.

For comparison purposes it is the convention to assign "half-time, half-life" values to aircraft, which represent the value of an aircraft that is halfway between the expensive major maintenance events. The adjustments are based on industry average costs, and normally would include an adjustment for the time remaining to a "C" check, time remaining to a "D" check, time remaining to landing gear overhaul, time remaining to APU overhaul, time since heavy shop visit on the engines and for the life remaining on engine life limited parts. For the four aircraft that are in service, we have made adjustments based on the maintenance consumed. For the yet-to-be delivered aircraft, the values are "full-time, full-life" which assumes that all checks and overhauls have maximum time remaining.

## MARKET DISCUSSION & METHODOLOGY

For a newly delivered aircraft one can argue that, almost by definition, the base value is approximately equal to the actual selling price. Without the existence of "white tails" or finished aircraft for which there is no buyer, the very existence of a buyer and seller at the agreed price suggests the market is in balance and the purchase price is the base value. The commercial aviation market is currently in a solid position with a worldwide Revenue Passenger Mile (RPM) growth rate of 5.9 percent in 2015 and a 4.6 to 5.5 percent per annum growth rate predicted over the next 20 years, depending on the source. The mature U.S. market has a more modest growth rate predicted at 2.6 percent per annum according to the latest FAA economic outlook. The growth in RPMs has consistently and persistently tracked the growth in world GDP. While the timing of the peaks and valleys may be offset, the average growth in traffic has been around twice the growth in GDP, and is currently at approximately 1.7 times world GDP.

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May 20, 2016  
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In its latest forecast, Boeing forecasts that the passenger aircraft fleet will grow from 21,600 aircraft in 2014 to 43,560 in 2034. According to Boeing, 12 percent of delivery units will be small wide-bodies, nine percent will be medium wide-bodies and 70 percent will be narrow-body aircraft. Overproduction is always a concern, particularly now as we are experiencing a record backlog at 50 percent of the in-service fleet. With regard to the aircraft in this appraisal, Boeing intends on increasing the production rate of the 737 and 787 lines while decreasing the production rate of the 777 as it bridges into the 777X. However, Boeing believes that this will not be a concern as production will not keep pace with demand while deliveries as a percentage of fleet will remain the same at 6.5 percent over the next six to seven years.

We do not know the purchase price of the Aircraft but we do know the current published Boeing list price averages \$101.90 million for the Boeing 737-900ERs and \$96.00 million for the 737-800 depending on the configuration and options. For the Boeing 787-9 and 777-300ER, it is \$264.60 million and \$339.60 million, respectively. We also know that nobody pays list price and the discount is normally at least 40 percent with much larger discounts often applied for buyers placing large orders. Because of confidential actual transaction prices some of our clients have shared with us, we are convinced a typical price for a new Boeing 737-900ER aircraft is in the \$52.00 to \$55.00 million range and for the Boeing 737-800 aircraft it is about \$51.00 million. The B787-9 is approximately \$141.70 million while the B777-300ER is in the \$180 million region. The inclusion of items such as crew rest areas or scimitar winglets can increase the value of the aircraft. As noted in the first sentence of this section, for a new aircraft the base value is equal to the purchase price.

## ASSUMPTIONS & DISCLAIMER

It should be understood that BK Associates, Inc. has neither inspected the Aircraft nor the related maintenance records, but has relied upon the information provided by you and in the BK Associates, Inc. database. The assumptions have been made that all Airworthiness Directives have been complied with; accident damage has not been incurred that would affect market values; and maintenance has been accomplished in accordance with a civil airworthiness authority's approved maintenance program and accepted industry standards. Further, we have assumed unless otherwise stated, that each Aircraft is in typical configuration for the type and has accumulated an average number of hours and cycles. Deviations from these assumptions can change significantly our opinion regarding the values.

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Mr. Gerry Laderman  
May 20, 2016  
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BK Associates, Inc. has no present or contemplated future interest in the Aircraft, nor any interest that would preclude our making a fair and unbiased estimate. This appraisal represents the opinion of BK Associates, Inc. and reflects our best judgment based on the information available to us at the time of preparation and the time and budget constraints imposed by the client. It is not given as a recommendation, or as an inducement, for any financial transaction and further, BK Associates, Inc. assumes no responsibility or legal liability for any action taken or not taken by the addressee, or any other party, with regard to the appraised equipment. By accepting this appraisal, the addressee agrees that BK Associates, Inc. shall bear no such responsibility or legal liability. This appraisal is prepared for the use of the addressee and shall not be provided to other parties without the express consent of the addressee.

Sincerely,

BK ASSOCIATES, INC.



David Griffin  
Assistant Vice President



John F. Keitz  
President  
ISTAT Senior Certified Appraiser  
And Appraiser Fellow

DG/kf  
Attachment



Figure 1  
**UNITED AIRLINES, INC.**  
**2016-1 EETC**  
**PORTFOLIO**

	<u>Type</u>	<u>Airframe Serial #</u>	<u>Registration No.</u>	<u>Delivery Month</u>	<u>MTOW</u>	<u>Engine Type</u>	<u>U.S. \$(Mil) BV</u>
1	737-800	62749	N76532	Jun-16	174,200	CFM56-7B27E/F	51.00
2	737-800	62748	N76533	Jun-16	174,200	CFM56-7B27E/F	51.00
3	737-800	62751	N77535	Aug-16	174,200	CFM56-7B27E/F	51.25
4	737-800	62750	N86534	Aug-16	174,200	CFM56-7B27E/F	51.25
1	737-900ER	42197	N66893	Jan-16	187,700	CFM56-7B27E/F	52.39
2	737-900ER	42198	N62894	Feb-16	187,700	CFM56-7B27E/F	52.50
3	737-900ER	62769	N62895	Oct-16	187,700	CFM56-7B27E/F	54.40
4	737-900ER	62768	N62896	Oct-16	187,700	CFM56-7B27E/F	54.40
5	737-900ER	62814	N66897	Nov-16	187,700	CFM56-7B27E/F	54.40
1	787-9	37813	N27964	Feb-16	560,000	GE90-115BL	180.00
2	787-9	37815	N27965	Feb-16	560,000	GE90-115BL	180.60
1	777-300ER	62642	N58031	Dec-16	775,000	GE90-115BL	180.60
2	777-300ER	62644	N59032	Jan-17	775,000	GE90-115BL	180.60
3	777-300ER	62643	N59033	Jan-17	775,000	GE90-115BL	180.60
4	777-300ER	62646	N59034	Feb-17	775,000	GE90-115BL	180.60
5	777-300ER	62645	N59035	Feb-17	775,000	GE90-115BL	180.60
6	777-300ER	62649	N54037	Mar-17	775,000	GE90-115BL	180.60
7	777-300ER	62648	N59036	Mar-17	775,000	GE90-115BL	180.60

**Desktop Appraisal of:**  
Eighteen (18) Various Aircraft

**Client:**  
United Airlines, Inc.

**Date:**  
May 20, 2016

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### I. Introduction and Executive Summary

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**Morten Beyer & Agnew (“mba”)** has been retained by United Airlines, Inc. (the “Client”) to provide a Desktop Appraisal to determine the Current Base Values of four (4) Boeing 737-800, five (5) Boeing 737- 900ER, two (2) Boeing 787-9, and seven (7) Boeing 777-300ER aircraft, as of May 2016. The aircraft are fully identified in Section IV of this report.

In performing this appraisal, mba relied on industry knowledge and intelligence, confidentially obtained data points, its market expertise and current analysis of market trends and conditions, along with value information from its semiannual Future Aircraft Values (“FAV”) publication **redbook – Jet Transport PLUS, April 2016**.

Based on the information set forth in this report, it is our opinion that the total current base value of the aircraft in this portfolio is as follows and as set forth in Section IV.

	<b>Current Base Value (US\$)</b>
<b>Eighteen (18) Aircraft Total</b>	<b>\$1,896,710,000</b>

Section II of this report presents definitions of various terms, such as Current Base Value and Current Market Value as promulgated by the Appraisal Program of the International Society of Transport Aircraft Trading (ISTAT). ISTAT is a non-profit association of management personnel from banks, leasing companies, airlines, manufacturers, brokers, and others who have a vested interest in the commercial aviation industry and who have established a technical and ethical certification program for expert appraisers.



## II. Definitions

### *Desktop Appraisal*

A desktop appraisal is one which does not include any inspection of the aircraft or review of its maintenance records. It is based upon assumed aircraft condition and maintenance status or information provided to the appraiser or from the appraiser's own database. A desktop appraisal would normally provide a value for a mid-time, mid-life aircraft (ISTAT Handbook).

### *Base Value*

ISTAT defines Base Value as the Appraiser's opinion of the underlying economic value of an aircraft, engine, or inventory of aircraft parts/equipment (hereinafter referred to as "the asset"), in an open, unrestricted, stable market environment with a reasonable balance of supply and demand. Full consideration is assumed of its "highest and best use". An asset's Base Value is founded in the historical trend of values and in the projection of value trends and presumes an arm's-length, cash transaction between willing, able, and knowledgeable parties, acting prudently, with an absence of duress and with a reasonable period of time available for marketing. In most cases, the Base Value of an asset assumes the physical condition is average for an asset of its type and age. It further assumes the maintenance time/life status is at mid-time, mid-life (or benefiting from an above-average maintenance status if it is new or nearly new, as the case may be). Since Base Value pertains to a somewhat idealized asset and market combination it may not necessarily reflect the actual current value of the asset in question, but is a nominal starting value to which adjustments may be applied to determine an actual value. Because it is related to long-term market trends, the Base Value definition is commonly applied to analyses of historical values and projections of residual values.

### Qualifications

mba is a recognized provider of aircraft and aviation-related asset appraisals and inspections. mba and its principals have been providing appraisal services to the aviation industry for over 20 years; and its employees adhere to the rules and ethics set forth by the International Society of Transport Aircraft Trading ("ISTAT"). mba employs four ISTAT Certified Appraisers, one of the largest certified staff in the industry. mba's clients include most of the world's major airlines, lessors, financial institutions, and manufacturers and suppliers. mba maintains offices in North America, Europe, and Asia.

mba publishes the semiannual Future Aircraft Values (FAV) *redbook*, a two-volume compendium of current and projected aircraft values for the next 20 years for over 150 types of jet, turboprop, and cargo aircraft.

mba also provides consulting services to the industry relating to operations, marketing, and management with an emphasis on financial/operational analysis, airline safety audits and certification, utilizing hands-on solutions to current situations. mba also provides expert testimony and witness support on cases involving collateral/asset disputes, bankruptcies, financial operations, safety, regulatory and maintenance concerns.

### III. Current Market Conditions

#### General Market Observation—1st Quarter 2016

An essential consideration in any appraisal is market conditions at the time the valuation is rendered. This section describes market conditions associated with this valuation. The first part of the section provides general market commentary, highlighting major factors currently influencing aircraft values. The second part of the section details mba’s view of the current market situation for each aircraft type examined in this valuation.

Passenger demand and jet fuel prices are two of the most significant factors influencing commercial transport aircraft values. Increases in passenger demand have a positive impact, while variations in fuel price have a different impact depending on the technology level of the asset. There are many other considerations that drive values of a specific aircraft type and model including: age, number of operators, regional distribution, total number in use, production status, and order backlog, among others.

Over the years, passenger demand has been shown to have a strong correlation with Gross Domestic Product (“GDP”). As presented in the following chart, this correlation also extends to orders for new aircraft.



Source: iata.org; AerData; worldbank.org

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Underlying all of this is the historical and future predicted passenger growth of 5.0% per year by manufacturers and government agencies alike, which exceeds short-term World Bank global GDP predictions. Global GDP growth slowed to 2.5% in 2015, and is expected to recover at a slower pace than previously envisioned, with 2016 projected growth at 2.8%. The World Bank put this down to the weak performance of major emerging markets, mostly BRICs nations, impacting the overall growth of the global economy.

The International Air Transport Association (“IATA”) reports that global passenger traffic (“RPK”)<sup>1</sup> experienced year-on-year growth of 5.9% from Q4 2014 to Q4 2015. In addition, a year-on-year comparison of Q4 2015 to Q4 2014 illustrates a 5.6% increase in international RPKs worldwide, and an increase in domestic RPKs of 6.4% worldwide. International travel was relatively strong on average, however, towards the end of the fourth quarter strikes resulting in temporary airline shutdowns in Germany and Russia negatively impacted international traffic growth for Europe and CIS countries, ultimately putting downward pressure on global passenger travel. Despite the tempering of global economic growth, air traffic managed to grow, likely owing to lower air fares attracting more passengers. According to IATA’s November Market Analysis, the first 10 months of 2015 saw a 5.0% drop in average fares, which supported the increase in passengers of about 3.0%.

At the end of Q4 2015, Airbus had booked 1,036 net orders, while Boeing booked 869 net orders. The large variance between the two manufactures is mainly attributed to Indigo’s order of 250 A320neo aircraft in August 2015 and Wizz Air’s order of 110 A321neo aircraft in September 2015. Throughout 2015, Airbus delivered 635 aircraft, while Boeing delivered 762 aircraft. The current order rate is approximately 86 aircraft and 72 aircraft per month for Airbus and Boeing, respectively, and steady delivery rates of approximately 53 aircraft and 64 aircraft per month for Airbus and Boeing, respectively. Boeing’s higher delivery rate can be attributed to the 787 ramping up to 12 aircraft per month in 2016 and the 777 maintaining its 8.3 per month rate. While Boeing will be slowing 777 production to 7 per month in 2017, and the 747 to 0.5 per month in 2016, the annual deliveries are expected to remain high as 787 and 737MAX production lines increase output.

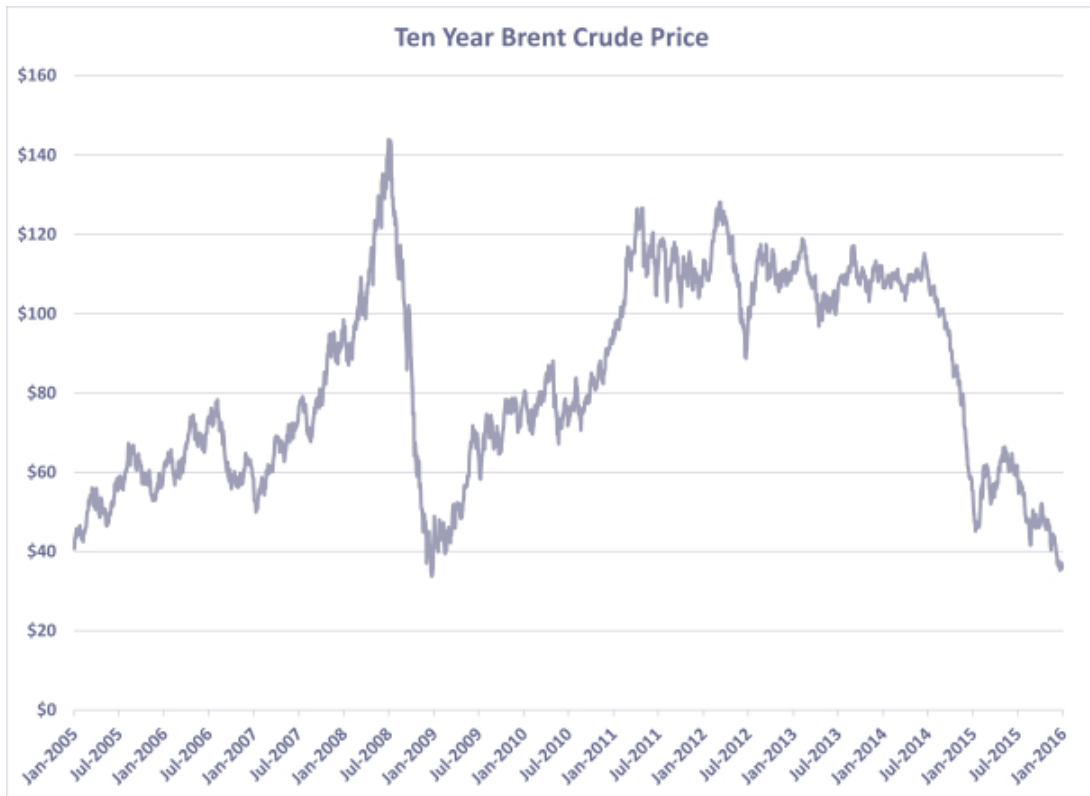
Airbus’ A350 is still only producing an average of two aircraft per month, but is planning to increase to 5 per month in 2016, with a goal of ultimately producing 10 per month. On top of the lower production rate for the A350 compared to the 787, Airbus is decreasing A330 production to six aircraft per month in 2016. However, the A320 line will be increasing to 60 per month by mid-2019 compared to Boeing’s 737 aimed at 57 per month by the same time. While Boeing is likely to remain the top manufacturer in terms of deliveries, Airbus will lessen the gap as production ramps up for new generation and re-engined aircraft.

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<sup>1</sup> RPK – Revenue Passenger Kilometers

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Prices tumbled to approximately US\$48.00 per barrel by the end of January 2015 and despite an increase up to US\$65.00 in Q2 2015, prices had fallen again to US\$36.00 per barrel by the end of Q4 2015. The longer oil remains at the low price, the more questions arise about whether this price is sustainable. Oil-price.net offers the opinion that the supply-demand balance will favor a lower plateau due to continued production by the major oil suppliers and a reduction in demand worldwide. However, OPEC believes oil prices will rise back up within the next two years as oil producers are forced to cut production.



Source: Energy Information Agency, [www.eia.gov](http://www.eia.gov)

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After a stable market in the beginning of 2015, Q2 and Q3 proved comparatively unstable. China experienced the lowest GDP growth rate in Q3 2015 since 2009, despite the government's attempt to inject cash into the markets to stimulate the economy. Nearing the end of 2015, the World Trade Organization lowered its global trade growth forecast to 2.8% for 2015 compared to the 3.3% it originally forecasted. China's economy has created rifts in other global markets such as the mining and commodities in Australia and Brazil, both of which have been impacted by decreased demand from the Chinese market.

U.S. markets have also been affected with investors' concern over the Chinese economy and U.S. corporate earnings. In an effort to calm the market, the Federal Government went against predications and did not raise interest rates until December 2015. However, U.S. mortgage giant, Fannie Mae, had previously speculated the Federal Government would continue to raise interest rates three more times in 2016, but has since lowered predictions to two raises in 2016 due to a slowdown in the U.S. economy. While an economic slowdown could impact passenger traffic, the lower fuel prices have kept fares low and attractive. In addition, the low fuel prices have provided excess cash to the airlines allowing them to replace aging aircraft, lessening the likelihood of order cancellation or delays by U.S. operators.

Another significant occurrence in the wider global economy is the reauthorization of the U.S. Export- Import Bank ("Ex-Im Bank"). The bank suffered a temporary lapse in authority of over five months which raised concerns over the impact on Boeing's financial competitiveness compared to Airbus and the potential movement of manufacturing to outside the U.S. The five month legislative battle delayed and allegedly lost orders for U.S. manufacturers. Despite reauthorization, Ex-Im Bank still cannot approve any transaction over US\$10 million due to a lack of the required number of directors on their board and the bank must wait for the U.S. Senate to appoint new directors. Boeing is optimistic the funding issue will be resolved, however it is only forecasting 9.0% of deliveries in 2016 to receive backing from Ex-Im, potentially impacting future campaigns when up against competing Airbus aircraft.

In summary, China's recent economic woes have caused an overall slowdown in global economic growth creating a state of ambiguity in the global market. With Asia being the fastest growing region in passenger traffic and aircraft orders, there is concern that orders could be pushed back or cancelled. However, the continuation of low oil prices has had a positive impact on the commercial aviation industry with passenger traffic up and airlines turning profits again, allowing investment in upgraded fleets and expansion.



## Boeing 737-800 Current Market

The 737-800 entered service with Hapag-Lloyd Flug (TUifly) in 1998. It is a stretched version of the 737-700 and a replacement for the 737-400 Classic. Many carriers in the United States also utilized the aircraft to replace Boeing 727-200s, as well as MD-80 and MD-90 aircraft.

### Overview

#### Positive

- Most popular member of highly successful 737NG family.
- Large operator base is geographically diverse, by number and type of operators.
- Very low percentage of existing fleet currently parked.
- Sole source engines ease remarketing to secondary operators.

#### Neutral

- Introduction of 737MAX variant delays clean sheet replacement, but will likely affect values of only the youngest 737-800 aircraft produced.
- May have a popular freighter conversion program in the long-term, based on successful conversions of predecessor 737-300 and -400 aircraft; however, the competing A320 may provide better freighter platform and will almost certainly beat 737-800 to market with conversion options.

#### Negative

- Backlog going forward likely to fade in favor of 737MAX, due to enter service in 2017.
- Lease rates have been under pressure recently, particularly for younger vintages, as major lessors are providing inventory at low lease rental factors in order to place their aircraft. However, 737-800 lease rates appear to be holding up slightly better than those of competing A320-200.

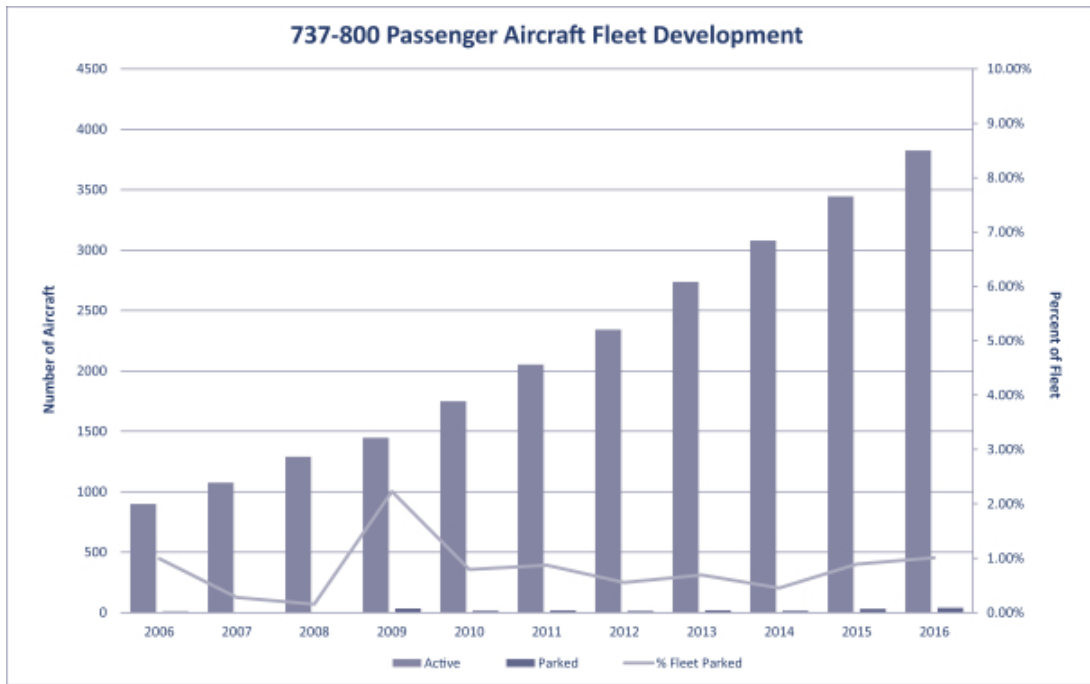
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As of January 2016, there were 3,825 active passenger-configured 737-800 aircraft in service with 185 operators.

<i>Fleet Status</i>	737-800
Net Orders	4,996
Backlog	1,115
Delivered	3,881
Destroyed/Retired	17
Not in Service/Parked	39
Active Aircraft	3,825
Number of Operators	185
Average Daily Utilization (Hrs)	10.3
Average Fleet Age (Yrs)	6.8

Source: AerData January 2016

The 737-800 fleet has grown rapidly over the past ten years, with the number of active aircraft more than quadrupling during the period. The 737-800 has also had an extremely low percentage of the existing fleet reported as parked during the same period, with the percentage of fleet parked peaking at 2.2% in 2009. The chart below depicts 737-800 fleet development by year, as of January of each year.



Source: AerData 2016

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### **Recent Developments**

In February 2016, Boeing announced it will be launching a passenger to freighter conversion program for the 737-800, in a bid to compete with other third party conversion programs such as AEI (mronetwork.com).

In January 2016, Japan Transocean Air (JTA) took delivery of its first of twelve B737-800s on order from Boeing (ch-aviation.com).

In January 2016, Southwest Airlines acquired thirty-three more B737-800s following the placement of an order in December last year. In addition to the order, Southwest has also converted its remaining twenty-five B737-700 options to -800s (ch-aviation.com).

In December 2015, UK Leisure Airline, Jet2.com, finalized an order for three Next Generation 737-800s. (boeing.com)

### **Demographics & Availability**

European carrier, Ryanair, operates the largest fleet of 737-800s with 8.3% of the current total fleet. American Airlines is the second largest operator of the type with 6.8% of the total fleet.

#### *Boeing 737-800 Passenger-Configured Aircraft Current Fleet by Operator*

<b>Operator</b>	<b>In Service</b>	<b>Parked</b>	<b>Total</b>	<b>% of Fleet</b>
RYANAIR	321	1	322	8.3%
AMERICAN AIRLINES	264		264	6.8%
UNITED AIRLINES	129		129	3.3%
CHINA SOUTHERN	124		124	3.2%
AIR CHINA	116		116	3.0%
HAINAN AIRLINES	114		114	3.0%
SOUTHWEST AIRLINES	104		104	2.7%
XIAMEN AIRLINES	104		104	2.7%
GOL TRANSPORTES AEREOS	104		104	2.7%
NORWEGIAN AIR SHUTTLE	92	1	93	2.4%
SHANDONG AIRLINES	85		85	2.2%
SHENZHEN AIRLINES	81		81	2.1%
GARUDA INDONESIA	79		79	2.0%
DELTA	73		73	1.9%
CHINA EASTERN	71		71	1.8%
All Others	1964	37	2001	51.8%
<b>Grand Total</b>	<b>3825</b>	<b>39</b>	<b>3864</b>	<b>100.0%</b>

Source: AerData January 2016

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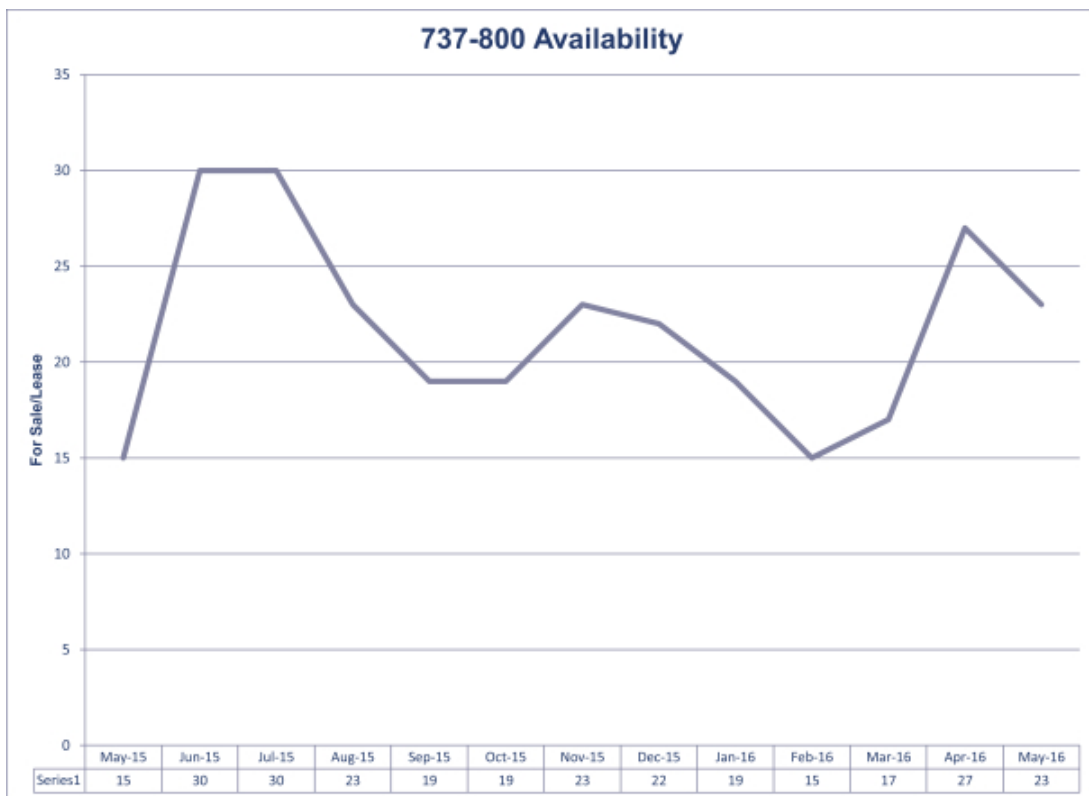
Asia is the most popular region with 38.4% of the current fleet, followed closely by Europe with 26.3% of the fleet.

*Boeing 737-800 Passenger-Configured Aircraft  
Current Fleet by Region*

Region	In Service	Parked	Total	% of Fleet
Asia	1471	12	1483	38.4%
Europe	993	22	1015	26.3%
North America	728	2	730	18.9%
Australia and Pacific	158	2	160	4.1%
Africa	144	1	145	3.8%
South America	128		128	3.3%
Central America and Caribbean	107		107	2.8%
Middle East	95		95	2.5%
Undisclosed	1		1	0.0%
<b>Grand Total</b>	<b>3825</b>	<b>39</b>	<b>3864</b>	<b>100.0%</b>

Source: AerData January 2016

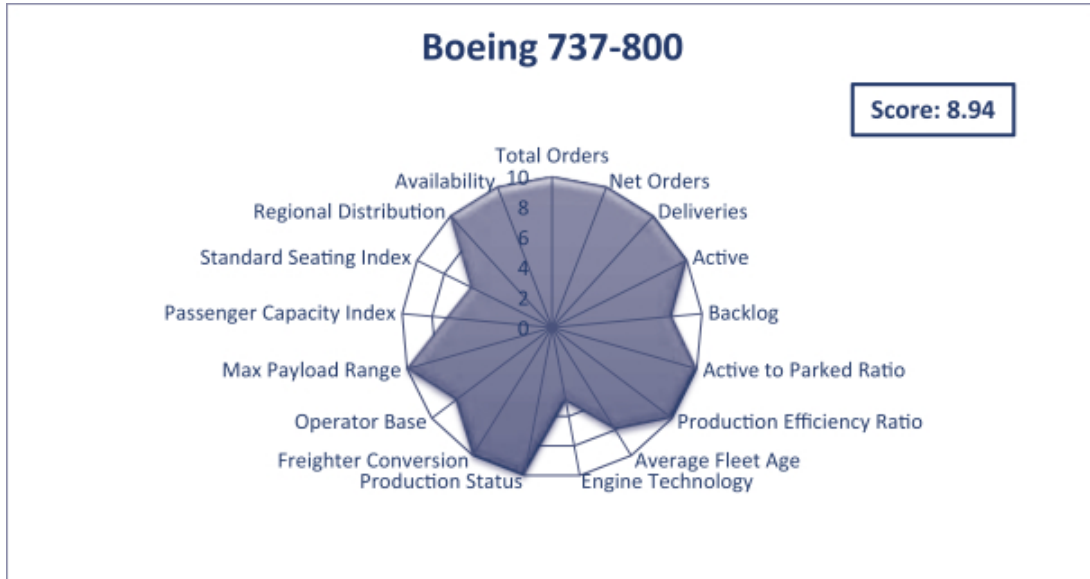
According to Airfax, as of May 2016, there are 23 Boeing 737-800 available for sale or lease, amounting to less than 0.6% of the total current fleet.



Source: Airfax May 2015—May 2016

**Aircraft Ranking**

mba's Aircraft Ranking model takes into account numerous factors that affect an aircraft's market standing, on a scale specifically developed for each asset class. These ranking factors are individually weighted and compared against each other to develop mba's overall ranking score for each aircraft type, which is expressed in a scale of 1.00 to 10.00. The most prevalent aircraft configurations are used in the ranking analysis which can be further identified in mba's Future Aircraft Value *redbook* publication or its web based valuation service.



Source: mba FAV Jet Transport PLUS, 1st Half 2016

**Outlook**

The short- to mid-term outlook for the 737-800 is quite favorable prior to the 737MAX variants entering service. The aircraft seems to be well positioned in terms of passenger capacity vis-à-vis the current demand in the narrowbody sector, particularly when compared to smaller aircraft, such as the 737-700 and A319, which have not been as successful of late. The order book for the 737-800 remains robust, at over 1,100 units, even though many new orders being placed now favor the 737MAX variant. The long-term outlook will be shaped by the presumed success of the 737MAX. While not a true clean-sheet replacement, the modified variant represents a break in production and the last 737-800s manufactured will suffer the most from a value perspective. However, no technical obsolescence is expected for the foreseeable future as a result of the 737MAX entering service. An unknown variable at this time is the future of the 737-800 as a freighter. Boeing 737-300 and 737-400 aircraft have long been successfully converted as freighters. The values of 737-800s are currently too high to support freighter conversion. Though the aircraft from a technical perspective would likely make a good narrowbody freighter, there is plenty of much cheaper feed stock from the 737 Classic fleet, and among current production aircraft, the A320-200 will likely beat the 737-800 to the freighter conversion market, which may also reduce freighter conversion prospects for the 737-800. While the A320-200 will surely remain a successful competitor to the 737-800, the narrowbody market has been able to handily accommodate very large fleets of both types and it is mba's expectation that this will continue into the future.

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### **Boeing 737-900ER Current Market**

The Boeing 737-900 entered service in 2001 with Alaska Airlines and ended production four years later, in 2005. In 2007, the 737-900ER was introduced in place of the 737-900 non-ER and entered service with Lion Air as the newest member of the 737 NG family.

The 737-900ER features an additional pair of exit doors as well as a flat rear pressure bulkhead to increase interior accommodation to 180 passengers in a typical two class configuration or up to 215 passengers in a single class. The aircraft has the same external dimensions as the 737-900 but features an increased Maximum Take Off Weight (“MTOW”) of 187,700 pounds, strengthened landing gear and wing structures, up to two optional auxiliary fuel tanks, and optional winglets. These improvements allow for a range of 3,265 nautical miles carrying 180 passengers with the installation of the two auxiliary fuel tanks and winglets.

#### **Overview**

##### **Positive**

- Sole source engines ease remarketing to secondary operators.
- Commonality with other 737NG variants may increase potential operator base when remarketing.
- Relatively robust backlog.

##### **Neutral**

- Introduction of 737MAX variant delays clean sheet replacement, but will likely affect values of only the youngest 737-900ER aircraft produced.

##### **Negative**

- Backlog going forward likely to fade in favor of 737MAX, due to enter service in 2017.
- Fleet concentration in hands of limited operators may have negative impact going forward when the fleet moves on to second tier operators.
- Program has not been as popular as that of its competitor, the A321-200.

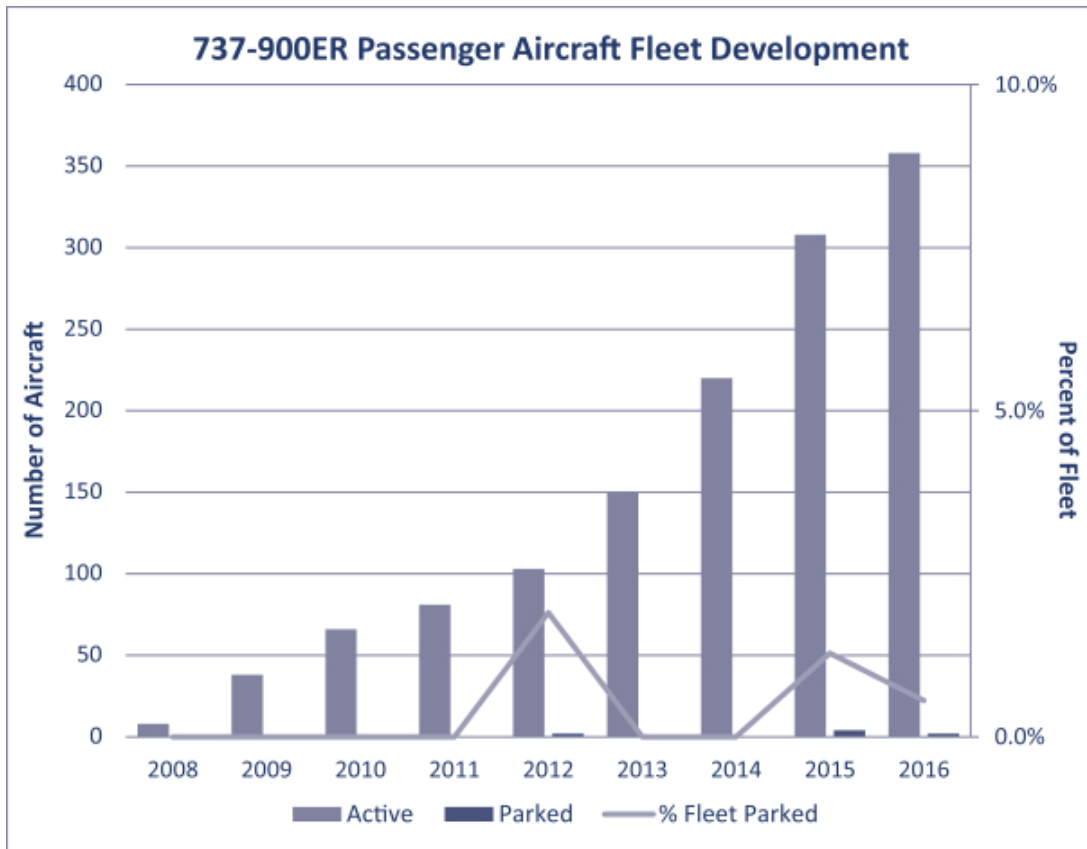
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As of January 2016, there were 358 active passenger-configured 737-900ER aircraft in service with 21 operators.

<i>Fleet Status</i>	737-900ER
Net Orders	518
Backlog	158
Delivered	360
Destroyed/Retired	0
Not in Service/Parked	2
Active Aircraft	358
Number of Operators	21
Average Daily Utilization (Hrs)	9.8
Average Fleet Age (Yrs)	3.7

Source: AerData January 2016

The 737-900ER fleet has grown steadily since its introduction in 2007. The chart below depicts 737-900ER fleet development by year, as of January of each year (2007 is not included as no aircraft were active as of January 2007).



Source: AerData 2016



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### **Recent Developments**

In December 2015, Delta Air Lines, Inc. (“Delta”) ordered twenty 737-900ER aircraft (airwaysnews.com).

### **Demographics & Availability**

United Airlines operates the largest fleet of 737-900ERs, accounting for 35.6% of the type. Indonesia’s Lion Air is the second largest operator with 19.7% of the total fleet.

#### *Boeing 737-900ER Passenger Aircraft Current Fleet by Operator*

<b>Operator</b>	<b>In Service</b>	<b>Parked</b>	<b>Total</b>	<b>Total %</b>
UNITED AIRLINES	128		128	35.6%
LION AIR	71		71	19.7%
DELTA	50		50	13.9%
ALASKA AIRLINES	34		34	9.4%
TURKISH AIRLINES	14	1	15	4.2%
THAI LION AIR	13		13	3.6%
KOREAN AIR	6		6	1.7%
BATIK AIR	6		6	1.7%
MALINDO AIR	6		6	1.7%
OMAN AIR	5		5	1.4%
EL AL	5		5	1.4%
SPICEJET	4		4	1.1%
UKRAINE INTERNATIONAL	4		4	1.1%
JETKONNECT	3		3	0.8%
OKAY AIRWAYS	3		3	0.8%
SOMON AIR	2		2	0.6%
SRIWIJAYA AIR	2		2	0.6%
TRAVEL SERVICE	1		1	0.3%
JET AIRWAYS	1		1	0.3%
BBAM		1	1	0.3%
<b>Grand Total</b>	<b>358</b>	<b>2</b>	<b>360</b>	<b>100.0%</b>

Source: AerData January 2016

North America is the most popular region with 59.2% of the 737-900ER fleet. Asia follows with 32.5% of the total fleet.

#### *Boeing 737-900ER Passenger Aircraft Current Fleet by Region*

<b>Region</b>	<b>In Service</b>	<b>Parked</b>	<b>Total</b>	<b>Total %</b>
North America	212	1	213	59.2%
Asia	117		117	32.5%
Europe	19	1	20	5.6%
Middle East	10		10	2.8%
<b>Grand Total</b>	<b>358</b>	<b>2</b>	<b>360</b>	<b>100.0%</b>

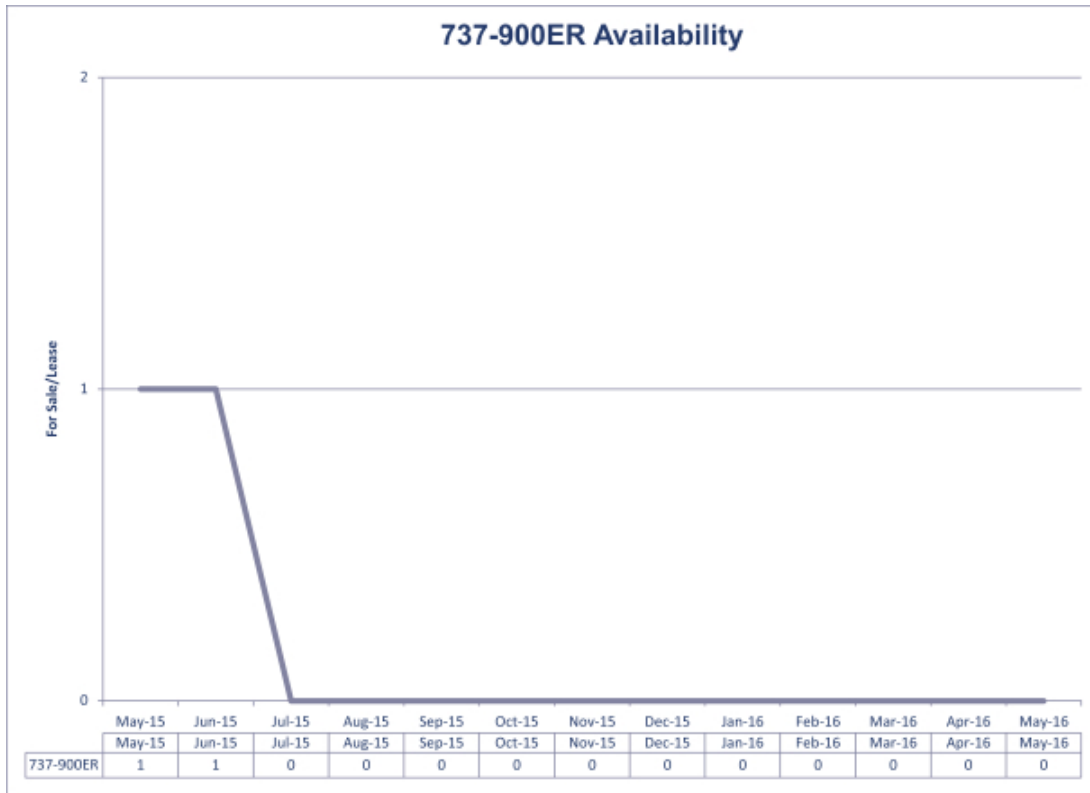
Source: AerData January 2016

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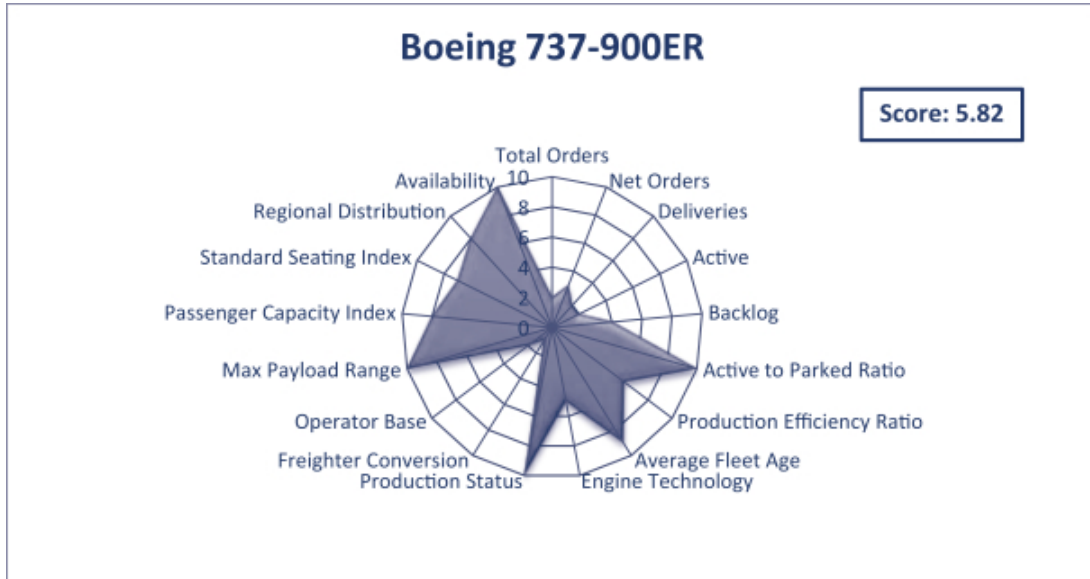
According to Airfax, as of May 2016, there are no Boeing 737-900ER aircraft available for sale or lease.



Source: Airfax May 2015—May 2016

**Aircraft Ranking**

mba’s Aircraft Ranking model takes into account numerous factors that affect an aircraft’s market standing, on a scale specifically developed for each asset class. These ranking factors are individually weighted and compared against each other to develop mba’s overall ranking score for each aircraft type, which is expressed in a scale of 1.00 to 10.00. The most prevalent aircraft configurations are used in the ranking analysis which can be further identified in mba’s Future Aircraft Value *redbook* publication or its web based valuation service.



Source: mba FAV Jet Transport PLUS, January 2016

**Outlook**

The short- to mid-term outlook for the 737-900ER is favorable, even prior to the 737MAX variants entering service. The aircraft has seen increased interest as operators move towards larger equipment, although the A321-200 still sees more success at this time. Particularly as the 757-200s are phased out of their current operators, the 737-900ER may have the opportunity to fill the role of these aircraft. The long-term outlook will be shaped by the presumed success of the 737MAX. While not a true clean sheet replacement, the modified variant represents a break in production and the last 737-900ERs manufactured will suffer the most from a value perspective. However, no technical obsolescence is expected for the foreseeable future as a result of the 737 MAX entering service.

**Boeing 787-9 Current Market**

The 787-9 is the second variant of the 787 family. Due to delays with the 787-8, the 787-9's original delivery date was pushed back by four years, from 2010 to 2014. Launch customer, Air New Zealand, received the first 787-9 in July 2014, however the first commercial passenger flight was performed by All Nippon Airways ("ANA") in August 2014. The 787-9 is six meters longer than the 787-8 and can carry 280 passengers in a typical three-class configuration. The aircraft also has a Maximum Take-Off Weight ("MTOW") of 560,000lbs, more than 53,000lbs above the MTOW of the 787-8, providing the variant additional range capability.

**Overview**

**Positive**

- Strong order book, with many orders converted from the 787-8 to the larger 787-9, showing operator enthusiasm for the mid-size variant of the family.
- As with the 787-8, the 787-9 offers leading technology, including a single composite material fuselage and wings, health-monitoring systems allowing the aircraft to self-monitor and report maintenance requirements to the ground crew, and new GE and Rolls-Royce fuel efficient engines.
- Composite fuselage is expected to mitigate the maintenance costs and corrosion issues over the lifespan of the aircraft.

**Negative**

- Airbus launched the A330-800/900neo in July 2014, offering increased fuel efficiency at a lower price range than the 787 family.

As of January 2016, there were 74 active passenger-configured 787-9 aircraft in service with 13 operators.

<i>Fleet Status</i>	787-9
Net Orders	529
Backlog	455
Delivered	74
Destroyed/Retired	0
Not in Service/Parked	0
Active Aircraft	74
Number of Current Operators	13
Number of Total Customers	33
Average Daily Utilization (hrs)	6.8
Average Fleet Age (yrs)	0.66

Source: AerData January 2016

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### **Recent Developments**

In February 2016, Norwegian took delivery of its first B787-9, manufacturer serial number 37307, on lease from MG Aviation (U.S.). Carrier will use to launch new routes across North America, South America, and South-East Asia (aviator.aero).

In October 2015, Norwegian finalized an order for 19 787-9 Dreamliners. The order also includes options for ten more 787-9s. It is the largest single order for 787-9s from a European airline (boeing.com).

### **Demographics & Availability**

United Airlines is the largest operator of active 787-9s with 17.6% of the total fleet. All Nippon Airways (ANA) is the second largest operator with 12.2% of the total fleet.

#### *Boeing 787-9 Passenger-Configured Aircraft Current Fleet by Operator/Lessor*

<b>Operator/Lessor</b>	<b><u>In Service</u></b>	<b><u>Parked</u></b>	<b><u>Total</u></b>	<b><u>Total %</u></b>
United Airlines	13		13	17.6%
All Nippon Airways	9		9	12.2%
Virgin Atlantic	9		9	12.2%
LAN	7		7	9.5%
Scot	6		6	8.1%
Air New Zealand	6		6	8.1%
Etihad Airways	5		5	6.8%
British Airways	5		5	6.8%
Vietnam Airlines	5		5	6.8%
Air Canada	4		4	5.4%
KLM	2		2	2.7%
Japan Airlines	2		2	2.7%
Kalair	1		1	1.4%
<b>Grand Total</b>	<b><u>74</u></b>	<b><u>0</u></b>	<b><u>74</u></b>	<b><u>100.0%</u></b>

Source: AerData January 2016

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The order book for the 787-9 indicates that Europe will hold the largest population of the type with 26.1% of the fleet. Asia follows closely behind with 25.9% of the future operating fleet.

### *Boeing 787-9 Passenger-Configured Aircraft Current Fleet by World Region*

<u>Region</u>	<u>In Service</u>	<u>On Order</u>	<u>Total</u>	<u>Total %</u>
Europe	16	122	138	26.1%
Asia	22	115	137	25.9%
North America	17	79	96	18.1%
Middle East	6	50	56	10.6%
Undisclosed		45	45	8.5%
Australia and Pacific	6	18	24	4.5%
South America	7	12	19	3.6%
Central America and Caribbean		7	7	1.3%
Africa		7	7	1.3%
<b>Grand Total</b>	<b>74</b>	<b>455</b>	<b>529</b>	<b>100.0%</b>

Source: AerData January 2016

According to Airfax, as of May 2016, there are currently no 787-9 available for sale or lease due to the type's recent entry into service.

Based on all current orders, 53.8% have chosen the GENx-1B engines, 24.4% have chosen the Rolls- Royce's Trent 1000 engines, and 21.8% of the orders are undecided on engine type. mba expects the GE engines to remain the popular engine choice; however, mba assigns no value difference between the two engine types at this time.

### *Boeing 787-9 Passenger-Configured Aircraft Ordered Fleet by Engine Type*

<u>Engine Type</u>	<u>Ordered</u>	<u>Concentration</u>
GENx-1B	245	53.8%
Trent 1000	111	24.4%
Undecided	99	21.8%
<b>Total</b>	<b>455</b>	<b>100.0%</b>

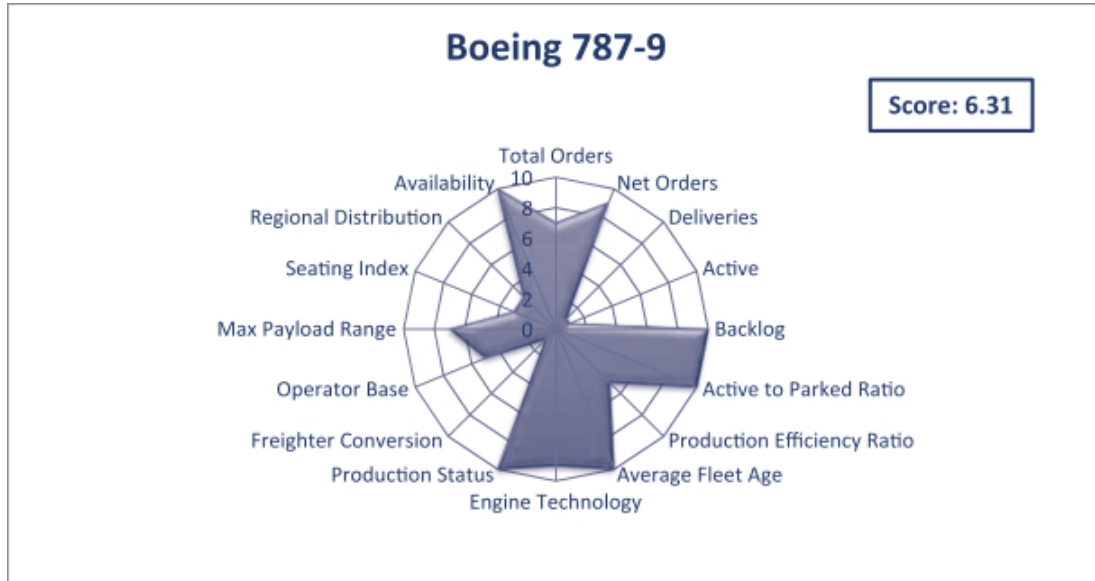
Source: AerData January 2016

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**Aircraft Ranking**

mba’s Aircraft Ranking model takes into account numerous factors that affect an aircraft’s market standing, on a scale specifically developed for each asset class. These ranking factors are individually weighted and compared against each other to develop mba’s overall ranking score for each aircraft type, which is expressed in a scale of 1.00 to 10.00. The most prevalent aircraft configurations are used in the ranking analysis which can be further identified in mba’s Future Aircraft Value *redbook* publication or its web based valuation service.



Source: mba FAV Jet Transport PLUS, 1st Half 2016

**Outlook**

After the delays and complications associated with the 787-8, the outlook for the 787-9 was uncertain. However, with positive feedback from the flight testing, launch operators, and continuous orders from customers, the 787-9 is expected to become the workhorse of the family. Many 787-8 orders have been converted to the larger 787-9 and with the additional seating capacity, range, fuel efficiencies, and growing order book, it is clear the variant will be a success. mba’s outlook for the 787-9 is positive with the expectation that values for the type will escalate as the aircraft continues to prove itself in the market.

## Boeing 777-300ER Current Market

The widebody 777-300ER aircraft is a stretched version of its 777-200 and 777-200ER counterparts. With a stretched fuselage increasing passenger capacity, the aircraft is capable of transporting 63 additional passengers in a typical three class configuration, or 110 additional passengers in a single class, than its shorter siblings. The newer technology and operating economics of the 777 family have made it one of the most popular widebody aircraft families of all time.

### Overview

#### Positive

- Healthy geographic distribution, particularly among Asia and the Middle East.
- Sole-source engine which aids in remarketing and shares commonality with the 777-200LR.
- Most popular widebody aircraft in terms of total orders. Operators of the 747-400 have, in some cases, opted to replace the 747 with the 777-300ER as the type offers similar capacity and greater range, as well as the benefits of twin engine fuel cost savings.

#### Negative

- Backlog from 2018—2020 is in question, as the aircraft only has deliveries to 2018 at the moment. Even assuming a reduced production rate in the future, there is market speculation on whether values for the aircraft will be lowered to incentivize buyers later in the decade.
- The A350-1000 may threaten the 777-300ER, if the type delivers the promised range and fuel burn per passenger.
- The 777X, which was announced in November 2013, may impact orders for the current model and residual values, though the 777X is not anticipated to enter service until the end of the decade, assuming it is not delayed.



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As of January 2016, there were 611 active 777-300ER passenger-configured aircraft with 39 operators.

<i>Fleet Status</i>	777-300ER
Net Orders	790
Backlog	176
Delivered	614
Destroyed/Retired	0
Not in Service/Parked	3
Active Aircraft	611
Number of Operators	39
Average Daily Utilization (Hrs)	12.4
Average Fleet Age (Yrs)	4.8

Source: AerData January 2016

### ***Recent Developments***

In January 2016, Air China announced an order for six additional 777-300ER (Extended Range) jetliners (boeing.com).

In November 2015, EVA Airways finalized a historic order for up to 26 aircraft, including two 777-300ER (Extended Range) jetliners. The order, valued at more than US\$8 billion at current list prices, marks the largest single commercial airplane purchase in Taiwan aviation (boeing.com).

At the end of September 2015, Cathay Pacific Airways (“Cathay”) celebrated the delivery of the airline’s 70th 777 aircraft—also the last and 53rd 777-300ER of its confirmed orders—making Cathay Asia the largest operator of the 777 fleet (boeing.com).

In September 2015, Emirates celebrated the simultaneous delivery of three 777, two 777-300ER, and one 777 Freighter—marking the entry of the 150th 777 to their fleet (boeing.com).

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### *Demographics & Availability*

Emirates is the largest operator with 18.2% of the current fleet. The next largest operator is Cathay, currently with 8.6% of the type.

#### *Boeing 777-300ER Passenger-Configured Aircraft Current Fleet by Operator*

<b>Operator</b>	<b><u>In Service</u></b>	<b><u>Parked</u></b>	<b><u>Total</u></b>	<b><u>Total % of Fleet</u></b>
Emirates	112		112	18.2%
Cathay Pacific Airways	53		53	8.6%
Air France	40		40	6.5%
Qatar Airways	30		30	4.9%
Singapore Airlines	27		27	4.4%
Etihad Airways	24		24	3.9%
Turkish Airlines	23		23	3.7%
Eva Air	22		22	3.6%
All Nippon Airways	22		22	3.6%
Air China	20		20	3.3%
Saudi Arabian	19		19	3.1%
Korean Air	18		18	2.9%
American Airlines	18		18	2.9%
Air Canada	17		17	2.8%
Thai Airways International	14		14	2.3%
All Others	152	3	155	25.2%
<b>Grand Total</b>	<b><u>611</u></b>	<b><u>3</u></b>	<b><u>614</u></b>	<b><u>100.0%</u></b>

Source: AerData January 2016

Despite Emirates' stronghold of the 777-300ER by operator, Asia holds the greatest percentage of the 777-300ER fleet, with approximately 41.0% based in the region. The Middle East is the second largest region with approximately 30.5% of the current fleet.

#### *Boeing 777-300ER Passenger-Configured Aircraft Current Fleet by Region*

<b>Region</b>	<b><u>In Service</u></b>	<b><u>Parked</u></b>	<b><u>Total</u></b>	<b><u>Total % of Fleet</u></b>
Asia	252		252	41.0%
Middle East	187		187	30.5%
Europe	98		98	16.0%
North America	36		36	5.9%
Africa	16	3	19	3.1%
Australia and Pacific	12		12	2.0%
South America	10		10	1.6%
<b>Grand Total</b>	<b><u>611</u></b>	<b><u>3</u></b>	<b><u>614</u></b>	<b><u>100.0%</u></b>

Source: AerData January 2016

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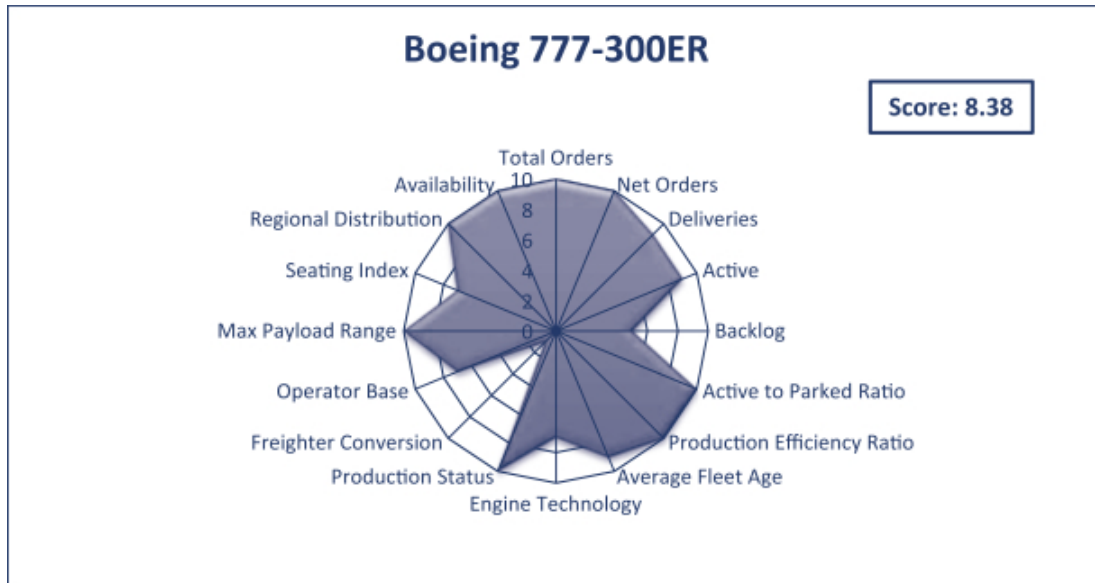
According to Airfax, as of May 2016, there are three 777-300ER aircraft advertised as available for sale or lease. Due to the high demand for the aircraft, there have been no 777-300ER aircraft listed as available in Airfax since August 2013 until February of this year. This could mark the start of the increase in the fleet’s availability as the first few delivered models begin to come off lease.



Source: Airfax May 2015—May 2016

**Aircraft Ranking**

mba’s Aircraft Ranking model takes into account numerous factors that affect an aircraft’s market standing, on a scale specifically developed for each asset class. These ranking factors are individually weighted and compared against each other to develop mba’s overall ranking score for each aircraft type, which is expressed in a scale of 1.00 to 10.00. The most prevalent aircraft configurations are used in the ranking analysis which can be further identified in mba’s Future Aircraft Value *redbook* publication or its web based valuation service.



Source: mba FAV Jet Transport PLUS, 1st Half 2016

**Outlook**

mba expects the market for the 777-300ER to remain firm in the short term. It is the best-selling model of the 777 family and orders continue to mount for the type. As more aircraft are delivered, the geographic and operator distribution of the type will widen even further, thus supporting the secondary market. Due to the success of the current program, Boeing officially launched the 777X in November 2013. Though the 777X is not anticipated to enter service until 2020, the announcement is keeping values for the 777- 300ER strong for the time being. Based on the current 777-300ER backlog, there is three-year gap between the last off the line and the start of production for the 777X. mba would expect Boeing to slow the current production rate of 8.3 per month and/or to offer heavy discounts to aircraft delivered between 2018 and 2020 to keep the production line open. Should this occur, values of those aircraft would likely be significantly less than the current values of the type, though previous vintages would not be affected. As the replacement aircraft and last off the line aircraft near, a shortening of the economic life for later vintage aircraft can be expected, as has happened with previous technological replacements.

#### IV. Valuation

In developing the Values of the aircraft in this portfolio, mba did not inspect the aircraft or the records and documentation associated with the aircraft, but relied on partial information supplied by the Client. This information was not independently verified by mba. Therefore, mba used certain assumptions that are generally accepted industry practice to calculate the value of aircraft when more detailed information is not available.

The principal assumptions for the aircraft in this portfolio are as follows:

1. The aircraft is in good overall condition;
2. The overhaul status of the airframe, engines, landing gear and other major components are the equivalent of mid-time/mid-life, or new, unless otherwise stated;
3. The historical maintenance documentation has been maintained to acceptable international standards;
4. The specifications of the aircraft are those most common for an aircraft of its type and vintage (subject to special adjustments for MTOW, engines and winglets);
5. The aircraft is in a standard airline configuration;
6. The aircraft is current as to all Airworthiness Directives and Service Bulletins;
7. Its modification status is comparable to that most common for an aircraft of its type and vintage;
8. Its utilization is comparable to industry averages;
9. There is no history of accident or incident damage;
10. In the case of the Base Value, no accounting is made for lease revenues, obligations or terms of ownership unless otherwise specified; and
11. Aircraft that are less than two (2) years old have inherent maintenance included, and are therefore not maintenance adjusted.

**Aircraft Portfolio**

<u>No.</u>	<u>Aircraft Type</u>	<u>Serial Number</u>	<u>Registration</u>	<u>Manufacture Date</u>	<u>MTOW (lbs)</u>	<u>Engine Type</u>	<u>Operator</u>
1	737-800	62749	N76532	Jun-16	174,200	CFM56-7B27E/F	United Airlines
2	737-800	62748	N76533	Jun-16	174,200	CFM56-7B27E/F	United Airlines
3	737-800	62750	N86534	Aug-16	174,200	CFM56-7B27E/F	United Airlines
4	737-800	62751	N77535	Aug-16	174,200	CFM56-7B27E/F	United Airlines
5	737-900ER	42197	N66893	Jan-16	187,700	CFM56-7B27E/F	United Airlines
6	737-900ER	42198	N62894	Feb-16	187,700	CFM56-7B27E/F	United Airlines
7	737-900ER	62769	N62895	Oct-16	187,700	CFM56-7B27E/F	United Airlines
8	737-900ER	62768	N62896	Oct-16	187,700	CFM56-7B27E/F	United Airlines
9	737-900ER	62814	N66897	Nov-16	187,700	CFM56-7B27E/F	United Airlines
10	787-9	37813	N27964	Feb-16	560,000	GE90-115BL	United Airlines
11	787-9	37815	N27965	Feb-16	560,000	GE90-115BL	United Airlines
12	777-300ER	62642	N58031	Dec-16	775,000	GE90-115BL	United Airlines
13	777-300ER	62644	N59032	Jan-17	775,000	GE90-115BL	United Airlines
14	777-300ER	62643	N59033	Jan-17	775,000	GE90-115BL	United Airlines
15	777-300ER	62646	N59034	Feb-17	775,000	GE90-115BL	United Airlines
16	777-300ER	62645	N59035	Feb-17	775,000	GE90-115BL	United Airlines
17	777-300ER	62649	N54037	Mar-17	775,000	GE90-115BL	United Airlines
18	777-300ER	62648	N59036	Mar-17	775,000	GE90-115BL	United Airlines

**Portfolio Valuations<sup>1</sup>**  
**(US\$ Million)**

No.	Aircraft Type	Serial Number	BV w/Newness	MTOW Adj.	Winglet Adj. <sup>2</sup>	Engine Adj. <sup>3</sup>	Current Base Value
1	737-800	62749	\$48.05	\$0.00	\$0.15	\$0.20	\$48.40
2	737-800	62748	\$48.05	\$0.00	\$0.15	\$0.20	\$48.40
3	737-800	62750	\$48.26	\$0.00	\$0.15	\$0.20	\$48.61
4	737-800	62751	\$48.26	\$0.00	\$0.15	\$0.20	\$48.61
5	737-900ER	42197	\$51.00	\$0.00	\$0.15	\$0.20	\$51.35
6	737-900ER	42198	\$51.10	\$0.00	\$0.15	\$0.20	\$51.45
7	737-900ER	62769	\$51.88	\$0.00	\$0.15	\$0.20	\$52.23
8	737-900ER	62768	\$51.88	\$0.00	\$0.15	\$0.20	\$52.23
9	737-900ER	62814	\$51.98	\$0.00	\$0.15	\$0.20	\$52.33
10	787-9	37813	\$134.60	\$0.19	\$0.00	\$0.00	\$134.79
11	787-9	37815	\$134.60	\$0.19	\$0.00	\$0.00	\$134.79
12	777-300ER	62642	\$167.26	\$0.00	\$0.00	\$0.00	\$167.26
13	777-300ER	62644	\$167.57	\$0.00	\$0.00	\$0.00	\$167.57
14	777-300ER	62643	\$167.57	\$0.00	\$0.00	\$0.00	\$167.57
15	777-300ER	62646	\$167.71	\$0.00	\$0.00	\$0.00	\$167.71
16	777-300ER	62645	\$167.71	\$0.00	\$0.00	\$0.00	\$167.71
17	777-300ER	62649	\$167.85	\$0.00	\$0.00	\$0.00	\$167.85
18	777-300ER	62648	\$167.85	\$0.00	\$0.00	\$0.00	\$167.85
<b>Total</b>			<b>\$1,893.18</b>	<b>\$0.38</b>	<b>\$1.35</b>	<b>\$1.80</b>	<b>\$1,896.71</b>

**Legend for Portfolio Valuation—**

BV /w Newness—	Base Value adjusted for Month of Build
MTOW Adj.—	Maximum Take-Off Weight Adjustment
Engine Adj.—	Engine Type Adjustment

<sup>1</sup> Maintenance and utilization data are not included in this valuation as the aircraft in the portfolio are less than two (2) years old. Aircraft less than two (2) years old have inherent maintenance included.

<sup>2</sup> United 737-800 and 737-900ER aircraft have split scimitar winglets (provide enhanced fuel economy and flight performance over standard model blended winglets).

<sup>3</sup> 737-800 and 737-900ER engine adjustment reflects value for higher engine thrust rating.

**V. Covenants**

This report has been prepared for the exclusive use of United Airlines, Inc. and shall not be provided to other parties by mba without the express consent of United Airlines, Inc. mba certifies that this report has been independently prepared and that it fully and accurately reflects mba's and the signatory's opinion of the values of the subject aircraft as requested. mba further certifies that it does not have, and does not expect to have, any financial or other interest in the subject or similar aircraft and engines. Neither mba nor the signatory has provided the OEMs of the airframe or engines with pro bono or paid consulting or advice in the design or development of the assets valued herein.

This report represents the opinion of mba of the values of the subject aircraft as requested and is intended to be advisory only, in nature. Therefore, mba assumes no responsibility or legal liability for any actions taken, or not taken, by United Airlines Inc. or any other party with regard to the subject aircraft and engines. By accepting this report, all parties agree that mba shall bear no such responsibility or legal liability.

PREPARED BY:



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May 20, 2016

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Thomas E. Burke  
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ISTAT Certified Appraiser

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**APPENDIX III—LOAN TO VALUE RATIO TABLES**

The following tables set forth loan to Aircraft value ratios for the Equipment Notes that may be issued in respect of each of the 18 aircraft that may be financed pursuant to this Offering, as of initial issuance and the Regular Distribution Dates thereafter. The loan to value ratio was obtained by dividing (i) the outstanding balance (assuming no payment default) of such Equipment Notes plus, in the case of the Series A Equipment Notes, the outstanding balance (assuming no payment default) of the Series AA Equipment Notes, determined immediately after giving effect to the payments scheduled to be made on each such Regular Distribution Date by (ii) the appraised value of the Aircraft securing such Equipment Notes (see “Description of the Aircraft and the Appraisals—The Appraisals”), subject to the “Depreciation Assumption”. The Depreciation Assumption contemplates that the value of each Aircraft at issuance of the Equipment Notes included in each table depreciates by approximately 3% of the initial appraised value per year after the year of delivery of such Aircraft, in each case prior to the final expected Regular Distribution Date. Other rates or methods of depreciation may result in materially different loan to Aircraft value ratios, and no assurance can be given (i) that the depreciation rates and method assumed for the purposes of the tables are the ones most likely to occur or (ii) as to the actual future value of any Aircraft. Thus, the tables should not be considered a forecast or prediction of expected or likely loan to Aircraft value ratios, but simply a mathematical calculation based on one set of assumptions.

**A. Boeing 737-824**

Date	Assumed Aircraft Value	N76532					
		Outstanding Balance		Scheduled Payments of Principal		Loan to Value Ratio	
		Series AA Equipment Notes	Series A Equipment Notes	Series AA Equipment Note	Series A Equipment Note	Series AA Equipment Notes	Series A Equipment Notes
At Issuance	\$ 50,596,666.67	\$ 19,227,000.00	\$ 8,551,000.00	\$ 0.00	\$ 0.00	38.0%	54.9%
January 7, 2017	49,837,716.67	19,227,000.00	8,551,000.00	0.00	0.00	38.6%	55.7%
July 7, 2017	49,078,766.67	19,227,000.00	8,551,000.00	0.00	0.00	39.2%	56.6%
January 7, 2018	48,319,816.67	18,519,794.20	8,236,434.79	707,205.80	314,565.21	38.3%	55.4%
July 7, 2018	47,560,866.67	18,015,742.62	8,012,264.48	504,051.58	224,170.31	37.9%	54.7%
January 7, 2019	46,801,916.67	17,511,744.92	7,788,118.14	503,997.70	224,146.34	37.4%	54.1%
July 7, 2019	46,042,966.67	17,007,803.76	7,563,996.93	503,941.16	224,121.21	36.9%	53.4%
January 7, 2020	45,284,016.67	16,503,921.93	7,339,902.12	503,881.83	224,094.81	36.4%	52.7%
July 7, 2020	44,525,066.67	16,000,102.46	7,115,835.04	503,819.47	224,067.08	35.9%	51.9%
January 7, 2021	43,766,116.67	15,496,348.56	6,891,797.12	503,753.90	224,037.92	35.4%	51.2%
July 7, 2021	43,007,166.67	14,992,663.68	6,667,789.90	503,684.88	224,007.22	34.9%	50.4%
January 7, 2022	42,248,216.67	14,489,051.49	6,443,815.01	503,612.19	223,974.89	34.3%	49.5%
July 7, 2022	41,489,266.67	13,985,515.96	6,219,874.20	503,535.53	223,940.81	33.7%	48.7%
January 7, 2023	40,730,316.67	13,482,061.33	5,995,969.38	503,454.63	223,904.82	33.1%	47.8%
July 7, 2023	39,971,366.67	12,978,692.16	5,772,102.57	503,369.17	223,866.81	32.5%	46.9%
January 7, 2024	39,212,416.67	12,475,413.37	5,548,275.95	503,278.79	223,826.62	31.8%	46.0%
July 7, 2024	38,453,466.67	11,972,230.26	5,324,491.88	503,183.11	223,784.07	31.1%	45.0%
January 7, 2025	37,694,516.67	11,469,148.56	5,100,752.91	503,081.70	223,738.97	30.4%	44.0%
July 7, 2025	36,935,566.67	10,966,174.44	4,877,061.79	502,974.12	223,691.12	29.7%	42.9%
January 7, 2026	36,176,616.67	10,463,314.62	4,653,421.50	502,859.82	223,640.29	28.9%	41.8%
July 7, 2026	35,417,666.67	9,960,576.37	4,429,835.28	502,738.25	223,586.22	28.1%	40.6%
January 7, 2027	34,658,716.67	9,457,967.57	4,206,306.63	502,608.80	223,528.65	27.3%	39.4%
July 7, 2027	33,899,766.67	8,955,496.85	3,982,839.39	502,470.72	223,467.24	26.4%	38.2%
January 7, 2028	33,140,816.67	8,453,173.57	3,759,437.72	502,323.28	223,401.67	25.5%	36.9%
July 7, 2028	32,381,866.67	0.00	0.00	8,453,173.57	3,759,437.72	0.0%	0.0%

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N76533							
Date	Assumed Aircraft Value	Outstanding Balance		Scheduled Payments of Principal		Loan to Value Ratio	
		Series AA Equipment Notes	Series A Equipment Notes	Series AA Equipment Note	Series A Equipment Note	Series AA Equipment Notes	Series A Equipment Notes
At Issuance	\$50,596,666.67	\$19,227,000.00	\$8,551,000.00	\$ 0.00	\$ 0.00	38.0%	54.9%
January 7, 2017	49,837,716.67	19,227,000.00	8,551,000.00	0.00	0.00	38.6%	55.7%
July 7, 2017	49,078,766.67	19,227,000.00	8,551,000.00	0.00	0.00	39.2%	56.6%
January 7, 2018	48,319,816.67	18,519,794.20	8,236,434.79	707,205.80	314,565.21	38.3%	55.4%
July 7, 2018	47,560,866.67	18,015,742.62	8,012,264.48	504,051.58	224,170.31	37.9%	54.7%
January 7, 2019	46,801,916.67	17,511,744.92	7,788,118.14	503,997.70	224,146.34	37.4%	54.1%
July 7, 2019	46,042,966.67	17,007,803.76	7,563,996.93	503,941.16	224,121.21	36.9%	53.4%
January 7, 2020	45,284,016.67	16,503,921.93	7,339,902.12	503,881.83	224,094.81	36.4%	52.7%
July 7, 2020	44,525,066.67	16,000,102.46	7,115,835.04	503,819.47	224,067.08	35.9%	51.9%
January 7, 2021	43,766,116.67	15,496,348.56	6,891,797.12	503,753.90	224,037.92	35.4%	51.2%
July 7, 2021	43,007,166.67	14,992,663.68	6,667,789.90	503,684.88	224,007.22	34.9%	50.4%
January 7, 2022	42,248,216.67	14,489,051.49	6,443,815.01	503,612.19	223,974.89	34.3%	49.5%
July 7, 2022	41,489,266.67	13,985,515.96	6,219,874.20	503,535.53	223,940.81	33.7%	48.7%
January 7, 2023	40,730,316.67	13,482,061.33	5,995,969.38	503,454.63	223,904.82	33.1%	47.8%
July 7, 2023	39,971,366.67	12,978,692.16	5,772,102.57	503,369.17	223,866.81	32.5%	46.9%
January 7, 2024	39,212,416.67	12,475,413.37	5,548,275.95	503,278.79	223,826.62	31.8%	46.0%
July 7, 2024	38,453,466.67	11,972,230.26	5,324,491.88	503,183.11	223,784.07	31.1%	45.0%
January 7, 2025	37,694,516.67	11,469,148.56	5,100,752.91	503,081.70	223,738.97	30.4%	44.0%
July 7, 2025	36,935,566.67	10,966,174.44	4,877,061.79	502,974.12	223,691.12	29.7%	42.9%
January 7, 2026	36,176,616.67	10,463,314.62	4,653,421.50	502,859.82	223,640.29	28.9%	41.8%
July 7, 2026	35,417,666.67	9,960,576.37	4,429,835.28	502,738.25	223,586.22	28.1%	40.6%
January 7, 2027	34,658,716.67	9,457,967.57	4,206,306.63	502,608.80	223,528.65	27.3%	39.4%
July 7, 2027	33,899,766.67	8,955,496.85	3,982,839.39	502,470.72	223,467.24	26.4%	38.2%
January 7, 2028	33,140,816.67	8,453,173.57	3,759,437.72	502,323.28	223,401.67	25.5%	36.9%
July 7, 2028	32,381,866.67	0.00	0.00	8,453,173.57	3,759,437.72	0.0%	0.0%

N86534							
Date	Assumed Aircraft Value	Outstanding Balance		Scheduled Payments of Principal		Loan to Value Ratio	
		Series AA Equipment Notes	Series A Equipment Notes	Series AA Equipment Note	Series A Equipment Note	Series AA Equipment Notes	Series A Equipment Notes
At Issuance	\$50,810,000.00	\$19,308,000.00	\$8,587,000.00	\$ 0.00	\$ 0.00	38.0%	54.9%
January 7, 2017	50,047,850.00	19,308,000.00	8,587,000.00	0.00	0.00	38.6%	55.7%
July 7, 2017	49,285,700.00	19,308,000.00	8,587,000.00	0.00	0.00	39.2%	56.6%
January 7, 2018	48,523,550.00	18,597,880.16	8,271,162.49	710,119.84	315,837.51	38.3%	55.4%
July 7, 2018	47,761,400.00	18,091,703.32	8,046,047.00	506,176.84	225,115.49	37.9%	54.7%
January 7, 2019	46,999,250.00	17,585,580.60	7,820,955.58	506,122.72	225,091.42	37.4%	54.1%
July 7, 2019	46,237,100.00	17,079,514.63	7,595,889.40	506,065.97	225,066.18	36.9%	53.4%
January 7, 2020	45,474,950.00	16,573,508.27	7,370,849.73	506,006.36	225,039.67	36.4%	52.7%
July 7, 2020	44,712,800.00	16,067,564.52	7,145,837.90	505,943.75	225,011.83	35.9%	51.9%
January 7, 2021	43,950,650.00	15,561,686.62	6,920,855.36	505,877.90	224,982.54	35.4%	51.2%
July 7, 2021	43,188,500.00	15,055,878.02	6,695,903.65	505,808.60	224,951.71	34.9%	50.4%
January 7, 2022	42,426,350.00	14,550,142.43	6,470,984.40	505,735.59	224,919.25	34.3%	49.5%
July 7, 2022	41,664,200.00	14,044,483.81	6,246,099.38	505,658.62	224,885.02	33.7%	48.7%
January 7, 2023	40,902,050.00	13,538,906.44	6,021,250.49	505,577.37	224,848.89	33.1%	47.8%
July 7, 2023	40,139,900.00	13,033,414.89	5,796,439.78	505,491.55	224,810.71	32.5%	46.9%
January 7, 2024	39,377,750.00	12,528,014.10	5,571,669.43	505,400.79	224,770.35	31.8%	46.0%
July 7, 2024	38,615,600.00	12,022,709.39	5,346,941.81	505,304.71	224,727.62	31.1%	45.0%
January 7, 2025	37,853,450.00	11,517,506.52	5,122,259.48	505,202.87	224,682.33	30.4%	44.0%
July 7, 2025	37,091,300.00	11,012,411.69	4,897,625.20	505,094.83	224,634.28	29.7%	42.9%
January 7, 2026	36,329,150.00	10,507,431.63	4,673,041.96	504,980.06	224,583.24	28.9%	41.8%
July 7, 2026	35,567,000.00	10,002,573.66	4,448,513.02	504,857.97	224,528.94	28.1%	40.6%
January 7, 2027	34,804,850.00	9,497,845.69	4,224,041.90	504,727.97	224,471.12	27.3%	39.4%
July 7, 2027	34,042,700.00	8,993,256.37	3,999,632.44	504,589.32	224,409.46	26.4%	38.2%
January 7, 2028	33,280,550.00	8,488,815.12	3,775,288.83	504,441.25	224,343.61	25.5%	36.9%
July 7, 2028	32,518,400.00	0.00	0.00	8,488,815.12	3,775,288.83	0.0%	0.0%

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N77535							
Date	Assumed Aircraft Value	Outstanding Balance		Scheduled Payments of Principal		Loan to Value Ratio	
		Series AA Equipment Notes	Series A Equipment Notes	Series AA Equipment Note	Series A Equipment Note	Series AA Equipment Notes	Series A Equipment Notes
At Issuance	\$50,810,000.00	\$19,308,000.00	\$8,587,000.00	\$ 0.00	\$ 0.00	38.0%	54.9%
January 7, 2017	50,047,850.00	19,308,000.00	8,587,000.00	0.00	0.00	38.6%	55.7%
July 7, 2017	49,285,700.00	19,308,000.00	8,587,000.00	0.00	0.00	39.2%	56.6%
January 7, 2018	48,523,550.00	18,597,880.16	8,271,162.49	710,119.84	315,837.51	38.3%	55.4%
July 7, 2018	47,761,400.00	18,091,703.32	8,046,047.00	506,176.84	225,115.49	37.9%	54.7%
January 7, 2019	46,999,250.00	17,585,580.60	7,820,955.58	506,122.72	225,091.42	37.4%	54.1%
July 7, 2019	46,237,100.00	17,079,514.63	7,595,889.40	506,065.97	225,066.18	36.9%	53.4%
January 7, 2020	45,474,950.00	16,573,508.27	7,370,849.73	506,006.36	225,039.67	36.4%	52.7%
July 7, 2020	44,712,800.00	16,067,564.52	7,145,837.90	505,943.75	225,011.83	35.9%	51.9%
January 7, 2021	43,950,650.00	15,561,686.62	6,920,855.36	505,877.90	224,982.54	35.4%	51.2%
July 7, 2021	43,188,500.00	15,055,878.02	6,695,903.65	505,808.60	224,951.71	34.9%	50.4%
January 7, 2022	42,426,350.00	14,550,142.43	6,470,984.40	505,735.59	224,919.25	34.3%	49.5%
July 7, 2022	41,664,200.00	14,044,483.81	6,246,099.38	505,658.62	224,885.02	33.7%	48.7%
January 7, 2023	40,902,050.00	13,538,906.44	6,021,250.49	505,577.37	224,848.89	33.1%	47.8%
July 7, 2023	40,139,900.00	13,033,414.89	5,796,439.78	505,491.55	224,810.71	32.5%	46.9%
January 7, 2024	39,377,750.00	12,528,014.10	5,571,669.43	505,400.79	224,770.35	31.8%	46.0%
July 7, 2024	38,615,600.00	12,022,709.39	5,346,941.81	505,304.71	224,727.62	31.1%	45.0%
January 7, 2025	37,853,450.00	11,517,506.52	5,122,259.48	505,202.87	224,682.33	30.4%	44.0%
July 7, 2025	37,091,300.00	11,012,411.69	4,897,625.20	505,094.83	224,634.28	29.7%	42.9%
January 7, 2026	36,329,150.00	10,507,431.63	4,673,041.96	504,980.06	224,583.24	28.9%	41.8%
July 7, 2026	35,567,000.00	10,002,573.66	4,448,513.02	504,857.97	224,528.94	28.1%	40.6%
January 7, 2027	34,804,850.00	9,497,845.69	4,224,041.90	504,727.97	224,471.12	27.3%	39.4%
July 7, 2027	34,042,700.00	8,993,256.37	3,999,632.44	504,589.32	224,409.46	26.4%	38.2%
January 7, 2028	33,280,550.00	8,488,815.12	3,775,288.83	504,441.25	224,343.61	25.5%	36.9%
July 7, 2028	32,518,400.00	0.00	0.00	8,488,815.12	3,775,288.83	0.0%	0.0%

**B. Boeing 737-924ER**

N66893							
Date	Assumed Aircraft Value	Outstanding Balance		Scheduled Payments of Principal		Loan to Value Ratio	
		Series AA Equipment Notes	Series A Equipment Notes	Series AA Equipment Note	Series A Equipment Note	Series AA Equipment Notes	Series A Equipment Notes
At Issuance	\$51,350,000.00	\$19,513,000.00	\$8,678,000.00	\$ 0.00	\$ 0.00	38.0%	54.9%
January 7, 2017	50,568,020.30	19,513,000.00	8,678,000.00	0.00	0.00	38.6%	55.7%
July 7, 2017	49,786,040.61	19,513,000.00	8,678,000.00	0.00	0.00	39.2%	56.6%
January 7, 2018	49,004,060.91	18,782,048.14	8,353,068.78	730,951.86	324,931.22	38.3%	55.4%
July 7, 2018	48,222,081.22	18,266,206.33	8,123,654.92	515,841.81	229,413.86	37.9%	54.7%
January 7, 2019	47,440,101.52	17,750,532.80	7,894,315.90	515,673.53	229,339.02	37.4%	54.1%
July 7, 2019	46,658,121.83	17,235,035.82	7,665,055.40	515,496.98	229,260.50	36.9%	53.4%
January 7, 2020	45,876,142.13	16,719,724.18	7,435,877.33	515,311.64	229,178.07	36.4%	52.7%
July 7, 2020	45,094,162.44	16,204,607.28	7,206,785.87	515,116.90	229,091.46	35.9%	51.9%
January 7, 2021	44,312,182.74	15,689,695.17	6,977,785.49	514,912.11	229,000.38	35.4%	51.2%
July 7, 2021	43,530,203.05	15,174,998.60	6,748,880.96	514,696.57	228,904.53	34.9%	50.4%
January 7, 2022	42,748,223.35	14,660,529.09	6,520,077.41	514,469.51	228,803.55	34.3%	49.5%
July 7, 2022	41,966,243.65	14,146,298.97	6,291,380.33	514,230.12	228,697.08	33.7%	48.7%
January 7, 2023	41,184,263.96	13,632,321.52	6,062,795.62	513,977.45	228,584.71	33.1%	47.8%
July 7, 2023	40,402,284.26	13,118,610.99	5,834,329.62	513,710.53	228,466.00	32.5%	46.9%
January 7, 2024	39,620,304.57	12,605,182.73	5,605,989.16	513,428.26	228,340.46	31.8%	46.0%
July 7, 2024	38,838,324.87	12,092,053.30	5,377,781.60	513,129.43	228,207.56	31.1%	45.0%
January 7, 2025	38,056,345.18	11,579,240.56	5,149,714.88	512,812.74	228,066.72	30.4%	44.0%
July 7, 2025	37,274,365.48	11,066,763.85	4,921,797.61	512,476.71	227,917.27	29.7%	42.9%
January 7, 2026	36,492,385.79	10,554,644.10	4,694,039.09	512,119.75	227,758.52	28.9%	41.8%
July 7, 2026	35,710,406.09	10,042,904.02	4,466,449.42	511,740.08	227,589.67	28.1%	40.6%
January 7, 2027	34,928,426.40	9,531,568.28	4,239,039.58	511,335.74	227,409.84	27.3%	39.4%
July 7, 2027	34,146,446.70	9,020,663.74	4,011,821.50	510,904.54	227,218.08	26.4%	38.2%
January 7, 2028	33,364,467.01	8,510,219.69	3,784,808.23	510,444.05	227,013.27	25.5%	36.9%
July 7, 2028	32,582,487.31	0.00	0.00	8,510,219.69	3,784,808.23	0.0%	0.0%

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N62894							
Date	Assumed Aircraft Value	Outstanding Balance		Scheduled Payments of Principal		Loan to Value Ratio	
		Series AA Equipment Notes	Series A Equipment Notes	Series AA Equipment Note	Series A Equipment Note	Series AA Equipment Notes	Series A Equipment Notes
At Issuance	\$51,780,000.00	\$19,676,000.00	\$8,751,000.00	\$ 0.00	\$ 0.00	38.0%	54.9%
January 7, 2017	50,991,472.08	19,676,000.00	8,751,000.00	0.00	0.00	38.6%	55.7%
July 7, 2017	50,202,944.16	19,676,000.00	8,751,000.00	0.00	0.00	39.2%	56.6%
January 7, 2018	49,414,416.24	18,939,327.22	8,423,016.58	736,672.78	327,983.42	38.3%	55.4%
July 7, 2018	48,625,888.32	18,419,165.80	8,191,681.63	520,161.42	231,334.95	37.9%	54.7%
January 7, 2019	47,837,360.41	17,899,174.07	7,960,422.15	519,991.73	231,259.48	37.4%	54.1%
July 7, 2019	47,048,832.49	17,379,360.36	7,729,241.85	519,813.71	231,180.30	36.9%	53.4%
January 7, 2020	46,260,304.57	16,859,733.55	7,498,144.66	519,626.81	231,097.19	36.4%	52.7%
July 7, 2020	45,471,776.65	16,340,303.12	7,267,134.81	519,430.43	231,009.85	35.9%	51.9%
January 7, 2021	44,683,248.73	15,821,079.18	7,036,216.79	519,223.94	230,918.02	35.4%	51.2%
July 7, 2021	43,894,720.81	15,302,072.60	6,805,395.44	519,006.58	230,821.35	34.9%	50.4%
January 7, 2022	43,106,192.89	14,783,294.96	6,574,675.92	518,777.64	230,719.52	34.3%	49.5%
July 7, 2022	42,317,664.97	14,264,758.73	6,344,063.75	518,536.23	230,612.17	33.7%	48.7%
January 7, 2023	41,529,137.06	13,746,477.28	6,113,564.90	518,281.45	230,498.85	33.1%	47.8%
July 7, 2023	40,740,609.14	13,228,464.98	5,883,185.74	518,012.30	230,379.16	32.5%	46.9%
January 7, 2024	39,952,081.22	12,710,737.33	5,652,933.18	517,727.65	230,252.56	31.8%	46.0%
July 7, 2024	39,163,553.30	12,193,311.00	5,422,814.63	517,426.33	230,118.55	31.1%	45.0%
January 7, 2025	38,375,025.38	11,676,204.02	5,192,838.10	517,106.98	229,976.53	30.4%	44.0%
July 7, 2025	37,586,497.46	11,159,435.88	4,963,012.27	516,768.14	229,825.83	29.7%	42.9%
January 7, 2026	36,797,969.54	10,643,027.69	4,733,346.52	516,408.19	229,665.75	28.9%	41.8%
July 7, 2026	36,009,441.62	10,127,002.34	4,503,851.04	516,025.35	229,495.48	28.1%	40.6%
January 7, 2027	35,220,913.71	9,611,384.72	4,274,536.89	515,617.62	229,314.15	27.3%	39.4%
July 7, 2027	34,432,385.79	9,096,201.91	4,045,416.11	515,182.81	229,120.78	26.4%	38.2%
January 7, 2028	33,643,857.87	8,581,483.46	3,816,501.85	514,718.45	228,914.26	25.5%	36.9%
July 7, 2028	32,855,329.95	0.00	0.00	8,581,483.46	3,816,501.85	0.0%	0.0%

N62895							
Date	Assumed Aircraft Value	Outstanding Balance		Scheduled Payments of Principal		Loan to Value Ratio	
		Series AA Equipment Notes	Series A Equipment Notes	Series AA Equipment Note	Series A Equipment Note	Series AA Equipment Notes	Series A Equipment Notes
At Issuance	\$53,416,666.67	\$20,298,000.00	\$9,027,000.00	\$ 0.00	\$ 0.00	38.0%	54.9%
January 7, 2017	53,416,666.67	20,298,000.00	9,027,000.00	0.00	0.00	38.0%	54.9%
July 7, 2017	52,615,416.67	20,298,000.00	9,027,000.00	0.00	0.00	38.6%	55.7%
January 7, 2018	51,814,166.67	19,859,092.38	8,832,070.03	438,907.62	194,929.97	38.3%	55.4%
July 7, 2018	51,012,916.67	19,323,356.39	8,593,808.50	535,735.99	238,261.53	37.9%	54.7%
January 7, 2019	50,211,666.67	18,787,561.74	8,355,520.88	535,794.65	238,287.62	37.4%	54.1%
July 7, 2019	49,410,416.67	18,251,705.55	8,117,205.89	535,856.19	238,314.99	36.9%	53.4%
January 7, 2020	48,609,166.67	17,715,784.75	7,878,862.16	535,920.80	238,343.73	36.4%	52.7%
July 7, 2020	47,807,916.67	17,179,796.07	7,640,488.25	535,988.68	238,373.91	35.9%	51.9%
January 7, 2021	47,006,666.67	16,643,736.00	7,402,082.59	536,060.07	238,405.66	35.4%	51.2%
July 7, 2021	46,205,416.67	16,107,600.80	7,163,643.51	536,135.20	238,439.08	34.9%	50.4%
January 7, 2022	45,404,166.67	15,571,386.46	6,925,169.24	536,214.34	238,474.27	34.3%	49.5%
July 7, 2022	44,602,916.67	15,035,088.66	6,686,657.85	536,297.80	238,511.39	33.7%	48.7%
January 7, 2023	43,801,666.67	14,498,702.80	6,448,107.30	536,385.86	238,550.55	33.1%	47.8%
July 7, 2023	43,000,416.67	13,962,223.89	6,209,515.36	536,478.91	238,591.94	32.5%	46.9%
January 7, 2024	42,199,166.67	13,425,646.59	5,970,879.67	536,577.30	238,635.69	31.8%	46.0%
July 7, 2024	41,397,916.67	12,888,965.12	5,732,197.65	536,681.47	238,682.02	31.1%	45.0%
January 7, 2025	40,596,666.67	12,352,173.26	5,493,466.53	536,791.86	238,731.12	30.4%	44.0%
July 7, 2025	39,795,416.67	11,815,264.27	5,254,683.32	536,908.99	238,783.21	29.7%	42.9%
January 7, 2026	38,994,166.67	11,278,230.85	5,015,844.77	537,033.42	238,838.55	28.9%	41.8%
July 7, 2026	38,192,916.67	10,741,065.09	4,776,947.37	537,165.76	238,897.40	28.1%	40.6%
January 7, 2027	37,391,666.67	10,203,758.39	4,537,987.28	537,306.70	238,960.09	27.3%	39.4%
July 7, 2027	36,590,416.67	9,666,301.37	4,298,960.35	537,457.02	239,026.93	26.4%	38.2%
January 7, 2028	35,789,166.67	9,128,683.84	4,059,862.03	537,617.53	239,098.32	25.5%	36.9%
July 7, 2028	34,987,916.67	0.00	0.00	9,128,683.84	4,059,862.03	0.0%	0.0%

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<b>N62896</b>							
<b>Date</b>	<b>Assumed Aircraft Value</b>	<b>Outstanding Balance</b>		<b>Scheduled Payments of Principal</b>		<b>Loan to Value Ratio</b>	
		<b>Series AA Equipment Notes</b>	<b>Series A Equipment Notes</b>	<b>Series AA Equipment Note</b>	<b>Series A Equipment Note</b>	<b>Series AA Equipment Notes</b>	<b>Series A Equipment Notes</b>
At Issuance	\$53,416,666.67	\$20,298,000.00	\$9,027,000.00	\$ 0.00	\$ 0.00	38.0%	54.9%
January 7, 2017	53,416,666.67	20,298,000.00	9,027,000.00	0.00	0.00	38.0%	54.9%
July 7, 2017	52,615,416.67	20,298,000.00	9,027,000.00	0.00	0.00	38.6%	55.7%
January 7, 2018	51,814,166.67	19,859,092.38	8,832,070.03	438,907.62	194,929.97	38.3%	55.4%
July 7, 2018	51,012,916.67	19,323,356.39	8,593,808.50	535,735.99	238,261.53	37.9%	54.7%
January 7, 2019	50,211,666.67	18,787,561.74	8,355,520.88	535,794.65	238,287.62	37.4%	54.1%
July 7, 2019	49,410,416.67	18,251,705.55	8,117,205.89	535,856.19	238,314.99	36.9%	53.4%
January 7, 2020	48,609,166.67	17,715,784.75	7,878,862.16	535,920.80	238,343.73	36.4%	52.7%
July 7, 2020	47,807,916.67	17,179,796.07	7,640,488.25	535,988.68	238,373.91	35.9%	51.9%
January 7, 2021	47,006,666.67	16,643,736.00	7,402,082.59	536,060.07	238,405.66	35.4%	51.2%
July 7, 2021	46,205,416.67	16,107,600.80	7,163,643.51	536,135.20	238,439.08	34.9%	50.4%
January 7, 2022	45,404,166.67	15,571,386.46	6,925,169.24	536,214.34	238,474.27	34.3%	49.5%
July 7, 2022	44,602,916.67	15,035,088.66	6,686,657.85	536,297.80	238,511.39	33.7%	48.7%
January 7, 2023	43,801,666.67	14,498,702.80	6,448,107.30	536,385.86	238,550.55	33.1%	47.8%
July 7, 2023	43,000,416.67	13,962,223.89	6,209,515.36	536,478.91	238,591.94	32.5%	46.9%
January 7, 2024	42,199,166.67	13,425,646.59	5,970,879.67	536,577.30	238,635.69	31.8%	46.0%
July 7, 2024	41,397,916.67	12,888,965.12	5,732,197.65	536,681.47	238,682.02	31.1%	45.0%
January 7, 2025	40,596,666.67	12,352,173.26	5,493,466.53	536,791.86	238,731.12	30.4%	44.0%
July 7, 2025	39,795,416.67	11,815,264.27	5,254,683.32	536,908.99	238,783.21	29.7%	42.9%
January 7, 2026	38,994,166.67	11,278,230.85	5,015,844.77	537,033.42	238,838.55	28.9%	41.8%
July 7, 2026	38,192,916.67	10,741,065.09	4,776,947.37	537,165.76	238,897.40	28.1%	40.6%
January 7, 2027	37,391,666.67	10,203,758.39	4,537,987.28	537,306.70	238,960.09	27.3%	39.4%
July 7, 2027	36,590,416.67	9,666,301.37	4,298,960.35	537,457.02	239,026.93	26.4%	38.2%
January 7, 2028	35,789,166.67	9,128,683.84	4,059,862.03	537,617.53	239,098.32	25.5%	36.9%
July 7, 2028	34,987,916.67	0.00	0.00	9,128,683.84	4,059,862.03	0.0%	0.0%

<b>N66897</b>							
<b>Date</b>	<b>Assumed Aircraft Value</b>	<b>Outstanding Balance</b>		<b>Scheduled Payments of Principal</b>		<b>Loan to Value Ratio</b>	
		<b>Series AA Equipment Notes</b>	<b>Series A Equipment Notes</b>	<b>Series AA Equipment Note</b>	<b>Series A Equipment Note</b>	<b>Series AA Equipment Notes</b>	<b>Series A Equipment Notes</b>
At Issuance	\$53,480,000.00	\$20,322,000.00	\$9,038,000.00	\$ 0.00	\$ 0.00	38.0%	54.9%
January 7, 2017	53,480,000.00	20,322,000.00	9,038,000.00	0.00	0.00	38.0%	54.9%
July 7, 2017	52,677,800.00	20,322,000.00	9,038,000.00	0.00	0.00	38.6%	55.7%
January 7, 2018	51,875,600.00	19,882,638.27	8,842,541.76	439,361.73	195,458.24	38.3%	55.4%
July 7, 2018	51,073,400.00	19,346,267.08	8,603,997.73	536,371.19	238,544.03	37.9%	54.7%
January 7, 2019	50,271,200.00	18,809,837.16	8,365,427.58	536,429.92	238,570.15	37.4%	54.1%
July 7, 2019	49,469,000.00	18,273,345.64	8,126,830.03	536,491.52	238,597.55	36.9%	53.4%
January 7, 2020	48,666,800.00	17,736,789.42	7,888,203.72	536,556.22	238,626.31	36.4%	52.7%
July 7, 2020	47,864,600.00	17,200,165.25	7,649,547.18	536,624.17	238,656.54	35.9%	51.9%
January 7, 2021	47,062,400.00	16,663,469.60	7,410,858.85	536,695.65	238,688.33	35.4%	51.2%
July 7, 2021	46,260,200.00	16,126,698.74	7,172,137.07	536,770.86	238,721.78	34.9%	50.4%
January 7, 2022	45,458,000.00	15,589,848.63	6,933,380.05	536,850.11	238,757.02	34.3%	49.5%
July 7, 2022	44,655,800.00	15,052,914.98	6,694,585.87	536,933.65	238,794.18	33.7%	48.7%
January 7, 2023	43,853,600.00	14,515,893.15	6,455,752.48	537,021.83	238,833.39	33.1%	47.8%
July 7, 2023	43,051,400.00	13,978,778.16	6,216,877.66	537,114.99	238,874.82	32.5%	46.9%
January 7, 2024	42,249,200.00	13,441,564.67	5,977,959.02	537,213.49	238,918.64	31.8%	46.0%
July 7, 2024	41,447,000.00	12,904,246.89	5,738,994.01	537,317.78	238,965.01	31.1%	45.0%
January 7, 2025	40,644,800.00	12,366,818.58	5,499,979.84	537,428.31	239,014.17	30.4%	44.0%
July 7, 2025	39,842,600.00	11,829,273.01	5,260,913.52	537,545.57	239,066.32	29.7%	42.9%
January 7, 2026	39,040,400.00	11,291,602.86	5,021,791.80	537,670.15	239,121.72	28.9%	41.8%
July 7, 2026	38,238,200.00	10,753,800.21	4,782,611.15	537,802.65	239,180.65	28.1%	40.6%
January 7, 2027	37,436,000.00	10,215,856.45	4,543,367.74	537,943.76	239,243.41	27.3%	39.4%
July 7, 2027	36,633,800.00	9,677,762.20	4,304,057.40	538,094.25	239,310.34	26.4%	38.2%
January 7, 2028	35,831,600.00	9,139,507.24	4,064,675.59	538,254.96	239,381.81	25.5%	36.9%
July 7, 2028	35,029,400.00	0.00	0.00	9,139,507.24	4,064,675.59	0.0%	0.0%

C. Boeing 787-9

N27964							
Date	Assumed Aircraft Value	Outstanding Balance		Scheduled Payments of Principal		Loan to Value Ratio	
		Series AA Equipment Notes	Series A Equipment Notes	Series AA Equipment Note	Series A Equipment Note	Series AA Equipment Notes	Series A Equipment Notes
At Issuance	\$138,920,000.00	\$52,790,000.00	\$23,477,000.00	\$ 0.00	\$ 0.00	38.0%	54.9%
January 7, 2017	136,804,467.01	52,790,000.00	23,477,000.00	0.00	0.00	38.6%	55.7%
July 7, 2017	134,688,934.01	52,790,000.00	23,477,000.00	0.00	0.00	39.2%	56.6%
January 7, 2018	132,573,401.02	50,812,115.45	22,598,019.77	1,977,884.55	878,980.23	38.3%	55.4%
July 7, 2018	130,457,868.02	49,416,580.01	21,977,373.74	1,395,535.44	620,646.03	37.9%	54.7%
January 7, 2019	128,342,335.03	48,021,499.84	21,356,930.19	1,395,080.17	620,443.55	37.4%	54.1%
July 7, 2019	126,226,802.03	46,626,897.29	20,736,699.06	1,394,602.55	620,231.13	36.9%	53.4%
January 7, 2020	124,111,269.04	45,232,796.16	20,116,690.92	1,394,101.13	620,008.14	36.4%	52.7%
July 7, 2020	121,995,736.04	43,839,221.88	19,496,917.10	1,393,574.28	619,773.82	35.9%	51.9%
January 7, 2021	119,880,203.05	42,446,201.63	18,877,389.67	1,393,020.25	619,527.43	35.4%	51.2%
July 7, 2021	117,764,670.05	41,053,764.48	18,258,121.57	1,392,437.15	619,268.10	34.9%	50.4%
January 7, 2022	115,649,137.06	39,661,941.60	17,639,126.66	1,391,822.88	618,994.91	34.3%	49.5%
July 7, 2022	113,533,604.06	38,270,766.37	17,020,419.78	1,391,175.23	618,706.88	33.7%	48.7%
January 7, 2023	111,418,071.07	36,880,274.69	16,402,016.90	1,390,491.68	618,402.88	33.1%	47.8%
July 7, 2023	109,302,538.07	35,490,505.13	15,783,935.18	1,389,769.56	618,081.72	32.5%	46.9%
January 7, 2024	107,187,005.08	34,101,499.21	15,166,193.07	1,389,005.92	617,742.11	31.8%	46.0%
July 7, 2024	105,071,472.08	32,713,301.73	14,548,810.51	1,388,197.48	617,382.56	31.1%	45.0%
January 7, 2025	102,955,939.09	31,325,961.03	13,931,808.98	1,387,340.70	617,001.53	30.4%	44.0%
July 7, 2025	100,840,406.09	29,939,529.40	13,315,211.76	1,386,431.63	616,597.22	29.7%	42.9%
January 7, 2026	98,724,873.10	28,554,063.46	12,699,044.01	1,385,465.94	616,167.75	28.9%	41.8%
July 7, 2026	96,609,340.10	27,169,624.66	12,083,333.07	1,384,438.80	615,710.94	28.1%	40.6%
January 7, 2027	94,493,807.11	25,786,279.74	11,468,108.62	1,383,344.92	615,224.45	27.3%	39.4%
July 7, 2027	92,378,274.11	24,404,101.38	10,853,402.98	1,382,178.36	614,705.64	26.4%	38.2%
January 7, 2028	90,262,741.12	23,023,168.83	10,239,251.40	1,380,932.55	614,151.58	25.5%	36.9%
July 7, 2028	88,147,208.12	0.00	0.00	23,023,168.83	10,239,251.40	0.0%	0.0%

N27965							
Date	Assumed Aircraft Value	Outstanding Balance		Scheduled Payments of Principal		Loan to Value Ratio	
		Series AA Equipment Notes	Series A Equipment Notes	Series AA Equipment Note	Series A Equipment Note	Series AA Equipment Notes	Series A Equipment Notes
At Issuance	\$139,000,000.00	\$52,820,000.00	\$23,491,000.00	\$ 0.00	\$ 0.00	38.0%	54.9%
January 7, 2017	136,883,248.73	52,820,000.00	23,491,000.00	0.00	0.00	38.6%	55.7%
July 7, 2017	134,766,497.46	52,820,000.00	23,491,000.00	0.00	0.00	39.2%	56.6%
January 7, 2018	132,649,746.19	50,841,376.67	22,611,033.31	1,978,623.33	879,966.69	38.3%	55.4%
July 7, 2018	130,532,994.92	49,445,037.58	21,990,029.87	1,396,339.09	621,003.44	37.9%	54.7%
January 7, 2019	128,416,243.65	48,049,154.03	21,369,229.03	1,395,883.55	620,800.84	37.4%	54.1%
July 7, 2019	126,299,492.39	46,653,748.37	20,748,640.72	1,395,405.66	620,588.31	36.9%	53.4%
January 7, 2020	124,182,741.12	45,258,844.41	20,128,275.54	1,394,903.96	620,365.18	36.4%	52.7%
July 7, 2020	122,065,989.85	43,864,467.61	19,508,144.81	1,394,376.80	620,130.73	35.9%	51.9%
January 7, 2021	119,949,238.58	42,470,645.16	18,888,260.61	1,393,822.45	619,884.20	35.4%	51.2%
July 7, 2021	117,832,487.31	41,077,406.16	18,268,635.90	1,393,239.00	619,624.71	34.9%	50.4%
January 7, 2022	115,715,736.04	39,684,781.76	17,649,284.52	1,392,624.40	619,351.38	34.3%	49.5%
July 7, 2022	113,598,984.77	38,292,805.40	17,030,221.35	1,391,976.36	619,063.17	33.7%	48.7%
January 7, 2023	111,482,233.50	36,901,512.98	16,411,462.35	1,391,292.42	618,759.00	33.1%	47.8%
July 7, 2023	109,365,482.23	35,510,943.08	15,793,024.69	1,390,569.90	618,437.66	32.5%	46.9%
January 7, 2024	107,248,730.96	34,121,137.28	15,174,926.84	1,389,805.80	618,097.85	31.8%	46.0%
July 7, 2024	105,131,979.70	32,732,140.37	14,557,188.74	1,388,996.91	617,738.10	31.1%	45.0%
January 7, 2025	103,015,228.43	31,344,000.74	13,939,831.91	1,388,139.63	617,356.83	30.4%	44.0%
July 7, 2025	100,898,477.16	29,956,770.70	13,322,879.60	1,387,230.04	616,952.31	29.7%	42.9%
January 7, 2026	98,781,725.89	28,570,506.92	12,706,357.03	1,386,263.78	616,522.57	28.9%	41.8%
July 7, 2026	96,664,974.62	27,185,270.86	12,090,291.51	1,385,236.06	616,065.52	28.1%	40.6%
January 7, 2027	94,548,223.35	25,801,129.32	11,474,712.77	1,384,141.54	615,578.74	27.3%	39.4%
July 7, 2027	92,431,472.08	24,418,155.00	10,859,653.14	1,382,974.32	615,059.63	26.4%	38.2%
January 7, 2028	90,314,720.81	23,036,427.21	10,245,147.89	1,381,727.79	614,505.25	25.5%	36.9%
July 7, 2028	88,197,969.54	0.00	0.00	23,036,427.21	10,245,147.89	0.0%	0.0%

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**D. Boeing 777-322ER**

N58031							
Date	Assumed Aircraft Value	Outstanding Balance		Scheduled Payments of Principal		Loan to Value Ratio	
		Series AA Equipment Notes	Series A Equipment Notes	Series AA Equipment Note	Series A Equipment Note	Series AA Equipment Notes	Series A Equipment Notes
At Issuance	\$167,260,000.00	\$63,559,000.00	\$28,267,000.00	\$ 0.00	\$ 0.00	38.0%	54.9%
January 7, 2017	167,260,000.00	63,559,000.00	28,267,000.00	0.00	0.00	38.0%	54.9%
July 7, 2017	164,751,100.00	63,559,000.00	28,267,000.00	0.00	0.00	38.6%	55.7%
January 7, 2018	162,242,200.00	62,183,434.49	27,655,264.29	1,375,565.51	611,735.71	38.3%	55.4%
July 7, 2018	159,733,300.00	60,505,920.56	26,909,212.04	1,677,513.93	746,052.25	37.9%	54.7%
January 7, 2019	157,224,400.00	58,828,222.96	26,163,078.11	1,677,697.60	746,133.93	37.4%	54.1%
July 7, 2019	154,715,500.00	57,150,332.67	25,416,858.47	1,677,890.29	746,219.64	36.9%	53.4%
January 7, 2020	152,206,600.00	55,472,240.07	24,670,548.87	1,678,092.60	746,309.60	36.4%	52.7%
July 7, 2020	149,697,700.00	53,793,934.92	23,924,144.74	1,678,305.15	746,404.13	35.9%	51.9%
January 7, 2021	147,188,800.00	52,115,406.24	23,177,641.20	1,678,528.68	746,503.54	35.4%	51.2%
July 7, 2021	144,679,900.00	50,436,642.31	22,431,033.03	1,678,763.93	746,608.17	34.9%	50.4%
January 7, 2022	142,171,000.00	48,757,630.56	21,684,314.64	1,679,011.75	746,718.39	34.3%	49.5%
July 7, 2022	139,662,100.00	47,078,357.50	20,937,480.05	1,679,273.06	746,834.59	33.7%	48.7%
January 7, 2023	137,153,200.00	45,398,808.67	20,190,522.81	1,679,548.83	746,957.24	33.1%	47.8%
July 7, 2023	134,644,300.00	43,718,968.51	19,443,435.99	1,679,804.16	747,086.82	32.5%	46.9%
January 7, 2024	132,135,400.00	42,038,820.25	18,696,212.16	1,680,148.26	747,223.83	31.8%	46.0%
July 7, 2024	129,626,500.00	40,358,345.83	17,948,843.28	1,680,474.42	747,368.88	31.1%	45.0%
January 7, 2025	127,117,600.00	38,677,525.74	17,201,320.66	1,680,820.09	747,522.62	30.4%	44.0%
July 7, 2025	124,608,700.00	36,996,338.88	16,453,634.92	1,681,186.86	747,685.74	29.7%	42.9%
January 7, 2026	122,099,800.00	35,314,762.42	15,705,775.92	1,681,576.46	747,859.00	28.9%	41.8%
July 7, 2026	119,590,900.00	33,632,771.56	14,957,732.61	1,681,990.86	748,043.31	28.1%	40.6%
January 7, 2027	117,082,000.00	31,950,339.37	14,209,493.03	1,682,432.19	748,239.58	27.3%	39.4%
July 7, 2027	114,573,100.00	30,267,436.53	13,461,044.14	1,682,902.84	748,448.89	26.4%	38.2%
January 7, 2028	112,064,200.00	28,584,031.07	12,712,371.71	1,683,405.46	748,672.43	25.5%	36.9%
July 7, 2028	109,555,300.00	0.00	0.00	28,584,031.07	12,712,371.71	0.0%	0.0%

N59032							
Date	Assumed Aircraft Value	Outstanding Balance		Scheduled Payments of Principal		Loan to Value Ratio	
		Series AA Equipment Notes	Series A Equipment Notes	Series AA Equipment Note	Series A Equipment Note	Series AA Equipment Notes	Series A Equipment Notes
At Issuance	\$167,570,000.00	\$63,677,000.00	\$28,319,000.00	\$ 0.00	\$ 0.00	38.0%	54.9%
January 7, 2017	167,570,000.00	63,677,000.00	28,319,000.00	0.00	0.00	38.0%	54.9%
July 7, 2017	165,056,450.00	63,677,000.00	28,319,000.00	0.00	0.00	38.6%	55.7%
January 7, 2018	162,542,900.00	62,298,685.38	27,706,520.60	1,378,314.62	612,479.40	38.3%	55.4%
July 7, 2018	160,029,350.00	60,618,062.35	26,959,085.63	1,680,623.03	747,434.97	37.9%	54.7%
January 7, 2019	157,515,800.00	58,937,255.30	26,211,568.80	1,680,807.05	747,516.83	37.4%	54.1%
July 7, 2019	155,002,250.00	57,256,255.20	25,463,966.13	1,681,000.10	747,602.67	36.9%	53.4%
January 7, 2020	152,488,700.00	55,575,052.42	24,716,273.32	1,681,202.78	747,692.81	36.4%	52.7%
July 7, 2020	149,975,150.00	53,893,636.70	23,968,485.79	1,681,415.72	747,787.53	35.9%	51.9%
January 7, 2021	147,461,600.00	52,211,997.03	23,220,598.68	1,681,639.67	747,887.11	35.4%	51.2%
July 7, 2021	144,948,050.00	50,530,121.68	22,472,606.75	1,681,875.35	747,991.93	34.9%	50.4%
January 7, 2022	142,434,500.00	48,847,998.04	21,724,504.39	1,682,123.64	748,102.36	34.3%	49.5%
July 7, 2022	139,920,950.00	47,165,612.62	20,976,285.61	1,682,385.42	748,218.78	33.7%	48.7%
January 7, 2023	137,407,400.00	45,482,950.91	20,227,943.96	1,682,661.71	748,341.65	33.1%	47.8%
July 7, 2023	134,893,850.00	43,799,997.33	19,479,472.50	1,682,953.58	748,471.46	32.5%	46.9%
January 7, 2024	132,380,300.00	42,116,735.08	18,730,863.76	1,683,262.25	748,608.74	31.8%	46.0%
July 7, 2024	129,866,750.00	40,433,146.06	17,982,109.70	1,683,589.02	748,754.06	31.1%	45.0%
January 7, 2025	127,353,200.00	38,749,210.74	17,233,201.62	1,683,935.32	748,908.08	30.4%	44.0%
July 7, 2025	124,839,650.00	37,064,907.97	16,484,130.12	1,684,302.77	749,071.50	29.7%	42.9%
January 7, 2026	122,326,100.00	35,380,214.86	15,734,885.03	1,684,693.11	749,245.09	28.9%	41.8%
July 7, 2026	119,812,550.00	33,695,106.60	14,985,455.30	1,685,108.26	749,429.73	28.1%	40.6%
January 7, 2027	117,299,000.00	32,009,556.19	14,235,828.93	1,685,550.41	749,626.37	27.3%	39.4%
July 7, 2027	114,785,450.00	30,323,534.25	13,485,992.87	1,686,021.94	749,836.06	26.4%	38.2%
January 7, 2028	112,271,900.00	28,637,008.77	12,735,932.85	1,686,525.48	750,060.02	25.5%	36.9%
July 7, 2028	109,758,350.00	0.00	0.00	28,637,008.77	12,735,932.85	0.0%	0.0%



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N59033

Date	Assumed Aircraft Value	Outstanding Balance		Scheduled Payments of Principal		Loan to Value Ratio	
		Series AA Equipment Notes	Series A Equipment Notes	Series AA Equipment Note	Series A Equipment Note	Series AA Equipment Notes	Series A Equipment Notes
		At Issuance	\$167,570,000.00	\$63,677,000.00	\$28,319,000.00	\$ 0.00	\$ 0.00
January 7, 2017	167,570,000.00	63,677,000.00	28,319,000.00	0.00	0.00	38.0%	54.9%
July 7, 2017	165,056,450.00	63,677,000.00	28,319,000.00	0.00	0.00	38.6%	55.7%
January 7, 2018	162,542,900.00	62,298,685.38	27,706,520.60	1,378,314.62	612,479.40	38.3%	55.4%
July 7, 2018	160,029,350.00	60,618,062.35	26,959,085.63	1,680,623.03	747,434.97	37.9%	54.7%
January 7, 2019	157,515,800.00	58,937,255.30	26,211,568.80	1,680,807.05	747,516.83	37.4%	54.1%
July 7, 2019	155,002,250.00	57,256,255.20	25,463,966.13	1,681,000.10	747,602.67	36.9%	53.4%
January 7, 2020	152,488,700.00	55,575,052.42	24,716,273.32	1,681,202.78	747,692.81	36.4%	52.7%
July 7, 2020	149,975,150.00	53,893,636.70	23,968,485.79	1,681,415.72	747,787.53	35.9%	51.9%
January 7, 2021	147,461,600.00	52,211,997.03	23,220,598.68	1,681,639.67	747,887.11	35.4%	51.2%
July 7, 2021	144,948,050.00	50,530,121.68	22,472,606.75	1,681,875.35	747,991.93	34.9%	50.4%
January 7, 2022	142,434,500.00	48,847,998.04	21,724,504.39	1,682,123.64	748,102.36	34.3%	49.5%
July 7, 2022	139,920,950.00	47,165,612.62	20,976,285.61	1,682,385.42	748,218.78	33.7%	48.7%
January 7, 2023	137,407,400.00	45,482,950.91	20,227,943.96	1,682,661.71	748,341.65	33.1%	47.8%
July 7, 2023	134,893,850.00	43,799,997.33	19,479,472.50	1,682,953.58	748,471.46	32.5%	46.9%
January 7, 2024	132,380,300.00	42,116,735.08	18,730,863.76	1,683,262.25	748,608.74	31.8%	46.0%
July 7, 2024	129,866,750.00	40,433,146.06	17,982,109.70	1,683,589.02	748,754.06	31.1%	45.0%
January 7, 2025	127,353,200.00	38,749,210.74	17,233,201.62	1,683,935.32	748,908.08	30.4%	44.0%
July 7, 2025	124,839,650.00	37,064,907.97	16,484,130.12	1,684,302.77	749,071.50	29.7%	42.9%
January 7, 2026	122,326,100.00	35,380,214.86	15,734,885.03	1,684,693.11	749,245.09	28.9%	41.8%
July 7, 2026	119,812,550.00	33,695,106.60	14,985,455.30	1,685,108.26	749,429.73	28.1%	40.6%
January 7, 2027	117,299,000.00	32,009,556.19	14,235,828.93	1,685,550.41	749,626.37	27.3%	39.4%
July 7, 2027	114,785,450.00	30,323,534.25	13,485,992.87	1,686,021.94	749,836.06	26.4%	38.2%
January 7, 2028	112,271,900.00	28,637,008.77	12,735,932.85	1,686,525.48	750,060.02	25.5%	36.9%
July 7, 2028	109,758,350.00	0.00	0.00	28,637,008.77	12,735,932.85	0.0%	0.0%

N59034

Date	Assumed Aircraft Value	Outstanding Balance		Scheduled Payments of Principal		Loan to Value Ratio	
		Series AA Equipment Notes	Series A Equipment Notes	Series AA Equipment Note	Series A Equipment Note	Series AA Equipment Notes	Series A Equipment Notes
		At Issuance	\$167,710,000.00	\$63,730,000.00	\$28,343,000.00	\$ 0.00	\$ 0.00
January 7, 2017	167,710,000.00	63,730,000.00	28,343,000.00	0.00	0.00	38.0%	54.9%
July 7, 2017	165,194,350.00	63,730,000.00	28,343,000.00	0.00	0.00	38.6%	55.7%
January 7, 2018	162,678,700.00	62,350,734.17	27,729,668.62	1,379,265.83	613,331.38	38.3%	55.4%
July 7, 2018	160,163,050.00	60,668,707.03	26,981,609.18	1,682,027.14	748,059.44	37.9%	54.7%
January 7, 2019	157,647,400.00	58,986,495.71	26,233,467.83	1,682,211.32	748,141.35	37.4%	54.1%
July 7, 2019	155,131,750.00	57,304,091.18	25,485,240.55	1,682,404.53	748,227.28	36.9%	53.4%
January 7, 2020	152,616,100.00	55,621,483.81	24,736,923.06	1,682,607.37	748,317.49	36.4%	52.7%
July 7, 2020	150,100,450.00	53,938,663.31	23,988,510.79	1,682,820.50	748,412.27	35.9%	51.9%
January 7, 2021	147,584,800.00	52,255,618.68	23,239,998.83	1,683,044.63	748,511.96	35.4%	51.2%
July 7, 2021	145,069,150.00	50,572,338.17	22,491,381.97	1,683,280.51	748,616.86	34.9%	50.4%
January 7, 2022	142,553,500.00	48,888,809.16	21,742,654.60	1,683,529.01	748,727.37	34.3%	49.5%
July 7, 2022	140,037,850.00	47,205,018.16	20,993,810.71	1,683,791.00	748,843.89	33.7%	48.7%
January 7, 2023	137,522,200.00	45,520,950.63	20,244,843.83	1,684,067.53	748,966.88	33.1%	47.8%
July 7, 2023	135,006,550.00	43,836,590.99	19,495,747.04	1,684,359.64	749,096.79	32.5%	46.9%
January 7, 2024	132,490,900.00	42,151,922.42	18,746,512.87	1,684,668.57	749,234.17	31.8%	46.0%
July 7, 2024	129,975,250.00	40,466,926.81	17,997,133.24	1,684,995.61	749,379.63	31.1%	45.0%
January 7, 2025	127,459,600.00	38,781,584.61	17,247,599.47	1,685,342.20	749,533.77	30.4%	44.0%
July 7, 2025	124,943,950.00	37,095,874.65	16,497,902.15	1,685,709.96	749,697.32	29.7%	42.9%
January 7, 2026	122,428,300.00	35,409,774.03	15,748,031.08	1,686,100.62	749,871.07	28.9%	41.8%
July 7, 2026	119,912,650.00	33,723,257.91	14,997,975.23	1,686,516.12	750,055.85	28.1%	40.6%
January 7, 2027	117,397,000.00	32,036,299.26	14,247,722.57	1,686,958.65	750,252.66	27.3%	39.4%
July 7, 2027	114,881,350.00	30,348,868.71	13,497,260.03	1,687,430.55	750,462.54	26.4%	38.2%
January 7, 2028	112,365,700.00	28,660,934.18	12,746,573.36	1,687,934.53	750,686.67	25.5%	36.9%
July 7, 2028	109,850,050.00	0.00	0.00	28,660,934.18	12,746,573.36	0.0%	0.0%



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N59035							
Date	Assumed Aircraft Value	Outstanding Balance		Scheduled Payments of Principal		Loan to Value Ratio	
		Series AA Equipment Notes	Series A Equipment Notes	Series AA Equipment Note	Series A Equipment Note	Series AA Equipment Notes	Series A Equipment Notes
		At Issuance	\$167,710,000.00	\$63,730,000.00	\$28,343,000.00	\$ 0.00	\$ 0.00
January 7, 2017	167,710,000.00	63,730,000.00	28,343,000.00	0.00	0.00	38.0%	54.9%
July 7, 2017	165,194,350.00	63,730,000.00	28,343,000.00	0.00	0.00	38.6%	55.7%
January 7, 2018	162,678,700.00	62,350,734.17	27,729,668.62	1,379,265.83	613,331.38	38.3%	55.4%
July 7, 2018	160,163,050.00	60,668,707.03	26,981,609.18	1,682,027.14	748,059.44	37.9%	54.7%
January 7, 2019	157,647,400.00	58,986,495.71	26,233,467.83	1,682,211.32	748,141.35	37.4%	54.1%
July 7, 2019	155,131,750.00	57,304,091.18	25,485,240.55	1,682,404.53	748,227.28	36.9%	53.4%
January 7, 2020	152,616,100.00	55,621,483.81	24,736,923.06	1,682,607.37	748,317.49	36.4%	52.7%
July 7, 2020	150,100,450.00	53,938,663.31	23,988,510.79	1,682,820.50	748,412.27	35.9%	51.9%
January 7, 2021	147,584,800.00	52,255,618.68	23,239,998.83	1,683,044.63	748,511.96	35.4%	51.2%
July 7, 2021	145,069,150.00	50,572,338.17	22,491,381.97	1,683,280.51	748,616.86	34.9%	50.4%
January 7, 2022	142,553,500.00	48,888,809.16	21,742,654.60	1,683,529.01	748,727.37	34.3%	49.5%
July 7, 2022	140,037,850.00	47,205,018.16	20,993,810.71	1,683,791.00	748,843.89	33.7%	48.7%
January 7, 2023	137,522,200.00	45,520,950.63	20,244,843.83	1,684,067.53	748,966.88	33.1%	47.8%
July 7, 2023	135,006,550.00	43,836,590.99	19,495,747.04	1,684,359.64	749,096.79	32.5%	46.9%
January 7, 2024	132,490,900.00	42,151,922.42	18,746,512.87	1,684,668.57	749,234.17	31.8%	46.0%
July 7, 2024	129,975,250.00	40,466,926.81	17,997,133.24	1,684,995.61	749,379.63	31.1%	45.0%
January 7, 2025	127,459,600.00	38,781,584.61	17,247,599.47	1,685,342.20	749,533.77	30.4%	44.0%
July 7, 2025	124,943,950.00	37,095,874.65	16,497,902.15	1,685,709.96	749,697.32	29.7%	42.9%
January 7, 2026	122,428,300.00	35,409,774.03	15,748,031.08	1,686,100.62	749,871.07	28.9%	41.8%
July 7, 2026	119,912,650.00	33,723,257.91	14,997,975.23	1,686,516.12	750,055.85	28.1%	40.6%
January 7, 2027	117,397,000.00	32,036,299.26	14,247,722.57	1,686,958.65	750,252.66	27.3%	39.4%
July 7, 2027	114,881,350.00	30,348,868.71	13,497,260.03	1,687,430.55	750,462.54	26.4%	38.2%
January 7, 2028	112,365,700.00	28,660,934.18	12,746,573.36	1,687,934.53	750,686.67	25.5%	36.9%
July 7, 2028	109,850,050.00	0.00	0.00	28,660,934.18	12,746,573.36	0.0%	0.0%

N59036							
Date	Assumed Aircraft Value	Outstanding Balance		Scheduled Payments of Principal		Loan to Value Ratio	
		Series AA Equipment Notes	Series A Equipment Notes	Series AA Equipment Note	Series A Equipment Note	Series AA Equipment Notes	Series A Equipment Notes
		At Issuance	\$167,850,000.00	\$63,783,000.00	\$28,367,000.00	\$ 0.00	\$ 0.00
January 7, 2017	167,850,000.00	63,783,000.00	28,367,000.00	0.00	0.00	38.0%	54.9%
July 7, 2017	165,332,250.00	63,783,000.00	28,367,000.00	0.00	0.00	38.6%	55.7%
January 7, 2018	162,814,500.00	62,402,782.97	27,752,816.63	1,380,217.03	614,183.37	38.3%	55.4%
July 7, 2018	160,296,750.00	60,719,351.71	27,004,132.73	1,683,431.26	748,683.90	37.9%	54.7%
January 7, 2019	157,779,000.00	59,035,736.12	26,255,366.85	1,683,615.59	748,765.88	37.4%	54.1%
July 7, 2019	155,261,250.00	57,351,927.17	25,506,514.98	1,683,808.95	748,851.87	36.9%	53.4%
January 7, 2020	152,743,500.00	55,667,915.20	24,757,572.81	1,684,011.97	748,942.17	36.4%	52.7%
July 7, 2020	150,225,750.00	53,983,689.92	24,008,535.78	1,684,225.28	749,037.03	35.9%	51.9%
January 7, 2021	147,708,000.00	52,299,240.33	23,259,398.99	1,684,449.59	749,136.79	35.4%	51.2%
July 7, 2021	145,190,250.00	50,614,554.65	22,510,157.20	1,684,685.68	749,241.79	34.9%	50.4%
January 7, 2022	142,672,500.00	48,929,620.28	21,760,804.81	1,684,934.37	749,352.39	34.3%	49.5%
July 7, 2022	140,154,750.00	47,244,423.69	21,011,335.80	1,685,196.59	749,469.01	33.7%	48.7%
January 7, 2023	137,637,000.00	45,558,950.35	20,261,743.71	1,685,473.34	749,592.09	33.1%	47.8%
July 7, 2023	135,119,250.00	43,873,184.65	19,512,021.59	1,685,765.70	749,722.12	32.5%	46.9%
January 7, 2024	132,601,500.00	42,187,109.76	18,762,161.97	1,686,074.89	749,859.62	31.8%	46.0%
July 7, 2024	130,083,750.00	40,500,707.56	18,012,156.78	1,686,402.20	750,005.19	31.1%	45.0%
January 7, 2025	127,566,000.00	38,813,958.48	17,261,997.32	1,686,749.08	750,159.46	30.4%	44.0%
July 7, 2025	125,048,250.00	37,126,841.33	16,511,674.17	1,687,117.15	750,323.15	29.7%	42.9%
January 7, 2026	122,530,500.00	35,439,333.20	15,761,177.14	1,687,508.13	750,497.03	28.9%	41.8%
July 7, 2026	120,012,750.00	33,751,409.22	15,010,495.15	1,687,923.98	750,681.99	28.1%	40.6%
January 7, 2027	117,495,000.00	32,063,042.34	14,259,616.20	1,688,366.88	750,878.95	27.3%	39.4%
July 7, 2027	114,977,250.00	30,374,203.16	13,508,527.20	1,688,839.18	751,089.00	26.4%	38.2%
January 7, 2028	112,459,500.00	28,684,859.59	12,757,213.87	1,689,343.57	751,313.33	25.5%	36.9%
July 7, 2028	109,941,750.00	0.00	0.00	28,684,859.59	12,757,213.87	0.0%	0.0%

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N54037

Date	Assumed Aircraft Value	Outstanding Balance		Scheduled Payments of Principal		Loan to Value Ratio	
		Series AA Equipment Notes	Series A Equipment Notes	Series AA Equipment Note	Series A Equipment Note	Series AA Equipment Notes	Series A Equipment Notes
		At Issuance	\$167,850,000.00	\$63,783,000.00	\$28,367,000.00	\$ 0.00	\$ 0.00
January 7, 2017	167,850,000.00	63,783,000.00	28,367,000.00	0.00	0.00	38.0%	54.9%
July 7, 2017	165,332,250.00	63,783,000.00	28,367,000.00	0.00	0.00	38.6%	55.7%
January 7, 2018	162,814,500.00	62,402,782.97	27,752,816.63	1,380,217.03	614,183.37	38.3%	55.4%
July 7, 2018	160,296,750.00	60,719,351.71	27,004,132.73	1,683,431.26	748,683.90	37.9%	54.7%
January 7, 2019	157,779,000.00	59,035,736.12	26,255,366.85	1,683,615.59	748,765.88	37.4%	54.1%
July 7, 2019	155,261,250.00	57,351,927.17	25,506,514.98	1,683,808.95	748,851.87	36.9%	53.4%
January 7, 2020	152,743,500.00	55,667,915.20	24,757,572.81	1,684,011.97	748,942.17	36.4%	52.7%
July 7, 2020	150,225,750.00	53,983,689.92	24,008,535.78	1,684,225.28	749,037.03	35.9%	51.9%
January 7, 2021	147,708,000.00	52,299,240.33	23,259,398.99	1,684,449.59	749,136.79	35.4%	51.2%
July 7, 2021	145,190,250.00	50,614,554.65	22,510,157.20	1,684,685.68	749,241.79	34.9%	50.4%
January 7, 2022	142,672,500.00	48,929,620.28	21,760,804.81	1,684,934.37	749,352.39	34.3%	49.5%
July 7, 2022	140,154,750.00	47,244,423.69	21,011,335.80	1,685,196.59	749,469.01	33.7%	48.7%
January 7, 2023	137,637,000.00	45,558,950.35	20,261,743.71	1,685,473.34	749,592.09	33.1%	47.8%
July 7, 2023	135,119,250.00	43,873,184.65	19,512,021.59	1,685,765.70	749,722.12	32.5%	46.9%
January 7, 2024	132,601,500.00	42,187,109.76	18,762,161.97	1,686,074.89	749,859.62	31.8%	46.0%
July 7, 2024	130,083,750.00	40,500,707.56	18,012,156.78	1,686,402.20	750,005.19	31.1%	45.0%
January 7, 2025	127,566,000.00	38,813,958.48	17,261,997.32	1,686,749.08	750,159.46	30.4%	44.0%
July 7, 2025	125,048,250.00	37,126,841.33	16,511,674.17	1,687,117.15	750,323.15	29.7%	42.9%
January 7, 2026	122,530,500.00	35,439,333.20	15,761,177.14	1,687,508.13	750,497.03	28.9%	41.8%
July 7, 2026	120,012,750.00	33,751,409.22	15,010,495.15	1,687,923.98	750,681.99	28.1%	40.6%
January 7, 2027	117,495,000.00	32,063,042.34	14,259,616.20	1,688,366.88	750,878.95	27.3%	39.4%
July 7, 2027	114,977,250.00	30,374,203.16	13,508,527.20	1,688,839.18	751,089.00	26.4%	38.2%
January 7, 2028	112,459,500.00	28,684,859.59	12,757,213.87	1,689,343.57	751,313.33	25.5%	36.9%
July 7, 2028	109,941,750.00	0.00	0.00	28,684,859.59	12,757,213.87	0.0%	0.0%

# UNITED AIRLINES, INC.

## Pass Through Certificates

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This prospectus relates to pass through certificates to be issued by one or more trusts that United Airlines, Inc. will form, as creator of each pass through trust, with a national or state bank or trust company, as trustee. The trustee will hold all property owned by a trust for the benefit of holders of pass through certificates issued by that trust. Each pass through certificate issued by a trust will represent a beneficial interest in all property held by that trust. United Continental Holdings, Inc., the holding company of United, may provide a guarantee of certain obligations of United relating to property owned by such a trust.

We will describe the specific terms of any offering of pass through certificates in a prospectus supplement to this prospectus. You should carefully read this prospectus and the applicable prospectus supplement, together with the documents we incorporate by reference, before you invest in any pass through certificates.

This prospectus may not be used to offer or sell any pass through certificates unless accompanied by a prospectus supplement.

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**Investing in our pass through certificates involves risks. See “[Risk Factors](#)” beginning on page 1 of this prospectus.**

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**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.**

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**The date of this prospectus is April 24, 2015.**

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ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement that we filed with the Securities and Exchange Commission (the “SEC”) using the “shelf” registration process. Under the shelf registration process, we may sell the pass through certificates described in this prospectus in one or more offerings from time to time. Each time we sell pass through certificates, we will provide a prospectus supplement that will contain specific information about the terms of that offering.

This prospectus contains summaries of certain provisions contained in some of the documents described herein. Please refer to the actual documents for complete information. All of the summaries are qualified in their entirety by the actual documents. Copies of the documents referred to herein have been filed, or will be filed or incorporated by reference as exhibits to the registration statement of which this prospectus is a part, and you may obtain copies of those documents as described below under “Where You Can Find More Information.”

In this prospectus, unless the context otherwise requires, the terms “we,” “our,” “us” and the “Company” refer to United Continental Holdings, Inc. and its subsidiaries, including United Airlines, Inc.

**You should rely only on the information contained in this prospectus or in a prospectus supplement accompanying this prospectus or information incorporated by reference therein. We have not authorized anyone to provide you with different information. The distribution of this prospectus and sale of these pass through certificates in certain jurisdictions may be restricted by law. Persons in possession of this prospectus are required to inform themselves about and observe any such restrictions. We are not making an offer to sell these pass through certificates in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this prospectus is accurate as of the date on the front cover of this prospectus only. Our business, financial condition, results of operations and prospects may have changed since that date.**

## RISK FACTORS

An investment in our pass through certificates involves risk. Before you invest in our pass through certificates, you should carefully consider the risks involved. Accordingly, you should carefully consider:

- the information contained in or incorporated by reference into this prospectus;
- the information contained in or incorporated by reference into any prospectus supplement relating to specific offerings of securities;
- the risks described in the Annual Report on Form 10-K of United Continental Holdings, Inc. and United Airlines, Inc. for our most recent fiscal year and in any Quarterly Report on Form 10-Q which we have filed since our most recent Annual Report on Form 10-K, each of which is incorporated by reference into this prospectus; and
- other risks and other information that may be contained in, or incorporated by reference from, other filings we make with the SEC, including in any prospectus supplement relating to specific offerings of pass through certificates.

The discussion of risks related to our business contained in or incorporated by reference into this prospectus or into any prospectus supplement comprises material risks of which we are aware. If any of the events or developments described actually occurs, our business, financial condition or results of operations would likely suffer.

## CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

Certain statements contained in or incorporated by reference in this prospectus or any prospectus supplement delivered with this prospectus 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, financial condition 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 contained in or incorporated by reference in this prospectus or any prospectus supplement delivered with this prospectus are based upon information available to us on the date such statements are made. We undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, changed circumstances or otherwise, except as required by applicable law.

Our actual results could differ materially from these forward-looking statements due to numerous factors including, without limitation, the following: our ability to comply with the terms of our various financing arrangements; the costs and availability of financing; our ability to maintain adequate liquidity; our ability to execute our operational plans and revenue-generating initiatives, including optimizing our revenue; our ability to control our costs, including realizing benefits from our resource optimization efforts, cost reduction initiatives and fleet replacement programs; our ability to utilize our net operating losses; our ability to attract and retain customers; demand for transportation in the markets in which we operate; an outbreak of a disease that affects travel demand or travel behavior; demand for travel and the impact 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); economic and political

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instability and other risks of doing business globally; our 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 we have alliances or partnerships to provide the services contemplated by the respective arrangements with such carriers; disruptions to our regional network; the costs and availability of aviation and other insurance; industry consolidation or changes in airline alliances; competitive pressures on pricing and demand; our capacity decisions and the capacity decisions of our competitors; U.S. or foreign governmental legislation, regulation and other actions (including open skies agreements and environmental regulations); labor costs; our ability to maintain satisfactory labor relations and the results of the collective bargaining agreement process with our union groups; any disruptions to operations due to any potential actions by our labor groups; weather conditions; and other risks and uncertainties, including those stated in the SEC reports incorporated by reference in this prospectus or any prospectus supplement delivered with this prospectus or as stated in any such prospectus supplement under "Risk Factors". Consequently, the forward-looking statements should not be regarded as representations or warranties by us that such matters will be realized.

## **THE COMPANY**

United Continental Holdings, Inc. (“UAL”) is a holding company, and its principal subsidiary is United Airlines, Inc. (“United”), which is a commercial airline.

Each of UAL and United is a Delaware corporation. The principal executive offices of UAL and United are located at 233 S. Wacker Drive, Chicago, Illinois 60606, telephone (872) 825-4000.

UAL’s website is [www.unitedcontinentalholdings.com](http://www.unitedcontinentalholdings.com), and United’s website is [www.united.com](http://www.united.com). The information contained on or connected to these websites is not incorporated by reference into this prospectus and should not be considered part of this prospectus.

## **USE OF PROCEEDS**

Unless otherwise indicated in an accompanying prospectus supplement, we intend to use the proceeds from the sale of the securities to finance or refinance aircraft or for general corporate purposes, which may include repayment of indebtedness, the funding of a portion of our pension liabilities, and our working capital requirements.

### RATIO OF EARNINGS TO FIXED CHARGES

The following table sets forth UAL's consolidated ratio of earnings to fixed charges for the periods indicated (1):

	Three Months Ended March 31,	Year Ended December 31,				
	2015	2014	2013	2012	2011	2010
Ratio of earnings to fixed charges	2.36	1.66	1.31	(a)	1.40	1.19

- (a) Earnings were inadequate to cover fixed charges by \$756 million for the year ended December 31, 2012.

The following table sets forth United's consolidated ratio of earnings to fixed charges for the periods indicated (1):

	Three Months Ended March 31,	Year Ended December 31,				
	2015	2014	2013	2012	2011	2010
Ratio of earnings to fixed charges	2.36	1.65	1.37	(b)	1.41	1.21

- (b) Earnings were inadequate to cover fixed charges by \$689 million for the year ended December 31, 2012.
- (1) For purposes of calculating this ratio, earnings consist of income before income taxes and cumulative effect of changes in accounting principles adjusted for distributed earnings of affiliates in which UAL/United has a minority equity interest plus interest expense (net of capitalized interest), the portion of rental expense representative of interest expense and amortization of previously capitalized interest. Fixed charges consist of interest expense, the portion of rental expense representative of interest expense, the amount amortized for debt discount, premium and issuance expense and interest previously capitalized.

### WHERE YOU CAN FIND MORE INFORMATION

UAL and United file annual, quarterly and current reports and other information, and UAL files proxy statements with the SEC under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). You may read and copy this information at the Public Reference Room of the SEC, 100 F Street, N.E., Washington, D.C. 20549. You may obtain information on the operation of the Public Reference Room by calling the SEC at (800) SEC-0330.

The SEC also maintains an internet website that contains reports, proxy statements and other information about issuers, like us, who file reports electronically with the SEC. The address of that site is <http://www.sec.gov>.

We have filed with the SEC a registration statement on Form S-3, which registers the securities that we may offer under this prospectus. The registration statement, including the exhibits and schedules thereto, contains additional relevant information about us and the securities offered.

### INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The SEC allows us to incorporate by reference information into this prospectus. This means that we can disclose important information to you by referring you to another document filed separately with the SEC. The information incorporated by reference is considered to be part of this prospectus, except for any information that is superseded by subsequent incorporated documents or by information that is included directly in this prospectus or any prospectus supplement.



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This prospectus incorporates by reference the documents listed below that we previously have filed with the SEC (excluding any information that has been “furnished” but not “filed” for purposes of the Exchange Act) and that are not delivered with this prospectus. They contain important information about us and our financial condition.

### Combined Filings by UAL and United

Annual Report on Form 10-K for the year ended December 31, 2014  
Quarterly Report on Form 10-Q for the quarter ended March 31, 2015

Date Filed  
February 20, 2015  
April 23, 2015

### Filings by UAL

Registration Statement on Form 8-A, description of UAL’s Common Stock, par value \$0.01 per share

Date Filed  
September 30, 2010,  
including any  
amendments or  
reports filed to  
update such  
description  
January 7, 2015

Current Report on Form 8-K

The SEC file number is 1-6033 for UAL and 1-10323 for United.

We incorporate by reference additional documents that we may file with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act (excluding any information that has been “furnished” but not “filed” for purposes of the Exchange Act) between the date of this prospectus and the termination of the offering of securities under this prospectus. These documents include our periodic reports, such as Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K, as well as our proxy statements.

You may obtain any of these incorporated documents from us without charge, excluding any exhibits to those documents unless the exhibit is specifically incorporated by reference in such document. You may obtain documents incorporated by reference in this prospectus by requesting them from us in writing or by telephone at the following address:

United Continental Holdings, Inc.  
United Airlines, Inc.  
233 S. Wacker Drive  
Chicago, Illinois 60606  
(872) 825-4000  
Attention: Secretary

## LEGAL MATTERS

Unless otherwise indicated in the applicable prospectus supplement, our counsel Hughes Hubbard & Reed LLP, New York, New York, will pass upon the validity of the certificates being offered by such prospectus supplement.

## EXPERTS

The consolidated financial statements of UAL appearing in UAL's Annual Report on Form 10-K at December 31, 2014 and December 31, 2013, and for each of the three years in the period ended December 31, 2014 (including the financial statement schedule appearing therein), and the effectiveness of UAL's internal control over financial reporting as of December 31, 2014 and December 31, 2013, have been audited by Ernst & Young LLP, an independent registered public accounting firm, as set forth in their reports thereon, and incorporated herein by reference. Such consolidated financial statements are incorporated herein by reference in reliance upon such reports given on the authority of such firm as experts in accounting and auditing.

The consolidated financial statements of United appearing in United's Annual Report on Form 10-K at December 31, 2014 and December 31, 2013, and for each of the three years in the period ended December 31, 2014 (including the financial statement schedule appearing therein), have been audited by Ernst & Young LLP, an independent registered public accounting firm, as set forth in their report thereon, and incorporated herein by reference. Such consolidated financial statements are incorporated herein by reference in reliance upon such report given on the authority of such firm as experts in accounting and auditing.

