

U.S. SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM S-3
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

United Continental Holdings, Inc.
(Exact name of registrant issuer as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or organization)

36-2675207
(I.R.S. Employer Identification Number)

77 W. Wacker Drive
Chicago, Illinois 60601
(312) 997-8000

United Air Lines, Inc.
(Exact name of registrant issuer as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or organization)

36-2675206
(I.R.S. Employer Identification Number)

77 W. Wacker Drive
Chicago, Illinois 60601
(312) 997-8000

(Address, including zip code, and telephone number, including area code, of Registrant's principal executive offices)

Continental Airlines, Inc.
(Exact name of registrant issuer as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or organization)

74-2099724
(I.R.S. Employer Identification Number)

1600 Smith Street
Houston, Texas 77002 713-324-2950

Brett J. Hart
Executive Vice President, General Counsel and Secretary
United Continental Holdings, Inc.
77 W. Wacker Drive
Chicago, Illinois 60601
(312) 997-8000
(Name, address, including zip code, and telephone number, including area code, of agent for service)

With a copy to:
John K. Hoyns
Hughes Hubbard & Reed LLP
One Battery Park Plaza
New York, New York 10004
(212) 837-6000

Approximate date of commencement of proposed sale to the public: From time to time after this registration statement becomes effective.

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box:

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box:

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering:

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering:

If this Form is a registration statement pursuant to General Instruction I.D. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box:

If this Form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.D. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box:

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

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

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to Be Registered	Amount to Be Registered/ Proposed Maximum Offering Price per Unit/ Proposed Maximum Aggregate Offering Price (1)	Amount of Registration Fee (1)
Common Stock of United Continental Holdings, Inc., \$0.01 par value		
Debt Securities of United Continental Holdings, Inc.		
Depository Shares of United Continental Holdings, Inc. (2)		
Guarantees of United Continental Holdings, Inc. (3)		
Preferred Stock of United Continental Holdings, Inc.		
Stock Purchase Contracts of United Continental Holdings, Inc.		
Stock Purchase Units of United Continental Holdings, Inc.		
Subscription Rights of United Continental Holdings, Inc. (4)		
Warrants of United Continental Holdings, Inc.		
Debt Securities of United Air Lines, Inc.		
Guarantees of United Air Lines, Inc. (3)		
Pass Through Certificates of United Air Lines, Inc.		
Debt Securities of Continental Airlines, Inc.		
Guarantees of Continental Airlines, Inc. (3)		
Pass Through Certificates of Continental Airlines, Inc.		

- (1) An unspecified aggregate initial offering price and number or amount of the securities of each identified class is being registered as may from time to time be offered at unspecified prices. Separate consideration may or may not be received for securities that are issuable on exercise, conversion or exchange of other securities or that are issued in units or represented by depository shares. In accordance with Rules 456(b) and 457(r) under the Securities Act of 1933, as amended, the registrant is deferring payment of all of the registration fee. Securities registered hereunder may be sold either separately or as units comprising more than one type of security registered hereunder.
- (2) The depository shares registered hereunder will be evidenced by depository receipts issued pursuant to a deposit agreement. If the registrant elects to offer to the public fractional interests in shares of Preferred Stock, then depository receipts will be distributed to those persons purchasing the fractional interests and the shares will be issued to the depository under the deposit agreement.
- (3) Pursuant to Rule 457(n) under the Securities Act of 1933, as amended, no additional registration fee is required with respect to the guarantees.
- (4) Rights evidencing the right to purchase Common Stock, Preferred Stock, depository shares or warrants.

United Continental Holdings, Inc.

Common Stock
Debt Securities
Depository Shares
Guarantees of Debt Securities
Preferred Stock
Stock Purchase Contracts
Stock Purchase Units
Subscription Rights
Warrants

United Air Lines, Inc.

Debt Securities
Guarantees of Debt Securities

Continental Airlines, Inc.

Debt Securities
Guarantees of Debt Securities

The securities covered by this prospectus may be sold by United Continental Holdings, Inc. and its wholly-owned subsidiaries United Air Lines, Inc. and Continental Airlines, Inc., from time to time, together or separately. In addition, selling security holders who may be named in a prospectus supplement may offer and sell from time to time securities in such amounts as set forth in such prospectus supplement. We may, and any selling security holder may, offer the securities independently or together in any combination for sale directly to purchasers or through underwriters, dealers or agents to be designated at a future date. Unless otherwise set forth in a prospectus supplement, we will not receive any proceeds from the sale of securities by any selling security holders.

We will describe the specific terms of any offering of securities 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 decide to invest in any of these securities.

This prospectus may not be used to offer or sell any securities unless accompanied by a prospectus supplement.

The Common Stock of United Continental Holdings, Inc. is traded on the New York Stock Exchange under the symbol "UAL."

Investing in our securities involves risks. See "[Risk Factors](#)" beginning on page 2 of this prospectus.

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.

The date of this prospectus is April 27, 2012.

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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, or certain of our security holders, may sell the securities described in this prospectus in one or more offerings from time to time. This prospectus provides you with a general description of the securities that we or a selling security holder may offer. Each time we, or, under certain circumstances, our security holders, sell securities, 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 Air Lines, Inc. and Continental Airlines, Inc.

You should rely only on the information contained in this prospectus or in a prospectus supplement accompanying this prospectus or on the 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 securities 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 securities 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 securities involves risk. Before you invest in securities issued by us, 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., United Air Lines, Inc. and Continental 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 securities.

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 which 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; 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,

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investment or credit market conditions, crude oil prices, costs of aircraft fuel and energy refining capacity in relevant markets); 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; the costs and availability of aviation and other insurance; the costs associated with security measures and practices; 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; the possibility that expected synergies relating to the Merger described under "The Company" in this prospectus will not be realized or will not be realized within the expected time period; 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 subsidiaries are United Air Lines, Inc. ("United") and Continental Airlines, Inc. ("Continental"). United and Continental are commercial airlines operating a single passenger service system under the "United" name. We expect that United and Continental will be combined as a single legal entity subsequent to the date of this prospectus.

On May 2, 2010, UAL Corporation, Continental, and JT Merger Sub Inc., a wholly-owned subsidiary of UAL Corporation, entered into an Agreement and Plan of Merger providing for a "merger of equals" business combination. On October 1, 2010, JT Merger Sub Inc. merged with and into Continental, with Continental surviving as a wholly-owned subsidiary of UAL Corporation (the "Merger"). Upon closing of the Merger, UAL Corporation became the parent company of both Continental and United and UAL Corporation's name was changed to United Continental Holdings, Inc.

Each of UAL, United and Continental is a Delaware corporation. The principal executive offices of UAL and United are located at 77 W. Wacker Drive, Chicago, Illinois 60601, telephone (312) 997-8000. The principal executive offices of Continental are located at 1600 Smith Street, Houston, Texas 77002, telephone (713) 324-2950.

UAL's website is www.unitedcontinentalholdings.com, and United's and Continental's website is 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.

SELLING SECURITY HOLDERS

We may register securities covered by this prospectus for re-offers and resales by any selling security holders who may be named in a prospectus supplement. Because each of UAL, United and Continental is a well-known seasoned issuer, as defined in Rule 405 under the Securities Act of 1933, as amended (the "Securities Act"), we may add secondary sales of securities by any selling security holders by filing a prospectus supplement with the SEC. We may register these securities to permit selling security holders to resell their securities when they deem appropriate. A selling security holder may resell all, a portion or none of their securities at any time and from time to time. We may register those securities for sale through an underwriter or other plan of distribution as set forth in a prospectus supplement. See "Plan of Distribution." Selling security holders may also sell, transfer or otherwise dispose of some or all of their securities in transactions exempt from the registration requirements of the Securities Act. We may pay all expenses incurred with respect to the registration of the securities owned by the selling security holders, other than underwriting fees, discounts or commissions, which will be borne by the selling security holders. We will provide you with a prospectus supplement naming the selling security holders, the amount of securities to be registered and sold and any other terms of the securities being sold by a selling security holder.

USE OF PROCEEDS

Unless otherwise indicated in an accompanying prospectus supplement, we intend to use the net proceeds from the sale of our securities for general corporate purposes, which may include possible future repayments of indebtedness, the funding of a portion of our pension liabilities, and our working capital requirements. Unless otherwise set forth in a prospectus supplement, we will not receive any proceeds from any sales of our securities by any selling security holder who may be named in a prospectus supplement.

RATIO OF EARNINGS TO FIXED CHARGES AND RATIO OF EARNINGS TO FIXED CHARGES AND PREFERRED STOCK DIVIDEND REQUIREMENTS

The following table sets forth UAL's consolidated ratio of earnings to fixed charges and UAL's consolidated ratio of earnings to fixed charges and preferred stock dividend requirements for the periods indicated (1):

	Three Months Ended	Year Ended December 31,				
	March 31, 2012	2011	2010	2009	2008	2007
Ratio of earnings to fixed charges	(a)	1.40	1.19	(b)	(c)	1.67
Ratio of earnings to fixed charges and preferred stock dividend requirements	N/A	N/A	N/A	N/A	(c)	1.64

- (a) Earnings were inadequate to cover fixed charges requirements by \$454 million for the three months ended March 31, 2012.
 (b) Earnings were inadequate to cover fixed charges requirements by \$677 million for the year ended December 31, 2009.
 (c) Earnings were inadequate to cover both fixed charges requirements and fixed charges and preferred stock dividend requirements by \$5.4 billion for the year ended December 31, 2008.
 N/A Not applicable, as there were no preferred stock dividends in this period.

The following table sets forth United's consolidated ratio of earnings to fixed charges and United's consolidated ratio of earnings to fixed charges and preferred stock dividend requirements for the periods indicated (1):

	Three Months Ended	Year Ended December 31,				
	March 31, 2012	2011	2010	2009	2008	2007
Ratio of earnings to fixed charges	(d)	1.31	1.38	(e)	(f)	1.67
Ratio of earnings to fixed charges and preferred stock dividend requirements	N/A	N/A	N/A	N/A	(f)	1.64

- (d) Earnings were inadequate to cover fixed charges requirements by \$423 million for the three months ended March 31, 2012.
 (e) Earnings were inadequate to cover fixed charges requirements by \$653 million for the year ended December 31, 2009.
 (f) Earnings were inadequate to cover both fixed charges and fixed charges and preferred stock dividend requirements by \$5.4 billion for the year ended December 31, 2008.
 N/A Not applicable, as there were no preferred stock dividends in this period.

The following table contains Continental's consolidated ratio of earnings to fixed charges for the periods indicated (2):

	Continental Successor			Continental Predecessor		
	Three Months Ended March 31, 2012	Year Ended December 31, 2011	Three Months Ended December 31, 2010	Nine Months Ended September 30, 2010	Year Ended December 31,	
	(g)	1.49	(g)	1.47	2009	2008
Ratio of earnings to fixed charges	(g)	1.49	(g)	1.47	(g)	(g)

- (g) Earnings were inadequate to cover fixed charges requirement by \$14 million and \$103 million for the three months ended March 31, 2012 and December 31, 2010, respectively, and by \$436 million and \$702 million for the years ended December 31, 2009 and 2008, respectively.
 (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.

- (2) For purposes of calculating this ratio, earnings consist of income before income taxes and cumulative effect of changes in accounting principles adjusted for undistributed income of companies in which Continental 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.

As a result of the application of the acquisition method of accounting, Continental's financial statements prior to October 1, 2010 are not comparable with the financial statements for periods on or after October 1, 2010. References to "Continental Successor" refer to Continental on or after October 1, 2010, after giving effect to the application of acquisition accounting. References to "Continental Predecessor" refer to Continental prior to October 1, 2010. Amounts for 2008 were adjusted to reflect the change in classification of certain revenues and expenses in Continental's statements of consolidated operations.

DESCRIPTION OF UAL CAPITAL STOCK

The following description of UAL's capital stock includes a summary of certain provisions of UAL's restated certificate of incorporation and amended and restated bylaws. The following description of the terms of the Preferred Stock UAL may issue sets forth certain general terms and provisions of any series of Preferred Stock to which any prospectus supplement may relate. Particular terms of the Preferred Stock offered by any prospectus supplement and the extent, if any, to which these general terms and provisions shall apply to any series of Preferred Stock so offered will be described in the prospectus supplement relating to the applicable Preferred Stock. The applicable prospectus supplement may also state that any of the terms set forth in this description are inapplicable to such series of Preferred Stock. This description of UAL's capital stock does not purport to be complete and is subject to and qualified in its entirety by reference to applicable Delaware law and the provisions of UAL's restated certificate of incorporation and any applicable certificates of designations, which have been or will be filed with the SEC.

General

UAL is authorized to issue up to 1,000,000,000 shares of Common Stock, par value \$0.01 per share. UAL is also authorized to issue 250,000,000 shares of Preferred Stock, without par value ("Serial Preferred Stock"), one share of Class Pilot MEC Junior Preferred Stock, par value \$0.01 per share, and one share of Class IAM Junior Preferred Stock, par value \$0.01 per share.

Common Stock

Dividends

The holders of UAL Common Stock will be entitled to receive dividends, if and when declared payable, from time to time by the UAL board of directors (the "Board").

Liquidation

Upon any liquidation, dissolution or winding up of UAL, after all securities ranking prior to the Common Stock, including any shares of UAL's Serial Preferred Stock, Class Pilot MEC Junior Preferred Stock and Class IAM Junior Preferred Stock, have been paid in full that to which they are entitled, the holders of the then outstanding Common Stock will be entitled to receive, pro rata, the remaining assets of UAL available for distribution to its stockholders.

Voting Rights

Each outstanding share of Common Stock of UAL will entitle the holder thereof to one vote on each matter submitted to a vote at a meeting of stockholders. At meetings of stockholders, holders of UAL's Common Stock vote together as a single class with holders of UAL's Class Pilot MEC Junior Preferred Stock and Class IAM Junior Preferred Stock on all matters except the election of directors to the Board. The affirmative vote of holders of shares of UAL's capital stock representing a plurality of the votes cast on the matter will be required to elect the directors of the Board to be elected by the applicable class of capital stock. The affirmative vote of holders of shares of UAL's capital stock representing a majority of the votes present in person or by proxy at the meeting and entitled to be cast on the matter will be required to approve any other matters.

Other

UAL Common Stock is not convertible into, or exchangeable for, any other class or series of capital stock. Holders of Common Stock have no preemptive or other rights to subscribe for or purchase additional securities of UAL. UAL's restated certificate of incorporation contains no sinking fund provisions or redemption provisions with respect to the Common Stock. Shares of Common Stock are not subject to calls or assessments.

No personal liability will attach to holders under the laws of the State of Delaware (UAL's state of incorporation) or of the State of Illinois (the state in which UAL's principal place of business is located). There is no classification of the Board.

UAL Common Stock is subject to certain limitations on ownership and transfer. See "—Certain Limitations on Ownership and Transfer and Anti-Takeover Provisions in UAL's Restated Certificate of Incorporation and Amended and Restated Bylaws applicable to all UAL Capital Stock" below.

Serial Preferred Stock

Serial Preferred Stock may be issued independently or together with any other securities and may be attached to or separate from the securities.

Pursuant to Delaware law and UAL's restated certificate of incorporation, the Board by resolution, and without the approval of stockholders, may establish one or more series of Serial Preferred Stock, fix the number of shares constituting such series and fix the designations and the powers, preferences and relative, participating, optional or other special rights, if any, and the qualifications, limitations and restrictions thereof, of such series. Such rights, preferences, powers and limitations as may be established could have the effect of discouraging an attempt to obtain control of UAL.

If the Board approves the issuance of a series of Serial Preferred Stock to be offered hereunder, a description will be filed with the SEC and the terms of such series will be described in the prospectus supplement with respect to such series, including the following terms:

- The number of shares constituting such series and the distinctive designation of the series;
- The dividend rate on the shares of the series, the conditions and dates upon which dividends thereon shall be payable, the extent, if any, to which dividends thereon shall be cumulative, and the relative rights of preference, if any, of payment of dividends thereon;
- Whether or not the shares of the series are redeemable and, if redeemable, the time or times during which they shall be redeemable and the amount per share payable on redemption thereof, which amount may, but need not, vary according to the time and circumstances of such redemption;
- The amount payable in respect of the shares of the series, in the event of any liquidation, dissolution or winding up of UAL, which amount may, but need not, vary according to the time or circumstances of such action, and the relative rights of preference, if any, of payment of such amount;
- Any requirement as to a sinking fund for the shares of the series, or any requirement as to the redemption, purchase or other retirement by UAL of the shares of the series;
- The right, if any, to exchange or convert shares of the series into other securities or property, and the rate or basis, time, manner and condition of exchange or conversion;
- The voting rights, if any, to which the holders of shares of the series shall be entitled in addition to the voting rights provided by law; and
- Any other term, condition or provision with respect to the series not inconsistent with the provisions of Article Fourth, Part I of UAL's restated certificate of incorporation or any resolution adopted by the Board pursuant thereto.

Class Pilot MEC Junior Preferred Stock

UAL currently has one share of Class Pilot MEC Junior Preferred Stock outstanding, which may be held only by the United Airlines Pilots Master Executive Council (the "MEC") of the Air Line Pilots Association, International ("ALPA") or a duly authorized agent acting for the benefit of MEC and may only be transferred in certain limited circumstances specified in UAL's restated certificate of incorporation.

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Dividends

The holder of the Class Pilot MEC Junior Preferred Stock is not entitled to receive dividends or other distributions, except as described under “—*Liquidation*” below.

Liquidation

Upon any liquidation, dissolution or winding up of UAL, after all securities ranking prior to the Class Pilot MEC Junior Preferred Stock, including any shares of UAL’s Serial Preferred Stock, have been paid in full that to which they are entitled, the holder of the Class Pilot MEC Junior Preferred Stock will be entitled to receive \$0.01 for the share of Class Pilot MEC Junior Preferred Stock, but such holder shall not be entitled to any further payment.

Voting Rights

The holder of the share of Class Pilot MEC Junior Preferred Stock has the following voting rights:

(a) So long as any persons represented by ALPA employed by UAL or any of its affiliates or until the collective bargaining agreement between UAL or any of its affiliates and ALPA has been amended so that such agreement no longer provides that ALPA has the right to appoint a director to the Board, the holder of the share of Class Pilot MEC Junior Preferred Stock shall have the right (i) voting as a separate class, to elect one director to the Board at each annual meeting of stockholders for a term of office to expire at the succeeding annual meeting of stockholders, and (ii) voting together as a single class with the holders of Common Stock of UAL and the holders of such other classes or series of stock that vote together with the Common Stock of UAL as a single class, to vote on all matters submitted to a vote of the holders of Common Stock of UAL (other than the election of directors), except as otherwise required by law.

(b) The affirmative vote of the holder of the share of Class Pilot MEC Junior Preferred Stock, voting as a separate class, is necessary to authorize, effect or validate any amendment, alteration or repeal (including any amendment, alteration or repeal by operation of merger or consolidation) of any of the provisions of UAL’s restated certificate of incorporation that would adversely affect the powers, preferences or special rights of the Class Pilot MEC Junior Preferred Stock.

Ranking

The Class Pilot MEC Junior Preferred Stock is deemed to rank senior to the Common Stock of UAL as to amounts distributable upon liquidation, dissolution or winding up of UAL.

Class IAM Junior Preferred Stock

UAL currently has one share of Class IAM Junior Preferred Stock outstanding, which may be held only by the International Association of Machinists and Aerospace Workers (the “IAM”) or a duly authorized agent acting for the benefit of the IAM and may only be transferred in certain limited circumstances specified in UAL’s restated certificate of incorporation.

Dividends

The holder of the Class IAM Junior Preferred Stock is not entitled to receive dividends or other distributions, except as described under “—*Liquidation*” below.

Liquidation

Upon any liquidation, dissolution or winding up of UAL, after all securities ranking prior to the Class IAM Junior Preferred Stock, including any shares of UAL’s Serial Preferred Stock, have been paid in full that to

which they are entitled, the holder of the Class IAM Junior Preferred Stock will be entitled to receive \$0.01 for the share of Class IAM Junior Preferred Stock, but such holder shall not be entitled to any further payment.

Voting Rights

The holder of the share of Class IAM Junior Preferred Stock has the following voting rights:

(a) So long as any persons represented by the IAM employed by UAL or any of its affiliates or until a certain letter agreement between UAL and the IAM no longer provides that the IAM has the right to appoint a director to the Board, the holder of the share of Class IAM Junior Preferred Stock shall have the right (i) voting as a separate class, to elect one director to the Board at each annual meeting of stockholders for a term of office to expire at the succeeding annual meeting of stockholders, and (ii) voting together as a single class with the holders of Common Stock of UAL and the holders of such other classes or series of stock that vote together with the Common Stock of UAL as a single class, to vote on all matters submitted to a vote of the holders of Common Stock of UAL (other than the election of directors), except as otherwise required by law.

(b) The affirmative vote of the holder of the share of Class IAM Junior Preferred Stock, voting as a separate class, is necessary to authorize, effect or validate any amendment, alteration or repeal (including any amendment, alteration or repeal by operation of merger or consolidation) of any of the provisions of UAL's restated certificate of incorporation that would adversely affect the powers, preferences or special rights of the Class IAM Junior Preferred Stock.

Ranking

The Class IAM Junior Preferred Stock is deemed to rank senior to the Common Stock of UAL as to amounts distributable upon liquidation, dissolution or winding up of UAL.

Certain Limitations on Ownership and Transfer and Anti-Takeover Provisions in UAL's Restated Certificate of Incorporation and Amended and Restated Bylaws applicable to all UAL Capital Stock

Five-percent Ownership Limitation

UAL's restated certificate of incorporation provides, subject to certain exceptions therein, that any attempted transfer of UAL's securities prior to the earliest of (A) February 1, 2014 or such later date as may be approved by the Board, (B) the repeal, amendment or modification of Section 382 of the Internal Revenue Code of 1986, as amended ("Section 382"), in such a way as to render the restrictions imposed by Section 382 no longer applicable to UAL, (C) the beginning of a taxable year of UAL in which no Tax Benefits (as defined in the restated certificate of incorporation) are available, and (D) the date on which the limitation amount imposed by Section 382 in the event of an ownership change of UAL, would not be materially less than the net operating loss carry forward or net unrealized built-in loss of UAL (the "Restriction Release Date"), or any attempted transfer of UAL's securities pursuant to an agreement entered into prior to the Restriction Release Date, will be prohibited and void ab initio so far as it purports to transfer ownership or rights in respect of such stock to the purported transferee (y) if the transferor is a five-percent shareholder or (z) to the extent that, as a result of such transfer either (1) any person or group of persons shall become a five-percent shareholder or (2) the percentage stock ownership interest in UAL of any five-percent shareholder shall be increased. The restated certificate of incorporation provides an exception to this limitation for securities issued pursuant to UAL's Second Amended Joint Plan of Reorganization dated January 20, 2006 or the Agreement and Plan of Merger relating to the Merger. The restated certificate of incorporation defines the term "five-percent shareholder" as a person or group of persons that is identified as a "5-percent shareholder" of UAL pursuant to Treasury Regulation § 1.382-2T(g).

Foreign Ownership Limitation

UAL's restated certificate of incorporation limits the total number of shares of equity securities held by all persons who fail to qualify as citizens of the United States to having no more than 24.9% of the voting power of all outstanding equity securities of UAL.

Undesignated Preferred Stock

The ability to authorize undesignated Preferred Stock makes it possible for the Board to issue Preferred Stock with super voting, dividend or other special rights or preferences on a discriminatory basis that could impede the success of any attempt to acquire UAL. These and other provisions may have the effect of deferring, delaying or discouraging hostile takeovers, or changes in control or management of UAL.

Requirements for Advance Notification of Stockholder Meetings, Nominations and Proposals

UAL's amended and restated bylaws provide that special meetings of the stockholders may be called only by (i) both the Chief Executive Officer and the Chairman of the Board or (ii) the Board, and prohibit the conduct of any business at a special meeting other than as specified in the notice for such meeting.

UAL's amended and restated bylaws establish advance notice procedures with respect to stockholder proposals for annual meetings and the nomination of candidates for election as directors to the Board, other than nominations by ALPA or the IAM or nominations made by or at the direction of the Board or a committee of the Board. In order for any matter to be "properly brought" before a meeting, a stockholder will have to comply with advance notice requirements and provide UAL with certain information. Additionally, vacancies and newly created directorships may be filled by a vote of a majority of the directors then in office, even though less than a quorum. UAL's amended and restated bylaws allow the Chief Executive Officer or Chairman, or his or her designee, to preside at a meeting to adopt rules and regulations for the conduct of meetings which may have the effect of precluding the conduct of certain business at a meeting if the rules and regulations are not followed. These provisions may also defer, delay or discourage a potential acquiror from conducting a solicitation of proxies to elect the acquiror's own slate of directors or otherwise attempting to obtain control of UAL.

Stockholder Action by Written Consent

Pursuant to Section 228 of the Delaware General Corporation Law (the "DGCL"), any action required to be taken at any annual or special meeting of the stockholders may be taken without a meeting, without prior notice and without a vote if a consent or consents in writing, setting forth the action so taken, is signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares of stock entitled to vote thereon were present and voted, unless UAL's restated certificate of incorporation provides otherwise. UAL's restated certificate of incorporation provides that any action required or permitted to be taken by UAL stockholders must be effected at a duly called annual or special meeting of stockholders and may not be effected by consent in writing by such stockholders.

DESCRIPTION OF DEBT SECURITIES AND GUARANTEES

The following description of the terms of the debt securities sets forth certain general terms and provisions of the debt securities to which any prospectus supplement may relate. The particular terms of the debt securities offered by any prospectus supplement and the extent, if any, to which these general provisions may apply to those debt securities will be described in the prospectus supplement relating to those debt securities. Accordingly, for a description of the terms of a particular issue of debt securities, reference must be made to the prospectus supplement relating thereto and, to the extent applicable, the following description.

UAL, United or Continental may issue debt securities from time to time in one or more series. The debt securities will be general obligations of the applicable issuer. The debt securities issued by UAL, United or Continental may be fully and unconditionally guaranteed on a secured or unsecured senior or subordinated basis, jointly and severally, by one or both of the other of such companies. If any series of debt securities will be subordinated to other indebtedness that the applicable issuer has outstanding or may incur, the terms of the subordination will be set forth in the prospectus supplement relating to the subordinated debt securities. Debt securities will be issued under one or more indentures between one or more of us and one or more trustees named in the prospectus supplement. A copy of the expected form of indenture has been filed as an exhibit to the registration statement filed with the SEC. The following discussion of certain provisions of the indenture is a summary only and should not be considered a complete description of the terms and provisions of the indenture. Accordingly, the following discussion is qualified in its entirety by reference to the provisions of the indenture, including the definition of certain terms used below.

General

The debt securities will represent direct, unsecured, general obligations of UAL, United or Continental and:

- may rank equally with other unsubordinated debt or may be subordinated to other debt the issuer has or may incur;
- may be issued in one or more series with the same or various maturities;
- may be issued at a price of 100% of their principal amount or at a premium or discount;
- may be issued in registered or bearer form and certificated or uncertificated form; and
- may be represented by one or more global notes registered in the name of a designated depository's nominee, and if so, beneficial interests in the global note will be shown on and transfers will be made only through records maintained by the designated depository and its participants.

The aggregate principal amount of debt securities that we may authenticate and deliver is unlimited. The debt securities may be issued in one or more series as the issuer may authorize from time to time. You should refer to the applicable prospectus supplement for the following terms of the debt securities of the series with respect to which that prospectus supplement is being delivered:

- (1) the identity of the issuer of such debt securities;
- (2) the form and title of the debt securities of the series (which shall distinguish the debt securities of that particular series from the debt securities of any other series);
- (3) the price or prices of the debt securities of the series;
- (4) any limit upon the aggregate principal amount of the debt securities of the series that may be authenticated and delivered under the indenture (except for debt securities authenticated and delivered upon registration of transfer of, or in exchange for, or in lieu of, other debt securities of the series);
- (5) the date or dates on which the principal and premium with respect to the debt securities of the series are payable;

(6) the rate or rates (which may be fixed or variable) at which the debt securities of the series shall bear interest (if any) or the method of determining such rate or rates, the date or dates from which such interest, if any, shall accrue, the interest payment dates on which such interest, if any, shall be payable or the method by which such dates will be determined, the record dates for the determination of holders thereof to whom such interest is payable (in the case of securities in registered form), and the basis upon which interest will be calculated if other than that of a 360-day year of twelve 30-day months;

(7) the currency or currencies in which debt securities of the series shall be denominated, if other than U.S. dollars, the place or places, if any, in addition to or instead of the corporate trust office of the trustee (in the case of securities in registered form) or the principal New York office of the trustee (in the case of securities in bearer form), where the principal, premium and interest with respect to debt securities of the series shall be payable or the method of such payment, if by wire transfer, mail or other means;

(8) the price or prices at which, the period or periods within which, and the terms and conditions upon which debt securities of the series may be redeemed, in whole or in part, at the issuer's option or otherwise;

(9) whether debt securities of the series are to be issued as securities in registered form or securities in bearer form or both and, if securities in bearer form are to be issued, whether coupons will be attached to them, whether securities in bearer form of the series may be exchanged for securities in registered form of the series, and the circumstances under which and the places at which any such exchanges, if permitted, may be made;

(10) if any debt securities of the series are to be issued as securities in bearer form or as one or more global securities representing individual securities in bearer form of the series, whether certain provisions for the payment of additional interest or tax redemptions shall apply; whether interest with respect to any portion of a temporary bearer security of the series payable with respect to any interest payment date prior to the exchange of such temporary bearer security for definitive securities in bearer form of the series shall be paid to any clearing organization with respect to the portion of such temporary bearer security held for its account and, in such event, the terms and conditions (including any certification requirements) upon which any such interest payment received by a clearing organization will be credited to the persons entitled to interest payable on such interest payment date; and the terms upon which a temporary bearer security may be exchanged for one or more definitive securities in bearer form of the series;

(11) the obligation, if any, to redeem, purchase or repay debt securities of the series pursuant to any sinking fund or analogous provisions or at the option of a holder of such debt securities and the price or prices at which, the period or periods within which, and the terms and conditions upon which, debt securities of the series shall be redeemed, purchased or repaid, in whole or in part, pursuant to such obligations;

(12) the terms, if any, upon which the debt securities of the series may be convertible into or exchanged for the issuer's or UAL's Common Stock, Preferred Stock, other debt securities or warrants for Common Stock, Preferred Stock, indebtedness or other securities of any kind and the terms and conditions upon which such conversion or exchange shall be effected, including the initial conversion or exchange price or rate, the conversion or exchange period and any other additional provisions;

(13) if other than denominations of \$1,000 or any integral multiple thereof, the denominations in which debt securities of the series shall be issuable;

(14) if the amount of principal, premium or interest with respect to the debt securities of the series may be determined with reference to an index or pursuant to a formula, the manner in which such amounts will be determined;

(15) if the principal amount payable at the stated maturity of debt securities of the series will not be determinable as of any one or more dates prior to such stated maturity, the amount that will be deemed to be such principal amount as of any such date for any purpose, including the principal amount thereof which will be due and payable upon any maturity other than the stated maturity or which will be deemed to be outstanding as of any such date (or, in any such case, the manner in which such deemed principal amount is to be determined), and if necessary, the manner of determining the equivalent thereof in U.S. dollars;

(16) any changes or additions to the provisions of the indenture dealing with defeasance;

(17) if other than the entire principal amount thereof, the portion of the principal amount of debt securities of the series that shall be payable upon declaration of acceleration of the maturity thereof or provable in bankruptcy;

(18) the terms, if any, of the transfer, mortgage, pledge or assignment as security for the debt securities of the series of any properties, assets, moneys, proceeds, securities or other collateral, including whether certain provisions of the Trust Indenture Act of 1939, as amended, are applicable and any corresponding changes to provisions of the indenture as then in effect;

(19) any addition to or change in the events of default with respect to the debt securities of the series and any change in the right of the trustee or the holders to declare the principal, premium and interest, if any, with respect to such debt securities due and payable;

(20) if the debt securities of the series shall be issued in whole or in part in the form of a global security, the terms and conditions, if any, upon which such global security may be exchanged in whole or in part for other individual debt securities in definitive registered form, the depository (as defined in the applicable prospectus supplement) for such global security and the form of any legend or legends to be borne by any such global security in addition to or in lieu of the legend referred to in the indenture;

(21) any trustee, authenticating or paying agent, transfer agent or registrar for the debt securities of the series;

(22) the applicability of, and any addition to or change in, the covenants and definitions set forth in the indenture or in the terms set forth in the indenture relating to permitted consolidations, mergers or sales of assets;

(23) the terms, if any, of any guarantee of the payment of principal, premium and interest with respect to debt securities of the series, the identity of any guarantor and any corresponding changes to the provisions of the indenture as then in effect;

(24) the subordination, if any, of the debt securities of the series pursuant to the indenture and any changes or additions to the provisions of the indenture relating to subordination;

(25) with regard to debt securities of the series that do not bear interest, the dates for certain required reports to the trustee; and

(26) any other terms of the debt securities of the series (which terms shall not be prohibited by the provisions of the indenture).

Unless otherwise provided in the applicable prospectus supplement, securities in registered form may be transferred or exchanged at the office of the trustee at which its corporate trust business is principally administered in the United States or at the office of the trustee or the trustee's agent in the Borough of Manhattan, the City and State of New York, at which its corporate agency business is conducted, subject to the limitations provided in the indenture, without the payment of any service charge, other than any tax or governmental charge payable in connection therewith. Securities in bearer form will be transferable only by delivery. Provisions with respect to the exchange of securities in bearer form will be described in the prospectus supplement relating to those securities in bearer form.

All funds which the issuer pays to a paying agent for the payment of principal, premium or interest with respect to any debt securities that remain unclaimed at the end of two years after that principal, premium or interest shall have become due and payable will be repaid to the issuer, and the holders of those debt securities or any related coupons will thereafter look only to the issuer for payment thereof.

Global Securities

The debt securities of a series may be issued in whole or in part in the form of one or more global securities. A global security is a debt security that represents, and is denominated in an amount equal to the aggregate principal amount of, all outstanding debt securities of a series, or any portion thereof, in either case having the same terms, including the same original issue date, date or dates on which principal and interest are due, and interest rate or method of determining interest. A global security will be deposited with, or on behalf of, a depository, which will be identified in the prospectus supplement relating to such debt securities. Global securities may be issued in either registered or bearer form and in either temporary or definitive form. Unless and until it is exchanged in whole or in part for the individual debt securities represented thereby, a global security may not be transferred except as a whole by the depository to a nominee of the depository, by a nominee of the depository to the depository or another nominee of the depository, or by the depository or any nominee of the depository to a successor depository or any nominee of such successor.

The specific terms of the depository arrangement with respect to a series of debt securities will be described in the prospectus supplement relating to such debt securities. We anticipate that the following provisions will generally apply to depository arrangements.

Upon the issuance of a global security, the depository for such global security will credit, on its book entry registration and transfer system, the respective principal amounts of the individual debt securities represented by such global security to the accounts of persons that have accounts with the depository ("participants"). Such accounts shall be designated by the dealers or underwriters with respect to such debt securities or, if such debt securities are offered and sold directly by the issuer or through one or more agents, by the issuer or such agents. Ownership of beneficial interests in a global security will be limited to participants or persons that hold beneficial interests through participants. Ownership of beneficial interests in such global security will be shown on, and the transfer of that ownership will be effected only through, records maintained by the depository (with respect to interests of participants) or records maintained by participants (with respect to interests of persons other than participants). The laws of some states require that certain purchasers of securities take physical delivery of such securities in definitive form. Such limitations and laws may impair the ability to transfer beneficial interests in a global security.

So long as the depository for a global security, or its nominee, is the registered owner or holder of such global security, such depository or nominee, as the case may be, will be considered the sole owner or holder of the individual debt securities represented by such global security for all purposes under the indenture. Except as provided below, owners of beneficial interests in a global security will not be entitled to have any of the individual debt securities represented by such global security registered in their names, will not receive or be entitled to receive physical delivery of any of such debt securities in definitive form, and will not be considered the owners or holders thereof under the indenture.

Subject to the restrictions applicable to securities in bearer form described in an applicable prospectus supplement (see "Limitations on Issuance of Securities in Bearer Form" below), payments of principal, premium, and interest with respect to individual debt securities represented by a global security will be made to the depository or its nominee, as the case may be, as the registered owner or holder of such global security. Neither the issuer, the trustee, any paying agent or registrar for such debt securities nor any agent of the issuer or the trustee will have any responsibility or liability for:

- (1) any aspect of the records relating to or payments made by the depository, its nominee or any participants on account of beneficial interests in the global security or for maintaining, supervising or reviewing any records relating to such beneficial interests;
- (2) the payment to the owners of beneficial interests in the global security of amounts paid to the depository or its nominee; or
- (3) any other matter relating to the actions and practices of the depository, its nominee or its participants.

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None of the issuer, the trustee, any paying agent or registrar for such debt securities or any agent of the issuer or the trustee will be liable for any delay by the depository, its nominee or any of its participants in identifying the owners of beneficial interests in the global security, and the issuer and the trustee may conclusively rely on, and will be protected in relying on, instructions from the depository or its nominee for all purposes.

We expect that the depository for a series of debt securities or its nominee, upon receipt of any payment of principal, premium or interest with respect to a definitive global security representing any of such debt securities, will immediately credit participants' accounts with payments in amounts proportionate to their respective beneficial interests in the principal amount of such global security, as shown on the records of the depository or its nominee. We also expect that payments by participants to owners of beneficial interests in such global security held through such participants will be governed by standing instructions and customary practices, as is now the case with securities held for the accounts of customers and registered in "street name." Such payments will be the responsibility of such participants. Receipt by owners of beneficial interests in a temporary global security of payments of principal, premium or interest with respect thereto will be subject to the restrictions described in an applicable prospectus supplement (see "—Limitation on Issuance of Securities in Bearer Form" below).

If the depository for a series of debt securities is at any time unwilling, unable or ineligible to continue as depository, the issuer shall appoint a successor depository. If a successor depository is not appointed by the issuer within 90 days, the issuer will issue individual debt securities of such series in exchange for the global security representing such series of debt securities. In addition, the issuer may at any time and in its sole discretion, subject to any limitations described in the prospectus supplement relating to such debt securities, determine to no longer have debt securities of a series represented by a global security and, in such event, will issue individual debt securities of such series in exchange for the global security representing such series of debt securities. Furthermore, if an event of default with respect to the debt securities of a series represented by a global security shall have happened and be continuing and owners of beneficial interests in such global security in an amount not less than a majority of the aggregate outstanding principal amount of such global security have delivered to the issuer and the trustee a notice indicating that the continuation of the book-entry system through such depository is no longer in the best interests of the holders of the beneficial interests, such global security will be exchangeable for individual debt securities of such series.

Limitations on Issuance of Securities in Bearer Form

The debt securities of a series may be issued as securities in registered form (which will be registered as to principal and interest in the register maintained by the registrar for such debt securities) or securities in bearer form (which will be transferable only by delivery). If such debt securities are issuable as securities in bearer form, the applicable prospectus supplement will describe certain special limitations and considerations that will apply to such debt securities.

Certain Covenants

If debt securities are issued, the indenture, as supplemented for a particular series of debt securities, will contain certain covenants for the benefit of the holders of such series of debt securities, which will be applicable (unless waived or amended) so long as any of the debt securities of such series are outstanding, unless stated otherwise in the prospectus supplement. The specific terms of the covenants, and summaries thereof, will be set forth in the prospectus supplement relating to such series of debt securities.

Subordination

Debt securities of a series, and any guarantees of such securities, may be subordinated, which we refer to as subordinated debt securities, to senior indebtedness (as defined in the applicable prospectus supplement) to the extent set forth in the prospectus supplement relating thereto. To the extent the issuer of any debt securities

conducts operations through subsidiaries of such issuer, the holders of such debt securities (whether or not subordinated debt securities) will be structurally subordinated to the creditors of such subsidiaries except to the extent such subsidiary is a guarantor of such series of debt securities.

Events of Default

Each of the following constitutes an event of default under the form of indenture with respect to any series of debt securities:

- (1) default in any payment of the principal or premium, if any, on the debt securities of that series, when such amount becomes due and payable at maturity, upon acceleration, redemption or otherwise;
- (2) failure to pay interest on any debt security of that series when such interest becomes due and payable, and such failure continues for a period of 30 days;
- (3) failure to comply for 60 days after notice with any covenants or agreements applicable to the debt securities of that series (other than those referred to in (1) or (2) above) or the indenture or supplemental indenture related to that series of debt securities; or
- (4) certain events of bankruptcy, insolvency or reorganization affecting us.

A prospectus supplement may omit, modify or add to the foregoing events of default.

A default under clause (3) will not constitute an event of default until the trustee notifies the issuer or the holders of 25% in principal amount of the outstanding debt securities notify the issuer and the trustee of the default and such issuer does not cure such default within the time specified after receipt of such notice.

If any event of default (other than an event of default relating to certain events of bankruptcy, insolvency or reorganization with respect to the issuer) occurs and is continuing with respect to a particular series of debt securities, either the trustee or the holders of not less than 25% in aggregate principal amount of the debt securities of that series then outstanding by written notice to the issuer (and to the trustee if such notice is given by the holders), may declare the principal amount of (or in the case of original issue discount debt securities, the portion thereby specified in the terms thereof), and accrued interest on the debt securities of that series to be immediately due and payable. In the case of certain events of bankruptcy, insolvency or reorganization, the principal amount of and accrued interest on the debt securities of that series shall automatically become and be immediately due and payable without any declaration or other act on the part of the trustee or any holders.

The holders of a majority in aggregate principal amount of the debt securities of any series then outstanding by notice to the trustee under the indenture may on behalf of the holders of all of such series of debt securities waive any existing default or event of default and its consequences under the applicable indenture except a default in the payment of the principal of, or premium, if any, and interest on the debt securities of such series, a default arising from the failure to redeem or purchase a debt security of that series when required pursuant to the terms of the indenture, or a default in respect of a provision that cannot be amended under the indenture without the consent of each holder of the series affected.

Subject to the provisions of the indenture relating to the duties of the trustee, in case an event of default shall occur and be continuing, the trustee is under no obligation to exercise any of its rights or powers under the indenture or debt securities at the request or direction of any of the holders of any series of debt securities, unless such holders have offered to the trustee indemnity or security satisfactory to it against any loss, liability or expense. Subject to such provisions for the indemnification of the trustee, the holders of at least a majority in aggregate principal amount of the outstanding debt securities of a series have the right to direct the time, method and place of conducting any proceeding for any remedy available to the trustee or exercising any trust or power conferred on the trustee with respect to such series of debt securities. The trustee, however, may refuse to follow any direction that conflicts with law or the indenture or that the trustee determines is unduly prejudicial to the

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rights of any other holder of such series of debt securities or that would involve the trustee in personal liability. Prior to taking any action under the indenture, the trustee is entitled to indemnification satisfactory to it in its sole discretion against all losses and expenses caused by taking or not taking such action.

Except to enforce the right to receive payment of principal, premium, if any, or interest when due, no holder of debt securities of a series has any right to pursue any remedy with respect to the indenture or debt securities unless:

- such holder has previously given to the trustee written notice of a continuing event of default with respect to such series of debt securities;
- the holders of at least 25% in aggregate principal amount of the outstanding debt securities of that series have made a written request to the trustee to pursue such remedy, and such holder or holders have offered indemnity satisfactory to the trustee against any loss, liability or expense, to the trustee; and
- the trustee has not complied with such request, and has not received from the holders of a majority in aggregate principal amount of the outstanding debt securities of that series a direction inconsistent with such request, within 60 days after such request and offer of indemnity.

However, such limitations do not apply to a suit instituted by a holder of a debt security of such series for the enforcement of payment of the principal, premium, if any, or interest on such debt security on or after the applicable due date specified in such debt security.

The indenture provides that if a default with respect to a series of debt securities occurs and is continuing and is actually known to a trust officer of the trustee, the trustee must mail to each holder of such debt securities notice of the default within 90 days after it occurs. Except in the case of a default in the payment of principal of, or premium, if any, or interest on any debt security of a series when such amount becomes due and payable, the trustee may withhold notice if and so long as a committee of its trust officers in good faith determines that withholding notice is in the interests of the holders.

The indenture requires the issuer with respect to each outstanding series of debt securities to furnish to the trustee, within 120 days after the end of each fiscal year, a statement by certain of its officers as to whether or not such officers know of a default in the performance or observance of any of the terms, provisions and conditions with respect to such series of debt securities and, if so, specifying all such known defaults.

Street name and other indirect holders should consult their banks and brokers for information on their requirements for giving notice or taking other actions upon a default.

Modification and Waiver

Modifications and amendments of the indenture as it applies to any series of debt securities or any of the other terms of such series may be made by the applicable issuer, any applicable guarantor and the trustee with the consent of the holders of at least a majority in aggregate principal amount of the outstanding debt securities of such series.

No such modification or amendment may, without the consent of each holder of an affected debt security,

- make any change to the percentage of principal amount of debt securities of the applicable series the holders of which must consent to an amendment;
- reduce the principal amount of, premium, if any, or interest on, or extend the stated maturity or interest payment periods, of such debt security;
- make such debt security payable in money or securities other than that stated in such debt security;
- make any change that adversely affects such holder's right to require the applicable issuer to purchase such debt security, if any;

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- impair the right of such holder to institute suit for the enforcement of any payment with respect to such debt securities;
- in the case of any subordinated debt security or coupons appertaining thereto, make any change in the provisions of the indenture relating to subordination that adversely affects the rights of such holder under such provisions;
- except as provided under “—Satisfaction and Discharge of the Indenture; Defeasance” or in accordance with a guarantee, release any guarantor of such debt security or make any changes in the applicable guarantee that would adversely affect such holder; or
- change the requirements relating to waiving a default in payment of principal of, premium, if any, or interest on the debt securities of a series, the right to bring suit to enforce such payments or the provisions relating to modifications or amendments described in this sentence.

Without the consent of any holder, the issuer with respect to a series of debt securities and the trustee may amend the indenture as it applies to such series or any of the other terms of such series for one or more of the following purposes:

- to evidence the succession of another person to such issuer pursuant to the provisions of the indenture relating to consolidations, mergers and sales of assets and the assumption by such successor of such issuer’s covenants, agreements and obligations in the indenture and with respect to the debt securities;
- to surrender any right or power conferred upon such issuer, to add such further covenants, restrictions, conditions or provisions for the protection of the holders of such series of debt securities, and to make the occurrence, or the occurrence and continuance, of a default in respect of any of such additional covenants, restrictions, conditions or provisions a default or an event of default under the indenture with respect to such series (provided, however, that with respect to any such additional covenant, restriction, condition or provision, such supplemental indenture may provide for a period of grace after default, which may be shorter or longer than that allowed in the case of other defaults, may provide for an immediate enforcement upon such default, may limit the remedies available to the trustee upon such default or may limit the right of holders of a majority in aggregate principal amount of any series of debt securities to waive such default);
- to cure any ambiguity or correct or supplement any provision contained in the indenture, in any supplemental indenture, board resolution, officers’ certificate or in any debt securities that may be defective or inconsistent with any other provision contained therein;
- to convey, transfer, assign, mortgage or pledge any property to or with the trustee, or to make such other provisions in regard to matters or questions arising under the indenture as shall not adversely affect the interests of any holders of debt securities of such series;
- to modify or amend the indenture in such a manner as to permit the qualification of the indenture or any supplemental indenture under the Trust Indenture Act as then in effect;
- to add to or change any of the provisions of the indenture to provide that securities in bearer form may be registerable as to principal, to change or eliminate any restrictions on the payment of principal, premium or interest with respect to securities in bearer form, to permit securities in registered form to be exchanged for securities in bearer form or to permit or facilitate the issuance of debt securities of such series in uncertificated form, provided that any such action shall not adversely affect the interests of the holders of debt securities or any coupons of any series in any material respect;
- in the case of subordinated debt securities, to make any change in the provisions of the indenture or any supplemental indenture, board resolution or officers’ certificate relating to subordination that would limit or terminate the benefits available to any holder of senior indebtedness under such provisions;
- to add guarantees with respect to the debt securities or to secure the debt securities;

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- to make any change that does not adversely affect the rights of any holder of debt securities of such series;
- to evidence and provide for the acceptance of appointment by a successor or separate trustee with respect to the debt securities of one or more series and to add to or change any of the provisions of the indenture as shall be necessary to provide for or facilitate the administration of the indenture by more than one trustee; or
- to establish the form or terms of debt securities and coupons of any series, as described under “—General” above.

UAL, United, Continental and the trustee may amend the indenture to add to, change, or eliminate any of the provisions of the indenture, so long as any such addition, change or elimination not otherwise permitted under the indenture shall (a) neither apply to any debt security of any series outstanding at the time of the execution of such supplemental indenture and entitled to the benefit of such provision nor modify the rights of the holders of any such debt security with respect to such provision or (b) become effective only when there is no such debt security outstanding.

Mergers and Sales of Assets

The indenture provides that the issuer with respect to any outstanding series of debt securities may not consolidate with or merge into any other person or convey, transfer or lease all or substantially all of its properties and assets to another person, unless among other items: (a) the resulting, surviving or transferee person is organized and existing under the laws of the United States, any state thereof or the District of Columbia and such person (if not such issuer) expressly assumes, by supplemental indenture, all obligations of such issuer under the applicable debt securities and the indenture; (b) no event of default with respect to any series of debt securities of such issuer issued under the indenture shall have occurred and be continuing; and (c) such issuer shall have provided the trustee with an officers' certificate and an opinion of counsel confirming compliance with the indenture with respect to such transaction. Upon the assumption of the issuer's obligations by such a person in such circumstances, subject to certain exceptions, such issuer shall be discharged from all obligations under the indenture.

Satisfaction and Discharge of the Indenture; Defeasance

Unless otherwise provided for in the prospectus supplement, the indenture shall cease to be of any further effect with respect to a series of debt securities if (1) either (a) the issuer has delivered to the trustee for cancellation all debt securities of such series (with certain limited exceptions) or (b) all debt securities and coupons of such series not theretofore delivered to the trustee for cancellation shall have become due and payable, or are by their terms to become due and payable at their stated maturity within one year or are to be called for redemption within one year, and the issuer shall have deposited with the trustee as trust funds the amount sufficient to pay and discharge the entire indebtedness on such debt securities not theretofore delivered to the trustee for cancellation, for principal (and premium, if any) and interest, if any, to the date of such deposit (in the case of debt securities which have become due and payable) or to the stated maturity or redemption date, as the case may be.

In addition, the issuer shall have a “legal defeasance option” (pursuant to which the issuer may terminate, with respect to the debt securities of a particular series, all of its obligations under such debt securities and the indenture with respect to such debt securities) and a “covenant defeasance option” (pursuant to which the issuer may terminate, with respect to the debt securities of a particular series, its obligations with respect to such debt securities under certain specified covenants with respect to such debt securities). If the legal defeasance option is exercised with respect to a series of debt securities, payment of such debt securities may not be accelerated because of an event of default. If the covenant defeasance option is exercised with respect to a series of debt securities, payment of such debt securities may not be accelerated because of an event of default related to the specified covenants.

The applicable prospectus supplement will describe the procedures the issuer must follow in order to exercise its defeasance options.

Regarding the Trustee

The indenture provides that, except during the continuance of an event of default, the trustee will perform only such duties as are specifically set forth in the indenture. During the existence of an event of default, the trustee will exercise such rights and powers vested in it under the indenture and use the same degree of care and skill in its exercise as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

The indenture and provisions of the Trust Indenture Act that are incorporated by reference therein contain limitations on the rights of the trustee, should it become one of an issuer's creditors, to obtain payment of claims in certain cases or to realize on certain property received by it in respect of any such claim as security or otherwise. The trustee is permitted to engage in other transactions with any issuer or any of its affiliates; provided, however, that if it acquires any conflicting interest (as defined in the indenture or in the Trust Indenture Act), it must eliminate such conflict or resign.

Governing Law

The indenture and the debt securities will be governed by the laws of the State of New York.

DESCRIPTION OF DEPOSITARY SHARES

The following summary of certain provisions of the depositary shares does not purport to be complete and is subject to, and qualified in its entirety by reference to, the provisions of the depositary agreement that will be filed with the SEC in connection with the offering of such depositary shares.

UAL may offer fractional shares of Preferred Stock, rather than full shares of Preferred Stock. If UAL decides to offer fractional shares of Preferred Stock, it will issue receipts for depositary shares. Each depositary share will represent a fraction of a share of a particular series of Preferred Stock, and the prospectus supplement will indicate that fraction. The shares of Preferred Stock represented by depositary shares will be deposited under a deposit agreement between UAL and a depositary that is a bank or trust company that meets certain requirements and is selected by UAL. The depositary will be specified in the applicable prospectus supplement. Each owner of a depositary share will be entitled to all of the rights and preferences of the Preferred Stock represented by the depositary share. The depositary shares will be evidenced by depositary receipts issued pursuant to the deposit agreement. Depositary receipts will be distributed to those persons purchasing the fractional shares of Preferred Stock in accordance with the terms of the offering.

We have summarized selected provisions of the deposit agreement and the depositary receipts, but the summary is qualified by reference to the provisions of the deposit agreement and the depositary receipts. The particular terms of any series of depositary shares will be described in the applicable prospectus supplement. If so indicated in the prospectus supplement, the terms of any such series may differ from the terms set forth below.

Dividends

The depositary will distribute all cash dividends or other cash distributions received by it in respect of the Preferred Stock to the record holders of depositary shares relating to such preferred shares in proportion to the numbers of depositary shares held on the relevant record date. The amount made available for distribution will be reduced by any amounts withheld by the depositary or UAL on account of taxes.

In the event of a distribution other than in cash, the depositary will distribute securities or property received by it to the record holders of depositary shares in proportion to the numbers of depositary shares held on the relevant record date, unless the depositary determines that it is not feasible to make such distribution. In that case, the depositary may make the distribution by such method as it deems equitable and practicable. One such possible method is for the depositary to sell the securities or property and then distribute the net proceeds from the sale as provided in the case of a cash distribution.

Withdrawal of Shares

Upon surrender of depositary receipts representing any number of whole shares at the depositary's office, unless the related depositary shares previously have been called for redemption, the holder of the depositary shares evidenced by the depositary receipts will be entitled to delivery of the number of whole shares of the related series of Preferred Stock and all money and other property, if any, underlying such depositary shares. However, once such an exchange is made, the Preferred Stock cannot thereafter be redeposited in exchange for depositary shares. Holders of depositary shares will be entitled to receive whole shares of the related series of Preferred Stock on the basis set forth in the applicable prospectus supplement. If the depositary receipts delivered by the holder evidence a number of depositary shares representing more than the number of whole shares of Preferred Stock of the related series to be withdrawn, the depositary will deliver to the holder at the same time a new depositary receipt evidencing the excess number of depositary shares.

Redemption of Depositary Shares

Whenever UAL redeems the Preferred Stock, the depositary will redeem a number of depositary shares representing the same number of shares of Preferred Stock so redeemed. If fewer than all of the depositary shares are to be redeemed, the depositary shares to be redeemed will be selected by lot, pro rata or by any other equitable method as the depositary may determine.

Voting of Underlying Shares

Upon receipt of notice of any meeting at which the holders of the Preferred Stock of any series are entitled to vote, the depositary will mail the information contained in the notice of the meeting to the record holders of the depositary shares relating to that series of preferred shares. Each record holder of the depositary shares on the record date will be entitled to instruct the depositary as to the exercise of the voting rights represented by the number of shares of Preferred Stock underlying the holder's depositary shares. The depositary will endeavor, to the extent it is practical to do so, to vote the number of whole shares of Preferred Stock underlying such depositary shares in accordance with such instructions. UAL will agree to take all action that the depositary may deem reasonably necessary in order to enable the depositary to do so. To the extent the depositary does not receive specific instructions from the holders of depositary shares relating to such preferred shares, it will abstain from voting such shares of Preferred Stock.

Amendment and Termination of Deposit Agreement

The form of depositary receipt evidencing the depositary shares and any provision of the applicable deposit agreement may at any time be amended by agreement between UAL and the depositary. With the consent of the depositary, UAL may amend the deposit agreement from time to time in any manner that it desires. However, if the amendment would materially and adversely alter the rights of the existing holders of depositary shares, the amendment would need to be approved by the holders of at least a majority of the depositary shares then outstanding.

The deposit agreement may be terminated by UAL or the depositary if:

- all outstanding depositary shares have been redeemed; or
- there has been a final distribution in respect of the shares of Preferred Stock of the applicable series in connection with our liquidation, dissolution or winding up and such distribution has been made to the holders of depositary receipts.

Resignation and Removal of Depositary

The depositary may resign at any time by delivering to UAL notice of its election to do so. UAL may remove a depositary at any time. Any resignation or removal will take effect upon the appointment of a successor depositary and its acceptance of appointment.

Charges of Depositary

UAL will pay all transfer and other taxes and governmental charges arising solely from the existence of any depositary arrangements. UAL will pay all charges of each depositary in connection with the initial deposit of the preferred shares of any series, the initial issuance of the depositary shares, any redemption of such preferred shares and any withdrawals of such preferred shares by holders of depositary shares. Holders of depositary shares will be required to pay any other transfer taxes.

Notices

Each depositary will forward to the holders of the applicable depositary shares all notices, reports and communications from UAL which are delivered to such depositary and which UAL is required to furnish the holders of the preferred shares.

Limitation of Liability

The deposit agreement contains provisions that limit UAL's liability and the liability of the depositary to the holders of depositary shares. Both the depositary and UAL are also entitled to an indemnity from the holders of the depositary shares prior to bringing, or defending against, any legal proceeding pertaining to the rights of the holders of the depositary shares. UAL or any depositary may rely upon written advice of counsel or accountants, or information provided by persons presenting preferred shares for deposit, holders of depositary shares or other persons believed by UAL or it to be competent and on documents believed by UAL or them to be genuine.

DESCRIPTION OF STOCK PURCHASE CONTRACTS AND STOCK PURCHASE UNITS

The following summary of certain provisions of the stock purchase contracts and stock purchase units does not purport to be complete and is subject to, and qualified in its entirety by reference to, the provisions of the stock purchase contract or stock purchase unit, as applicable, that will be filed with the SEC in connection with the offering of such securities.

UAL may issue stock purchase contracts, including contracts obligating holders to purchase from it, and obligating UAL to sell to the holders, a specified number of shares of Common Stock or other securities at a future date or dates, which we refer to in this prospectus as “stock purchase contracts.” The price per share of the securities and the number of shares of the securities may be fixed at the time the stock purchase contracts are issued or may be determined by reference to a specific formula set forth in the stock purchase contracts. The stock purchase contracts may be issued separately or as part of units consisting of a stock purchase contract and debt securities, preferred securities, warrants or debt obligations of third parties, including U.S. treasury securities, securing the holders’ obligations to purchase the securities under the stock purchase contracts, which we refer to herein as “stock purchase units.” The stock purchase contracts may require holders to secure their obligations under the stock purchase contracts in a specified manner. The stock purchase contracts also may require us to make periodic payments to the holders of the stock purchase units or vice versa, and those payments may be unsecured or refunded on some basis.

The applicable prospectus supplement will describe the terms of the stock purchase contracts or stock purchase units. The description in the prospectus supplement will not necessarily be complete, and reference will be made to the stock purchase contracts, and, if applicable, collateral or depositary arrangements, relating to the stock purchase contracts or stock purchase units, which will be filed with the SEC each time UAL issues stock purchase contracts or stock purchase units.

DESCRIPTION OF SUBSCRIPTION RIGHTS

The following summary of certain provisions of the subscription rights does not purport to be complete and is subject to, and qualified in its entirety by reference to, the provisions of the certificate evidencing the subscription rights that will be filed with the SEC in connection with the offering of such subscription rights.

General

UAL may issue subscription rights to purchase Common Stock, Preferred Stock, depositary shares or warrants to purchase Preferred Stock, Common Stock or depositary shares. Subscription rights may be issued independently or together with any other offered security and may or may not be transferable by the person purchasing or receiving the subscription rights. In connection with any subscription rights offering to UAL's stockholders, UAL may enter into a standby underwriting arrangement with one or more underwriters pursuant to which such underwriters will purchase any offered securities remaining unsubscribed for after such subscription rights offering. In connection with a subscription rights offering to UAL's stockholders, UAL will distribute certificates evidencing the subscription rights and a prospectus supplement to its stockholders on the record date that UAL sets for receiving subscription rights in such subscription rights offering.

The applicable prospectus supplement will describe the following terms of subscription rights in respect of which this prospectus is being delivered:

- the title of such subscription rights;
- the securities for which such subscription rights are exercisable;
- the exercise price for such subscription rights;
- the number of such subscription rights issued to each stockholder;
- the extent to which such subscription rights are transferable;
- the date on which the right to exercise such subscription rights shall commence, and the date on which such rights shall expire (subject to any extension);
- the extent to which such subscription rights include an over-subscription privilege with respect to unsubscribed securities;
- if applicable, the material terms of any standby underwriting or other purchase arrangement that we may enter into in connection with the subscription rights offering; and
- any other terms of such subscription rights, including terms, procedures and limitations relating to the exchange and exercise of such subscription rights.

Exercise of Subscription Rights

Each subscription right will entitle the holder of the subscription right to purchase for cash such amount of shares of Preferred Stock, depositary shares, Common Stock, warrants or any combination thereof, at such exercise price as shall in each case be set forth in, or be determinable as set forth in, the prospectus supplement relating to the subscription rights offered thereby. Subscription rights may be exercised at any time up to the close of business on the expiration date for such subscription rights set forth in the prospectus supplement. After the close of business on the expiration date, all unexercised subscription rights will become void.

Subscription rights may be exercised as set forth in the prospectus supplement relating to the subscription rights offered thereby. Upon receipt of payment and the subscription rights certificate properly completed and duly executed at the corporate trust office of the subscription rights agent or any other office indicated in the prospectus supplement, UAL will forward, as soon as practicable, the shares of Preferred Stock, Common Stock,

depository shares or warrants purchasable upon such exercise. UAL may determine to offer any unsubscribed offered securities directly to persons other than stockholders, to or through agents, underwriters or dealers or through a combination of such methods, including pursuant to standby underwriting arrangements, as set forth in the applicable prospectus supplement.

DESCRIPTION OF WARRANTS

The following summary of certain provisions of the warrants does not purport to be complete and is subject to, and qualified in its entirety by reference to, the provisions of the warrant agreement that will be filed with the SEC in connection with the offering of such warrants.

General

UAL may issue warrants for the purchase of debt securities, Preferred Stock or Common Stock. Warrants may be issued independently or together with debt securities, Preferred Stock or Common Stock offered by any prospectus supplement and may be attached to or separate from any such offered securities. Each series of warrants will be issued under a separate warrant agreement to be entered into between UAL and a bank or trust company, as warrant agent. The warrant agent will act solely as UAL's agent in connection with the warrants and will not assume any obligation or relationship of agency or trust for or with any holders or beneficial owners of warrants.

Debt Warrants

The prospectus supplement relating to a particular issue of debt warrants will describe the terms of such debt warrants, including the following: (a) the title of such debt warrants; (b) the offering price for such debt warrants, if any; (c) the aggregate number of such debt warrants; (d) the designation and terms of the debt securities purchasable upon exercise of such debt warrants; (e) if applicable, the designation and terms of the debt securities with which such debt warrants are issued and the number of such debt warrants issued with each such debt security; (f) if applicable, the date from and after which such debt warrants and any debt securities issued therewith will be separately transferable; (g) the principal amount of debt securities purchasable upon exercise of a debt warrant and the price at which such principal amount of debt securities may be purchased upon exercise (which price may be payable in cash, securities, or other property); (h) the date on which the right to exercise such debt warrants shall commence and the date on which such right shall expire; (i) if applicable, the minimum or maximum amount of such debt warrants that may be exercised at any one time; (j) whether the debt warrants represented by the debt warrant certificates or debt securities that may be issued upon exercise of the debt warrants will be issued in registered or bearer form; (k) information with respect to book-entry procedures, if any; (l) the currency or currency units in which the offering price, if any, and the exercise price are payable; (m) the antidilution provisions of such debt warrants, if any; (n) the redemption or call provisions, if any, applicable to such debt warrants; and (o) any additional terms of such debt warrants, including terms, procedures, and limitations relating to the exchange and exercise of such debt warrants.

Stock Warrants

The prospectus supplement relating to any particular issue of Preferred Stock warrants or Common Stock warrants will describe the terms of such warrants, including the following: (a) the title of such warrants; (b) the offering price for such warrants, if any; (c) the aggregate number of such warrants; (d) the designation and terms of the Common Stock or Preferred Stock purchasable upon exercise of such warrants; (e) if applicable, the designation and terms of the offered securities with which such warrants are issued and the number of such warrants issued with each such offered security; (f) if applicable, the date from and after which such warrants and any offered securities issued therewith will be separately transferable; (g) the number of shares of Common Stock or Preferred Stock purchasable upon exercise of a warrant and the price at which such shares may be purchased upon exercise; (h) the date on which the right to exercise such warrants shall commence and the date on which such right shall expire; (i) if applicable, the minimum or maximum amount of such warrants that may be exercised at any one time; (j) the currency or currency units in which the offering price, if any, and the exercise price are payable; (k) the antidilution provisions of such warrants, if any; (l) the redemption or call provisions, if any, applicable to such warrants; and (m) any additional terms of such warrants, including terms, procedures and limitations relating to the exchange and exercise of such warrants.

PLAN OF DISTRIBUTION

We and any selling security holder may offer and sell the securities covered by this prospectus from time to time, in one or more transactions, at market prices prevailing at the time of sale, at prices related to market prices, at a fixed price or prices subject to change, at varying prices determined at the time of sale or at negotiated prices, by a variety of methods, including the following:

- through agents;
- to or through underwriters;
- through brokers or dealers;
- directly by us or any selling security holders to purchasers, including through a specific bidding, auction or other process; or
- through a combination of any of these methods of sale.

Registration of the securities covered by this prospectus does not mean that those securities necessarily will be offered or sold.

In effecting sales, brokers or dealers engaged by us may arrange for other brokers or dealers to participate. Broker-dealer transactions may include:

- purchases of the securities by a broker-dealer as principal and resales of the securities by the broker-dealer for its account pursuant to this prospectus;
- ordinary brokerage transactions; or
- transactions in which the broker-dealer solicits purchasers.

In addition, we and any selling security holder may sell any securities covered by this prospectus in private transactions or under Rule 144 under the Securities Act rather than pursuant to this prospectus.

In connection with the sale of securities covered by this prospectus, broker-dealers may receive commissions or other compensation from us in the form of commissions, discounts or concessions. Broker-dealers may also receive compensation from purchasers of the securities for whom they act as agents or to whom they sell as principals or both. Compensation as to a particular broker-dealer may be in excess of customary commissions or in amounts to be negotiated. In connection with any underwritten offering, underwriters may receive compensation in the form of discounts, concessions or commissions from us or from purchasers of the securities for whom they act as agents. Underwriters may sell the securities to or through dealers, and such dealers may receive compensation in the form of discounts, concessions or commissions from the underwriters and/or commissions from the purchasers for whom they may act as agents. Any underwriters, broker-dealers, agents or other persons acting on our behalf that participate in the distribution of the securities may be deemed to be "underwriters" within the meaning of the Securities Act, and any profit on the sale of the securities by them and any discounts, commissions or concessions received by any of those underwriters, broker-dealers agents or other persons may be deemed to be underwriting discounts and commissions under the Securities Act.

In connection with the distribution of the securities covered by this prospectus or otherwise, we or any selling stockholder may enter into hedging transactions with broker-dealers or other financial institutions. In connection with such transactions, broker-dealers or other financial institutions may engage in short sales of our securities in the course of hedging the positions they assume with us or any selling stockholder. We or any selling stockholder may also sell securities short and deliver the securities offered by this prospectus to close out our short positions. We or any selling security holder may also enter into option or other transactions with broker-dealers or other financial institutions, which require the delivery to such broker-dealer or other financial institution of securities offered by this prospectus, which securities such broker-dealer or other financial institution may resell pursuant to this prospectus, as supplemented or amended to reflect such transaction. We or

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any selling security holder may also from time to time pledge our securities pursuant to the margin provisions of our customer agreements with our brokers. Upon our default, the broker may offer and sell such pledged securities from time to time pursuant to this prospectus, as supplemented or amended to reflect such transaction.

At any time a particular offer of the securities covered by this prospectus is made, a revised prospectus or prospectus supplement, if required, will be distributed which will set forth the aggregate amount of securities covered by this prospectus being offered and the terms of the offering, including the name or names of any underwriters, dealers, brokers or agents, any discounts, commissions, concessions and other items constituting compensation from us and any discounts, commissions or concessions allowed or reallocated or paid to dealers. Such prospectus supplement, and, if necessary, a post-effective amendment to the registration statement of which this prospectus is a part, will be filed with the SEC to reflect the disclosure of additional information with respect to the distribution of the securities covered by this prospectus. In order to comply with the securities laws of certain states, if applicable, the securities sold under this prospectus may be sold only through registered or licensed broker-dealers. In addition, in some states the securities may not be sold unless they have been registered or qualified for sale in the applicable state or an exemption from registration or qualification requirements is available and is complied with.

We may solicit offers to purchase directly. Offers to purchase securities also may be solicited by agents designated by us from time to time. Any such agent involved in the offer or sale of the securities in respect of which this prospectus is delivered will be named, and any commissions payable by us to such agent will be set forth, in the applicable prospectus supplement. Unless otherwise indicated in such prospectus supplement, any such agent will be acting on a reasonable best efforts basis for the period of its appointment. Any such agent may be deemed to be an underwriter, as that term is defined in the Securities Act, of the securities so offered and sold.

UAL may offer its equity securities into an existing trading market on the terms described in the applicable prospectus supplement. Underwriters, dealers and agents who may participate in any at-the-market offerings will be described in the prospectus supplement relating thereto.

Securities may also be offered and sold, if so indicated in the applicable prospectus supplement, in connection with a remarketing upon their purchase, in accordance with a redemption or repayment pursuant to their terms, or otherwise, by one or more firms ("remarketing firms") acting as principals for their own accounts or as agents for us. Any remarketing firm will be identified and the terms of its agreement, if any, with us and its compensation will be described in the applicable prospectus supplement. Remarketing firms may be deemed to be underwriters, as that term is defined in the Securities Act, in connection with the securities remarketed thereby.

If so indicated in the applicable prospectus supplement, we may authorize agents, dealers or underwriters to solicit offers by certain institutions to purchase securities from us at the public offering price set forth in the applicable prospectus supplement pursuant to delayed delivery contracts providing for payment and delivery on the date or dates stated in the applicable prospectus supplement. Such delayed delivery contracts will be subject to only those conditions set forth in the applicable prospectus supplement. A commission indicated in the applicable prospectus supplement will be paid to underwriters and agents soliciting purchases of securities pursuant to delayed delivery contracts accepted by us.

In connection with an underwritten offering, we and any selling stockholder would execute an underwriting agreement with an underwriter or underwriters. Unless otherwise indicated in the revised prospectus or applicable prospectus supplement, such underwriting agreement would provide that the obligations of the underwriter or underwriters are subject to certain conditions precedent, and that the underwriter or underwriters with respect to a sale of the covered securities will be obligated to purchase all of the covered securities, if any such securities are purchased. We or any selling security holder may grant to the underwriter or underwriters an option to purchase additional securities at the public offering price, less any underwriting discount, as may be set forth in the revised prospectus or applicable prospectus supplement. If we or any selling security holder grants any such option, the terms of that option will be set forth in the revised prospectus or applicable prospectus supplement.

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Pursuant to a requirement by the Financial Industry Regulatory Authority, or "FINRA," the maximum commission or discount to be received by any FINRA member or independent broker/dealer may not be greater than 8% of the gross proceeds received by us for the sale of any securities being registered pursuant to SEC Rule 415 under the Securities Act.

Underwriters, agents, brokers or dealers may be entitled, pursuant to relevant agreements entered into with us, to indemnification by us or any selling security holder against certain civil liabilities, including liabilities under the Securities Act that may arise from any untrue statement or alleged untrue statement of a material fact, or any omission or alleged omission to state a material fact in this prospectus, any supplement or amendment hereto, or in the registration statement of which this prospectus forms a part, or to contribution with respect to payments which the underwriters, agents, brokers or dealers may be required to make.

WHERE YOU CAN FIND MORE INFORMATION

UAL, United and Continental 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 includes this prospectus and 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.

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.

<u>Combined Filings by UAL, United and Continental</u>	<u>Date Filed</u>
Annual Report on Form 10-K for the year ended December 31, 2011	February 22, 2012
Quarterly Report on Form 10-Q for the quarter ended March 31, 2012	April 26, 2012
Current Report on Form 8-K	January 10, 2012
Current Report on Form 8-K	February 8, 2012
Current Report on Form 8-K	March 8, 2012
Current Report on Form 8-K	April 10, 2012

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	<u>Filings by UAL</u>	<u>Date Filed</u>
Registration Statement on Form 8-A, description of UAL's Common Stock, par value \$0.01 per share		September 30, 2010, including any amendments or reports filed to update such description
Current Report on Form 8-K		January 27, 2012
Amendment to Current Report on Form 8-K/A		February 3, 2012
Current Report on Form 8-K		April 17, 2012

	<u>Filings by Continental</u>	<u>Date Filed</u>
Current Report on Form 8-K		March 8, 2012
Current Report on Form 8-K		March 22, 2012
Current Report on Form 8-K		March 28, 2012

The SEC file number is 1-6033 for UAL, 1-11355 for United and 1-10323 for Continental.

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 Air Lines, Inc.
Continental Airlines, Inc.
77 W. Wacker Drive
Chicago, Illinois 60601
(312) 997-8000
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 securities offered in this prospectus and any related prospectus supplement.

EXPERTS

The consolidated financial statements of UAL at December 31, 2011 and December 31, 2010, and for each of the two years in the period ended December 31, 2011, and the related financial statement schedule appearing in UAL's Annual Report on Form 10-K for the year ended December 31, 2011 have been audited by Ernst & Young LLP, an independent registered public accounting firm, as set forth in their report thereon, which is incorporated by reference herein. UAL's financial statements are incorporated by reference in this prospectus in reliance upon such report given on the authority of such firm as experts in accounting and auditing.

The consolidated financial statements of UAL for the year ended December 31, 2009, and the related financial statement schedule, incorporated by reference in this prospectus from UAL's Annual Report on Form 10-K for the year ended December 31, 2011 have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report (which report expresses an unqualified opinion and includes an explanatory paragraph relating to retrospective reclassifications of revenue and expenses in UAL's statements of consolidated operations and an explanatory paragraph relating to a change in reportable segments), which is incorporated herein by reference. Such financial statements and financial statement schedule have been so incorporated in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

The consolidated financial statements of United at December 31, 2011 and December 31, 2010, and for each of the two years in the period ended December 31, 2011, and the related financial statement schedule appearing in United's Annual Report on Form 10-K for the year ended December 31, 2011 have been audited by Ernst & Young LLP, an independent registered public accounting firm, as set forth in their report thereon, which is incorporated by reference herein. United's financial statements are incorporated by reference in this prospectus in reliance upon such report given on the authority of such firm as experts in accounting and auditing.

The consolidated financial statements of United for the year ended December 31, 2009, and the related financial statement schedule, incorporated by reference in this prospectus from United's Annual Report on Form 10-K for the year ended December 31, 2011 have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report (which report expresses an unqualified opinion and includes an explanatory paragraph relating to retrospective reclassifications of revenue and expenses in United's statements of consolidated operations and an explanatory paragraph relating to a change in reportable segments), which is incorporated herein by reference. Such financial statements and financial statement schedule have been so incorporated in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

The consolidated financial statements of Continental appearing in Continental's Annual Report on Form 10-K for the year ended December 31, 2011 and the related financial statement schedule have been audited by Ernst & Young LLP, an independent registered public accounting firm, as set forth in their report thereon, which is incorporated by reference herein. Continental's financial statements are incorporated by reference in this prospectus in reliance upon such reports given on the authority of Ernst & Young LLP as experts in accounting and auditing.

PROSPECTUS

United Air Lines, Inc.

Pass Through Certificates

Continental Airlines, Inc.

Pass Through Certificates

This prospectus relates to pass through certificates to be issued by one or more trusts that United Air Lines, Inc. or Continental 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 and Continental, may provide a guarantee of certain obligations of United or Continental relating to property owned by such a trust, and United or Continental may provide a guarantee of certain obligations of the other 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.

Investing in our pass through certificates involves risks. See "[Risk Factors](#)" beginning on page 2 of this prospectus.

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.

The date of this prospectus is April 27, 2012.

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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 Air Lines, Inc. and Continental 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., United Air Lines, Inc. and Continental 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 which 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; 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,

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investment or credit market conditions, crude oil prices, costs of aircraft fuel and energy refining capacity in relevant markets); 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; the costs and availability of aviation and other insurance; the costs associated with security measures and practices; 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; the possibility that expected synergies relating to the Merger described under “The Company” in this prospectus will not be realized or will not be realized within the expected time period; 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 subsidiaries are United Air Lines, Inc. (“United”) and Continental Airlines, Inc. (“Continental”). United and Continental are commercial airlines operating a single passenger service system under the “United” name. We expect that United and Continental will be combined as a single legal entity subsequent to the date of this prospectus.

On May 2, 2010, UAL Corporation, Continental, and JT Merger Sub Inc., a wholly-owned subsidiary of UAL Corporation, entered into an Agreement and Plan of Merger providing for a “merger of equals” business combination. On October 1, 2010, JT Merger Sub Inc. merged with and into Continental, with Continental surviving as a wholly-owned subsidiary of UAL Corporation (the “Merger”). Upon closing of the Merger, UAL Corporation became the parent company of both Continental and United and UAL Corporation’s name was changed to United Continental Holdings, Inc.

Each of UAL, United and Continental is a Delaware corporation. The principal executive offices of UAL and United are located at 77 W. Wacker Drive, Chicago, Illinois 60601, telephone (312) 997-8000. The principal executive offices of Continental are located at 1600 Smith Street, Houston, Texas 77002, telephone (713) 324-2950.

UAL’s website is www.unitedcontinentalholdings.com, and United’s and Continental’s website is 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, 2012	Year Ended December 31,				
		2011	2010	2009	2008	2007
Ratio of earnings to fixed charges	(a)	1.40	1.19	(b)	(c)	1.67

- (a) Earnings were inadequate to cover fixed charge requirements by \$454 million for the three months ended March 31, 2012.
- (b) Earnings were inadequate to cover fixed charge requirements by \$677 million for the year ended December 31, 2009.
- (c) Earnings were inadequate to cover fixed charges by \$5.4 billion for the year ended December 31, 2008.

The following table sets forth United's consolidated ratio of earnings to fixed charges for the periods indicated (1):

	Three Months Ended March 31, 2012	Year Ended December 31,				
		2011	2010	2009	2008	2007
Ratio of earnings to fixed charges	(d)	1.31	1.38	(e)	(f)	1.67

- (d) Earnings were inadequate to cover fixed charges requirements by \$423 million for the three months ended March 31, 2012.
- (e) Earnings were inadequate to cover fixed charges requirements by \$653 million for the year ended December 31, 2009.
- (f) Earnings were inadequate to cover fixed charges requirements by \$5.4 billion for the year ended December 31, 2008.

The following table contains Continental's consolidated ratio of earnings to fixed charges for the periods indicated (2):

	Continental Successor			Continental Predecessor			
	Three Months Ended March 31, 2012	Year Ended December 31, 2011	Three Months Ended December 31, 2010	Nine Months Ended September 30, 2010	Year Ended December 31,		
				2009	2008	2007	
Ratio of earnings to fixed charges	(g)	1.49	(g)	1.47	(g)	(g)	1.42

- (g) Earnings were inadequate to cover fixed charges requirements by \$14 million and \$103 million for the three months ended March 31, 2012 and December 31, 2010, respectively, and by \$436 million and \$702 million for the years ended December 31, 2009 and 2008, respectively.
- (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.
- (2) For purposes of calculating this ratio, earnings consist of income before income taxes and cumulative effect of changes in accounting principles adjusted for undistributed income of companies in which Continental

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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.

As a result of the application of the acquisition method of accounting, Continental's financial statements prior to October 1, 2010 are not comparable with the financial statements for periods on or after October 1, 2010. References to "Continental Successor" refer to Continental on or after October 1, 2010, after giving effect to the application of acquisition accounting. References to "Continental Predecessor" refer to Continental prior to October 1, 2010. Amounts for 2008 were adjusted to reflect the change in classification of certain revenues and expenses in Continental's statements of consolidated operations.

WHERE YOU CAN FIND MORE INFORMATION

UAL, United and Continental 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.

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.

<u>Combined Filings by UAL, United and Continental</u>	<u>Date Filed</u>
Annual Report on Form 10-K for the year ended December 31, 2011	February 22, 2012
Quarterly Report on Form 10-Q for the quarter ended March 31, 2012	April 26, 2012
Current Report on Form 8-K	January 10, 2012
Current Report on Form 8-K	February 8, 2012
Current Report on Form 8-K	March 8, 2012
Current Report on Form 8-K	April 10, 2012

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<u>Filings by UAL</u>	<u>Date Filed</u>
Registration Statement on Form 8-A, description of UAL's Common Stock, par value \$0.01 per share	September 30, 2010, including any amendments or reports filed to update such description
Current Report on Form 8-K	January 27, 2012
Amendment to Current Report on Form 8-K/A	February 3, 2012
Current Report on Form 8-K	April 17, 2012

<u>Filings by Continental</u>	<u>Date Filed</u>
Current Report on Form 8-K	March 8, 2012
Current Report on Form 8-K	March 22, 2012
Current Report on Form 8-K	March 28, 2012

The SEC file number is 1-6033 for UAL, 1-11355 for United and 1-10323 for Continental.

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 Air Lines, Inc. Continental Airlines, Inc. 77 W. Wacker Drive Chicago, Illinois 60601 (312) 997-8000 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 at December 31, 2011 and December 31, 2010, and for each of the two years in the period ended December 31, 2011, and the related financial statement schedule appearing in UAL's Annual Report on Form 10-K for the year ended December 31, 2011 have been audited by Ernst & Young LLP, an independent registered public accounting firm, as set forth in their report thereon, which is incorporated by reference herein. UAL's financial statements are incorporated by reference in this prospectus in reliance upon such report given on the authority of such firm as experts in accounting and auditing.

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The consolidated financial statements of UAL for the year ended December 31, 2009, and the related financial statement schedule, incorporated by reference in this prospectus from UAL's Annual Report on Form 10-K for the year ended December 31, 2011 have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report (which report expresses an unqualified opinion and includes an explanatory paragraph relating to retrospective reclassifications of revenue and expenses in UAL's statements of consolidated operations and an explanatory paragraph relating to a change in reportable segments), which is incorporated herein by reference. Such financial statements and financial statement schedule have been so incorporated in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

The consolidated financial statements of United at December 31, 2011 and December 31, 2010, and for each of the two years in the period ended December 31, 2011, and the related financial statement schedule appearing in United's Annual Report on Form 10-K for the year ended December 31, 2011 have been audited by Ernst & Young LLP, an independent registered public accounting firm, as set forth in their report thereon, which is incorporated by reference herein. United's financial statements are incorporated by reference in this prospectus in reliance upon such report given on the authority of such firm as experts in accounting and auditing.

The consolidated financial statements of United for the year ended December 31, 2009, and the related financial statement schedule, incorporated by reference in this prospectus from United's Annual Report on Form 10-K for the year ended December 31, 2011 have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report (which report expresses an unqualified opinion and includes an explanatory paragraph relating to retrospective reclassifications of revenue and expenses in United's statements of consolidated operations and an explanatory paragraph relating to a change in reportable segments), which is incorporated herein by reference. Such financial statements and financial statement schedule have been so incorporated in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

The consolidated financial statements of Continental appearing in Continental's Annual Report on Form 10-K for the year ended December 31, 2011 and the related financial statement schedule have been audited by Ernst & Young LLP, an independent registered public accounting firm, as set forth in their report thereon, which is incorporated by reference herein. Continental's financial statements are incorporated by reference in this prospectus in reliance upon such reports given on the authority of Ernst & Young LLP as experts in accounting and auditing.

PART II
INFORMATION NOT REQUIRED IN PROSPECTUS

Item 14. Other Expenses of Issuance and Distribution

The following table sets forth the estimated costs and expenses, other than underwriting discounts and commissions, payable by UAL, United or Continental in connection with the sale or distribution of the securities registered under this registration statement. All of the amounts shown are estimates.

	<u>Amount</u>
SEC Registration Fee	\$ (1)
Printing and Engraving Expenses (2)	50,000
Legal Fees and Expenses (2)	500,000
Accounting Fees and Expenses (2)	100,000
Miscellaneous (2)	25,000
Total	<u>\$ 675,000</u>

- (1) Under Rules 456(b) and 457(r) under the Securities Act of 1933, as amended (the "Securities Act"), applicable SEC registration fees have been deferred and will be paid at the time of any particular offering of securities under this registration statement, and are therefore not estimable at this time.
- (2) Estimated amounts of fees and expenses to be incurred in connection with the registration of the securities pursuant to this registration statement. The actual amounts of such fees and expenses will be determined from time to time. In addition, as the amount of the securities to be issued and distributed pursuant to this registration statement is indeterminate, the fees and expenses of such issuances and distributions cannot be determined or estimated at this time.

Item 15. Indemnification of Directors and Officers

Section 145(a) of the Delaware General Corporation Law (the "DGCL") provides in relevant part that a corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the corporation) by reason of the fact that such person is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the corporation and, with respect to any criminal action or proceeding, had no reasonable cause to believe such person's conduct was unlawful.

Section 145(b) of the DGCL provides in relevant part that a corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the corporation to procure a judgment in its favor by reason of the fact that the person is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred by the person in connection with the defense or settlement of such action or suit if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the corporation and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the corporation unless and only to the extent that the Court of Chancery or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Court of Chancery or such other court shall deem proper.

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The restated certificate of incorporation of each of UAL, United and Continental generally provides that each of UAL, United and Continental will indemnify its respective directors and officers to the fullest extent permitted by law; provided that except as set forth in the following paragraph, UAL, United and Continental will indemnify any person seeking indemnification in connection with a proceeding (or part thereof) initiated by such person only if such proceeding (or part thereof) was authorized by the board of directors of the relevant company. Furthermore, none of UAL, United or Continental will be obligated to indemnify a director or officer for costs and expenses relating to proceedings (or any part thereof) instituted against UAL, United or Continental, respectively, by such director or officer (other than proceedings pursuant to which such director or officer is seeking to enforce such director's or officer's indemnification rights hereunder). The right to indemnification includes the right to be paid the expenses incurred in defending any such proceeding in advance of its final disposition; provided, however, that if the DGCL requires the payment of such expense incurred by a director or officer in such capacity in advance of the final disposition of a proceeding, it shall be made only upon delivery of an undertaking, by or on behalf of such director or officer, to repay all amounts so advanced if it shall ultimately be determined that such director or officer is not entitled to be indemnified.

If UAL, United or Continental do not pay a claim for indemnification in full within 30 days after a written claim has been received by it, the claimant may at any time thereafter bring suit to recover the unpaid amount of the claim and, if successful in whole or in part, the claimant shall be entitled to be paid also the expense of prosecuting such claim. It shall be a defense to any such action (other than an action brought to enforce a claim for expenses incurred in defending any proceeding in advance of its final disposition where the required undertaking, if any is required, has been tendered to UAL, United or Continental) that the claimant has not met the standards of conduct that make it permissible under the DGCL for UAL, United or Continental to indemnify the claimant for the amount claimed, but the burden of proving such defense shall be on UAL, United or Continental, as applicable. Neither the failure by UAL, United or Continental (including by the applicable board of directors, independent legal counsel or stockholders) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because he or she has met the applicable standard of conduct set forth in the DGCL, nor an actual determination by UAL, United or Continental (including by the applicable board of directors, independent legal counsel, or stockholders) that the claimant has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that the claimant has not met the applicable standard of conduct.

The restated certificate of incorporation of each of UAL, United and Continental also provides for the limitation of liability set forth in Section 102(b)(7) of the DGCL, which permits a corporation to provide in its certificate of incorporation that a director of the corporation shall not be personally liable to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any breach of the director's duty of loyalty to the corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the DGCL or (iv) for any transaction from which the director derived an improper personal benefit.

The restated certificate of incorporation of each of UAL, United and Continental allows each of UAL, United and Continental, respectively, to maintain insurance, at its expense, to protect itself and any director, officer, employee or agent of the respective corporation or another corporation, partnership, joint venture, trust or other enterprise against any expense, liability or loss, whether or not the corporation would have the power to indemnify such person against such expense, liability or loss under the DGCL. Section 145(g) of the DGCL provides that a corporation shall have power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against such person and incurred by such person in any such capacity, or arising out of such person's status as such, whether or not the corporation would have the power to indemnify such person against such liability under that section. UAL maintains a policy that provides liability insurance for directors and officers of UAL and its subsidiaries.

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The right to indemnification set forth in the restated certificate of incorporation of each of UAL, United and Continental is not exclusive of any other right that any person may have or acquire under any statute, any provision of the restated certificate of incorporation or amended and restated bylaws of each of UAL, United or Continental, agreement, vote of stockholders or disinterested directors or otherwise.

The employment agreement of Glenn F. Tilton provides that UAL and United shall maintain, for the benefit of Mr. Tilton, director and officer liability insurance in form at least as comprehensive as, and in an amount that is at least equal to, that maintained for UAL and United officers and directors on the effective date of his agreement. In addition, the employment agreement of Mr. Tilton provides for indemnification against liability as an officer or director of UAL and United and any subsidiary or affiliate to the maximum extent permitted by applicable law. These rights shall continue so long as Mr. Tilton may be subject to such liability, whether or not the employment agreement of Mr. Tilton may have terminated prior thereto.

The employment agreement of Jeffery Smisek provides for indemnification by UAL, United and Continental as provided in UAL's restated certificate of incorporation and amended and restated bylaws, the Merger Agreement (as defined below) and pursuant to applicable law. UAL's indemnification obligations under Mr. Smisek's employment agreement survive the termination of the employment agreement.

The Agreement and Plan of Merger, dated as of May 2, 2010, by and among UAL, Continental and JT Merger Sub Inc. (the "Merger Agreement") provides that UAL shall purchase a "tail" directors' and officers' liability insurance policy for Continental and its then current and former directors and officers then covered by the directors' and officers' liability insurance coverage maintained by Continental in a form reasonably acceptable to Continental that shall provide Continental and such directors and officers with coverage for six years following the effective time of the merger of JT Merger Sub Inc. into Continental of not less than the existing coverage and have other terms not less favorable to the insured persons than the directors' and officers' liability insurance coverage then maintained by Continental; provided, however, that in no event will UAL be required to expend for any year of such six-year period an amount in excess of 250% of the annual aggregate premiums currently paid by UAL for such insurance (the "Maximum Premium"). UAL shall maintain such policy in full force and effect, and continue to honor the obligations thereunder. If such insurance coverage cannot be obtained at all, or can only be obtained at an annual premium in excess of the Maximum Premium, UAL will cause to be maintained the most advantageous policies of directors' and officers' insurance obtainable for an annual premium equal to the Maximum Premium.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers or persons controlling the registrants pursuant to the foregoing provisions, the registrants have been informed that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

Item 16. Exhibits and Financial Statement Schedules

Set forth below is a list of exhibits that are being filed or incorporated by reference into this prospectus:

<u>Exhibit No.</u>	<u>Registrant</u>	<u>Exhibit</u>
1.1	UAL	Form of Equity Securities Underwriting Agreement*
1.2	UAL	Form of United Continental Holdings, Inc. Debt Securities Underwriting Agreement*
1.3	United	Form of United Air Lines, Inc. Debt Securities Underwriting Agreement*
1.4	Continental	Form of Continental Airlines, Inc. Debt Securities Underwriting Agreement*
1.5	UAL	Form of Warrant Underwriting Agreement*
1.6	UAL	Form of Stock Purchase Contracts Underwriting Agreement*

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<u>Exhibit No.</u>	<u>Registrant</u>	<u>Exhibit</u>
1.7	UAL	Form of Stock Purchase Units Underwriting Agreement*
1.8	United	Form of Pass Through Certificates Underwriting Agreement*
1.9	Continental	Form of Pass Through Certificates Underwriting Agreement*
2.1	UAL United Continental	Agreement and Plan of Merger, dated as of May 2, 2010, by and among UAL Corporation, Continental Airlines, Inc. and JT Merger Sub Inc. (schedules and exhibits have been omitted pursuant to Item 601(b)(2) of Regulation S-K) (filed as Exhibit 2.1 to UAL's Form 8-K filed May 4, 2010, Commission file number 1-6033, and incorporated herein by reference)
3.1	UAL	Restated Certificate of Incorporation of United Continental Holdings, Inc. (filed as Exhibit 3.1 to UAL's Form 8-K filed October 1, 2010, Commission file number 1-6033, and incorporated herein by reference)
3.2	UAL	Amended and Restated Bylaws of United Continental Holdings, Inc. (filed as Exhibit 3.2 to UAL's Form 8-K filed October 1, 2010, Commission file number 1-6033, and incorporated herein by reference)
3.3	United	Restated Certificate of Incorporation of United Air Lines, Inc. (filed as Exhibit 3.1 to United's Form 8-K filed February 1, 2006, Commission file number 1-11355, and incorporated herein by reference)
3.4	United	Amended and Restated Bylaws of United Air Lines, Inc. (filed as Exhibit 3.2 to United's Form 8-K filed February 1, 2006, Commission file number 1-11355, and incorporated herein by reference)
3.5	Continental	Amended and Restated Certificate of Incorporation of Continental (filed as Exhibit 3.1 to Continental's Form 8-K filed October 1, 2010, Commission file number 1-10323, and incorporated herein by reference)
3.6	Continental	Amended and Restated Bylaws of Continental (filed as Exhibit 3.2 to Continental's Form 8-K filed October 1, 2010, Commission file number 1-10323, and incorporated herein by reference)
4.1	UAL United Continental	Form of Indenture among United Continental Holdings, Inc., United Air Lines, Inc., Continental Airlines, Inc. and The Bank of New York Mellon Trust Company, N.A, the trustee thereunder**
4.2	UAL	Form of Debt Security to be issued by United Continental Holdings, Inc.*
4.3	United	Form of Debt Security to be issued by United Air Lines, Inc.*
4.4	Continental	Form of Debt Security to be issued by Continental Airlines, Inc.*
4.5	UAL	Specimen Certificate of United Continental Holdings, Inc. Common Stock*
4.6	UAL	Form of Warrant Agreement of United Continental Holdings, Inc.*
4.7	UAL	Form of Warrant to be issued by United Continental Holdings, Inc.*
4.8	UAL	Form of Depositary Agreement*
4.9	UAL	Form of Depositary Receipt*
4.10	UAL	Form of Stock Purchase Contracts*
4.11	UAL	Form of Stock Purchase Units*

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<u>Exhibit No.</u>	<u>Registrant</u>	<u>Exhibit</u>
4.12	United	Form of Pass Through Trust Agreement between United and Wilmington Trust, National Association, as trustee thereunder**
4.13	Continental	Form of Pass Through Trust Agreement between Continental and Wilmington Trust, National Association, as trustee thereunder**
5.1	UAL United Continental	Opinion of Hughes Hubbard & Reed LLP, as to the validity of the securities**
12.1	UAL	United Continental Holdings, Inc. and Subsidiary Companies Computation of Ratio of Earnings to Fixed Charges and Ratio of Earnings to Fixed Charges and Preferred Stock Dividend Requirements (filed as Exhibit 12.1 to UAL's Form 10-Q for the quarter ended March 31, 2012, Commission file number 1-6033, and incorporated herein by reference)
12.2	United	United Air Lines, Inc. and Subsidiary Companies Computation of Ratio of Earnings to Fixed Charges and Ratio of Earnings to Fixed Charges and Preferred Stock Dividends Requirements (filed as Exhibit 12.2 to United's Form 10-Q for the quarter ended March 31, 2012, Commission file number 1-11355, and incorporated by reference herein)
12.3	Continental	Continental Airlines, Inc. and Subsidiary Companies Computation of Ratio of Earnings to Fixed Charges (filed as Exhibit 12.3 to Continental's Form 10-Q for the quarter ended March 31, 2012, Commission file number 1-10323, and incorporated by reference herein)
23.1	UAL United Continental	Consent of Ernst & Young LLP**
23.2	United Continental	Consent of Ernst & Young LLP**
23.3	UAL	Consent of Deloitte & Touche LLP**
23.4	United	Consent of Deloitte & Touche LLP**
23.5	UAL United Continental	Consent of Hughes Hubbard & Reed LLP (included in Exhibit 5.1)
24.1	UAL	Powers of Attorney **
25.1	UAL United Continental	Statement of Eligibility of Trustee for the Debt Securities.**
25.2	United	Statement of Eligibility of Trustee for the Pass Through Certificates issued by United Air Lines, Inc.**
25.3	Continental	Statement of Eligibility of Trustee for the Pass Through Certificates issued by Continental Airlines, Inc.**

* To be filed, if necessary, as an exhibit to a post-effective amendment to this registration statement or as an exhibit to a Current Report on Form 8-K to be filed by the registrant in connection with a specific offering, and incorporated herein by reference.

** Filed herewith.

Item 17. Undertakings

(a) Each undersigned registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) under the Securities Act if, in the aggregate, the changes in volume and price represent no more than a 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement; and

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

provided, however, that clauses (1)(i), (1)(ii) and (1)(iii) do not apply if the information required to be included in a post-effective amendment by those clauses is contained in reports filed with or furnished to the SEC by such registrant pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), that are incorporated by reference in the registration statement, or is contained in a form of prospectus filed pursuant to Rule 424(b) that is part of the registration statement;

(2) That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof;

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering;

(4) That, for the purpose of determining liability under the Securities Act to any purchaser:

(i) Each prospectus filed by such registrant pursuant to Rule 424(b)(3) shall be deemed to be part of the registration statement as of the date the filed prospectus was deemed part of and included in the registration statement; and

(ii) Each prospectus required to be filed pursuant to Rule 424(b)(2), (b)(5), or (b)(7) as part of a registration statement in reliance on Rule 430B relating to an offering made pursuant to Rule 415(a)(1)(i), (vii), or (x) for the purpose of providing the information required by Section 10(a) of the Securities Act shall be deemed to be part of and included in the registration statement as of the earlier of the date such form of prospectus is first used after effectiveness or the date of the first contract of sale of securities in the offering described in the prospectus. As provided in Rule 430B, for liability purposes of the issuer and any person that is at that date an underwriter, such date shall be deemed to be a new effective date of the registration statement relating to the securities in the registration statement to which the prospectus relates, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof; *provided, however*, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such effective date, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such effective date;

(5) That, for the purpose of determining liability of the registrants under the Securities Act to any purchaser in the initial distribution of the securities, each undersigned registrant undertakes that in a primary offering of securities of such undersigned registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, such undersigned registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:

- (i) Any preliminary prospectus or prospectus of such undersigned registrant relating to the offering required to be filed pursuant to Rule 424;
 - (ii) Any free writing prospectus relating to the offering prepared by or on behalf of such undersigned registrant or used or referred to by such undersigned registrant;
 - (iii) The portion of any other free writing prospectus relating to the offering containing material information about such undersigned registrant or its securities provided by or on behalf of the undersigned registrant;
- and
- (iv) Any other communication that is an offer in the offering made by such undersigned registrant to the purchaser.

(b) Each undersigned registrant hereby undertakes that, for purposes of determining any liability under the Securities Act, each filing of such registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Exchange Act (and where applicable, each filing of an employee benefit plan's annual report pursuant to section 15(d) of the Exchange Act) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

(c) For an offering in which the securities to be registered are to be offered to existing security holders pursuant to warrants or rights and any securities not taken by security holders are to be reoffered to the public, each undersigned registrant hereby undertakes to supplement the prospectus, after the expiration of the subscription period, to set forth the results of the subscription offer, the transactions by the underwriters during the subscription period, the amount of unsubscribed securities to be purchased by the underwriters, and the terms of any subsequent reoffering thereof. If any public offering by the underwriters is to be made on terms differing from those set forth on the cover page of the applicable prospectus supplement, a post-effective amendment will be filed to set forth the terms of such offering.

(d) Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of a registrant pursuant to the foregoing provisions, or otherwise, each registrant has been advised that in the opinion of the SEC, such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by such registrant of expenses incurred or paid by a director, officer or controlling person of such registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the applicable registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

(e) Each undersigned registrant hereby undertakes to file an application for the purpose of determining the eligibility of the trustee to act under subsection (a) of Section 310 of the Trust Indenture Act, as amended, in accordance with the rules and regulations prescribed by the SEC under Section 305(b)(2) of the Trust Indenture Act, as amended.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, on this 27th day of April 2012.

UNITED CONTINENTAL HOLDINGS, INC.

By: /s/ John D. Rainey
 Name: John D. Rainey
 Title: Executive Vice President and Chief Financial Officer

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed below by the following persons in the capacities and on the date indicated.

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ Jeffery A. Smisek</u> Jeffery A. Smisek	President and Chief Executive Officer and Director (Principal Executive Officer)	April 27, 2012
<u>/s/ John D. Rainey</u> John D. Rainey	Executive Vice President and Chief Financial Officer (Principal Financial Officer)	April 27, 2012
<u>/s/ Chris Kenny</u> Chris Kenny	Vice President and Controller (Principal Accounting Officer)	April 27, 2012
<u>*</u> Glenn F. Tilton	Chairman of the Board of Directors	April 27, 2012
<u>*</u> Stephen R. Canale	Director	April 27, 2012
<u>*</u> Carolyn Corvi	Director	April 27, 2012
<u>*</u> W. James Farrell	Director	April 27, 2012
<u>*</u> Jane C. Garvey	Director	April 27, 2012
<u>*</u> James J. Heppner	Director	April 27, 2012
<u>*</u> Walter Isaacson	Director	April 27, 2012

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<u>Signature</u>	<u>Title</u>	<u>Date</u>
* Henry L. Meyer III	Director	April 27, 2012
* Oscar Munoz	Director	April 27, 2012
* James J. O'Connor	Director	April 27, 2012
* Laurence E. Simmons	Director	April 27, 2012
* David J. Vitale	Director	April 27, 2012
* John H. Walker	Director	April 27, 2012
* Charles A. Yamarone	Director	April 27, 2012

* By Power of Attorney:

/s/ John D. Rainey
John D. Rainey, Attorney-in-fact

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, on this 27th day of April 2012.

UNITED AIR LINES, INC.

By: /s/ John D. Rainey
Name: John D. Rainey
Title: Executive Vice President and Chief Financial Officer

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed below by the following persons in the capacities and on the date indicated.

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ Jeffery A. Smisek</u> Jeffery A. Smisek	Chairman, President and Chief Executive Officer (Principal Executive Officer)	April 27, 2012
<u>/s/ John D. Rainey</u> John D. Rainey	Executive Vice President and Chief Financial Officer and Director (Principal Financial Officer)	April 27, 2012
<u>/s/ Chris Kenny</u> Chris Kenny	Vice President and Controller (Principal Accounting Officer)	April 27, 2012
<u>/s/ James E. Compton</u> James E. Compton	Director	April 27, 2012
<u>/s/ Peter D. McDonald</u> Peter D. McDonald	Director	April 27, 2012

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, on this 27th day of April 2012.

CONTINENTAL AIRLINES, INC.

By: /s/ John D. Rainey
Name: John D. Rainey
Title: Executive Vice President and Chief Financial Officer

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed below by the following persons in the capacities and on the date indicated.

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ Jeffery A. Smisek</u> Jeffery A. Smisek	Chairman, President and Chief Executive Officer (Principal Executive Officer)	April 27, 2012
<u>/s/ John D. Rainey</u> John D. Rainey	Executive Vice President and Chief Financial Officer and Director (Principal Financial Officer)	April 27, 2012
<u>/s/ Chris Kenny</u> Chris Kenny	Vice President and Controller (Principal Accounting Officer)	April 27, 2012
<u>/s/ James E. Compton</u> James E. Compton	Director	April 27, 2012
<u>/s/ Peter D. McDonald</u> Peter D. McDonald	Director	April 27, 2012

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Registrant</u>	<u>Exhibit</u>
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1.2	UAL	Form of United Continental Holdings, Inc. Debt Securities Underwriting Agreement*
1.3	United	Form of United Air Lines, Inc. Debt Securities Underwriting Agreement*
1.4	Continental	Form of Continental Airlines, Inc. Debt Securities Underwriting Agreement*
1.5	UAL	Form of Warrant Underwriting Agreement*
1.6	UAL	Form of Stock Purchase Contracts Underwriting Agreement*
1.7	UAL	Form of Stock Purchase Units Underwriting Agreement*
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1.9	Continental	Form of Pass Through Certificates Underwriting Agreement*
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4.2	UAL	Form of Debt Security to be issued by United Continental Holdings, Inc.*
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4.4	Continental	Form of Debt Security to be issued by Continental Airlines, Inc.*

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4.7	UAL	Form of Warrant to be issued by United Continental Holdings, Inc.*
4.8	UAL	Form of Depositary Agreement*
4.9	UAL	Form of Depositary Receipt*
4.10	UAL	Form of Stock Purchase Contracts*
4.11	UAL	Form of Stock Purchase Units*
4.12	United	Form of Pass Through Trust Agreement between United and Wilmington Trust, National Association, as trustee thereunder**
4.13	Continental	Form of Pass Through Trust Agreement between Continental and Wilmington Trust, National Association, as trustee thereunder**
5.1	UAL United Continental	Opinion of Hughes Hubbard & Reed LLP, as to the validity of the securities.**
12.1	UAL	United Continental Holdings, Inc. and Subsidiary Companies Computation of Ratio of Earnings to Fixed Charges and Ratio of Earnings to Fixed Charges and Preferred Stock Dividend Requirements (filed as Exhibit 12.1 to U/
12.2	United	United Air Lines, Inc. and Subsidiary Companies Computation of Ratio of Earnings to Fixed Charges and Ratio of Earnings to Fixed Charges and Preferred Stock Dividends Requirements (filed as Exhibit 12.2 to United's Form
12.3	Continental	Continental Airlines, Inc. and Subsidiary Companies Computation of Ratio of Earnings to Fixed Charges (filed as Exhibit 12.3 to Continental's Form 10-Q for the quarter ended March 31, 2012, Commission file number 1-1032
23.1	UAL United Continental	Consent of Ernst & Young LLP**
23.2	United Continental	Consent of Ernst & Young LLP**
23.3	UAL	Consent of Deloitte & Touche LLP**
23.4	United	Consent of Deloitte & Touche LLP**
23.5	UAL United Continental	Consent of Hughes Hubbard & Reed LLP (included in Exhibit 5.1)
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- * To be filed, if necessary, as an exhibit to a post-effective amendment to this registration statement or as an exhibit to a Current Report on Form 8-K to be filed by the registrant in connection with a specific offering, and incorporated herein by reference.
 - ** Filed herewith.

INDENTURE

Dated as of [—], 2012,

among

UNITED CONTINENTAL HOLDINGS, INC.,

UNITED AIR LINES, INC.,

CONTINENTAL AIRLINES, INC.

and

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,

as Trustee

Table Showing Reflection in Indenture of Certain Provisions
of Trust Indenture Act of 1939,
as amended by the Trust Indenture Reform Act of 1990*

Reflected in Indenture

Trust Indenture Act Section

Trust Indenture Act Section	Indenture Section
310 (a) (1)	7.10
(a) (2)	7.10
(a) (3)	N.A.
(a) (4)	N.A.
(a) (5)	7.10
(b)	7.10
(c)	N.A.
311 (a)	7.11
(b)	7.11
(c)	N.A.
312 (a)	2.06
(b)	11.03
(c)	11.03
313 (a)	7.06
(b) (1)	N.A.
(b) (2)	7.06
(c)	7.06; 11.02
(d)	7.06
314 (a)	4.02; 4.03; 11.02
(b)	N.A.
(c) (1)	11.04
(c) (2)	11.04
(c) (3)	N.A.
(d)	N.A.
(e)	11.05
(f)	N.A.
315 (a)	7.01
(b)	7.05; 11.02
(c)	7.01
(d)	7.01
(e)	6.11
316 (a) (1)(A)	6.05
(a) (1)(B)	6.04
(a) (2)	N.A.
(b)	6.07
(c)	9.04
317 (a)(1)	6.08

(a) (2)	6.09
(b)	2.05
318 (a)	11.01
(b)	N.A.
(c)	11.01

N.A. means not applicable.

* This Cross Reference Table is not part of the Indenture.

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Each party agrees as follows for the benefit of the other parties and for the equal and ratable benefit of the Holders of the securities issued under this Indenture (the “Securities”):

ARTICLE I

Definitions And Incorporation By Reference

SECTION 1.01. Definitions.

“Affiliate” of any specified Person means any other Person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified Person. For the purposes of this definition, “control” when used with respect to any Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms “controlling” and “controlled” have meanings correlative to the foregoing.

“Agent” means any Registrar, Paying Agent, Securities Custodian or co-registrar.

“Board of Directors” means the board of directors of the Issuer or any committee thereof duly authorized to act on behalf of the board of directors of the Issuer.

“Board Resolution” means a copy of a resolution certified by the Secretary or an Assistant Secretary of the Issuer to have been adopted by the Board of Directors or pursuant to authorization by the Board of Directors and to be in full force and effect on the date of the certificate and delivered to the Trustee.

“Business Day” means each day which is not a Legal Holiday.

“Capital Stock” of any Person means any and all shares, interests, rights to purchase, warrants, options, participations or other equivalents of or interests in (however designated) equity of such Person, including any preferred stock, but excluding any debt securities convertible into such equity.

“Closing Date” means the date of this Indenture.

“Code” means the Internal Revenue Code of 1986, as amended.

“Corporate Trust Office” means the office of the Trustee at which, at any particular time, its corporate trust business with respect to this Indenture shall be principally administered, which office on the date of execution of this Indenture is located at the address of the Trustee set forth in Section 11.02.

“Default” means any event which is, or after notice or passage of time or both would be, an Event of Default.

“Depository” means, with respect to the Securities issuable in whole or in part in global form, the Person specified pursuant to Section 2.14 hereof as the initial Depository with respect to the Securities, until a successor shall have been appointed and becomes such pursuant to the applicable provisions of this Indenture, and thereafter “Depository” shall mean or include such successor.

“Dollar” means a dollar or other equivalent unit in such coin or currency of the United States as at the time shall be legal tender for the payment of public and private debt.

“Exchange Act” means the Securities Exchange Act of 1934, as amended.

“Foreign Currency” means any currency or currency unit issued by a government other than the government of the United States of America.

“GAAP” means generally accepted accounting principles in the United States of America as in effect from time to time. All ratios and computations based on GAAP contained in this Indenture shall be computed in conformity with GAAP.

“Global Security” when used with respect to any Series of Securities issued hereunder, means a Security which is executed by the Issuer and authenticated and delivered by the Trustee to the Depository or pursuant to the Depository’s instruction, all in accordance with this Indenture and an indenture supplemental hereto, if any, or Board Resolution and pursuant to an Issuer Order, which shall be registered in the name of the Depository or its nominee and which shall represent, and shall be denominated in an amount equal to the aggregate principal amount of, all the outstanding Securities of such Series or any portion thereof, in either case, having the same terms, including, without limitation, the same original issue date, date or dates on which principal is due, and interest rate or method of determining interest and which shall bear the legend as prescribed by Section 2.14(c).

“Global Securities Legend” means the legend set forth in Section 2.14(c), which is required to be placed on all Global Securities issued under this Indenture.

“Government Securities” means direct obligations of, or obligations guaranteed by, the United States of America, and the full and timely payment for which the United States pledges its full faith and credit.

“Holder” means the Person in whose name a Security is registered on the Registrar’s books.

“Indenture” means this Indenture as amended or supplemented from time to time, including the terms of any Series of Securities.

“Interest Payment Date” when used with respect to any Series of Securities, means the date specified in such Securities for the payment of any installment of interest on those Securities.

“Issuer” means UAL, United or Continental, as the case may be, as specified pursuant to Section 2.02(a) of this Indenture with respect to a particular Series of Securities, in each case, until a successor replaces it and, thereafter, means the successor or, only in the context of the provisions hereof, if any, when such reference is required for purposes of compliance with the Trust Indenture Act, any “obligor” within the meaning of the Trust Indenture Act.

“Issuer Order” means a written order signed in the name of the Issuer by two Officers of the Issuer.

“Maturity”, when used with respect to any Security or installment of principal thereof, means the date on which the principal of such Security or such installment of principal becomes due and payable as therein or herein provided, whether at the Stated Maturity or by declaration of acceleration or otherwise.

“Officer” means the Chairman of the Board of Directors, the chief executive officer, the chief financial officer, the president, any vice president, the treasurer, the controller or the secretary of the Issuer.

“Officers’ Certificate” means a certificate signed by two Officers of the Issuer, that meets the requirements of Section 11.04 hereof.

“Opinion of Counsel” means a written opinion from legal counsel, that meets the requirements of Section 11.04 hereof. The counsel may be an employee of or counsel to the Issuer, any Subsidiary of the Issuer or the Trustee.

“Original Issue Discount Security” means (i) any Security that provides for an amount less than the stated principal amount thereof to be due and payable upon a declaration of acceleration of the Maturity thereof and (ii) any other security which is issued with “original issue discount” within the meaning of Section 1273(a) of the Code.

“Parent” means UAL in the case of any Series of Securities issued by United or Continental hereunder, and UAL’s successors and assigns.

“Person” means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization, government or any agency or political subdivision thereof or any other entity.

“Record Date” means, in the case of any Interest Payment Date for a Series of Securities, the date specified in such Securities as the date for the determination of Holders of record entitled to receive a payment of interest on such Interest Payment Date.

“SEC” means the Securities and Exchange Commission.

“Securities” has the meaning specified in the preamble to this Indenture.

“Securities Act” means the Securities Act of 1933, as amended.

“Securities Custodian” means the custodian with respect to a Global Security (as appointed by the Depository) or any successor thereto, who shall initially be the Trustee.

“Securities Guarantee” means a guarantee by a Securities Guarantor of a Series of Securities pursuant to Article X.

“Securities Guarantor” means UAL, United or Continental, if any, identified pursuant to Section 2.02(w) of this Indenture as providing a Securities Guarantee of the Issuer’s obligations with respect to a Series of Securities.

“Series” or “Series of Securities” means each series of debentures, notes or other debt instruments of an Issuer created pursuant to Sections 2.01 and 2.02 hereof.

“Significant Subsidiary” means, at any time, any Subsidiary of any Person which would be a “Significant Subsidiary” at such time, as such term is defined in Regulation S-X promulgated by the SEC, as in effect on the Closing Date.

“Stated Maturity”, when used with respect to any Security, means the date specified in such Security as the fixed date on which an amount equal to the principal amount of such Security is due and payable.

“Subsidiary” of any Person means any corporation, association, partnership or other business entity of which more than 50% of the total voting power of shares of Capital Stock or other interests (including partnership interests) entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by (i) such Person, (ii) such Person and one or more Subsidiaries of such Person or (iii) one or more Subsidiaries of such Person.

“Trustee” means the party named as such in this Indenture until a successor replaces it and, thereafter, means the successor.

“Trust Indenture Act” means the Trust Indenture Act of 1939, as amended (15 U.S.C. §§77aaa-77bbb) and the rules and regulations thereunder as in effect on the Closing Date.

“Trust Officer” means any vice president, assistant vice president, assistant treasurer or any other officer or assistant officer of the Trustee at its Corporate Trust Office assigned by the Trustee to administer its corporate trust matters, and any other officer of the Trustee to whom a matter arising under this Indenture may be referred.

SECTION 1.02. Other Definitions.

Term	Defined in Section
“Bankruptcy Law”	6.01
“Covenant Defeasance”	8.03
“Custodian”	6.01
“Event of Default”	6.01
“Legal Defeasance”	8.02
“Legal Holiday”	11.08
“Notice of Default”	6.01
“Paying Agent”	2.04
“Registrar”	2.04
“Securities Guarantor Obligations”	10.01
“Successor Company”	5.01(i)
“Successor Guarantor”	10.04

SECTION 1.03. Incorporation by Reference of Trust Indenture Act. This Indenture is subject to the mandatory provisions of the Trust Indenture Act, which are incorporated by reference in and made a part of this Indenture. The following Trust Indenture Act terms have the following meanings:

“Commission” means the SEC.

“indenture securities” means the Securities and the Securities Guarantor Obligations.

“indenture security holder” means a Holder.

“indenture to be qualified” means this Indenture.

“indenture trustee” or “institutional trustee” means the Trustee.

“obligor” on the Securities means the Issuer of such Securities, the Securities Guarantor, if any, of such Securities and any other obligor on the Securities.

All other terms used in this Indenture that are defined by the Trust Indenture Act or defined by Trust Indenture Act reference to another statute and that are not otherwise defined herein have the meanings assigned to them by such definitions.

SECTION 1.04. Rules of Construction. Unless the context otherwise requires:

(1) a term has the meaning assigned to it;

(2) an accounting term not otherwise defined has the meaning assigned to it in accordance with GAAP;

(3) “or” is not exclusive;

(4) “including” means including without limitation;

(5) words in the singular include the plural and words in the plural include the singular;

(6) the principal amount of any non-interest bearing or other discount security at any date shall be the principal amount thereof that would be shown on a balance sheet of the issuer dated such date prepared in accordance with

GAAP;

- (7) each reference to a Person includes any successor in interest to it and any transferee or assignee of it (in the case of any Issuer or Securities Guarantor, subject to the provisions of Article V and Section 10.04, respectively);
- (8) each reference to an agreement, instrument or document includes such agreement, instrument or document as amended, modified or supplemented from time to time in accordance with its terms; and
- (9) each reference to any law, rule or regulation includes such law, rule or regulation as amended, modified, supplemented, replaced, reissued or reenacted from time to time.

ARTICLE II

The Securities

SECTION 2.01. Issuable in Series. The aggregate principal amount of Securities that may be authenticated and delivered under this Indenture is unlimited. The Securities may be issued in one or more Series as an Issuer may authorize from time to time. All Securities of a Series shall be identical except as may be set forth in a Board Resolution, a supplemental indenture or an Officers' Certificate detailing the adoption of the terms thereof pursuant to the authority granted under a Board Resolution. In the case of Securities of a Series to be issued from time to time, the Board Resolution, supplemental indenture or Officers' Certificate may provide for the method by which specified terms (such as interest rate, maturity date, record date or date from which interest shall accrue) are to be determined. Securities may differ between Series in respect of any matters.

SECTION 2.02. Establishment of Terms of Series of Securities. At or prior to the issuance of any Securities within a Series, the following shall be established (as to the Series generally, in the case of Section 2.02(a) and (b), and either as to such Securities within the Series or as to the Series generally in the case of Sections 2.02(c) through 2.02(z)) by a Board Resolution, a supplemental indenture or an Officers' Certificate pursuant to authority granted under a Board Resolution:

- (a) the designation of the Issuer;
- (b) the form and title of the Securities of the Series (which shall distinguish the Securities of that particular Series from the Securities of any other Series);

(c) the price or prices of the Securities of the Series;

(d) any limit upon the aggregate principal amount of the Securities of the Series which may be authenticated and delivered under this Indenture (except for Securities authenticated and delivered upon registration of transfer of, in exchange for, or in lieu of, other Securities of the Series);

(e) the date or dates on which the principal and premium with respect to the Securities of the Series are payable;

(f) the rate or rates (which may be fixed or variable) at which the Securities of the Series shall bear interest, if any, or the method of determining such rate or rates, the date or dates from which such interest, if any, shall accrue, the Interest Payment Dates on which such interest, if any, shall be payable or the method by which such dates will be determined, the record dates for the determination of holders thereof to whom such interest is payable (in the case of Securities in registered form), and the basis upon which such interest will be calculated if other than that of a 360-day year of twelve 30-day months;

(g) the currency or currencies in which Securities of the Series shall be denominated, if other than Dollars, the place or places, if any, in addition to or instead of the corporate trust office of the Trustee (in the case of Securities in registered form) or the principal New York office of the Trustee (in the case of Securities in bearer form), where the principal, premium and interest with respect to Securities of such Series shall be payable or the method of such payment, if by wire transfer, mail or other means;

(h) the price or prices at which, the period or periods within which, and the terms and conditions upon which, Securities of the Series may be redeemed, in whole or in part at the option of the Issuer or otherwise;

(i) whether Securities of the Series are to be issued as Securities in registered form or as Securities in bearer form or both and, if Securities in bearer form are to be issued, whether coupons will be attached to them, whether Securities in bearer form of the Series may be exchanged for Securities in registered form of the Series, and the circumstances under which and the places at which any such exchanges, if permitted, may be made;

(j) if any Securities of the Series are to be issued as Securities in bearer form or as one or more Global Securities representing individual Securities in bearer form of the Series, whether certain provisions for the payment of additional interest or tax redemptions shall apply; whether interest with respect to any portion of a temporary bearer Security of the Series payable with respect to any Interest Payment Date prior to the exchange of such temporary bearer Security for definitive Securities in bearer form of the Series shall be paid to any clearing organization with respect to the portion of such temporary bearer Security held for its account and, in such event, the terms and conditions (including any certification requirements) upon which any such interest payment received by a clearing organization will be credited to the Persons entitled to interest payable on such Interest Payment Date; and the terms upon which a temporary Security in bearer form may be exchanged for one or more definitive Securities in bearer form of the Series;

(k) the Issuer's obligation, if any, to redeem, purchase or repay the Securities of the Series pursuant to any sinking fund or analogous provisions or at the option of a Holder of such Securities and the price or prices at which, the period or periods within which, and the terms and conditions upon which, Securities of the Series shall be redeemed, purchased or repaid, in whole or in part, pursuant to such obligations;

(l) the terms, if any, upon which the Securities of the Series may be convertible into or exchanged for the Issuer's or Parent's common stock, preferred stock, other debt securities or warrants for common stock, preferred stock, Indebtedness or other securities of any kind and the terms and conditions upon which such conversion or exchange shall be effected, including the initial conversion or exchange price or rate, the conversion or exchange period and any other additional provisions;

(m) if other than denominations of \$1,000 and any integral multiple thereof, the denominations in which the Securities of the Series shall be issuable;

(n) if the amount of principal, premium or interest with respect to the Securities of the Series may be determined with reference to an index or pursuant to a formula, the manner in which such amounts will be determined;

(o) if the principal amount payable at the Stated Maturity of Securities of the Series will not be determinable as of any one or more dates prior to such Stated Maturity, the amount that will be deemed to be such principal amount as of any such date for any purpose, including the principal amount thereof which will be due and payable upon any Maturity other than the Stated Maturity or which will be deemed to be outstanding as of any such date (or, in any such case, the manner in which such deemed principal amount is to be determined), and if necessary, the manner of determining the equivalent thereof in Dollars;

(p) any changes or additions to Article VIII;

(q) if other than the entire principal amount thereof, the portion of the principal amount of the Securities of the Series that shall be payable upon declaration of acceleration of the maturity thereof pursuant to Section 6.02 or provable in bankruptcy;

(r) the terms, if any, of the transfer, mortgage, pledge or assignment as security for the Securities of the Series of any properties, assets, moneys, proceeds, securities or other collateral, including whether certain provisions of the Trust Indenture Act are applicable and any corresponding changes to provisions of this Indenture as then in effect;

(s) any addition to or change in the Events of Default with respect to any Securities of the Series and any change in the right of the Trustee or the Holders of such Series of Securities to declare the principal, premium and interest, if any, on such Series of Securities due and payable pursuant to Section 6.02;

(t) if the Securities of the Series shall be issued in whole or in part in the form of a Global Security, (i) the terms and conditions, if any, upon which such Global Security may be exchanged in whole or in part for other individual Securities of such Series in definitive registered form, (ii) the identity of the institution that shall act as the Depository for such Global Security and (iii) the form of any legend or legends to be borne by any such Global Security in addition to or in lieu of the Global Securities Legend;

(u) any Trustee, authenticating agent, Paying Agent, transfer agent or Registrar for such Series of Securities and any office or agency of any of the foregoing for purposes of such Series of Securities;

(v) the applicability of the covenants set forth in Article IV or V to Securities of the Series, any change in such covenants or related defined terms to the extent applicable to Securities of the Series and any additions to the covenants applicable to Securities of the Series;

(w) the form and terms, if any, of any Securities Guarantee of the payment of principal, premium and interest with respect to Securities of the Series, the identity of the Securities Guarantor with respect to such Guarantee and any corresponding changes to the provisions of this Indenture and as then in effect;

(x) the subordination, if any, of the Securities of the Series pursuant to this Indenture and any changes or additions to the provisions of this Indenture then in effect;

(y) with regard to Securities of the Series that do not bear interest, the dates for certain required reports to the Trustee; and

(z) any other terms of Securities of the Series (which terms shall not be prohibited by the provisions of this Indenture).

All Securities of any one Series need not be issued at the same time and may be issued from time to time, consistent with the terms of this Indenture, if so provided by or pursuant to the Board Resolution, supplemental indenture or Officers' Certificate referred to above, and the authorized principal amount of any Series may not be increased to provide for issuances of additional Securities of such Series, unless otherwise provided in such Board Resolution, supplemental indenture or Officers' Certificate.

SECTION 2.03. **Execution and Authentication.** One or more Officers of the Issuer for a Series shall sign the Securities of such Series on behalf of the Issuer by manual or facsimile signature.

If an Officer whose signature is on a Security no longer holds that office at the time the Security is authenticated, the Security shall nevertheless be valid.

A Security shall not be valid until authenticated by the manual signature of the Trustee or an authenticating agent. The signature shall be conclusive evidence that the Security has been authenticated under this Indenture. A Security shall be dated the date of its authentication, unless otherwise provided by a Board Resolution, a supplemental indenture or an Officers' Certificate.

The Trustee shall at any time, and from time to time, authenticate Securities for original issue in the principal amount provided in the Board Resolution, supplemental indenture hereto or Officers' Certificate, upon receipt by the Trustee of an Issuer Order. Such Issuer Order may

authorize authentication and delivery pursuant to oral or electronic instructions from the Issuer or its duly authorized agent or agents, which oral instructions shall be promptly confirmed in writing.

The aggregate principal amount of Securities of any Series outstanding at any time may not exceed any limit upon the maximum principal amount for such Series set forth in the Board Resolution, supplemental indenture hereto or Officers' Certificate delivered pursuant to Section 2.02, except as provided in Section 2.08.

The Trustee may appoint an authenticating agent reasonably acceptable to the Issuer to authenticate the Securities. Any such appointment shall be evidenced by an instrument signed by a Trust Officer, a copy of which shall be furnished to the Issuer. Unless limited by the terms of such appointment, an authenticating agent may authenticate Securities whenever the Trustee may do so. Each reference in this Indenture to authentication by the Trustee includes authentication by such agent. An authenticating agent has the same rights as any Registrar, Paying Agent or agent for service of notices and demands.

SECTION 2.04. Registrar and Paying Agent. The Issuer shall maintain, with respect to each Series of Securities, at the place or places specified with respect to such Series pursuant to this Section, an office or agency where Securities of such Series may be presented for registration of transfer or for exchange (the "Registrar") and an office or agency where Securities of such Series may be presented for payment (the "Paying Agent"). The Registrar shall keep a register with respect to each Series of Securities and of their transfer and exchange. The Issuer may have one or more co-registrars and one or more additional paying agents. The term "Paying Agent" includes any additional paying agent and the term "Registrar" includes any co-registrars. The Issuer hereby appoints the Trustee at its Corporate Trust Office as Registrar and Paying Agent for each Series of Securities unless another Registrar or Paying Agent, as the case may be, is appointed prior to the time Securities of that Series are first issued.

The Issuer shall enter into an appropriate agency agreement with any Registrar or Paying Agent not a party to this Indenture, which shall incorporate the terms of the Trust Indenture Act. The agreement shall implement the provisions of this Indenture that relate to such agent. The Issuer shall notify the Trustee of the name and address of any such agent. If the Issuer fails to maintain a Registrar or Paying Agent, the Trustee shall act as such and shall be entitled to appropriate compensation therefor pursuant to Section 7.07. The Issuer or any of its domestically organized Significant Subsidiaries may act as Paying Agent or Registrar.

The Issuer may remove any Registrar or Paying Agent upon written notice to such Registrar or Paying Agent and to the Trustee; *provided, however*, that no such removal shall become effective until (1) acceptance of any appointment by a successor as evidenced by an appropriate agreement entered into by the Issuer and such successor Registrar or Paying Agent, as the case may be, and delivered to the Trustee or (2) notification to the Trustee that the Trustee shall serve as Registrar or Paying Agent until the appointment of a successor in accordance with clause (1) above. The Registrar or Paying Agent may resign at any time upon written notice; *provided, however*, that the Trustee may resign as Registrar or Paying Agent only if the Trustee also resigns as Trustee in accordance with Section 7.08.

SECTION 2.05. Paying Agent to Hold Money in Trust. The Issuer of a Series of Securities shall require each Paying Agent with respect to such Series other than the Trustee to agree in writing that the Paying Agent will hold in trust, for the benefit of Holders of such Series of Securities, or the Trustee, all money held by the Paying Agent for the payment of principal of or premium or interest on such Series of Securities, and will notify the Trustee of any default by the Issuer in making any such payment. While any such default continues, the Trustee may require a Paying Agent to pay all money held by it to the Trustee. The Issuer, at any time, may require a Paying Agent to pay all money held by it to the Trustee. Upon payment over to the Trustee, the Paying Agent (if other than the Issuer or any of its domestically organized Significant Subsidiaries) shall have no further liability for the money. If the Issuer or any of its domestically organized Significant Subsidiaries acts as Paying Agent for a Series of Securities, it shall segregate and hold in a separate trust fund for the benefit of Holders of such Series of Securities all money held by it as Paying Agent for such Series of Securities.

SECTION 2.06. Holder Lists. The Trustee shall preserve in as current a form as is reasonably practicable the most recent list available to it of the names and addresses of Holders of each Series of Securities and shall otherwise comply with Trust Indenture Act Section 312(a). If the Trustee is not the Registrar, the Issuer shall furnish to the Trustee at least ten days before each interest payment date and at such other times as the Trustee may reasonably request in writing a list, in such form and as of such date as the Trustee may reasonably require, of the names and addresses of Holders of each Series of Securities.

SECTION 2.07. Transfer and Exchange. Where Securities of a Series are presented to the Registrar or a co-registrar with a request to register a transfer or to exchange them for an equal principal amount of Securities of the same Series, the Registrar shall register the transfer or make the exchange if its requirements for such transactions are met. To permit registrations of transfers and exchanges, the Trustee shall authenticate Securities at the Registrar's request. No service charge shall be made for any registration of transfer or exchange (except as otherwise expressly permitted herein), but the Issuer may require payment of a sum sufficient to cover any transfer tax or similar governmental charge payable in connection therewith (other than any such transfer tax or similar governmental charge payable upon exchanges pursuant to Sections 2.11, 3.06 or 9.05).

Neither the Issuer nor the Registrar shall be required (a) to issue, register the transfer of, or exchange Securities of any Series for the period beginning at the opening of business fifteen days immediately preceding the mailing of a notice of redemption of Securities of that Series selected for redemption and ending at the close of business on the day of such mailing or (b) to register the transfer of or exchange Securities of any Series selected, called or being called for redemption as a whole or the portion being redeemed of any such Securities selected, called or being called for redemption in part.

SECTION 2.08. Mutilated, Destroyed, Lost and Stolen Securities. If any mutilated Security is surrendered to the Trustee, the Issuer shall execute, and the Trustee shall authenticate and deliver in exchange therefor, a new Security of the same Series and of like tenor and principal amount and bearing a number not contemporaneously outstanding.

If there shall be delivered to the Issuer and the Trustee (i) evidence to their satisfaction of the destruction, loss or theft of any Security and (ii) such security or indemnity as may be required by them to save each of them and any agent of either of them harmless, then, in the absence of notice to the Issuer or the Trustee that such Security has been acquired by a bona fide purchaser, the Issuer shall execute, and upon the Issuer's request the Trustee shall authenticate and make available for delivery, in lieu of any such destroyed, lost or stolen Security, a new Security of the same Series and of like tenor and principal amount and bearing a number not contemporaneously outstanding.

In case any such mutilated, destroyed, lost or stolen Security has become or is about to become due and payable, the Issuer, in its discretion, may, instead of issuing a new Security, pay such Security.

Upon the issuance of any new Security under this Section, the Issuer may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Trustee) connected therewith.

Every new Security of any Series issued pursuant to this Section in lieu of any destroyed, lost or stolen Security shall constitute an original additional contractual obligation of the Issuer, whether or not the destroyed, lost or stolen Security shall be at any time enforceable by anyone, and shall be entitled to all the benefits of this Indenture equally and proportionately with any and all other Securities of that Series duly issued hereunder.

The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement or payment of mutilated, destroyed, lost or stolen Securities.

SECTION 2.09. Outstanding Securities. The Securities outstanding at any time are all the Securities authenticated by the Trustee except for those canceled by it, those delivered to it for cancellation, those reductions in the interest on a Global Security effected by the Trustee in accordance with the provisions hereof and those described in this Section as not outstanding.

If a Security is replaced pursuant to Section 2.08, it ceases to be outstanding until the Trustee receives proof satisfactory to it that the replaced Security is held by a bona fide purchaser.

If, at the Maturity of Securities of a Series, the Paying Agent holds money sufficient to pay such Securities payable on that date, then, on and after that date, such Securities of the Series shall cease to be outstanding and interest on them shall cease to accrue.

A Security does not cease to be outstanding because the Issuer or an Affiliate of the Issuer holds the Security.

In determining whether the Holders of the requisite principal amount of outstanding Securities of any Series have given any request, demand, authorization, direction, notice, consent or waiver hereunder, the principal amount of an Original Issue Discount Security that shall be deemed to be outstanding for such purposes shall be the amount of the principal thereof that would be due and payable as of the date of such determination upon a declaration of acceleration of the Maturity thereof pursuant to Section 6.02.

SECTION 2.10. Treasury Securities. In determining whether the Holders of the required principal amount of Securities of a Series have concurred in any request, demand, authorization, direction, notice, consent or waiver, Securities of a Series owned by the Issuer and its Affiliates shall be disregarded, except that, for the purposes of determining whether the Trustee shall be protected in relying on any such request, demand, authorization, direction, notice, consent or waiver, only Securities of a Series that the Trustee knows are so owned shall be so disregarded.

SECTION 2.11. Temporary Securities. Until definitive Securities are ready for delivery, the Issuer may prepare, and the Trustee shall authenticate, temporary Securities upon an Issuer Order. Temporary Securities shall be substantially in the form of definitive Securities but may have variations that the Issuer considers appropriate for temporary Securities. Without unreasonable delay, the Issuer shall prepare, and the Trustee upon request shall authenticate, definitive Securities of the same Series and date of maturity in exchange for temporary Securities. Until so exchanged, temporary Securities shall have the same rights under this Indenture as the definitive Securities.

SECTION 2.12. Cancellation. The Issuer at any time may deliver Securities to the Trustee for cancellation. The Registrar and the Paying Agent shall forward to the Trustee any Securities surrendered to them for registration of transfer, exchange or payment. The Trustee shall cancel all Securities surrendered for transfer, exchange, payment, replacement or cancellation and shall destroy such canceled Securities (subject to the record retention requirement of the Exchange Act) and deliver a certificate of such destruction to the Issuer upon the Issuer's request, unless the Issuer otherwise directs. The Issuer may not issue new Securities to replace Securities that it has paid or delivered to the Trustee for cancellation.

SECTION 2.13. Defaulted Interest. If the Issuer defaults in a payment of interest on a Series of Securities on the applicable Interest Payment Date, such interest shall cease to be payable to the applicable Holders on the relevant Record Date for such Interest Payment Date. In such case, the Issuer shall pay the defaulted interest, plus, to the extent permitted by law, any interest payable on the defaulted interest to but excluding the date scheduled for payment of such defaulted interest to Holders, pursuant to clause (1) or (2) below, as the Issuer shall elect:

(1) The Issuer may elect to make such payment to the persons who are Holders of the Series on a subsequent special record date. The Issuer shall fix the payment date for such defaulted interest and the special record date therefor, which shall not be more than 15 days nor less than 10 days prior to such payment date. At least 10 days before the special record date, the Issuer shall mail to the Trustee and to each Holder of the Series a notice that states the special record date, the payment date and the amount of interest to be paid.

(2) The Issuer may elect to make such payment in any other lawful manner.

Payment of defaulted interest and any interest thereon to the Trustee shall be deemed to satisfy the Issuer's obligation to pay such defaulted interest and any interest thereon for all purposes of this Indenture.

SECTION 2.14. Global Securities.

(a) Terms of Securities. A Board Resolution, a supplemental indenture hereto or an Officers' Certificate shall establish whether the Securities of a Series shall be issued in whole or in part in the form of one or more Global Securities and, if they are so issued, the Depository for such Global Security or Securities.

(b) Transfer and Exchange. Notwithstanding any provisions to the contrary contained in Section 2.07 of this Indenture and in addition thereto, any Global Security shall be exchangeable pursuant to Section 2.07 of this Indenture for Securities registered in the names of Holders other than the Depository for such Security or its nominee only if (i) such Depository notifies the Issuer that it is unwilling or unable to continue as Depository for such Global Security or, if at any time such Depository ceases to be a clearing agency registered under the Exchange Act, and, in either case, the Issuer fails to appoint a successor Depository within 90 days following such event, (ii) the Issuer executes and delivers to the Trustee an Officers' Certificate to the effect that such Global Security shall be so exchangeable or (iii) an Event of Default with respect to the Securities represented by such Global Security shall have occurred and be continuing and owners of beneficial interests in such Global Security in an amount not less than a majority of the aggregate outstanding principal amount of such Global Security have delivered to the Issuer and the Trustee a notice indicating that the continuation of the book-entry system through such Depository is no longer in the best interests of the holders of the beneficial interests in such Global Security. Any Global Security that is exchangeable pursuant to the preceding sentence shall be exchangeable for Securities registered in such names as the Depository shall direct in writing in an aggregate principal amount equal to the principal amount of the Global Security with like tenor and terms.

Except as provided in this Section 2.14(b), a Global Security may not be transferred except as a whole by the Depository with respect to such Global Security to a nominee of such Depository, by a nominee of such Depository to such Depository or another nominee of such Depository or by the Depository or any such nominee to a successor Depository or a nominee of such a successor Depository.

(c) Legend. Any Global Security issued hereunder shall bear a legend in substantially the following form:

"THIS GLOBAL SECURITY IS HELD BY THE DEPOSITARY (AS DEFINED IN THE INDENTURE GOVERNING THIS SECURITY) OR ITS NOMINEE IN CUSTODY FOR THE BENEFIT OF THE BENEFICIAL OWNERS HEREOF, AND IS NOT TRANSFERABLE TO ANY PERSON UNDER ANY CIRCUMSTANCES EXCEPT THAT (I) THE TRUSTEE MAY MAKE SUCH NOTATIONS HEREON AS MAY BE REQUIRED PURSUANT TO THE INDENTURE, (II) THIS GLOBAL SECURITY MAY BE EXCHANGED IN WHOLE BUT NOT IN PART PURSUANT TO SECTION 2.07 OF THE INDENTURE, (III) THIS GLOBAL SECURITY MAY BE DELIVERED TO THE TRUSTEE FOR CANCELLATION PURSUANT TO SECTION 2.12 OF THE INDENTURE AND (IV) THIS GLOBAL SECURITY MAY BE TRANSFERRED TO A SUCCESSOR DEPOSITARY WITH THE PRIOR WRITTEN CONSENT OF THE ISSUER (AS DEFINED IN THE INDENTURE GOVERNING THIS SECURITY)."

(d) Acts of Holders. The Depository, as a Holder, may appoint agents and otherwise authorize participants to give or take any request, demand, authorization, direction, notice, consent, waiver or other action which a Holder is entitled to give or take under this Indenture.

(e) Payments. Notwithstanding the other provisions of this Indenture, unless otherwise specified as contemplated by Section 2.02, payment of the principal of and interest, if any, on any Global Security shall be made to the Holder thereof.

(f) Consents, Declaration and Directions. Except as provided in Section 2.14(e), the Issuer, any Securities Guarantor, the Trustee and any Agent shall treat a person as the Holder of such principal amount of outstanding Securities of such Series represented by a Global Security as shall be specified in a written statement of the Depository with respect to such Global Security, for purposes of obtaining any consents, declarations, waivers or directions required to be given by the Holders pursuant to this Indenture.

SECTION 2.15. Terms of Payment. Interest on any Security which is payable, and is punctually paid or duly provided for, on any Interest Payment Date shall be paid to the Person in whose name that Security is registered at the close of business on the Record Date for such interest at the office or agency of the Issuer maintained for such purpose pursuant to Section 2.04; provided, however, that each installment of interest on any Security may at the Issuer's option be paid by mailing a check for such interest, payable to or upon the written order of the Person entitled thereto, to the address of such Person as it appears on the register for such Series of Securities or by wire transfer to an account of the Person entitled thereto as such account shall be provided to the Registrar for such Series of Securities and shall appear on the applicable register. Payments of principal of a Security shall be made against surrender of such Security at the office or agency of the Issuer maintained for such purpose pursuant to Section 2.04 at the Issuer's option by check payable to or upon the written order of the Person entitled thereto or by wire transfer to an account of the Person entitled thereto as such account shall be provided to the Registrar for such Series of Securities.

SECTION 2.16. Persons Deemed Owners. Prior to due presentment of a Security for registration of transfer, the Issuer, any applicable Securities Guarantor, the Trustee and any agent of the Issuer, any applicable Securities Guarantor, or the Trustee may treat the Person in whose name such Security is registered as the owner of such Security for the purpose of receiving payment of principal of (and premium, if any) and interest, if any, on such Security and for all other purposes whatsoever, whether or not such Security be overdue, and none of the Issuer, any applicable Securities Guarantor, the Trustee or any agent of the Issuer, any applicable Securities Guarantor, or the Trustee shall be affected by notice to the contrary.

None of the Issuer, any applicable Securities Guarantor, the Trustee, any Paying Agent or the Registrar shall have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests of a Global Security or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests. The Issuer, any applicable Securities Guarantor, the Trustee and the Registrar shall be entitled to deal with any Depository, and any nominee thereof, that is the Holder of any such Global Security for all purposes of this Indenture relating to such Global Security (including the payment of principal, premium, if any, and interest and the giving of instructions or directions by

or to the owner or holder of a beneficial ownership interest in such Global Security) as the sole Holder of such Global Security and shall have no obligations to the beneficial owners thereof. None of the Issuer, any applicable Securities Guarantor, the Trustee, any Paying Agent or the Registrar shall have any responsibility or liability for any acts or omissions of any such Depository (or its nominee) with respect to such Global Security, for the records of any such Depository, including records in respect of beneficial ownership interests in respect of any such Global Security, for any transactions between such Depository and any participant in such Depository or between or among any such Depository, any such participant and/or any holder or owner of a beneficial interest in such Global Security or for any transfers of beneficial interests in any such Global Security.

Notwithstanding the foregoing, with respect to any Global Security, nothing herein shall prevent the Issuer, any applicable Securities Guarantor, the Trustee, or any agent of the Issuer, any applicable Securities Guarantor, or the Trustee, from giving effect to any written certification, proxy or other authorization furnished by any Depository (or its nominee), as a Holder, with respect to such Global Security or impair, as between such Depository (or its nominee) and owners of beneficial interests in such Global Security, the operation of customary practices governing the exercise of the rights of such Depository (or its nominee) as Holder of such Global Security.

SECTION 2.17. CUSIP Numbers. The Issuer in issuing the Securities may use "CUSIP" numbers (if then generally in use), and, if so, the Trustee shall use "CUSIP" numbers in notices as a convenience to Holders; provided that any such notice may state that no representation is made as to the correctness of such numbers either as printed on the Securities or as contained in any notice and that reliance may be placed only on the other elements of identification printed on the Securities, and any such notice shall not be affected by any defect in or omission of such numbers.

ARTICLE III

Redemption

SECTION 3.01. Notices to Trustee. The Issuer with respect to any Series of Securities may elect to redeem and pay the Series of Securities or may covenant to redeem and pay the Series of Securities or any part thereof prior to the Stated Maturity thereof at such time and on such terms provided for in such Series of Securities. If a Series of Securities is redeemable and the Issuer wants or is obligated to redeem prior to the Stated Maturity thereof all or part of the Series of Securities pursuant to the terms of such Securities, it shall notify the Trustee in writing of the redemption date and the principal amount of Securities of the Series to be redeemed and the redemption price. The Issuer shall give such notice to the Trustee at least 45 days before the redemption date unless the Trustee consents to a shorter period.

SECTION 3.02. Selection of Securities To Be Redeemed. Unless otherwise provided for in a particular Series of Securities by a Board Resolution, a supplemental indenture or an Officers' Certificate, if fewer than all the Securities of a particular Series are to be redeemed, subject to Depository requirements, the Trustee shall select the Securities to be redeemed pro rata or by lot or by a method that complies with applicable legal and securities exchange

requirements, if any, and that the Trustee in its sole discretion shall deem to be fair and appropriate and in accordance with methods generally used at the time of selection by fiduciaries in similar circumstances. The Trustee shall make the selection at least 30 days but no more than 60 days before the redemption date from outstanding Securities of a Series not previously called for redemption. Securities and portions thereof that the Trustee selects shall be in principal amounts of \$1,000 or integral multiples of \$1,000. Provisions of this Indenture that apply to Securities called for redemption also apply to portions of Securities called for redemption. The Trustee shall promptly notify the Issuer of the Securities (or portions thereof) to be redeemed.

SECTION 3.03. **Notice of Redemption.** Unless otherwise provided for a particular Series of Securities by a Board Resolution, a supplemental indenture or an Officers' Certificate, at least 30 days but not more than 60 days before a date for redemption of Securities, the Issuer shall mail a notice of redemption by first-class mail to each Holder of Securities to be redeemed at such Holder's registered address.

The notice shall identify the Securities to be redeemed and shall state:

(1) the redemption date;

(2) the redemption price;

(3) if any Security is being redeemed in part, the portion of the principal amount of such Security to be redeemed and that, after the redemption date upon surrender of such Security, a new Security or Securities in principal amount equal to the unredeemed portion shall be issued upon cancellation of the original Security;

(4) the name and address of the Paying Agent;

(5) that Securities called for redemption must be surrendered to the Paying Agent to collect the redemption price;

(6) that, unless the Issuer defaults in making such redemption payment or the Paying Agent is prohibited from making such payment pursuant to the terms of this Indenture, interest on Securities (or portion thereof) called for redemption ceases to accrue on and after the redemption date;

(7) the paragraph of the Securities and/or provision of this Indenture pursuant to which the Securities called for redemption are being redeemed;

(8) the CUSIP or ISIN number, if any, printed on the Securities being redeemed; and

(9) that no representation is made as to the correctness or accuracy of the CUSIP or ISIN number, if any, listed in such notice or printed on the Securities.

At the Issuer's request, the Trustee shall give the notice of redemption as provided to it in the Issuer's name and at the Issuer's expense. In such event, the Issuer shall provide the Trustee with the information required by this Section.

SECTION 3.04. Effect of Notice of Redemption. Once notice of redemption is mailed, Securities called for redemption become due and payable on the redemption date and at the redemption price stated in the notice. Upon surrender to the Paying Agent, such Securities shall be paid at the redemption price stated in the notice.

Failure to give notice or any defect in the notice to any Holder shall not affect the validity of the notice to any other Holder.

SECTION 3.05. Deposit of Redemption Price. Prior to 12:00 noon (New York City time) on the redemption date, the Issuer shall deposit with the Paying Agent (or, if the Issuer or any domestically organized Significant Subsidiary of the Issuer is the Paying Agent, shall segregate and hold in trust) money sufficient to pay the redemption price of, and accrued interest on, all Securities to be redeemed on that date, other than Securities or portions of Securities called for redemption that have been delivered by the Issuer to the Trustee for cancellation. The Paying Agent (if the Issuer or any domestically organized Significant Subsidiary is not the Paying Agent) shall as promptly as practicable return to the Issuer any money deposited with it by the Issuer in excess of the amounts necessary to pay the redemption price of, and accrued interest on, all Securities to be redeemed. If such money is then held by the Issuer in trust and is not required for such purpose it shall be discharged from such trust. The Issuer at any time may require a Paying Agent to pay all money held by it to the Trustee and to account for any funds disbursed by the Paying Agent. Upon complying with this Section, the Paying Agent shall have no further liability for the money delivered to the Trustee.

SECTION 3.06. Securities Redeemed in Part. Upon surrender of a Security that is redeemed in part, the Issuer shall execute, and the Trustee shall authenticate for the Holder (at the Issuer's expense), a new Security equal in principal amount to the unredeemed portion of the Security surrendered.

ARTICLE IV

Covenants

SECTION 4.01. Payment of Securities. The Issuer with respect to an outstanding Series of Securities shall promptly make all payments in respect of such Series of Securities on the dates and in the manner provided in such Series of Securities and in this Indenture. Such payments shall be considered made on the date due if on such date the Trustee or the Paying Agent holds prior to 12:00 noon (New York City time), in accordance with this Indenture, money sufficient to make all payments with respect to such Securities then due and the Trustee or the Paying Agent, as the case may be, is not prohibited from paying such money to the Holders on that date pursuant to the terms of this Indenture. All amounts payable under this Indenture by the Issuer shall be in U.S. dollars.

SECTION 4.02. SEC Reports. Unless otherwise provided for a particular Series of Securities in a Board Resolution, a supplemental indenture or an Officers' Certificate, the Issuer with respect to each outstanding Series of Securities shall file with the Trustee within 30 days after it files them with the SEC, copies of its annual report and the information, documents and other reports (or copies of such portions of any of the foregoing as the SEC may by rules and

regulations prescribe) that such Issuer is required to file with the SEC pursuant to Sections 13 and 15(d) of the Exchange Act. Delivery of such reports, information and documents to the Trustee is for informational purposes only and the Trustee's receipt of such shall not constitute constructive notice of any information contained therein or determinable from information contained therein, including the Issuer's compliance with any of their covenants hereunder (as to which the Trustee is entitled to rely exclusively on Officers' Certificates). The Issuer also shall comply with the other provisions of Trust Indenture Act Section 314(a).

SECTION 4.03. Compliance Certificate. The Issuer with respect to an outstanding Series of Securities shall deliver to the Trustee within 120 days after the end of each fiscal year of such Issuer an Officers' Certificate (signed by any one of the principal executive officer, the principal financial officer or the principal accounting officer and another Officer) stating whether or not the signers know of any Default with respect to such Series of Securities that occurred during such period. If the signers know of any Default, the certificate shall describe the Default, its status and what action such Issuer is taking or proposes to take with respect thereto. The Issuer also shall comply with Trust Indenture Act Section 314(a) (4).

SECTION 4.04. Corporate Existence. Subject to Article V, the Issuer with respect to each outstanding Series of Securities will do or cause to be done all things necessary to preserve and keep in full force and effect its corporate existence.

ARTICLE V

Successor Companies

SECTION 5.01. Merger and Consolidation. Unless otherwise provided for in a particular Series of Securities in a Board Resolution, a supplemental indenture or an Officers' Certificate, the Issuer with respect to an outstanding Series of Securities shall not consolidate with or merge into, or convey, transfer or lease all or substantially all its properties and assets to, any Person unless:

(i) the resulting, surviving or transferee Person (the "Successor Company") shall be a corporation organized and existing under the laws of the United States of America, any State thereof or the District of Columbia, and the Successor Company (if not such Issuer) shall expressly assume, by a supplemental indenture, executed and delivered to the Trustee, in form satisfactory to the Trustee, all the obligations of such Issuer under the applicable Securities and this Indenture;

(ii) immediately after giving effect to such transaction, no Event of Default with respect to any Series of Securities of such Issuer shall have occurred and be continuing; and

(iii) such Issuer shall have delivered to the Trustee an Officers' Certificate and an Opinion of Counsel stating that such consolidation, merger or transfer and such supplemental indenture (if any) comply with this Indenture.

The Successor Company shall succeed to, and be substituted for, and may exercise every right and power of, the applicable Issuer under this Indenture (as modified or supplemented by a

ARTICLE VI

Defaults And Remedies

SECTION 6.01. Events of Default. Unless otherwise provided for in a particular Series of Securities by a Board Resolution, a supplemental indenture or an Officers' Certificate, in the case of any Series of Securities, each of the following constitutes an "Event of Default" with respect to such Series of Securities:

- (1) default in any payment of the principal amount or premium, if any, on any Security of that Series when such amount becomes due and payable at Stated Maturity, upon acceleration, redemption or otherwise;
- (2) failure to pay interest on any Security of that Series when such interest becomes due and payable, and such failure continues for a period of 30 days;
- (3) failure to comply with any of the covenants or agreements applicable to Securities of that Series (other than those referred to in (1) or (2) above) and such failure continues for 60 days after the notice specified below;
- (4) the Issuer with respect to such Series of Securities pursuant to or within the meaning of any Bankruptcy Law:
 - (A) commences a voluntary case;
 - (B) consents to the entry of an order for relief against it in an involuntary case;
 - (C) consents to the appointment of a Custodian of it or for all or substantially all of its property; or
 - (D) makes a general assignment for the benefit of its creditors or takes any comparable action under any foreign laws relating to insolvency; or
- (5) a court of competent jurisdiction enters an order or decree under any Bankruptcy Law, which remains unstayed and in effect for 90 days, that:
 - (A) is for relief against the Issuer with respect to such Series of Securities in an involuntary case;
 - (B) appoints a Custodian of the Issuer with respect to such Series of Securities or all or substantially all of its property; or
 - (C) orders the winding up or liquidation of the Issuer with respect to such Series of Securities or any similar relief is granted under any foreign laws.

The foregoing shall constitute Events of Default whatever the reason for any such Event of Default and whether it is voluntary or involuntary or is effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body.

The term "Bankruptcy Law" means Title 11, United States Code, or any similar Federal or state law for the relief of debtors. The term "Custodian" means any receiver, trustee, assignee, liquidator, custodian or similar official under any Bankruptcy Law.

A Default under clause (3) above is not an Event of Default with respect to any Series of Securities until the Trustee notifies the Issuer or the Holders of at least 25% in principal amount of the outstanding Securities of that Series notify the Issuer and the Trustee of the Default (such notice being a "Notice of Default") and the Issuer does not cure such Default within the time specified in clause (3) after receipt of such notice. Such notice must specify the Default, demand that it be remedied and state that such notice is a "Notice of Default."

SECTION 6.02. Acceleration. If an Event of Default with respect to any Series of Securities at the time outstanding (other than an Event of Default specified in Section 6.01(4) or (5) with respect to the applicable Issuer) occurs and is continuing, the Trustee or the Holders of at least 25% in principal amount of the outstanding Securities of that Series by notice to the applicable Issuer (and to the Trustee if such notice is given by the Holders), may declare the principal amount of (or, in the case of Original Issue Discount Securities of that Series, the portion thereby specified in the terms of such Security), and accrued and unpaid interest on all the Securities of that Series to be due and payable. Upon such a declaration, such amounts shall be due and payable immediately. If an Event of Default specified in Section 6.01(4) or (5) with respect to the Issuer of a Series of Securities occurs, the principal amount of (or, in the case of Original Issue Discount Securities of that Series, the portion thereby specified in the terms of such Security), and accrued and unpaid interest on all the Securities of such Series shall *ipso facto* become and be immediately due and payable without any declaration or other act on the part of the Trustee or any Holder. The Holders of a majority in principal amount of the Securities of any Series by notice to the Trustee may rescind an acceleration of that Series of Securities and its consequences if the rescission would not conflict with any judgment or decree and if all existing Events of Default with respect to such Series of Securities have been cured or waived except nonpayment of the principal amount of (or, in the case of Original Issue Discount Securities of that Series, the portion thereby specified in the terms of such Security), and accrued and unpaid interest on all Securities of that Series that has become due solely because of acceleration. No such rescission shall affect any subsequent Default or impair any right consequent thereto.

SECTION 6.03. Other Remedies. If an Event of Default with respect to any Series of Securities occurs and is continuing, the Trustee may pursue any available remedy to collect the payment of the principal amount of (or, in the case of Original Issue Discount Securities of that Series, the portion thereby specified in the terms of such Security), premium, if any, and accrued and unpaid interest on the Securities of that Series or to enforce the performance of any provision of the Securities of that Series or this Indenture.

The Trustee may institute and maintain a suit or legal proceeding even if it does not possess any of the Securities of a Series or does not produce any of them in the proceeding. A delay or omission by the Trustee or any Holder in exercising any right or remedy accruing upon an Event of Default with respect to any Series of Securities shall not impair the right or remedy or constitute a waiver of or acquiescence in the Event of Default. No remedy is exclusive of any other remedy. All available remedies are cumulative.

SECTION 6.04. Waiver of Past Defaults. The Holders of a majority in aggregate principal amount of the Securities of any Series then outstanding may by notice to the Trustee waive an existing Default and its consequences except (i) a Default in the payment of the principal amount of (or, in the case of Original Issue Discount Securities of that Series, the portion thereby specified in the terms of such Security), premium, if any, and accrued and unpaid interest on a Security of that Series, (ii) a Default arising from the failure to redeem or purchase any Security of that Series when required pursuant to the terms of this Indenture or (iii) a Default in respect of a provision that under Section 9.02 cannot be amended without the consent of each Holder of that Series affected. When a Default is waived, it is deemed cured, but no such waiver shall extend to any subsequent or other Default or impair any consequent right.

SECTION 6.05. Control by Majority. The Holders of a majority in principal amount of the outstanding Securities of any Series may direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or of exercising any trust or power conferred on the Trustee with respect to that Series. However, the Trustee may refuse to follow any direction that conflicts with law or this Indenture or, subject to Section 7.01, that the Trustee determines is unduly prejudicial to the rights of any other Holder of that Series or that would subject the Trustee to personal liability; *provided, however*, that the Trustee may take any other action deemed proper by the Trustee that is not inconsistent with such direction. Prior to taking any action hereunder, the Trustee shall be entitled to indemnification satisfactory to it in its sole discretion against all losses and expenses caused by taking or not taking such action.

SECTION 6.06. Limitation on Suits. Except to enforce the right to receive payment of the principal amount of (or, in the case of Original Issue Discount Securities, the portion thereby specified in the terms of such Security), premium, if any, and accrued and unpaid interest on a Security of any Series when due, no Holder of a Security of that Series may pursue any remedy with respect to this Indenture or the Securities of that Series unless:

- (1) the Holder previously gave the Trustee written notice stating that an Event of Default with respect to that Series is continuing;
- (2) the Holders of at least 25%, in principal amount of the outstanding Securities of that Series make a written request to the Trustee to pursue the remedy;
- (3) such Holder or Holders of that Series offer to the Trustee security or indemnity satisfactory to the Trustee against any loss, liability or expense;
- (4) the Trustee does not comply with the request within 60 days after receipt of the request and the offer of security or indemnity; and

(5) the Holders of a majority in principal amount of the outstanding Securities of that Series do not give the Trustee a direction inconsistent with the request during such 60-day period.

A Holder of Securities of any Series may not use this Indenture to prejudice the rights of another Holder of that Series or to obtain a preference or priority over another Holder of that Series.

SECTION 6.07. Rights of Holders to Receive Payment. Notwithstanding any other provision of this Indenture, the right of any Holder to receive payment of the principal amount of (or, in the case of Original Issue Discount Securities, the portion thereby specified in the terms of such Security), premium, if any, and accrued and unpaid interest on the Securities held by such Holder, on or after their Maturity, or to bring suit for the enforcement of any such payment on or after their Maturity, shall not be impaired or affected without the consent of such Holder.

SECTION 6.08. Collection Suit by Trustee. If an Event of Default specified in Section 6.01(1) or (2) occurs and is continuing with respect to a Series of Securities, the Trustee may recover judgment in its own name and as trustee of an express trust against the applicable Issuer or Securities Guarantor for the whole amount then due and owing by such Issuer or Securities Guarantor (together with interest on any unpaid interest to the extent lawful) and the amounts provided for in Section 7.07.

SECTION 6.09. Trustee May File Proofs of Claim. The Trustee may file such proofs of claim and other papers or documents as may be necessary or advisable in order to have the claims of the Trustee and the Holders allowed in any judicial proceedings relative to the applicable Issuer or Securities Guarantor or any of their respective Subsidiaries, their creditors or their property and, unless prohibited by law or applicable regulations, may vote on behalf of the Holders in any election of a trustee in bankruptcy or other Person performing similar functions, and any Custodian in any such judicial proceeding is hereby authorized by each Holder to make payments to the Trustee and, in the event that the Trustee shall consent to the making of such payments directly to the Holders, to pay to the Trustee any amount due it for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and its counsel, and any other amounts due the Trustee under Section 7.07.

SECTION 6.10. Priorities. If any money or property is collected by the Trustee pursuant to this Article VI with respect to any Series of Securities, or while an Event of Default is continuing, any moneys or properties are distributable in respect of the Issuer's or any Securities Guarantor's obligations under this Indenture, such moneys or properties shall be paid out or distributed in the following order:

FIRST: to the Trustee and any predecessor Trustee for amounts due under Section 7.07;

SECOND: to Holders for amounts due and unpaid on the Securities of that Series for the principal amount of (or, in the case of Original Issue Discount Securities of that Series, the portion thereby specified in the terms of such Security), premium, if any, and accrued and unpaid interest, ratably, without preference or priority of any kind, according to the amounts due and payable on the Securities of that Series for the principal amount of (or, in the case of Original Issue Discount Securities of that Series, the portion thereby specified in the terms of such Security), premium, if any, and accrued and unpaid interest, respectively; and

THIRD: to the Issuer.

The Trustee may fix a record date and payment date for any payment to Holders pursuant to this Section. At least 15 days before such record date, the Trustee shall mail to each Holder and the Issuer a notice that states the record date, the payment date and amount to be paid.

SECTION 6.11. Undertaking for Costs. In any suit for the enforcement of any right or remedy under this Indenture or in any suit against the Trustee for any action taken or omitted by it as Trustee, a court in its discretion may require the filing, by any party litigant in the suit, of an undertaking to pay the costs of the suit, and the court in its discretion may assess reasonable costs, including reasonable attorneys' fees and expenses, against any party litigant in the suit, having due regard to the merits and good faith of the claims or defenses made by the party litigant. This Section does not apply to a suit by the Trustee, a suit by a Holder pursuant to Section 6.07 or a suit by Holders of more than 10% in principal amount of the Securities of any Series.

SECTION 6.12. Waiver of Stay or Extension Laws. The Issuer (to the extent it may lawfully do so) shall not at any time insist upon, plead, or in any manner whatsoever claim to take the benefit or advantage of, any stay or extension law, wherever enacted, now or at any time hereafter in force, which may affect the covenants or the performance of this Indenture; and the Issuer (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law, and shall not hinder, delay or impede the execution of any power herein granted to the Trustee, but shall suffer and permit the execution of every such power as though no such law had been enacted.

ARTICLE VII

Trustee

SECTION 7.01. Duties of Trustee. (a) If an Event of Default has occurred and is continuing with respect to any Series of Securities, the Trustee shall exercise the rights and powers vested in it by this Indenture and use the same degree of care and skill in its exercise thereof as a prudent Person would exercise or use under the circumstances in the conduct of such Person's own affairs.

(b) Except during the continuance of an Event of Default with respect to any Series of Securities:

(1) the Trustee undertakes to perform such duties and only such duties as are specifically set forth in this Indenture with respect to the Securities of that Series, as modified or supplemented by a Board Resolution, a supplemental indenture or an Officers' Certificate and no implied covenants or obligations shall be read into this Indenture against the Trustee; and

(2) in the absence of bad faith on its part, the Trustee may, with respect to Securities of that Series, conclusively rely, as to the truth of the statements and the correctness of

the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture. However, the Trustee shall examine the certificates and opinions to determine whether or not they conform to the requirements of this Indenture (but need not confirm or investigate the accuracy of mathematical calculations or other facts stated therein).

(c) The Trustee may not be relieved from liability for its own negligent action, its own negligent failure to act or its own willful misconduct, except that:

(1) this paragraph does not limit the effect of paragraph (b) of this Section;

(2) the Trustee shall not be liable for any error of judgment made in good faith by a Trust Officer unless it is proved that the Trustee was negligent in ascertaining the pertinent facts; and

(3) the Trustee shall not be liable with respect to any action it takes or omits to take in good faith in accordance with a direction received by it pursuant to Section 6.05.

(d) Every provision of this Indenture that in any way relates to the Trustee is subject to paragraphs (a), (b), (c) and (g) of this Section.

(e) The Trustee shall not be liable for interest on any money received by it except as the Trustee may agree in writing with an Issuer.

(f) Money held in trust by the Trustee need not be segregated from funds except to the extent required by law.

(g) No provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur financial liability in the performance of any of its duties hereunder or in the exercise of any of its rights or powers.

(h) Every provision of this Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Section and to the provisions of the Trust Indenture Act.

SECTION 7.02. Rights of Trustee. (a) The Trustee may conclusively rely on any document believed by it to be genuine and to have been signed or presented by the proper Person. The Trustee need not investigate any fact or matter stated in the document.

(b) Before the Trustee acts or refrains from acting, it may require an Officers' Certificate or an Opinion of Counsel. The Trustee shall not be liable for any action it takes or omits to take in good faith in reliance on the Officers' Certificate or Opinion of Counsel.

(c) The Trustee may act through agents or attorneys and shall not be responsible for the misconduct or negligence of any agent or attorney appointed with due care.

(d) The Trustee shall not be liable for any action it takes or omits to take in good faith which it believes to be authorized or within its rights or powers; *provided, however*, that the Trustee's conduct does not constitute willful misconduct or negligence.

(e) The Trustee may consult with counsel, and the advice or opinion of counsel with respect to legal matters relating to this Indenture and the Securities, shall be full and complete authorization and protection from liability in respect to any action taken, omitted or suffered by it hereunder in good faith and in accordance with the advice or opinion of such counsel.

(f) The Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, approval, bond, debenture, note or other paper or document.

(g) The Trustee shall not be deemed to have notice of any Default or Event of Default with respect to the Securities of any Series unless a Trust Officer of the Trustee has actual knowledge thereof or unless written notice of any event which is in fact such a Default or Event of Default given by an Issuer or by the Holders of at least 25% of the aggregate principal amount of Securities of that Series then outstanding is received by the Trustee at the Corporate Trust Office of the Trustee, and such notice references such Securities and this Indenture.

(h) The rights, privileges, protections, immunities and benefits given to the Trustee, including, without limitation, its right to be indemnified, are extended to and shall be enforceable by the Trustee in each of its capacities hereunder, and to each Agent, custodian and other Person employed to act hereunder.

(i) The Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request or direction of any of the Holders pursuant to this Indenture, unless such Holders shall have offered to the Trustee security or indemnity satisfactory to the Trustee against the costs, expenses and liabilities which might be incurred by the Trustee in compliance with such request or direction.

(j) Whenever in the administration of this Indenture the Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Trustee (unless other evidence be herein specifically prescribed) may, in the absence of bad faith on its part, conclusively rely upon an Officers' Certificate.

(k) The permissive right of the Trustee to do things enumerated in the Indenture shall not be construed as a duty of the Trustee.

(l) In no event shall the Trustee be responsible or liable for any special, indirect, punitive or consequential loss or damage of any kind whatsoever (including, but not limited to, loss of profit), irrespective of whether the Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action.

(m) In no event shall the Trustee be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes, work stoppages, accidents, acts of war or terrorism, civil, or military disturbances, nuclear or natural catastrophes or acts of God, and

interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services, it being understood that the Trustee shall use reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances.

SECTION 7.03. Individual Rights of Trustee. The Trustee in its individual or any other capacity may become the owner or pledgee of Securities and may otherwise deal with each Issuer or its Affiliates with the same rights it would have if it were not Trustee. Any Paying Agent, Registrar or co-paying agent may do the same with like rights. However, the Trustee must comply with Sections 7.10 and 7.11.

SECTION 7.04. Trustee's Disclaimer. The Trustee shall not be responsible for and makes no representation as to the validity or adequacy of this Indenture or the Securities or Securities Guarantees, it shall not be accountable for an Issuer's use of the proceeds from the Securities, it shall not be accountable for funds received and disbursed in accordance with the Indenture, and it shall not be responsible for any statement in this Indenture, in the Securities, or in any document executed or used in connection with the sale of the Securities, other than those set forth in the Trustee's certificate of authentication.

SECTION 7.05. Notice of Defaults. If a Default with respect to Securities of any Series occurs and is continuing and if it is actually known to a Trust Officer of the Trustee, the Trustee shall mail to each Holder of that Series notice of the Default within 90 days after it occurs. Except in the case of a Default with respect to Securities of any Series in payment of the principal amount of (or, in the case of Original Issue Discount Securities of that Series, the portion thereby specified in the terms of such Security), premium, if any, and accrued and unpaid interest on any Security of that Series, the Trustee may withhold the notice if and so long as a committee of its Trust Officers in good faith determines that withholding the notice is in the interests of Holders.

SECTION 7.06. Reports by Trustee to Holder. As promptly as practicable after each [] beginning with the [] for so long as Securities remain outstanding, the Trustee shall mail to each Holder a brief report dated as of such reporting date that complies with Section 313(a) of the Trust Indenture Act. The Trustee shall also comply with Section 313 (b)(2) of the Trust Indenture Act.

A copy of each report at the time of its mailing to Holders shall be filed with the SEC and each stock exchange (if any) on which the Securities are listed. The applicable Issuer of Securities agrees to notify promptly the Trustee whenever such Securities become listed on any stock exchange and of any delisting thereof.

SECTION 7.07. Compensation and Indemnity. Each Issuer shall pay to the Trustee from time to time such compensation for its services as such Issuer and the Trustee shall from time to time agree in writing. The Trustee's compensation shall not be limited by any law on compensation of a trustee of an express trust. The Issuer with respect to a Series shall reimburse the Trustee upon request for all reasonable out-of-pocket expenses incurred or made by it in connection with such Series, including costs of collection, in addition to the compensation for its services. Such expenses shall include the reasonable compensation and expenses, disbursements

and advances of the Trustee's agents, counsel, accountants and experts in connection with such Series. The Issuer with respect to a Series shall indemnify the Trustee against any and all loss, liability or expense (including reasonable attorneys' fees) incurred by or in connection with the administration of this trust and the performance of its duties or exercise of its rights or powers hereunder in connection with such Series. The Trustee shall notify each Issuer of any claim for which it may seek indemnity promptly upon obtaining actual knowledge thereof; *provided, however*, that any failure so to notify an Issuer shall not relieve such Issuer of its indemnity obligations hereunder. An Issuer need not reimburse any expense or indemnify against any loss, liability or expense incurred by the Trustee through the Trustee's own willful misconduct or negligence.

To secure the payment obligations pursuant to this Section of the Issuer with respect to a Series, the Trustee shall have a lien prior to the Securities of such Series on all money or property held or collected by the Trustee in connection with such Series other than money or property held in trust to pay the principal of and interest and any liquidated damages on particular Securities.

Each Issuer's payment obligations pursuant to this Section shall survive the satisfaction or discharge of this Indenture, any rejection or termination of this Indenture under any bankruptcy law or the resignation or removal of the Trustee. When the Trustee incurs expenses after the occurrence of a Default specified in Section 6.01(4) or (5) with respect to an Issuer, the expenses are intended to constitute expenses of administration under the Bankruptcy Law.

"Trustee" for the purposes of this Section 7.07 shall include any predecessor Trustee and the Trustee in each of its capacities hereunder and each Agent, custodian and other person employed to act hereunder; *provided, however*, that the negligence or willful misconduct of any Trustee hereunder shall not affect the rights of any other Trustee hereunder.

SECTION 7.08. Replacement of Trustee. The Trustee may resign at any time with respect to the Securities of any Series by so notifying the Issuer. The Holders of a majority in principal amount of the Securities of any Series may remove the Trustee and may appoint a successor Trustee with respect to such Series of Securities. The Issuer shall remove the Trustee if:

- (1) the Trustee fails to comply with Section 7.10;
- (2) the Trustee is adjudged bankrupt or insolvent;
- (3) a receiver or other public officer takes charge of the Trustee or its property; or
- (4) the Trustee otherwise becomes incapable of acting.

If the Trustee resigns, is removed by the Issuer or by the Holders of a majority in principal amount of the Securities of any Series and such Holders do not reasonably promptly appoint a successor Trustee or if a vacancy exists in the office of Trustee for any reason (the Trustee in such event being referred to herein as the retiring Trustee), the Issuer shall promptly appoint a successor Trustee.

A successor Trustee shall deliver a written acceptance of its appointment to the retiring Trustee and to the Issuer. Thereupon the resignation or removal of the retiring Trustee shall become effective, and the successor Trustee shall have all the rights, powers and duties of the Trustee under this Indenture. The successor Trustee shall mail a notice of its succession to Holders of that Series of Securities. The retiring Trustee shall promptly transfer all property held by it as Trustee to the successor Trustee, subject to the lien provided for in Section 7.07.

If a successor Trustee does not take office within 30 days after the retiring Trustee resigns or is removed, the retiring Trustee or the Holders of 10% in principal amount of the Securities of that Series may petition, at the expense of the Issuer, any court of competent jurisdiction for the appointment of a successor Trustee.

If the Trustee fails to comply with Section 7.10, any Holder of that Series of Securities may petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor Trustee.

Notwithstanding the replacement of the Trustee pursuant to this Section 7.08, the Issuer's obligations under Section 7.07 shall continue for the benefit of the retiring Trustee.

SECTION 7.09. Successor Trustee by Merger. If the Trustee consolidates with, merges or converts into, or transfers all or substantially all its corporate-trust business or assets to, another corporation or banking association, the resulting, surviving or transferee corporation without any further act shall be the successor Trustee.

In case at the time such successor or successors by merger, conversion or consolidation to the Trustee shall succeed to the trusts created by this Indenture any of the Securities shall have been authenticated but not delivered, any such successor to the Trustee may adopt the certificate of authentication of any predecessor trustee, and deliver such Securities so authenticated; and if at that time any of the Securities shall not have been authenticated, any such successor to the Trustee may authenticate such Securities either in the name of any predecessor hereunder or in the name of the successor to the Trustee; and in all such cases such certificates shall have the full force which it is anywhere in the Securities or in this Indenture provided that the certificate of the Trustee shall have.

SECTION 7.10. Eligibility; Disqualification. At all times, the Trustee shall satisfy the requirements of Trust Indenture Act Section 310(a). The Trustee shall have a combined capital and surplus of at least \$50,000,000 as set forth in its most recent published annual report of condition. The Trustee shall comply with Trust Indenture Act Section 310(b); *provided, however*, that there shall be excluded from the operation of Trust Indenture Act Section 310(b)(1) any indenture or indentures under which other securities or certificates of interest or participation in other securities of the Issuer are outstanding if the requirements for such exclusion set forth in Trust Indenture Act Section 310(b)(1) are met.

SECTION 7.11. Preferential Collection of Claims Against the Issuer. The Trustee shall comply with Trust Indenture Act Section 311(a), excluding any creditor relationship listed in Trust Indenture Act Section 311(b). A Trustee who has resigned or has been removed shall be subject to Trust Indenture Act Section 311(a) to the extent indicated.

Legal Defeasance And Covenant Defeasance; Satisfaction And Discharge

SECTION 8.01. Option to Effect Legal Defeasance or Covenant Defeasance. At the option of the applicable Issuer's Board of Directors evidenced by resolutions set forth in an Officers' Certificate, at any time, such Issuer may elect to have either Section 8.02 or 8.03 hereof be applied to all outstanding Securities of any Series issued by such Issuer upon compliance with the conditions set forth below in Section 8.04.

SECTION 8.02. Legal Defeasance and Discharge. Upon the Issuer's exercise under Section 8.01 hereof of the option applicable to this Section 8.02 with respect to any Series of Securities, the Issuer (and any Securities Guarantor with respect to such Series) shall, subject to the satisfaction of the conditions set forth in Section 8.04 hereof, be deemed to have been discharged from its obligations with respect to all outstanding Securities of that Series on the date the conditions set forth below are satisfied (hereinafter, "Legal Defeasance"). For this purpose, Legal Defeasance means that the Issuer shall be deemed to have paid and discharged the entire Indebtedness represented by the outstanding Securities of that Series, which shall thereafter be deemed to be "outstanding" only for the purposes of Section 8.05 hereof and the other Sections of this Indenture referred to in (a) and (b) below, and to have satisfied all its other obligations under such Securities and this Indenture (and the Trustee, on demand of and at the expense of the Issuer, shall execute proper instruments acknowledging the same), except for the following provisions which shall survive until otherwise terminated or discharged hereunder:

(a) the rights of Holders of outstanding Securities of that Series to receive solely from the funds deposited in trust with the Trustee described in Section 8.04 hereof, and as more fully set forth in such Section, payments in respect of the principal of, premium, if any, and interest on such Securities when such payment are due;

(b) the Issuer's obligations with respect to such Securities of that Series under Article II;

(c) the rights, powers, trusts, duties and immunities of the Trustee hereunder and the Issuer's obligations in connection therewith; and

(d) this Article VIII.

Subject to compliance with this Article VIII, the Issuer may exercise its option under this Section 8.02 notwithstanding the prior exercise of its option under Section 8.03 hereof.

SECTION 8.03. Covenant Defeasance. Upon the Issuer's exercise under Section 8.01 hereof of the option applicable to this Section 8.03 with respect to any Series of Securities, the Issuer (and any Securities Guarantor with respect to such Series) shall, subject to the satisfaction of the conditions set forth in Section 8.04 hereof, be released from its obligations under the covenants contained in a Board Resolution, a supplemental indenture or an Officers' Certificate with respect to the outstanding Securities of that Series on and after the date the conditions set forth in Section 8.04 are satisfied (hereinafter, "Covenant Defeasance"), and the Securities of that Series shall thereafter be deemed not "outstanding" for the purposes of any direction,

waiver, consent or declaration or act of Holders (and the consequences of any thereof) in connection with such covenants, but shall continue to be deemed "outstanding" for all other purposes hereunder (it being understood that such Securities shall not be deemed outstanding for accounting purposes). For this purpose, Covenant Defeasance means that, with respect to the outstanding Securities of that Series, the Issuer may omit to comply with and shall have no liability in respect of any term, condition or limitation set forth in any such covenant, whether directly or indirectly, by reason of any reference elsewhere herein to any such covenant or by reason of any reference in any such covenant to any other provision herein or in any other document and such omission to comply shall not constitute a Default or an Event of Default with respect to such Securities under Section 6.01 hereof, but, except as specified above, the remainder of this Indenture and such Securities shall be unaffected thereby.

SECTION 8.04. Conditions to Legal or Covenant Defeasance. The following shall be the conditions to the application of either Section 8.02 or 8.03 hereof to the outstanding Securities of any Series:

In order to exercise either Legal Defeasance or Covenant Defeasance with respect to any Series of Securities:

(1) the applicable Issuer must irrevocably deposit with the Trustee, in trust, for the benefit of the Holders of that Series of Securities, cash in U.S. dollars, non-callable Government Securities, or a combination thereof, in such amounts as will be sufficient, in the opinion of a nationally recognized independent registered public accounting firm, to pay the principal of, premium, if any, and interest on the outstanding Securities of that Series on the stated date for payment thereof or on the applicable redemption date, as the case may be;

(2) in the case of an election under Section 8.02 hereof, such Issuer shall have delivered to the Trustee an Opinion of Counsel in the United States reasonably acceptable to the Trustee confirming that:

(a) the Issuer has received from, or there has been published by, the Internal Revenue Service a ruling; or

(b) since the date of this Indenture, there has been a change in the applicable federal income tax law, in either case to the effect that, and based thereon such Opinion of Counsel shall confirm that, the Holders of the outstanding Securities of that Series will not recognize income, gain or loss for federal income tax purposes as a result of such Legal Defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;

(3) in the case of an election under Section 8.03 hereof, such Issuer shall have delivered to the Trustee an Opinion of Counsel in the United States reasonably acceptable to the Trustee confirming that the Holders of the outstanding Securities of that Series will not recognize income, gain or loss for federal income tax purposes as a result of such Covenant Defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;

(4) no Event of Default with respect to that Series of Securities shall have occurred and be continuing either:

(x) on the date of such deposit (other than an Event of Default with respect to that Series of Securities resulting from the borrowing of funds to be applied to such deposit); or

(y) insofar as Sections 6.01(4) or 6.01(5) hereof are concerned, at any time in the period ending on the 91st day after the date of deposit;

(5) such Legal Defeasance or Covenant Defeasance shall not result in a breach or violation of, or constitute a default under, any material agreement or instrument (other than this Indenture) to which the Issuer is a party or by which the Issuer is bound;

(6) such Issuer shall have delivered to the Trustee an Officers' Certificate stating that the deposit was not made by the Issuer with the intent of preferring the Holders of that Series of Securities over any other creditors of the Issuer or with the intent of defeating, hindering, delaying or defrauding any other creditors of the Issuer or others; and

(7) such Issuer shall have delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that all conditions precedent provided for or relating to the Legal Defeasance or the Covenant Defeasance have been complied with.

SECTION 8.05. Deposited Money and Government Securities to be Held in Trust; Other Miscellaneous Provisions. Subject to Section 8.06 hereof, all money and non-callable Government Securities (including the proceeds thereof) deposited with the Trustee (or other qualifying trustee, collectively for purposes of this Section 8.05, the "Trustee") pursuant to Section 8.04 hereof in respect of any outstanding Series of Securities shall be held in trust and applied by the Trustee, in accordance with the provisions of such Securities and this Indenture, to the payment, either directly or through any Paying Agent (including the Issuer acting as Paying Agent) as the Trustee may determine, to the Holders of such Securities of all sums due and to become due thereon in respect of principal, premium, if any, and interest, but such money need not be segregated from other funds except to the extent required by law.

The applicable Issuer shall pay and indemnify the Trustee against any tax, fee or other charge imposed on or assessed against the cash or non-callable Government Securities deposited pursuant to Section 8.04 hereof or the principal and interest received in respect thereof other than any such tax, fee or other charge which by law is for the account of the Holders of the outstanding Securities of that Series.

Anything in this Article VIII to the contrary notwithstanding, the Trustee shall deliver or pay to the applicable Issuer from time to time upon the request of such Issuer any money or non-callable Government Securities held by it as provided in Section 8.04 hereof which, in the opinion of a nationally recognized independent registered public accounting firm expressed in a written certification thereof delivered to the Trustee (which may be the opinion delivered under Section 8.04(1) hereof), are in excess of the amount thereof that would then be required to be deposited to effect an equivalent Legal Defeasance or Covenant Defeasance.

SECTION 8.06. Repayment to the Issuer. Any money deposited with the Trustee or any Paying Agent, or then held by the Issuer with respect to any Series of Securities, in trust for the payment of the principal of, premium, if any, or interest on any Security of such Series and remaining unclaimed for two years after such principal, and premium, if any, or interest has become due and payable shall be paid to such Issuer on its request or (if then held by the Issuer) shall be discharged from such trust; and the Holder of such Security shall thereafter look only to such Issuer for payment thereof, and all liability of the Trustee or such Paying Agent with respect to such trust money, and all liability of such Issuer as trustee thereof, shall thereupon cease; *provided, however*, that the Trustee or such Paying Agent, before being required to make any such repayment, may at the expense of such Issuer cause to be published once, in the New York Times and The Wall Street Journal (national edition), notice that such money remains unclaimed and that, after a date specified therein, which shall not be less than 30 days from the date of such notification or publication, any unclaimed balance of such money then remaining will be repaid to such Issuer.

SECTION 8.07. Reinstatement. If the Trustee or Paying Agent is unable to apply any U.S. dollars or non-callable Government Securities in accordance with Section 8.02 or 8.03 thereof, as the case may be, with respect to any Series of Securities by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, then the obligations of the Issuer of such Series under this Indenture and the Securities of such Series shall be revived and reinstated as though no deposit had occurred pursuant to Section 8.02 or 8.03 hereof until such time as the Trustee or Paying Agent is permitted to apply all such money in accordance with Section 8.02 or 8.03 hereof, as the case may be; *provided, however*, that, if the Issuer makes any payment of principal of, premium, if any, or interest on any Security following the reinstatement of its obligations, the Issuer shall be subrogated to the rights of the Holders of such Securities to receive such payment from the money held by the Trustee or Paying Agent.

SECTION 8.08. Satisfaction and Discharge of Indenture. Except as set forth below, upon request of the applicable Issuer, this Indenture shall cease to be of further effect with respect to any Series of Securities specified in such request (except as to any surviving rights of registration of transfer or exchange of Securities of such Series expressly provided for herein or pursuant hereto) and the Trustee, at the expense of such Issuer, shall execute proper instruments acknowledging satisfaction and discharge of this Indenture as to such Series when

(1) either

(A) all Securities of such Series theretofore authenticated and delivered (other than Securities which have been destroyed, lost or stolen and which have been replaced or paid as provided in Section 2.08 and Securities for whose payment money has theretofore been deposited in trust by the Issuer with the Trustee or any Paying Agent or segregated and held in trust by the Issuer and thereafter repaid to the Issuer or discharged from such trust as provided in Section 8.06) have been delivered to the Trustee for cancellation; or

(B) all Securities of such Series

- (i) have become due and payable, or
 - (ii) will become due and payable at their Stated Maturity within one year, or
 - (iii) if redeemable at the option of the Issuer, are to be called for redemption within one year under arrangements satisfactory to the Trustee for the giving of notice of redemption by the Trustee in the name, and at the expense, of the Issuer,
- and the Issuer, in the case of (i), (ii) or (iii) above, has irrevocably deposited or caused to be deposited with the Trustee as trust funds in trust for such purpose, solely for the benefit of the Holders, an amount sufficient to pay and discharge the entire indebtedness on such Securities not theretofore delivered to the Trustee for cancellation, for principal (and premium, if any) and interest, if any, to the date of such deposit (in the case of Securities which have become due and payable) or to the Stated Maturity or redemption date, as the case may be;
- (2) the Issuer has paid or caused to be paid all other sums payable hereunder by the Issuer; and
 - (3) the Issuer has delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that all conditions precedent herein provided for relating to the satisfaction and discharge of this Indenture as to such Series have been complied with.

Notwithstanding the satisfaction and discharge of this Indenture, the obligations of the Issuer to the Trustee under Section 7.07 and, if money shall have been deposited with the Trustee pursuant to subclause (B) of clause (1) of this Section, the obligations of the Trustee under Section 8.09 and Section 8.06 shall survive such satisfaction and discharge of this Indenture.

SECTION 8.09. Application of Trust Money. Subject to the provisions of Section 8.06, all money deposited with the Trustee pursuant Section 8.08 shall be held in trust and applied by it, in accordance with the provisions of the Securities and this Indenture, to the payment, either directly or through any Paying Agent (including the Issuer acting as its own Paying Agent) as the Trustee may determine, to the Persons entitled thereto, of the principal (and premium, if any) and interest, if any, for whose payment such money has been deposited with or received by the Trustee; but such money need not be segregated from other funds except to the extent required by law. Money so held in trust is subject to the Trustee's rights under Section 7.07.

ARTICLE IX

Amendments

SECTION 9.01. Without Consent of Holders. The Issuer and Securities Guarantor of any Series of Securities and the Trustee may amend this Indenture as it applies to such Series or any of the other terms of such Series without notice to or consent of any Holder:

- (1) to evidence the succession of another Person to such Issuer pursuant to Article V and the assumption by such successor of such Issuer's covenants, agreements and obligations in this Indenture and with respect to the Securities;

(2) to surrender any right or power conferred upon such Issuer, to add to the covenants such further covenants, restrictions, conditions or provisions for the protection of the Holders of such Series of Securities and to make the occurrence, or the occurrence and continuance, of a default in respect of any such additional covenants, restrictions, conditions or provisions a Default or an Event of Default under this Indenture with respect to such Series; *provided, however*, that with respect to any such additional covenant, restriction, condition or provision, such amendment may provide for a period of grace after default, which may be shorter or longer than that allowed in the case of other Defaults, may provide for an immediate enforcement upon such Default, may limit the remedies available to the Trustee upon such Default or may limit the right of Holders of a majority in aggregate principal amount of the Securities of any Series to waive such default;

(3) to cure any ambiguity or correct or supplement any provision contained in this Indenture, in any supplemental indenture, Board Resolution, Officers' Certificate or in any Securities that may be defective or inconsistent with any other provision contained therein;

(4) to convey, transfer, assign, mortgage or pledge any property to or with the Trustee, or to make such other provisions in regard to matters or questions arising under this Indenture as shall not adversely affect the interests of any Holders of Securities of such Series;

(5) to modify or amend this Indenture in such a manner as to permit the qualification of this Indenture or any supplemental indenture under the Trust Indenture Act as then in effect;

(6) to add to or to change any of the provisions of this Indenture to provide that Securities in bearer form may be registrable as to principal, to change or eliminate any restrictions on the payment of principal, premium or interest with respect to Securities in bearer form, to permit Securities in registered form to be exchanged for Securities in bearer form, or to permit or facilitate the issuance of Securities of such Series in uncertificated form, provided that any such action shall not adversely affect the interests of the Holders of Securities or any coupons of any Series in any material respect;

(7) in the case of subordinated Securities, to make any change in the provisions of this Indenture or any supplemental indenture, Board Resolution or Officers' Certificate relating to subordination that would limit or terminate the benefits available to any holder of senior indebtedness under such provisions, subject to any consent required under the terms of such senior indebtedness;

(8) to add Securities Guarantees with respect to the Securities or to secure the Securities;

(9) to make any change that does not adversely affect the rights of any Holder of Securities of such Series;

(10) to evidence and provide for the acceptance of appointment by a successor or separate Trustee with respect to the Securities of one or more Series and to add to or change any of the provisions of this Indenture as shall be necessary to provide for or facilitate the administration of this Indenture by more than one Trustee; or

(11) to establish the form or terms of Securities and coupons of such Series pursuant to Article II.

UAL, United, Continental and the Trustee may amend this Indenture without notice to or consent of any Holder to add to, change, or eliminate any of the provisions of this Indenture, so long as any such addition, change or elimination not otherwise permitted under this Indenture shall (A) neither apply to any Security of any Series outstanding at the time of the execution of such supplemental indenture and entitled to the benefit of such provision nor modify the rights of the Holders of any such Security with respect to the benefit of such provision or (B) become effective only when there is no such Security outstanding.

SECTION 9.02. With Consent of Holders. The Issuer and the Securities Guarantor of any Series of Securities and the Trustee may amend this Indenture as it applies to such Series or any of the other terms of such Series without notice to any Holder but with the written consent of the Holders of at least a majority in principal amount of the Securities of such Series then outstanding (including consents obtained in connection with a tender offer or exchange for the Securities). However, without the consent of each Holder of an affected Security, an amendment may not:

(1) make any change to the percentage of principal amount of the outstanding Securities of the applicable Series, the consent of whose Holders is required for any amendment, or the consent of whose Holders is required for any waiver (of compliance with certain provisions of this Indenture or certain defaults hereunder and their consequences) provided for in this Indenture;

(2) reduce the principal amount of, premium, if any, or interest on, or extend the Stated Maturity or interest payment periods of such Security;

(3) make such Security payable in money or securities other than that stated in such Security;

(4) make any change that adversely affects such Holder's right to require the applicable Issuer to purchase such Security in accordance with the terms thereof and this Indenture;

(5) impair the right of such Holder to institute suit for the enforcement of any payment with respect to such Security;

(6) in the case of any subordinated Securities, or coupons appertaining thereto, make any change in the provisions of this Indenture relating to subordination that adversely affects the rights of such Holder under such provisions;

(7) except as provided under Article VIII hereof or in accordance with the terms of any Securities Guarantee, release any Securities Guarantor from any of its obligations under its Securities Guarantee or make any change in a Securities Guarantee that would adversely affect such Holder; or

(8) make any change in Section 6.04 or 6.07 or the second sentence of this Section 9.02.

It shall not be necessary for the consent of the Holders under this Section to approve the particular form of any proposed amendment, but it shall be sufficient if such consent approves the substance thereof. After an amendment under this Section becomes effective, the Issuer shall mail to all affected Holders a notice briefly describing such amendment. The failure to give such notice to all such Holders, or any defect therein, shall not impair or affect the validity of an amendment under this Section.

SECTION 9.03. Compliance with Trust Indenture Act. Every amendment to this Indenture or the Securities shall comply with the Trust Indenture Act as then in effect.

SECTION 9.04. Revocation and Effect of Consents and Waivers. A consent to an amendment or a waiver by a Holder of a Security shall bind the Holder and every subsequent Holder of that Security or portion of the Security that evidences the same debt as the consenting Holder's Security, even if notation of the consent or waiver is not made on the Security. However, any such Holder or subsequent Holder may revoke the consent or waiver as to such Holder's Security or portion of the Security if the Trustee receives the notice of revocation before the date the amendment or waiver becomes effective. After an amendment or waiver becomes effective, it shall bind every Holder. An amendment or waiver becomes effective once both (i) the requisite number of consents have been received by the Issuer or the Trustee and (ii) such amendment or waiver has been executed by the Issuer and the Trustee.

The Issuer may, but shall not be obligated to, fix a record date for the purpose of determining the Holders entitled to give their consent or take any other action described above or required or permitted to be taken pursuant to this Indenture. If a record date is fixed, then notwithstanding the immediately preceding paragraph, those Persons who were Holders at such record date (or their duly designated proxies), and only those Persons, shall be entitled to give such consent or to revoke any consent previously given or to take any such action, whether or not such Persons continue to be Holders after such record date. No such consent shall be valid or effective for more than 120 days after such record date, unless the amendment or waiver for which such consent was given becomes effective within such 120 day period.

SECTION 9.05. Notation on or Exchange of Securities. If an amendment changes the terms of a Security, the Trustee may require the Holder of the Security to deliver it to the Trustee. The Trustee may place an appropriate notation on the Security regarding the changed terms and return it to the Holder. Alternatively, if the Issuer or the Trustee so determines, the Issuer in exchange for the Security shall issue and the Trustee shall authenticate a new Security that reflects the changed terms. Failure to make the appropriate notation or to issue a new Security shall not affect the validity of such amendment.

SECTION 9.06. Trustee To Sign Amendments. The Trustee shall sign any amendment authorized pursuant to this Article IX if the amendment does not affect the rights, duties, liabilities or immunities of the Trustee. If it does, the Trustee may but need not sign it. In signing such amendment the Trustee shall be entitled to receive indemnity satisfactory to it and to receive, and (subject to Section 7.01) shall be fully protected in relying upon, an Officers' Certificate and an Opinion of Counsel stating that such amendment is authorized or permitted by this Indenture and that such amendment is the legal, valid and binding obligation of the Issuer and any Securities Guarantor enforceable against it in accordance with its terms, subject to customary exceptions, and complies with the provisions hereof (including Section 9.03).

SECTION 9.07. Payment for Consent. Neither the Issuer nor any Affiliate of the Issuer shall, directly or indirectly, pay or cause to be paid any consideration, whether by way of interest, fee or otherwise, to any Holder of Securities of a Series for or as an inducement to any consent, waiver or amendment of any of the terms or provisions of this Indenture or the Securities unless such consideration is offered to be paid to all Holders of Securities of such Series, ratably, that so consent, waive or agree to amend in the time frame set forth in solicitation documents relating to such consent, waiver or agreement.

ARTICLE X

Securities Guarantees

SECTION 10.01. Securities Guarantees. If Securities of or within a Series are specified, as contemplated by Section 2.02(w), to be guaranteed by a specified Securities Guarantor, then such Securities Guarantor hereby fully and unconditionally guarantees to each Holder of any such Security which is authenticated and delivered by the Trustee and to each Holder of any coupon appertaining to any such Security, if any, and to the Trustee for itself and on behalf of each such Holder, the due and punctual payment of the principal of (and premium, if any) and interest (including, in case of default, interest on principal and, to the extent permitted by applicable law, on overdue interest and including any additional interest required to be paid according to the terms of any such Security or any coupon appertaining thereto), if any, on each such Security, when and as the same shall become due and payable, whether at Stated Maturity, upon redemption, upon acceleration, upon tender for repayment at the option of any Holder or otherwise, according to the terms thereof and of this Indenture and all other obligations of the Issuer with respect to such Security to the Holder or the Trustee hereunder or thereunder (the "Securities Guarantor Obligations"). In case of the failure of the Issuer with respect to such Securities or any successor thereto punctually to pay any such principal, premium, or interest, the Securities Guarantor hereby agrees to cause any such payment to be made punctually when and as the same shall become due and payable, whether at Stated Maturity, upon redemption, upon declaration of acceleration, upon tender for repayment at the option of any Holder or otherwise, as if such payment were made by the Issuer with respect to such Securities.

The Securities Guarantor hereby agrees that its Securities Guarantor Obligations hereunder with respect to any Securities shall be as if it were principal debtor and not merely surety and shall be absolute and unconditional, irrespective of the identity of the Issuer, the validity, regularity or enforceability of any such Security or coupon appertaining thereto or this Indenture, the absence of any action to enforce the same, any waiver or consent by the Holder of

any such Security or coupon appertaining thereto with respect to any provisions thereof, the recovery of any judgment against the Issuer or any action to enforce the same, or any other circumstance which might otherwise constitute a legal or equitable discharge or defense of a guarantor. The Securities Guarantor hereby waives diligence, presentment, demand of payment, filing of claims with a court in the event of insolvency or bankruptcy of the Issuer, any right to require a proceeding first against the Issuer, protest, notice and all demands whatsoever and covenants that its Securities Guarantees will not be discharged except by complete performance of its obligations contained in any such Security or coupon appertaining thereto and in this Securities Guarantee.

If the Trustee or the Holder of any Security or any coupon appertaining thereto is required by any court or otherwise to return to the Issuer or the Securities Guarantor, or any custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official acting in relation to the Issuer or the Securities Guarantor, any amount paid to the Trustee or such Holder in respect of a Security or any coupons appertaining thereto included in such Securities Guarantor's Securities Guarantor Obligations, the applicable Securities Guarantee, to the extent theretofore discharged, shall be reinstated in full force and effect. The Securities Guarantor further agrees, to the fullest extent that it may lawfully do so, that, as between the Securities Guarantor, on the one hand, and the Holders and the Trustee, on the other hand, the maturity of the obligations included in such Securities Guarantor's Securities Guarantor Obligations may be accelerated as provided in Article VI hereof for the purposes of the applicable Securities Guarantee, notwithstanding any stay, injunction or other prohibition extant under any applicable bankruptcy law preventing such acceleration in respect of the obligations guaranteed hereby.

The Securities Guarantor shall be subrogated to all rights of the Holders of the Securities of a Series (and of any coupons appertaining thereto) included in such Securities Guarantor's Securities Guarantor Obligations against the Issuer in respect of any amounts paid by the Securities Guarantor on account of such Securities or any coupons appertaining thereto or this Indenture; provided, however, that the Securities Guarantor shall not be entitled to enforce or to receive any payments arising out of, or based upon, such right of subrogation until the principal of (and premium, if any, on) and interest, if any, on all Securities of such Series shall have been indefeasibly paid in full.

SECTION 10.02. Execution and Delivery of Securities Guarantees. To evidence its Securities Guarantees with respect to Securities of or within any Series that are specified, as contemplated by Section 2.02(w) to be guaranteed by the Securities Guarantor, the Securities Guarantor hereby agrees to execute such Securities Guarantees, in a form established pursuant to Section 2.02(w), to be endorsed on each Security of such Series authenticated and delivered by the Trustee. Each such Securities Guarantee shall be executed on behalf of the Securities Guarantor by the Chairman of the Board, the chief executive officer, the chief financial officer, the president, any vice president, the treasurer, the controller or the secretary of such Securities Guarantor. The signature of any of these officers on the Securities Guarantees may be manual or facsimile.

Securities Guarantees bearing the manual or facsimile signatures of the individuals who were the proper officers of the Securities Guarantor shall bind the Securities Guarantor, notwithstanding that such individuals or any of them have ceased to hold such offices prior to or after the authentication and delivery of the Securities upon which such Securities Guarantees are endorsed or did not hold such offices at the date of such Securities.

The delivery of any Securities by the Trustee, after the authentication thereof hereunder, shall constitute due delivery of the Securities Guarantees endorsed thereon on behalf of the Securities Guarantor. The Securities Guarantor hereby agrees that its Securities Guarantees made pursuant to this Article X shall remain in full force and effect notwithstanding any failure to endorse on each such Security a notation of such Securities Guarantee.

SECTION 10.03. Limitation of Securities Guarantor's Liability. The Securities Guarantor and, by its acceptance of a Security guaranteed by such Securities Guarantor, each Holder of such Security hereby confirms that it is the intention of all such parties that in no event shall any Securities Guarantor Obligations under the Securities Guarantees constitute or result in a fraudulent transfer or conveyance for purposes of, or result in a violation of, any United States federal, or applicable United States state, fraudulent transfer or conveyance or similar law. To effectuate the foregoing intention, in the event that the Securities Guarantor Obligations, if any, in respect of the Securities of any Series would, but for this sentence, constitute or result in such a fraudulent transfer or conveyance or violation, then the liability of the Securities Guarantor under its Securities Guarantees in respect of the Securities of such Series shall be reduced to the extent necessary to eliminate such fraudulent transfer or conveyance or violation under the applicable fraudulent transfer or conveyance or similar law.

SECTION 10.04. Merger and Consolidation. Unless otherwise provided for in a particular Series of Securities in a Board Resolution, a supplemental indenture or an Officers' Certificate, the Securities Guarantor with respect to an outstanding Series of Securities shall not consolidate with or merge into, or convey, transfer or lease all or substantially all its properties and assets to, any Person unless:

(i) the resulting, surviving or transferee Person (the "Successor Guarantor") shall be a corporation organized and existing under the laws of the United States of America, any State thereof or the District of Columbia, and the Successor Guarantor (if not such Securities Guarantor) shall expressly assume, by a supplemental indenture, executed and delivered to the Trustee, in form satisfactory to the Trustee, all the obligations of such Securities Guarantor under the applicable Securities Guarantee of such Securities and this Indenture;

(ii) immediately after giving effect to such transaction no Event of Default with respect to any Series guaranteed by such Securities Guarantor shall have occurred and be continuing; and

(iii) the Issuer with respect to each Series of Securities guaranteed by such Securities Guarantor shall have delivered to the Trustee an Officers' Certificate stating that such consolidation, merger or transfer and such supplemental indenture (if any) comply with this Indenture.

The Successor Guarantor shall succeed to, and be substituted for, and may exercise every right and power of, the applicable Securities Guarantor under this Indenture (as modified or

supplemented by a Board Resolution, a supplemental indenture or an Officers' Certificate), but the predecessor Securities Guarantor, in the case of a lease of all or substantially all of its assets, shall not be released from any of its Securities Guarantees of Securities.

ARTICLE XI

Miscellaneous

SECTION 11.01. Trust Indenture Act Controls. If any provision of this Indenture limits, qualifies or conflicts with another provision which is required to be included in this Indenture by the Trust Indenture Act, the required provision shall control.

SECTION 11.02. Notices. Any notice or communication shall be in writing and delivered in person or mailed by first-class mail or sent by overnight courier guaranteeing next Business Day delivery addressed as follows:

If to UAL:

United Continental Holdings, Inc.
77 W. Wacker Drive
Chicago, Illinois 60601
Attention: Treasurer

If to United:

United Air Lines, Inc.
77 W. Wacker Drive
Chicago, Illinois 60601
Attention: Treasurer

If to Continental:

Continental Airlines, Inc.
77 W. Wacker Drive
Chicago, Illinois 60601
Attention: Treasurer

If to the Trustee:

The Bank of New York Mellon Trust Company, N.A.
Chicago Corporate Trust
2 North LaSalle St.
Suite 1020
Chicago, IL 60602

An Issuer or the Trustee by notice to the other may designate additional or different addresses for subsequent notices or communications.

Any notice or communication mailed to a Holder shall be mailed to the Holder at the Holder's address as it appears on the registration books of the Registrar and shall be sufficiently given if so mailed within the time prescribed.

Failure to mail a notice or communication to a Holder or any defect in it shall not affect its sufficiency with respect to other Holders. If a notice or communication is mailed in the manner provided above, it is duly given, whether or not the addressee receives it.

SECTION 11.03. Communication by Holders with Other Holders. Holders may communicate pursuant to Trust Indenture Act Section 312(b) with other Holders with respect to their rights under this Indenture or the Securities. Any Issuer, any Securities Guarantor, the Trustee, the Registrar and anyone else shall have the protection of Trust Indenture Act Section 312(c).

SECTION 11.04. Certificate and Opinion as to Conditions Precedent. Upon any request or application by an Issuer to the Trustee to take or refrain from taking any action under this Indenture, the Issuer shall furnish to the Trustee:

(1) an Officers' Certificate of the Issuer, in form and substance reasonably satisfactory to the Trustee stating that, in the opinion of the signers, all conditions precedent, if any, provided for in this Indenture relating to the proposed action have been complied with; and

(2) an Opinion of Counsel in form and substance reasonably satisfactory to the Trustee stating that, in the opinion of such counsel, all such conditions precedent, if any, provided for in this Indenture relating to the proposed action have been complied with.

SECTION 11.05. Statements Required in Certificate or Opinion. Each certificate or opinion with respect to compliance with a covenant or condition provided for in this Indenture shall include:

(1) a statement that the individual making such certificate or opinion has read such covenant or condition;

(2) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;

(3) a statement that, in the opinion of such individual, he or she has made such examination or investigation as is necessary to enable him to express an informed opinion as to whether or not such covenant or condition has been complied with; and

(4) a statement as to whether or not, in the opinion of such individual, such covenant or condition has been complied with.

SECTION 11.06. Severability. If any provision in this Indenture is deemed unenforceable, it shall not affect the validity or enforceability of any other provision set forth herein, or of the Indenture as a whole.

SECTION 11.07. Rules by Trustee, Paying Agent and Registrar. The Trustee may make reasonable rules for action by or a meeting of Holders. The Registrar and the Paying Agent may make reasonable rules for their functions.

SECTION 11.08. Legal Holidays. A "Legal Holiday" is a Saturday, Sunday or other day on which banking institutions in New York State are authorized or required by law to close. If a payment date is a Legal Holiday, payment shall be made on the next succeeding day that is not a Legal Holiday, and no interest shall accrue for the intervening period unless otherwise expressly provided pursuant to Section 2.02 with respect to a particular Series of Securities. If a regular record date is a Legal Holiday, the record date shall not be affected.

SECTION 11.09. Governing Law. THIS INDENTURE AND THE SECURITIES SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK BUT WITHOUT GIVING EFFECT TO APPLICABLE PRINCIPLES OF CONFLICTS OF LAW TO THE EXTENT THAT THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION WOULD BE REQUIRED THEREBY.

SECTION 11.10. No Recourse Against Others. A director, officer, employee or shareholder, as such, of any Issuer or Securities Guarantor shall not have any liability for any obligations of the Issuer or Securities Guarantor under the Securities, the Securities Guarantees or this Indenture or for any claim based on, in respect of or by reason of such obligations or their creation. By accepting a Security, each Holder shall waive and release all such liability. The waiver and release shall be part of the consideration for the issuance of the Securities.

SECTION 11.11. Successors. All agreements of UAL, United and Continental in this Indenture, the Securities and the Securities Guarantees shall bind their respective successors. All agreements of the Trustee in this Indenture shall bind its successors.

SECTION 11.12. Multiple Originals. The parties may sign any number of copies of this Indenture. Each signed copy shall be an original, but all of them together represent the same agreement. One signed copy of the Indenture is enough to prove this Indenture.

SECTION 11.13. Table of Contents; Headings. The table of contents, cross-reference sheet and headings of the Articles and Sections of this Indenture have been inserted for convenience of reference only, are not intended to be considered a part hereof and shall not modify or restrict any of the terms or provisions hereof.

[Signature Page to follow]

UNITED CONTINENTAL HOLDINGS, INC.

By: _____
Name:
Title:

UNITED AIR LINES, INC.

By: _____
Name:
Title:

CONTINENTAL AIRLINES, INC.

By: _____
Name:
Title:

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as Trustee

By: _____
Name:
Title:

PASS THROUGH TRUST AGREEMENT

Dated as of [] [], 2012

between

UNITED AIR LINES, INC.

and

WILMINGTON TRUST, NATIONAL ASSOCIATION,

as Trustee

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EXHIBITS

Exhibit A	Form of Certificate
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Trust Indenture Act of 1939 Section	Pass Through Trust Agreement Section
310(a)(1)	7.08
(a)(2)	7.08
312(a)	3.05; 7.12; 8.01; 8.02
313(a) and (c)	8.03
313(b) and (d)	N.A.
314(a)(1)-(3)	8.04(a) - (c)
(a)(4)	8.04(d)
(c)(1)	1.02
(c)(2)	1.02
(d)(1)	N.A.
(d)(2)	N.A.
(d)(3)	N.A.
(e)	1.02
315(b)	7.02
315(c)	7.01(b)
316(a)(last sentence)	1.04(c)
(a)(1)(A)	6.04
(a)(1)(B)	6.05
(b)	6.06
(c)	1.04(d)
317(a)(1)	6.03
(b)	7.13
318(a)	12.07

N.A. means not applicable.

PASS THROUGH TRUST AGREEMENT

This PASS THROUGH TRUST AGREEMENT, dated as of _____ (this "Basic Agreement"), between UNITED AIR LINES, INC., a Delaware corporation (the "Company"), and WILMINGTON TRUST, NATIONAL ASSOCIATION, a national banking association, as Trustee, is made with respect to the formation from time to time of separate United Air Lines Pass Through Trusts, and the issuance from time to time of separate series of Pass Through Certificates representing fractional undivided interests in the respective Trusts.

WITNESSETH:

WHEREAS, from time to time, the Company and the Trustee may enter into one or more Trust Supplements (this and certain other defined terms used herein are defined in Section 1.01) pursuant to which the Trustee shall declare the creation of a separate Trust for the benefit of the Holders of the series of Certificates to be issued in respect of such Trust, and the initial Holders of the Certificates of such series, as the grantors of such Trust, by their respective acceptances of the Certificates of such series, shall join in the creation of such Trust with the Trustee;

WHEREAS, all Certificates to be issued in respect of each separate Trust will be issued as a separate series pursuant to this Agreement, will evidence fractional undivided interests in such Trust and will have no rights, benefits or interests in respect of any other separate Trust or the property held therein, subject, however, to the provisions of any Intercreditor Agreement to which one or more Trusts may be a party;

WHEREAS, from time to time, pursuant to the terms and conditions of this Agreement with respect to each separate Trust formed hereunder, the Trustee on behalf of such Trust shall purchase one or more issues of Equipment Notes having the same interest rate as, and final maturity dates not later than the final Regular Distribution Date of, the series of Certificates issued in respect of such Trust and, subject to the terms of any related Intercreditor Agreement, shall hold such Equipment Notes in trust for the benefit of the Certificateholders of such Trust;

WHEREAS, to facilitate the sale of Equipment Notes to, and the purchase of Equipment Notes by, the Trustee on behalf of each Trust created from time to time pursuant to this Agreement, the Company as the "issuer", as such term is defined in and solely for purposes of the Securities Act of 1933, as amended, of the Certificates to be issued in respect of each Trust and as the "obligor", as such term is defined in and solely for purposes of the Trust Indenture Act has duly authorized the execution and delivery of this Basic Agreement and each Trust Supplement with respect to all such Certificates and is undertaking to perform certain administrative and ministerial duties hereunder and is also undertaking to pay the fees and expenses of the Trustee; and

WHEREAS, this Basic Agreement, as supplemented from time to time, is subject to the provisions of the Trust Indenture Act and shall, to the extent applicable, be governed by such provisions;

ARTICLE I
DEFINITIONS

Section 1.01. Definitions. For all purposes of this Basic Agreement, except as otherwise expressly provided or unless the context otherwise requires:

- (1) the terms used herein that are defined in this Article I have the meanings assigned to them in this Article I, and include the plural as well as the singular;
- (2) all other terms used herein which are defined in the Trust Indenture Act, either directly or by reference therein, or by the rules promulgated under the Trust Indenture Act, have the meanings assigned to them therein;
- (3) all references in this Basic Agreement to designated "Articles", "Sections", "Subsections" and other subdivisions are to the designated Articles, Sections, Subsections and other subdivisions of this Basic Agreement;
- (4) the words "herein", "hereof" and "hereunder" and other words of similar import refer to this Basic Agreement as a whole and not to any particular Article, Section, Subsection or other subdivision;
- (5) unless the context otherwise requires, whenever the word "including", "include" or "includes" is used herein, it shall be deemed to be followed by the phrase "without limitation"; and
- (6) the term "this Agreement" (as distinguished from "this Basic Agreement") refers, unless the context otherwise requires, to this Basic Agreement as supplemented by the Trust Supplement creating a particular Trust and establishing the series of Certificates issued or to be issued in respect thereof, with reference to such Trust and such series of Certificates, as this Basic Agreement as so supplemented may be further supplemented with respect to such Trust and such series of Certificates.

Act: Has the meaning, with respect to any Certificateholder, specified in Section 1.04(a).

Affiliate: Means, with respect to any specified Person, any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such Person. For the purposes of this definition, "control", when used with respect to any specified Person, means the power, directly or indirectly, to direct the management and policies of such Person, whether through the ownership of voting securities or by contract or otherwise, and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

Aircraft: Means one or more aircraft, including engines therefor, owned by or leased to the Company and securing one or more Equipment Notes.

Authorized Agent: Means, with respect to the Certificates of any series, any Paying Agent or Registrar for the Certificates of such series.

Basic Agreement: Means this Pass Through Trust Agreement, as the same may from time to time be supplemented, amended or modified, but does not include any Trust Supplement.

Book-Entry Certificates: Means, with respect to the Certificates of any series, a beneficial interest in the Certificates of such series, ownership and transfers of which shall be made through book entries as described in Section 3.05.

Business Day: Means, with respect to the Certificates of any series, any day other than a Saturday, a Sunday or a day on which commercial banks are required or authorized to close in Chicago, Illinois, New York, New York, or, so long as any Certificate of such series is outstanding, the city and state in which the Trustee or any related Loan Trustee maintains its Corporate Trust Office or receives and disburses funds.

Certificate: Means any one of the certificates executed and authenticated by the Trustee, substantially in the form of Exhibit A hereto.

Certificate Account: Means, with respect to the Certificates of any series, the account or accounts created and maintained for such series pursuant to Section 4.01(a) and the related Trust Supplement.

Certificateholder or Holder: Means, with respect to the Certificates of any series, the Person in whose name a Certificate of such series is registered in the Register for Certificates of such series.

Certificate Owner: Means, with respect to the Certificates of any series, for purposes of Section 3.05, the Person who owns a Book-Entry Certificate of such series.

Clearing Agency: Means an organization registered as a "clearing agency" pursuant to Section 17A of the Securities Exchange Act of 1934, as amended.

Clearing Agency Participant: Means a broker, dealer, bank, other financial institution or other Person for whom from time to time a Clearing Agency effects, directly or indirectly, book-entry transfers and pledges of securities deposited with the Clearing Agency.

Company: Means United Air Lines, Inc., a Delaware corporation, or its successor in interest pursuant to Section 5.02, or (only in the context of provisions hereof, if any, when such reference is required for purposes of compliance with the Trust Indenture Act) any other "obligor" (within the meaning of the Trust Indenture Act) with respect to the Certificates of any series.

Controlling Party: Means, with respect to a series of Certificates, the Person entitled to act as such pursuant to the terms of the related Intercreditor Agreement.

Corporate Trust Office: Means, with respect to the Trustee or any Loan Trustee, the office of such trustee in the city at which at any particular time its corporate trust business shall be principally administered.

Cut-off Date: Means, with respect to the Certificates of any series, the date designated as such in the Trust Supplement establishing such series.

Definitive Certificates: Has the meaning, with respect to the Certificates of any series, specified in Section 3.05.

Direction: Has the meaning specified in Section 1.04(a).

Distribution Date: Means a Regular Distribution Date or a Specified Distribution Date.

Equipment Notes: Means, with respect to the Certificates of any series, all of the equipment notes issued under the Indentures related to such series of Certificates.

ERISA: Means the Employee Retirement Income Security Act of 1974, as amended from time to time, or any successor federal statute.

Escrow Account: Has the meaning, with respect to the Certificates of any series, specified in Section 2.02(b).

Escrowed Funds: Has the meaning, with respect to any Trust, specified in Section 2.02(b).

Event of Default: Means, in respect of any Trust, an Indenture Event of Default under any Indenture pursuant to which Equipment Notes held by such Trust were issued.

Fractional Undivided Interest: Means the fractional undivided interest in a Trust that is evidenced by a Certificate relating to such Trust.

Indenture: Means, with respect to any Trust, each of the one or more separate trust indenture and security agreements or trust indenture and mortgages or similar documents described in, or on a schedule attached to, the Trust Supplement and an indenture having substantially the same terms and conditions which relates to a Substitute Aircraft, as each such indenture may be amended or supplemented in accordance with its respective terms; and "Indentures" means all of such agreements.

Indenture Event of Default: Means, with respect to any Indenture, any Indenture Event of Default (as such term is defined in such Indenture).

Initial Regular Distribution Date: Means, with respect to the Certificates of any series, the first Regular Distribution Date on which a Scheduled Payment is to be made.

Intercreditor Agreement: Means any agreement by and among the Trustee, as trustee hereunder with respect to one or more Trusts, one or more Liquidity Providers, if any, and a Subordination Agent providing, among other things, for the distribution of payments made in respect of Equipment Notes held by such Trusts.

Issuance Date: Means, with respect to the Certificates of any series, the date of the issuance of such Certificates.

Lease: Means any lease between an Owner Trustee, as the lessor, and the Company, as the lessee, referred to in the related Indenture, as such lease may be amended, supplemented or otherwise modified in accordance with its terms; and "Leases" means all such Leases.

Letter of Representations: Means, with respect to the Certificates of any series, an agreement between the Trustee and the initial Clearing Agency substantially in the form attached as an exhibit to the related Trust Supplement, as such letter may be amended, modified or supplemented.

Liquidity Facility: Means, with respect to the Certificates of any series, any revolving credit agreement, letter of credit or similar facility relating to the Certificates of such series between a bank or other financial institution and a Subordination Agent, as amended, replaced, supplemented or otherwise modified from time to time in accordance with its terms and the terms of any applicable Intercreditor Agreement.

Liquidity Provider: Means, with respect to the Certificates of any series, a bank or other financial institution that agrees to provide a Liquidity Facility for the benefit of the holders of Certificates of such series.

Loan Trustee: Means, with respect to any Equipment Note or the Indenture applicable thereto, the bank or trust company designated as loan or indenture trustee under such Indenture, and any successor to such Loan Trustee as such trustee; and "Loan Trustees" means all of the Loan Trustees under the Indentures.

Note Documents: Means, with respect to the Certificates of any series, the Equipment Notes with respect to such Certificates and, with respect to such Equipment Notes, the related Indenture, Note Purchase Agreement and, if the related Aircraft is leased to the Company, the related Lease and the related Owner Trustee's Purchase Agreement.

Note Purchase Agreement: Means, with respect to the Certificates of any series, any note purchase, refunding, participation or similar agreement providing for, among other things, the purchase of Equipment Notes by the Trustee on behalf of the relevant Trust; and "Note Purchase Agreements" means all such agreements.

Officer's Certificate: Means a certificate signed, (a) in the case of the Company, by the Chairman or Vice Chairman of the Board of Directors, the President, any Vice President or the Treasurer of the Company, signing alone, or (b) in the case of the Trustee or an Owner Trustee or a Loan Trustee, a Responsible Officer of the Trustee or such Owner Trustee or such Loan Trustee, as the case may be.

Opinion of Counsel: Means a written opinion of legal counsel who (a) in the case of counsel for the Company may be (i) a senior attorney of the Company one of whose principal duties is furnishing advice as to legal matters, (ii) Hughes Hubbard & Reed LLP or (iii) such other counsel designated by the Company and reasonably acceptable to the Trustee and (b) in the case of any Owner Trustee or any Loan Trustee, may be such counsel as may be designated by any of them whether or not such counsel is an employee of any of them, and who shall be reasonably acceptable to the Trustee.

Other Agreements: Has the meaning specified in Section 6.01(b).

Outstanding: When used with respect to Certificates of any series, means, as of the date of determination, all Certificates of such series theretofore authenticated and delivered under this Agreement, except:

(i) Certificates of such series theretofore cancelled by the Registrar or delivered to the Trustee or the Registrar for cancellation;

(ii) All of the Certificates of such series if money in the full amount required to make the final distribution with respect to such series pursuant to Section 11.01 hereof has been theretofore deposited with the Trustee in trust for the Holders of the Certificates of such series as provided in Section 4.01 pending distribution of such money to such Certificateholders pursuant to payment of such final distribution payment; and

(iii) Certificates of such series in exchange for or in lieu of which other Certificates of such series have been authenticated and delivered pursuant to this Agreement.

Owner Participant: Means, with respect to any Equipment Note, the "Owner Participant", if any, as referred to in the Indenture pursuant to which such Equipment Note is issued and any permitted successor or assign of such Owner Participant; and "Owner Participants" at any time of determination means all of the Owner Participants thus referred to in the Indentures.

Owner Trustee: Means, with respect to any Equipment Note, the "Owner Trustee", if any, as referred to in the Indenture pursuant to which such Equipment Note is issued, not in its individual capacity but solely as trustee; and "Owner Trustees" means all of the Owner Trustees party to any of the related Indentures.

Owner Trustee's Purchase Agreement: Has the meaning, with respect to the Certificates of any series if the related Aircraft is leased to the Company, specified therefor in the related Lease.

Paying Agent: Means, with respect to the Certificates of any series, the paying agent maintained and appointed for the Certificates of such series pursuant to Section 7.12.

Permitted Investments: Means obligations of the United States of America or agencies or instrumentalities thereof for the payment of which the full faith and credit of the United States of America is pledged, maturing in not more than 60 days after the date of acquisition thereof or such lesser time as is required for the distribution of any Special Payments on a Special Distribution Date.

Person: Means any person, including any individual, corporation, limited liability company, partnership, joint venture, association, joint-stock company, trust, trustee, unincorporated organization, or government or any agency or political subdivision thereof.

Pool Balance: Means, with respect to the Certificates of any series as of any date, (i) the original aggregate face amount of the Certificates of any series less (ii) the aggregate amount of all payments made in respect of such Certificates other than payments made in respect of interest or premium thereon or reimbursement of any costs or expenses incurred in connection therewith. The Pool Balance as of any Distribution Date shall be computed after giving effect to the payment of principal, if any, on the Equipment Notes or other Trust Property held in the Trust and the distribution thereof to be made on such Distribution Date.

Pool Factor: Means, with respect to any series of Certificates as of any date, the quotient (rounded to the seventh decimal place) computed by dividing (i) the Pool Balance of such series as at such date by (ii) the original aggregate face amount of the Certificates of such series. The Pool Factor as of any Distribution Date shall be computed after giving effect to the payment of principal, if any, on the Equipment Notes or other Trust Property held in the Trust and the distribution thereof to be made on such Distribution Date.

Postponed Notes: Means, with respect to any Trust or the related series of Certificates, the Equipment Notes to be held in such Trust as to which a Postponement Notice shall have been delivered pursuant to Section 2.02(b).

Postponement Notice: Means, with respect to any Trust or the related series of Certificates, an Officer's Certificate of the Company signed by an officer of the Company (1) requesting that the Trustee temporarily postpone purchase of the related Equipment Notes to a date later than the Issuance Date of such series of Certificates, (2) identifying the amount of the purchase price of each such Equipment Note and the aggregate purchase price for all such Equipment Notes, (3) setting forth the reasons for such postponement and (4) with respect to each such Equipment Note, either (a) setting or resetting a new Transfer Date (which shall be on or prior to the applicable Cut-off Date) for payment by the Trustee of such purchase price and issuance of the related Equipment Note (subject to subsequent change from time to time in accordance with the relevant Note Purchase Agreement), or (b) indicating that such new Transfer Date (which shall be

on or prior to the applicable Cut-off Date) will be set by subsequent written notice not less than one Business Day prior to such new Transfer Date (subject to subsequent change from time to time in accordance with the relevant Note Purchase Agreement).

Potential Purchaser: Has the meaning, with respect to any Certificateholder, specified in Section 6.01(b).

PTC Event of Default: Means, with respect to the Certificates of any series, any failure to pay within ten Business Days of the due date thereof: (i) the outstanding Pool Balance of such series of Certificates on the date specified in any Trust Supplement for such payment or (ii) interest due on the Certificates of such series on any Distribution Date (unless the related Subordination Agent shall have made an Interest Drawing or Drawings (as defined in the related Intercreditor Agreement), or a withdrawal or withdrawals pursuant to a cash collateral account under such Intercreditor Agreement, with respect thereto in an aggregate amount sufficient to pay such interest and shall have distributed such amount to the Trustee).

Purchasing Certificateholder: Has the meaning, with respect to any Certificateholder, specified in Section 6.01(b).

Record Date: Means, with respect to any Trust or the related series of Certificates, (i) for Scheduled Payments to be distributed on any Regular Distribution Date, other than the final distribution with respect to such series, the 15th day (whether or not a Business Day) preceding such Regular Distribution Date, and (ii) for Special Payments to be distributed on any Special Distribution Date, other than the final distribution with respect to such series, the 15th day (whether or not a Business Day) preceding such Special Distribution Date.

Register and Registrar: Means, each with respect to the Certificates of any series, the register maintained and the registrar appointed pursuant to Sections 3.04 and 7.12.

Regular Distribution Date: Means, with respect to distributions of Scheduled Payments in respect of any series of Certificates, each date designated as such in this Agreement, until payment of all the Scheduled Payments to be made under the Equipment Notes held in the Trust has been made.

Request: Means a request by the Company setting forth the subject matter of the request accompanied by an Officer's Certificate and an Opinion of Counsel as provided in Section 1.02 of this Basic Agreement.

Responsible Officer: Means, with respect to any Trustee, any Loan Trustee and any Owner Trustee, any officer in the Corporate Trust Department of the Trustee, Loan Trustee or Owner Trustee or any other officer customarily performing functions similar to those performed by the persons who at the time shall be such officers, respectively, or to whom any corporate trust matter is referred because of his knowledge of and familiarity with a particular subject.

Responsible Party: Means, with respect to the Certificates of any series, the person designated as such in the related Trust Supplement.

Scheduled Payment: Means, with respect to any Equipment Note, (i) any payment of principal or interest on such Equipment Note (other than any such payment which is not in fact received by the Trustee or the applicable Subordination Agent within five days of the date on which such payment is scheduled to be made) or (ii) any payment of interest on the Certificates of any series with funds drawn under the Liquidity Facility for such series, which payment represents the installment of principal on such Equipment Note at the stated maturity of such installment, the payment of regularly scheduled interest accrued on the unpaid principal amount of such Equipment Note, or both; provided, however, that any payment of principal, premium, if any, or interest resulting from the redemption or purchase of any Equipment Note shall not constitute a Scheduled Payment.

SEC: Means the Securities and Exchange Commission, as from time to time constituted or created under the Securities Exchange Act of 1934, as amended, or, if at any time after the execution of this instrument such Commission is not existing and performing the duties now assigned to it under the Trust Indenture Act, then the body performing such duties on such date.

Selling Certificateholder: Has the meaning, with respect to any Certificateholder, specified in Section 6.01(b).

Special Distribution Date: Means, with respect to the Certificates of any series, each date on which a Special Payment is to be distributed as specified in this Agreement.

Special Payment: Means (i) any payment (other than a Scheduled Payment) in respect of, or any proceeds of, any Equipment Note or Trust Indenture Estate (as defined in each Indenture), (ii) the amounts required to be distributed pursuant to the last paragraph of Section 2.02(b) or (iii) the amounts required to be distributed pursuant to the penultimate paragraph of Section 2.02(b).

Special Payments Account: Means, with respect to the Certificates of any series, the account or accounts created and maintained for such series pursuant to Section 4.01(b) and the related Trust Supplement.

Specified Investments: Means, with respect to any Trust, unless otherwise specified in the related Trust Supplement, (i) obligations of, or guaranteed by, the United States Government or agencies thereof, (ii) open market commercial paper of any corporation incorporated under the laws of the United States of America or any state thereof rated at least P-2 or its equivalent by Moody's Investors Service, Inc. or at least A-2 or its equivalent by Standard & Poor's Ratings Services, a Standard & Poor's Financial Services LLC business, (iii) certificates of deposit issued by commercial banks organized under the laws of the United States or of any political subdivision thereof having a combined capital and surplus in excess of \$100,000,000 which banks or their holding companies have a rating of A or its equivalent by Moody's Investors Service,

Inc. or Standard & Poor's Ratings Services, a Standard & Poor's Financial Services LLC business; provided, however, that the aggregate amount at any one time so invested in certificates of deposit issued by any one bank shall not exceed 5% of such bank's capital and surplus, (iv) U.S. dollar-denominated offshore certificates of deposit issued by, or offshore time deposits with, any commercial bank described in clause (iii) above or any subsidiary thereof and (v) repurchase agreements with any financial institution having combined capital and surplus of at least \$100,000,000 with any of the obligations described in clauses (i) through (iv) above as collateral; provided further that if all of the above investments are unavailable, the entire amounts to be invested may be used to purchase federal funds from an entity described in clause (iii) above.

Subordination Agent: Has the meaning specified therefor in the applicable Intercreditor Agreement.

Substitute Aircraft: Means, with respect to any Trust, any Aircraft of a type specified in this Agreement and, at the election of the Company, substituted prior to the applicable Cut-off Date, if any, pursuant to the terms of this Agreement.

Transfer Date: Has the meaning assigned to that term or any of the terms "Delivery Date", "Funding Date" or "Closing Date" in the applicable Note Purchase Agreement, and in any event refers to any such date as it may be changed from time to time in accordance with the terms of such Note Purchase Agreement.

Triggering Event: Has the meaning specified therefor in the applicable Intercreditor Agreement.

Trust: Means, with respect to the Certificates of any series, the related trust under this Agreement.

Trustee: Means Wilmington Trust, National Association, or its successor in interest, and any successor or other trustee appointed as provided herein.

Trust Indenture Act: Means, with respect to any particular Trust, the United States Trust Indenture Act of 1939, as in force at the date as of which the related Trust Supplement was executed.

Trust Property: Means, with respect to any Trust, (i) subject to any related Intercreditor Agreement, the Equipment Notes held as the property of such Trust, all monies at any time paid thereon and all monies due and to become due thereunder, (ii) funds from time to time deposited in the related Escrow Account, the related Certificate Account and the related Special Payments Account and, subject to the related Intercreditor Agreement, any proceeds from the sale by the Trustee pursuant to Article VI hereof of any such Equipment Note, (iii) all rights of such Trust and the Trustee, on behalf of the Trust, under any Intercreditor Agreement, including, without limitation, all monies receivable in respect of such rights, and (iv) all monies receivable under any Liquidity Facility for such Trust.

Trust Supplement: Means an agreement supplemental hereto pursuant to which (i) a separate Trust is created for the benefit of the Holders of the Certificates of a series, (ii) the issuance of the Certificates of such series representing fractional undivided interests in such Trust is authorized and (iii) the terms of the Certificates of such series are established.

Section 1.02. Compliance Certificates and Opinions. Upon any application or request by the Company, any Owner Trustee or any Loan Trustee to the Trustee to take any action under any provision of this Basic Agreement or, in respect of the Certificates of any series, this Agreement, the Company, such Owner Trustee or such Loan Trustee, as the case may be, shall furnish to the Trustee (i) an Officer's Certificate stating that, in the opinion of the signer or signers, all conditions precedent, if any, provided for in this Basic Agreement or this Agreement relating to the proposed action have been complied with and (ii) an Opinion of Counsel stating that in the opinion of such counsel all such conditions precedent, if any, have been complied with, except that in the case of any such application or request as to which the furnishing of such documents is specifically required by any provision of this Basic Agreement or this Agreement relating to such particular application or request, no such Officer's Certificate or Opinion of Counsel need be furnished.

Every certificate or opinion with respect to compliance with a condition or covenant provided for in this Basic Agreement or, in respect of the Certificates of any series, this Agreement (other than a certificate provided pursuant to Section 8.04(d)) or any Trust Supplement shall include:

- (1) a statement that each individual signing such certificate or each firm or individual signing such opinion has read such covenant or condition and the definitions in this Basic Agreement or this Agreement relating thereto;
- (2) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;
- (3) a statement that, in the opinion of each such individual or firm, he or it has made such examination or investigation as is necessary to enable him or it to express an informed opinion as to whether or not such covenant or condition has been complied with; and
- (4) a statement as to whether, in the opinion of each such individual or firm, such condition or covenant has been complied with.

Section 1.03. Form of Documents Delivered to Trustee. In any case where several matters are required to be certified by, or covered by an opinion of, any specified Person, it is not necessary that all such matters be certified by, or covered by the opinion of, only one such Person, or that they be so certified or covered by only one document, but one such Person may certify or give an opinion with respect to some matters and one or more other such Persons as to other matters and any such Person may certify or give an opinion as to such matters in one or several documents.

Where any Person is required to make, give or execute two or more applications, requests, consents, certificates, statements, opinions or other instruments under this Basic Agreement or, in respect of the Certificates of any series, this Agreement, they may, but need not, be consolidated and form one instrument.

Section 1.04. Directions of Certificateholders. (a) Any direction, consent, request, demand, authorization, notice, waiver or other action provided by this Agreement in respect of the Certificates of any series to be given or taken by Certificateholders (a "Direction") may be embodied in and evidenced by one or more instruments of substantially similar tenor signed by such Certificateholders in person or by an agent or proxy duly appointed in writing; and, except as herein otherwise expressly provided, such action shall become effective when such instrument or instruments are delivered to the Trustee and, when it is hereby expressly required pursuant to this Agreement, to the Company or any Loan Trustee. Such instrument or instruments (and the action embodied therein and evidenced thereby) are herein sometimes referred to as the "Act" of the Certificateholders signing such instrument or instruments. Proof of execution of any such instrument or of a writing appointing any such agent or proxy shall be sufficient for any purpose of this Trust Agreement and conclusive in favor of the Trustee, the Company and the related Loan Trustee, if made in the manner provided in this Section 1.04.

(b) The fact and date of the execution by any Person of any such instrument or writing may be proved by the certificate of any notary public or other officer of any jurisdiction authorized to take acknowledgments of deeds or administer oaths that the Person executing such instrument acknowledged to him the execution thereof, or by an affidavit of a witness to such execution sworn to before any such notary or such other officer, and where such execution is by an officer of a corporation or association or a member of a partnership, on behalf of such corporation, association or partnership, such certificate or affidavit shall also constitute sufficient proof of his authority. The fact and date of the execution of any such instrument or writing, or the authority of the Person executing the same, may also be proved in any other reasonable manner which the Trustee deems sufficient.

(c) In determining whether the Certificateholders of the requisite Fractional Undivided Interests of Certificates of any series Outstanding have given any Direction under this Agreement, Certificates owned by the Company or any Affiliate thereof shall be disregarded and deemed not to be Outstanding for purposes of any such determination. In determining whether the Trustee shall be protected in relying upon any such Direction, only Certificates which the Trustee knows to be so owned shall be so disregarded. Notwithstanding the foregoing, (i) if any such Person owns 100% of the Certificates of any series Outstanding, such Certificates shall not be so disregarded, and (ii) if any amount of Certificates of any series 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 Trustee the pledgee's right so to act with respect to such Certificates and that the pledgee is not the Company or any Affiliate thereof.

(d) The Company may, at its option, by delivery of an Officer's Certificate to the Trustee, set a record date to determine the Certificateholders in respect of the Certificates of any series, entitled to give any Direction. Notwithstanding Section 316(c) of the Trust Indenture Act, such record date shall be the record date specified in such Officer's Certificate, which shall be a date not more than 30 days prior to the first solicitation of Certificateholders of the applicable series in connection therewith. If such a record date is fixed, such Direction may be given before or after such record date, but only the Certificateholders of record of the applicable series at the close of business on such record date shall be deemed to be Certificateholders for the purposes of determining whether Certificateholders of the requisite proportion of Outstanding Certificates of such series have authorized or agreed or consented to such Direction, and for that purpose the Outstanding Certificates shall be computed as of such record date; provided, however, that no such Direction by the Certificateholders on such record date shall be deemed effective unless it shall become effective pursuant to the provisions of this Agreement not later than one year after such record date.

(e) Any Direction by the Holder of any Certificate shall bind the Holder of every Certificate issued upon the transfer thereof or in exchange therefor or in lieu thereof, whether or not notation of such Direction is made upon such Certificate.

(f) Except as otherwise provided in Section 1.04(c), Certificates of any series owned by or pledged to any Person shall have an equal and proportionate benefit under the provisions of this Agreement, without preference, priority or distinction as among all of the Certificates of such series.

ARTICLE II

ORIGINAL ISSUANCE OF CERTIFICATES: ACQUISITION OF TRUST PROPERTY

Section 2.01. Amount Unlimited; Issuable in Series. (a) The aggregate face amount of Certificates which may be authenticated and delivered under this Basic Agreement is unlimited. The Certificates may be issued from time to time in one or more series and shall be designated generally as the "Pass Through Certificates", with such further designations added or incorporated in such title for the Certificates of each series as specified in the related Trust Supplement. Each Certificate shall bear upon its face the designation so selected for the series to which it belongs. All Certificates of the same series shall be substantially identical except that the Certificates of a series may differ as to denomination and as may otherwise be provided in the Trust Supplement establishing the Certificates of such series. Each series of Certificates issued pursuant to this Agreement will evidence fractional undivided interests in the related Trust and, except as may be contained in any Intercreditor Agreement, will have no rights, benefits or interests in respect of any other Trust or the Trust Property held therein. All Certificates of the same series shall be in all respects equally and ratably entitled to the benefits of this Agreement without preference, priority or distinction on account of the actual time or times of authentication and delivery, all in accordance with the terms and provisions of this Agreement.

- (b) The following matters shall be established with respect to the Certificates of each series issued hereunder by a Trust Supplement executed and delivered by and between the Company and the Trustee:
- (1) the formation of the Trust as to which the Certificates of such series represent fractional undivided interests and its designation (which designation shall distinguish such Trust from each other Trust created under this Basic Agreement and a Trust Supplement);
 - (2) the specific title of the Certificates of such series (which title shall distinguish the Certificates of such series from each other series of Certificates created under this Basic Agreement and a Trust Supplement);
 - (3) any limit upon the aggregate face amount of the Certificates of such series which may be authenticated and delivered (which limit shall not pertain to Certificates authenticated and delivered upon registration of transfer of, or in exchange for, or in lieu of, other Certificates of the series pursuant to Sections 3.03, 3.04 and 3.06);
 - (4) the Cut-off Date with respect to the Certificates of such series;
 - (5) the Regular Distribution Dates applicable to the Certificates of such series;
 - (6) the Special Distribution Dates applicable to the Certificates of such series;
 - (7) if other than as provided in Section 7.12(b), the Registrar or the Paying Agent for the Certificates of such series, including any Co-Registrar or additional Paying Agent;
 - (8) if other than as provided in Section 3.01, the denominations in which the Certificates of such series shall be issuable;
 - (9) if other than United States dollars, the currency or currencies (including currency units) in which the Certificates of such series shall be denominated;
 - (10) the specific form of the Certificates of such series (including the interest rate applicable thereto) and whether or not Certificates of such series are to be issued as Book-Entry Certificates and, if such Certificates are to be Book-Entry Certificates, the form of Letter of Representations, if any (or, in the case of any Certificates denominated in a currency other than United States dollars and if other than as provided in Section 3.05, whether and the circumstances under which beneficial owners of interests in such Certificates in permanent global form may exchange such interests for Certificates of such series and of like tenor of any authorized form and denomination);
 - (11) a description of the Equipment Notes to be acquired and held in the related Trust and of the related Aircraft and Note Documents;

- (12) provisions with respect to the terms for which the definitions set forth in Article I hereof or the terms of Section 11.01 hereof require further specification in the related Trust Supplement;
- (13) any restrictions (including legends) in respect of ERISA;
- (14) whether such series will be subject to an Intercreditor Agreement and, if so, the specific designation of such Intercreditor Agreement;
- (15) whether such series will have the benefit of a Liquidity Facility and, if so, the specific designation of such Liquidity Facility;
- (16) whether there will be a deposit agreement or other comparable arrangement prior to the delivery of one or more Aircraft and, if so, any terms appropriate thereto; and
- (17) any other terms of the Certificates of such series (which terms shall not be inconsistent with the provisions of the Trust Indenture Act), including any terms of the Certificates of such series which may be required or advisable under United States laws or regulations or advisable in connection with the marketing of Certificates of the series.

(c) At any time and from time to time after the execution and delivery of this Basic Agreement and a Trust Supplement forming a Trust and establishing the terms of Certificates of a series, Certificates of such series shall be executed, authenticated and delivered by the Trustee to the Person or Persons specified by the Company upon request of the Company and upon satisfaction or waiver of any conditions precedent set forth in such Trust Supplement.

Section 2.02. Acquisition of Equipment Notes. (a) Unless otherwise specified in the related Trust Supplement, on or prior to the Issuance Date of the Certificates of a series, the Trustee shall execute and deliver the related Note Purchase Agreements in the form delivered to the Trustee by the Company and shall, subject to the respective terms thereof, perform its obligations under such Note Purchase Agreements. The Trustee shall issue and sell such Certificates, in authorized denominations and in such Fractional Undivided Interests, so as to result in the receipt of consideration in an amount equal to the aggregate purchase price of the Equipment Notes contemplated to be purchased by the Trustee under the related Note Purchase Agreements and, concurrently therewith, the Trustee shall purchase, pursuant to the terms and conditions of the Note Purchase Agreements, such Equipment Notes at a purchase price equal to the amount of such consideration so received. Except as provided in Sections 3.03, 3.04 and 3.06 hereof, the Trustee shall not execute, authenticate or deliver Certificates of such series in excess of the aggregate amount specified in this paragraph. The provisions of this Subsection (a) are subject to the provisions of Subsection (b) below.

(b) If on or prior to the Issuance Date with respect to a series of Certificates the Company shall deliver to the Trustee a Postponement Notice relating to one or more Postponed Notes, the Trustee shall postpone the purchase of such Postponed Notes and shall deposit into an escrow account (as to such Trust, the "Escrow Account") to be maintained as part of the related Trust an amount equal to the purchase price of such Postponed Notes (the

"Escrowed Funds"). The portion of the Escrowed Funds so deposited with respect to any particular Postponed Notes shall be invested by the Trustee at the written direction and risk of, and for the benefit of, the Responsible Party in Specified Investments (i) maturing no later than any scheduled Transfer Date relating to such Postponed Notes or (ii) if no such Transfer Date has been scheduled, maturing on the next Business Day, or (iii) if the Company has given notice to the Trustee that such Postponed Notes will not be issued, maturing on the next applicable Special Distribution Date, if such investments are reasonably available for purchase. The Trustee shall make withdrawals from the Escrow Account only as provided in this Agreement. Upon request of the Company on one or more occasions and the satisfaction or waiver of the closing conditions specified in the applicable Note Purchase Agreements on or prior to the related Cut-off Date, the Trustee shall purchase the applicable Postponed Notes with the Escrowed Funds withdrawn from the Escrow Account. The purchase price shall equal the principal amount of such Postponed Notes.

The Trustee shall hold all Specified Investments until the maturity thereof and will not sell or otherwise transfer Specified Investments. If Specified Investments held in an Escrow Account mature prior to any applicable Transfer Date, any proceeds received on the maturity of such Specified Investments (other than any earnings thereon) shall be reinvested by the Trustee at the written direction and risk of, and for the benefit of, the Responsible Party in Specified Investments maturing as provided in the preceding paragraph.

Any earnings on Specified Investments received from time to time by the Trustee shall be promptly distributed to the Responsible Party. The Responsible Party shall pay to the Trustee for deposit to the relevant Escrow Account an amount equal to any losses on such Specified Investments as incurred. On the Initial Regular Distribution Date in respect of the Certificates of any series, the Responsible Party will pay (in immediately available funds) to the Trustee an amount equal to the interest that would have accrued on any Postponed Notes with respect to such Certificates, if any, purchased after the Issuance Date if such Postponed Notes had been purchased on the Issuance Date, from the Issuance Date to, but not including, the date of the purchase of such Postponed Notes by the Trustee.

If, in respect of the Certificates of any series, the Company notifies the Trustee prior to the Cut-off Date that any Postponed Notes will not be issued on or prior to the Cut-off Date for any reason, on the next Special Distribution Date for such Certificates occurring not less than 15 days following the date of such notice, (i) the Responsible Party shall pay to the Trustee for deposit in the related Special Payments Account, in immediately available funds, an amount equal to the interest that would have accrued on the Postponed Notes designated in such notice at a rate equal to the interest rate applicable to such Certificates from the Issuance Date to, but not including, such Special Distribution Date and (ii) the Trustee shall transfer an amount equal to that amount of Escrowed Funds that would have been used to purchase the Postponed Notes designated in such notice and the amount paid by the Responsible Party pursuant to the immediately preceding clause (i) to the related Special Payments Account for distribution as a Special Payment in accordance with the provisions hereof.

If, on such Cut-off Date, an amount equal to less than all of the Escrowed Funds (other than Escrowed Funds referred to in the immediately preceding paragraph) has been used to purchase Postponed Notes, on the next such Special Distribution Date occurring not less than

15 days following such Cut-off Date (i) the Responsible Party shall pay to the Trustee for deposit in such Special Payments Account, in immediately available funds, an amount equal to the interest that would have accrued on such Postponed Notes contemplated to be purchased with such unused Escrowed Funds (other than Escrowed Funds referred to in the immediately preceding paragraph) but not so purchased at a rate equal to the interest rate applicable to such Certificates from the Issuance Date to, but not including, such Special Distribution Date and (ii) the Trustee shall transfer such unused Escrowed Funds and the amount paid by the Responsible Party pursuant to the immediately preceding clause (i) to such Special Payments Account for distribution as a Special Payment in accordance with the provisions hereof.

Section 2.03. Acceptance by Trustee. Upon the execution and delivery of a Trust Supplement creating a Trust and establishing a series of Certificates, the Trustee shall acknowledge its acceptance of all right, title and interest in and to the Trust Property to be acquired pursuant to Section 2.02 hereof and the related Note Purchase Agreements and shall declare that the Trustee holds and will hold such right, title and interest for the benefit of all then present and future Certificateholders of such series, upon the trusts herein and in such Trust Supplement set forth. By the acceptance of each Certificate of such series issued to it under this Agreement, each initial Holder of such series as grantor of such Trust shall thereby join in the creation and declaration of such Trust.

Section 2.04. Limitation of Powers. Each Trust shall be constituted solely for the purpose of making the investment in the Equipment Notes provided for in the related Trust Supplement, and, except as set forth herein, the Trustee shall not be authorized or empowered to acquire any other investments or engage in any other activities and, in particular, the Trustee shall not be authorized or empowered to do anything that would cause such Trust to fail to qualify as a "grantor trust" for federal income tax purposes (including, as subject to this restriction, acquiring any Aircraft (as defined in the respective Indentures) by bidding such Equipment Notes or otherwise, or taking any action with respect to any such Aircraft once acquired).

ARTICLE III
THE CERTIFICATES

Section 3.01. Form, Denomination and Execution of Certificates. The Certificates of each series shall be issued in fully registered form without coupons and shall be substantially in the form attached hereto as Exhibit A, with such omissions, variations and insertions as are permitted by this Agreement, and may have such letters, numbers or other marks of identification and such legends or endorsements placed thereon as may be required to comply with the rules of any securities exchange on which such Certificates may be listed or to conform to any usage in respect thereof, or as may, consistently herewith, be determined by the Trustee or the officers executing such Certificates, as evidenced by the Trustee's or respective officers' execution of the Certificates.

Except as provided in Section 3.05, the definitive Certificates of such series shall be typed, printed, lithographed or engraved or produced by any combination of these methods or may be produced in any other manner permitted by the rules of any securities exchange on which the Certificates may be listed, all as determined by the officers executing such Certificates, as evidenced by their execution of such Certificates.

Except as otherwise provided in the related Trust Supplement, the Certificates of each series shall be issued in minimum denominations of \$1,000 or integral multiples thereof except that one Certificate of such series may be issued in a different denomination.

The Certificates of such series shall be executed on behalf of the Trustee by manual or facsimile signature of a Responsible Officer of the Trustee. Certificates of any series bearing the manual or facsimile signature of an individual who was, at the time when such signature was affixed, authorized to sign on behalf of the Trustee shall be valid and binding obligations of the Trustee, notwithstanding that such individual has ceased to be so authorized prior to the authentication and delivery of such Certificates or did not hold such office at the date of such Certificates.

Section 3.02. Authentication of Certificates. (a) On the Issuance Date, the Trustee shall duly execute, authenticate and deliver Certificates of each series in authorized denominations equalling in the aggregate the aggregate principal amount of the Equipment Notes that may be purchased by the Trustee pursuant to the related Note Purchase Agreements, and evidencing the entire ownership of the related Trust. Thereafter, the Trustee shall duly execute, authenticate and deliver the Certificates of such series as herein provided.

(b) No Certificate of any series shall be entitled to any benefit under this Agreement, or be valid for any purpose, unless there appears on such Certificate a certificate of authentication substantially in the form set forth in Exhibit A hereto executed by the Trustee by manual signature, and such certificate of authentication upon any Certificate shall be conclusive evidence, and the only evidence, that such Certificate has been duly authenticated and delivered hereunder. All Certificates of any series shall be dated the date of their authentication.

Section 3.03. Temporary Certificates. Until definitive Certificates are ready for delivery, the Trustee shall execute, authenticate and deliver temporary Certificates of each series. Temporary Certificates of each series shall be substantially in the form of definitive Certificates of such series but may have insertions, substitutions, omissions and other variations determined to be appropriate by the officers executing the temporary Certificates of such series, as evidenced by their execution of such temporary Certificates. If temporary Certificates of any series are issued, the Trustee will cause definitive Certificates of such series to be prepared without unreasonable delay. After the preparation of definitive Certificates of such series, the temporary Certificates shall be exchangeable for definitive Certificates upon surrender of such temporary Certificates at the office or agency of the Trustee designated for such purpose pursuant to Section 7.12, without charge to the Certificateholder. Upon surrender for cancellation of any one or more temporary Certificates, the Trustee shall execute, authenticate and deliver in exchange therefor a like face amount of definitive Certificates of like series, in authorized denominations and of a like Fractional Undivided Interest. Until so exchanged, such temporary Certificates shall be entitled to the same benefits under this Agreement as definitive Certificates.

Section 3.04. Transfer and Exchange. The Trustee shall cause to be kept at the office or agency to be maintained by it in accordance with the provisions of Section 7.12 a register (the "Register") for each series of Certificates in which, subject to such reasonable regulations as it may prescribe, the Trustee shall provide for the registration of Certificates of such series and of transfers and exchanges of such Certificates as herein provided. The Trustee shall initially be the registrar (the "Registrar") for the purpose of registering such Certificates of each series and transfers and exchanges of such Certificates as herein provided.

All Certificates issued upon any registration of transfer or exchange of Certificates of any series shall be valid obligations of the applicable Trust, evidencing the same interest therein, and entitled to the same benefits under this Agreement, as the Certificates of such series surrendered upon such registration of transfer or exchange.

Upon surrender for registration of transfer of any Certificate at the Corporate Trust Office or such other office or agency, the Trustee shall execute, authenticate and deliver, in the name of the designated transferee or transferees, one or more new Certificates of like series, in authorized denominations of a like aggregate Fractional Undivided Interest.

At the option of a Certificateholder, Certificates may be exchanged for other Certificates of like series, in authorized denominations and of a like aggregate Fractional Undivided Interest, upon surrender of the Certificates to be exchanged at any such office or agency. Whenever any Certificates are so surrendered for exchange, the Trustee shall execute, authenticate and deliver the Certificates that the Certificateholder making the exchange is entitled to receive. Every Certificate presented or surrendered for registration of transfer or exchange shall be duly endorsed or accompanied by a written instrument of transfer in form satisfactory to the Trustee and the Registrar duly executed by the Certificateholder thereof or its attorney duly authorized in writing.

No service charge shall be made to a Certificateholder for any registration of transfer or exchange of Certificates, but the Trustee shall require payment of a sum sufficient to cover any tax or governmental charge that may be imposed in connection with any transfer or exchange of Certificates. All Certificates surrendered for registration of transfer or exchange shall be cancelled and subsequently destroyed by the Trustee.

Section 3.05. Book-Entry and Definitive Certificates. (a) The Certificates of any series may be issued in the form of one or more typewritten Certificates representing the Book-Entry Certificates of such series, to be delivered to The Depository Trust Company, the initial Clearing Agency, by, or on behalf of, the Company. In such case, the Certificates of such series delivered to The Depository Trust Company shall initially be registered on the Register in the name of CEDE & Co., the nominee of the initial Clearing Agency, and no Certificate Owner will receive a definitive certificate representing such Certificate Owner's interest in the Certificates of such series, except as provided above and in Subsection (d) below. As to the Certificates of any series, unless and until definitive, fully registered Certificates (the "Definitive Certificates") have been issued pursuant to Subsection (d) below:

(i) the provisions of this Section 3.05 shall be in full force and effect;

(ii) the Company, the Paying Agent, the Registrar and the Trustee may deal with the Clearing Agency Participants for all purposes (including the making of distributions on the Certificates) as the authorized representatives of the Certificate Owners;

(iii) to the extent that the provisions of this Section 3.05 conflict with any other provisions of this Agreement (other than the provisions of any Trust Supplement expressly amending this Section 3.05 as permitted by this Basic Agreement), the provisions of this Section 3.05 shall control;

(iv) the rights of Certificate Owners shall be exercised only through the Clearing Agency and shall be limited to those established by law and agreements between such Certificate Owners and the Clearing Agency Participants; and until Definitive Certificates are issued pursuant to Subsection (d) below, the Clearing Agency will make book-entry transfers among the Clearing Agency Participants and receive and transmit distributions of principal, interest and premium, if any, on the Certificates to such Clearing Agency Participants; and

(v) whenever this Agreement requires or permits actions to be taken based upon instructions or directions of Certificateholders of such series holding Certificates of such series evidencing a specified percentage of the Fractional Undivided Interests in the related Trust, the Clearing Agency shall be deemed to represent such percentage only to the extent that it has received instructions to such effect from Clearing Agency Participants owning or representing, respectively, such required percentage of the beneficial interest in Certificates of such series and has delivered such instructions to the Trustee. The Trustee shall have no obligation to determine whether the Clearing Agency has in fact received any such instructions.

(b) Whenever notice or other communication to the Certificateholders of such series is required under this Agreement, unless and until Definitive Certificates shall have been issued pursuant to Subsection (d) below, the Trustee shall give all such notices and communications specified herein to be given to Certificateholders of such series to the Clearing Agency.

(c) Unless and until Definitive Certificates of a series are issued pursuant to Subsection (d) below, on the Record Date prior to each applicable Regular Distribution Date and Special Distribution Date, as stated in Section 4.03(a) the Trustee will request from the Clearing Agency a securities position listing setting forth the names of all Clearing Agency Participants reflected on the Clearing Agency's books as holding interests in the Certificates on such Record Date.

(d) If with respect to the Certificates of any series (i) the Company advises the Trustee in writing that the Clearing Agency is no longer willing or able to discharge properly its

responsibilities and the Trustee or the Company is unable to locate a qualified successor, (ii) the Company, at its option, advises the Trustee in writing that it elects to terminate the book-entry system through the Clearing Agency or (iii) after the occurrence of an Event of Default, Certificate Owners of Book-Entry Certificates of such series evidencing Fractional Undivided Interests aggregating not less than a majority in interest in the related Trust, by Act of such Certificate Owners delivered to the Company and the Trustee, advise the Company, the Trustee and the Clearing Agency through the Clearing Agency Participants in writing that the continuation of a book-entry system through the Clearing Agency Participants is no longer in the best interests of the Certificate Owners of such series, then the Trustee shall notify all Certificate Owners of such series, through the Clearing Agency, of the occurrence of any such event and of the availability of Definitive Certificates. Upon surrender to the Trustee of all the Certificates of such series held by the Clearing Agency, accompanied by registration instructions from the Clearing Agency Participants for registration of Definitive Certificates in the names of Certificate Owners of such series, the Trustee shall issue and deliver the Definitive Certificates of such series in accordance with the instructions of the Clearing Agency. Neither the Company, the Registrar, the Paying Agent nor the Trustee shall be liable for any delay in delivery of such instructions and may conclusively rely on, and shall be protected in relying on, such registration instructions. Upon the issuance of Definitive Certificates of such series, the Trustee shall recognize the Person in whose name the Definitive Certificates are registered in the Register as Certificateholders hereunder. Neither the Company nor the Trustee shall be liable to the Certificateholders or any other Person if the Trustee or the Company is unable to locate a qualified successor Clearing Agency.

(e) Except as otherwise provided in the related Trust Supplement, the Trustee shall enter into the applicable Letter of Representations with respect to such series of Certificates and fulfill its responsibilities thereunder.

(f) The provisions of this Section 3.05 may be made inapplicable to any series or may be amended with respect to any series in the related Trust Supplement.

Section 3.06. Mutilated, Destroyed, Lost or Stolen Certificates. If (a) any mutilated Certificate is surrendered to the Registrar, or the Registrar receives evidence to its satisfaction of the destruction, loss or theft of any Certificate, and (b) there is delivered to the Registrar and the Trustee such security, indemnity or bond, as may be required by them to save each of them harmless, then, in the absence of notice to the Registrar or the Trustee that such destroyed, lost or stolen Certificate has been acquired by a *bona fide* purchaser, and provided, however, that the requirements of Section 8-405 of the Uniform Commercial Code in effect in any applicable jurisdiction are met, the Trustee shall execute, authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Certificate, a new Certificate or Certificates of like series, in authorized denominations and of like Fractional Undivided Interest and bearing a number not contemporaneously outstanding.

In connection with the issuance of any new Certificate under this Section 3.06, the Trustee shall require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Trustee and the Registrar) connected therewith.

Any duplicate Certificate issued pursuant to this Section 3.06 shall constitute conclusive evidence of the appropriate Fractional Undivided Interest in the related Trust, as if originally issued, whether or not the lost, stolen or destroyed Certificate shall be found at any time.

The provisions of this Section 3.06 are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement or payment of mutilated, destroyed, lost or stolen Certificates.

Section 3.07. Persons Deemed Owners. Prior to due presentment of a Certificate for registration of transfer, the Trustee, the Registrar and any Paying Agent may treat the Person in whose name any Certificate is registered (as of the day of determination) as the owner of such Certificate for the purpose of receiving distributions pursuant to Article IV and for all other purposes whatsoever, and none of the Trustee, the Registrar or any Paying Agent shall be affected by any notice to the contrary.

Section 3.08. Cancellation. All Certificates surrendered for payment or transfer or exchange shall, if surrendered to the Trustee or any agent of the Trustee other than the Registrar, be delivered to the Registrar for cancellation and shall promptly be cancelled by it. No Certificates shall be authenticated in lieu of or in exchange for any Certificates cancelled as provided in this Section 3.08, except as expressly permitted by this Agreement. All cancelled Certificates held by the Registrar shall be destroyed and a certification of their destruction delivered to the Trustee.

Section 3.09. Limitation of Liability for Payments. All payments and distributions made to Certificateholders of any series in respect of the Certificates of such series shall be made only from the Trust Property of the related Trust and only to the extent that the Trustee shall have sufficient income or proceeds from such Trust Property to make such payments in accordance with the terms of Article IV of this Agreement. Each Certificateholder, by its acceptance of a Certificate, agrees that it will look solely to the income and proceeds from the Trust Property of the related Trust for any payment or distribution due to such Certificateholder pursuant to the terms of this Agreement and that it will not have any recourse to the Company, the Trustee, the Loan Trustees, the Owner Trustees or the Owner Participants, except as otherwise expressly provided herein or in the related Intercreditor Agreement.

The Company is a party to this Agreement solely for purposes of meeting the requirements of the Trust Indenture Act, and therefore shall not have any right, obligation or liability hereunder (except as otherwise expressly provided herein).

ARTICLE IV
DISTRIBUTIONS; STATEMENTS TO CERTIFICATEHOLDERS

Section 4.01. Certificate Account and Special Payments Account. (a) The Trustee shall establish and maintain on behalf of the Certificateholders of each series a Certificate Account as one or more non-interest-bearing accounts. The Trustee shall hold such Certificate Account in trust for the benefit of the Certificateholders of such series, and shall make or permit withdrawals therefrom only as provided in this Agreement. On each day when a Scheduled Payment is made to the Trustee (under an Intercreditor Agreement, if applicable) with respect to the Certificates of such series, the Trustee, upon receipt thereof, shall immediately deposit the aggregate amount of such Scheduled Payment in such Certificate Account.

(b) The Trustee shall establish and maintain on behalf of the Certificateholders of each series a Special Payments Account as one or more accounts, which shall be non-interest bearing except as provided in Section 4.04. The Trustee shall hold the Special Payments Account in trust for the benefit of the Certificateholders of such series and shall make or permit withdrawals therefrom only as provided in this Agreement. On each day when one or more Special Payments are made to the Trustee (under an Intercreditor Agreement, if applicable) with respect to the Certificates of such series, the Trustee, upon receipt thereof, shall immediately deposit the aggregate amount of such Special Payments in such Special Payments Account.

(c) The Trustee shall present (or, if applicable, cause the Subordination Agent to present) to the related Loan Trustee of each Equipment Note such Equipment Note on the date of its stated final maturity or, in the case of any Equipment Note which is to be redeemed in whole pursuant to the related Indenture, on the applicable redemption date under such Indenture.

Section 4.02. Distributions from Certificate Account and Special Payments Account. (a) On each Regular Distribution Date with respect to a series of Certificates or as soon thereafter as the Trustee has confirmed receipt of the payment of all or any part of the Scheduled Payments due on the Equipment Notes held (subject to the Intercreditor Agreement) in the related Trust on such date, the Trustee shall distribute out of the applicable Certificate Account the entire amount deposited therein pursuant to Section 4.01(a). There shall be so distributed to each Certificateholder of record of such series on the Record Date with respect to such Regular Distribution Date (other than as provided in Section 11.01 concerning the final distribution) by check mailed to such Certificateholder, at the address appearing in the Register, such Certificateholder's pro rata share (based on the Fractional Undivided Interest in the Trust held by such Certificateholder) of the total amount in the applicable Certificate Account, except that, with respect to Certificates registered on the Record Date in the name of a Clearing Agency (or its nominee), such distribution shall be made by wire transfer in immediately available funds to the account designated by such Clearing Agency (or such nominee).

(b) On each Special Distribution Date with respect to any Special Payment with respect to a series of Certificates or as soon thereafter as the Trustee has confirmed receipt of any Special Payments due on the Equipment Notes held (subject to the Intercreditor Agreement) in the related Trust or realized upon the sale of such Equipment Notes, the Trustee shall distribute out of the applicable Special Payments Account the entire amount of such applicable Special Payment deposited therein pursuant to Section 4.01(b). There shall be so distributed to each Certificateholder of record of such series on the Record Date with respect to such Special Distribution Date (other than as provided in Section 11.01 concerning the final distribution) by check mailed to such Certificateholder, at the address appearing in the Register, such Certificateholder's pro rata share (based on the Fractional Undivided Interest in the related Trust held by such Certificateholder) of the total amount in the applicable Special Payments Account on account of such Special Payment, except that, with respect to Certificates registered on the Record Date in the name of a Clearing Agency (or its nominee), such distribution shall be made by wire transfer in immediately available funds to the account designated by such Clearing Agency (or such nominee).

(c) The Trustee shall, at the expense of the Company, cause notice of each Special Payment with respect to a series of Certificates to be mailed to each Certificateholder of such series at his address as it appears in the Register. In the event of redemption or purchase of Equipment Notes held in the related Trust, such notice shall be mailed not less than 15 days prior to the Special Distribution Date for the Special Payment resulting from such redemption or purchase, which Special Distribution Date shall be the date of such redemption or purchase. In the event that the Trustee receives a notice from the Company that Postponed Notes will not be purchased by the Trustee pursuant to Section 2.02, such notice of Special Payment shall be mailed as soon as practicable after receipt of such notice from the Company and shall state the Special Distribution Date for such Special Payment, which shall occur 15 days after the date of such notice of Special Payment or (if such 15th day is not practicable) as soon as practicable thereafter. In the event that any Special Payment is to be made pursuant to the last paragraph of Section 2.02(b) hereof, there shall be mailed on the Cut-off Date (or, if such mailing on the Cut-off Date is not practicable, as soon as practicable after the Cut-off Date), notice of such Special Payment stating the Special Distribution Date for such Special Payment, which shall occur 15 days after the date of such notice of such Special Payment (or, if such 15th day is not practicable, as soon as practicable thereafter). In the case of any other Special Payments, such notice shall be mailed as soon as practicable after the Trustee has confirmed that it has received funds for such Special Payment, stating the Special Distribution Date for such Special Payment which shall occur not less than 15 days after the date of such notice and as soon as practicable thereafter. Notices mailed by the Trustee shall set forth:

- (i) the Special Distribution Date and the Record Date thereof (except as otherwise provided in Section 11.01),
- (ii) the amount of the Special Payment (taking into account any payment to be made by the Company pursuant to Section 2.02(b)) for each \$1,000 face amount Certificate and the amount thereof constituting principal, premium, if any, and interest,
- (iii) the reason for the Special Payment, and

(iv) if the Special Distribution Date is the same date as a Regular Distribution Date for the Certificates of such series, the total amount to be received on such date for each \$1,000 face amount Certificate.

If the amount of premium, if any, payable upon the redemption or purchase of an Equipment Note has not been calculated at the time that the Trustee mails notice of a Special Payment, it shall be sufficient if the notice sets forth the other amounts to be distributed and states that any premium received will also be distributed.

If any redemption of the Equipment Notes held in any Trust is cancelled, the Trustee, as soon as possible after learning thereof, shall cause notice thereof to be mailed to each Certificateholder of the related series at its address as it appears on the Register.

Section 4.03. **Statements to Certificateholders.** (a) On each Regular Distribution Date and Special Distribution Date, the Trustee will include with each distribution of a Scheduled Payment or Special Payment, as the case may be, to Certificateholders of the related series a statement setting forth the information provided below. Such statement shall set forth (per \$1,000 aggregate face amount of Certificate as to (i) and (ii) below) the following information:

- (i) the amount of such distribution hereunder allocable to principal and the amount allocable to premium, if any;
- (ii) the amount of such distribution hereunder allocable to interest; and
- (iii) the Pool Balance and the Pool Factor of the related Trust.

With respect to the Certificates registered in the name of a Clearing Agency or its nominee, on the Record Date prior to each Distribution Date, the Trustee will request from the Clearing Agency a securities position listing setting forth the names of all the Clearing Agency Participants reflected on the Clearing Agency's books as holding interests in the Certificates on such Record Date. On each Distribution Date, the applicable Trustee will mail to each such Clearing Agency Participant the statement described above and will make available additional copies as requested by such Clearing Agency Participant for forwarding to holders of interests in the Certificates.

(b) Within a reasonable period of time after the end of each calendar year but not later than the latest date permitted by law, the Trustee shall furnish to each Person who at any time during such calendar year was a Certificateholder of record a statement containing the sum of the amounts determined pursuant to clauses (a)(i) and (a)(ii) above with respect to the related Trust for such calendar year or, in the event such Person was a Certificateholder of record during a portion of such calendar year, for the applicable portion of such year, and such other items as are readily available to the Trustee and which a Certificateholder shall reasonably request as necessary for the purpose of such Certificateholder's preparation of its federal income tax returns. With respect to Certificates registered in the name of a Clearing Agency or its nominee, such statement and such other items shall be prepared on the basis of information supplied to the Trustee by the Clearing Agency Participants and shall be delivered by the Trustee to such Clearing Agency Participants to be available for forwarding by such Clearing Agency Participants to the holders of interests in the Certificates in the manner described in Section 4.03(a).

Section 4.04. Investment of Special Payment Moneys. Any money received by the Trustee pursuant to Section 4.01(b) representing a Special Payment which is not distributed on the date received shall, to the extent practicable, be invested in Permitted Investments by the Trustee pending distribution of such Special Payment pursuant to Section 4.02. Any investment made pursuant to this Section 4.04 shall be in such Permitted Investments having maturities not later than the date that such moneys are required to be used to make the payment required under Section 4.02 on the applicable Special Distribution Date and the Trustee shall hold any such Permitted Investments until maturity. The Trustee shall have no liability with respect to any investment made pursuant to this Section 4.04, other than by reason of the willful misconduct or negligence of the Trustee. All income and earnings from such investments shall be distributed on such Special Distribution Date as part of such Special Payment.

ARTICLE V
THE COMPANY

Section 5.01. Maintenance of Corporate Existence. The Company, at its own cost and expense, will do or cause to be done all things necessary to preserve and keep in full force and effect its corporate existence, rights and franchises, except as otherwise specifically permitted in Section 5.02; provided, however, that the Company shall not be required to preserve any right or franchise if the Company shall determine that the preservation thereof is no longer desirable in the conduct of the business of the Company.

Section 5.02. Consolidation, Merger, Etc. The Company shall not consolidate with or merge into any other Person or convey, transfer or lease substantially all of its assets as an entirety to any Person unless:

(a) the Person formed by such consolidation or into which the Company is merged or the Person that acquires by conveyance, transfer or lease substantially all of the assets of the Company as an entirety shall be (i) organized and validly existing under the laws of the United States of America or any state thereof or the District of Columbia, (ii) a "citizen of the United States" as defined in 49 U.S.C. § 40102(a)(15), as amended, and (iii) a United States certificated air carrier, if and so long as such status is a condition of entitlement to the benefits of Section 1110 of the Bankruptcy Reform Act of 1978, as amended (11 U.S.C. § 1110), with respect to the Leases or the Aircraft owned by the Company;

(b) the Person formed by such consolidation or into which the Company is merged or the Person which acquires by conveyance, transfer or lease substantially all of the assets of the Company as an entirety shall execute and deliver to the Trustee applicable to the Certificates of each series a duly authorized, valid, binding and

enforceable agreement in form and substance reasonably satisfactory to the Trustee containing an assumption by such successor corporation or Person of the due and punctual performance and observance of each covenant and condition of the Note Documents and of this Agreement applicable to the Certificates of each series to be performed or observed by the Company; and

(c) the Company shall deliver to the Trustee an Officer's Certificate of the Company and an Opinion of Counsel of the Company reasonably satisfactory to the Trustee, each stating that such consolidation, merger, conveyance, transfer or lease and the assumption agreement mentioned in clause (b) above comply with this Section 5.02 and that all conditions precedent herein provided for relating to such transaction have been complied with.

Upon any consolidation or merger, or any conveyance, transfer or lease of substantially all of the assets of the Company as an entirety in accordance with this Section 5.02, the successor corporation or Person formed by such consolidation or into which the Company is merged or to which such conveyance, transfer or lease is made shall succeed to, and be substituted for, and may exercise every right and power of, the Company under this Agreement applicable to the Certificates of each series with the same effect as if such successor corporation or Person had been named as the Company herein. No such conveyance, transfer or lease of substantially all of the assets of the Company as an entirety shall have the effect of releasing any successor corporation or Person which shall have become such in the manner prescribed in this Section 5.02 from its liability in respect of this Agreement and any Note Document applicable to the Certificates of such series to which it is a party.

ARTICLE VI

DEFAULT

Section 6.01. Events of Default. (a) Exercise of Remedies. Upon the occurrence and during the continuation of any Indenture Event of Default under any Indenture, the Trustee may (i) to the extent it is the Controlling Party at such time (as determined pursuant to the related Intercreditor Agreement), direct the exercise of remedies as provided in such related Intercreditor Agreement and (ii) if there is no related Intercreditor Agreement, direct the exercise of remedies or take other action as provided in the relevant Indenture to the extent that it may do so as the holder of the Equipment Notes issued under such Indenture and held in the related Trust.

(b) Purchase Rights of Certificateholders. At any time after the occurrence and during the continuation of a Triggering Event, each Certificateholder of Certificates of certain series (each, a "Potential Purchaser" and, collectively, the "Potential Purchasers") will have certain rights to purchase the Certificates of one or more other series, all as set forth in the Trust Supplement applicable to the Certificates held by such Potential Purchaser. The purchase price with respect to the Certificates of any series shall be equal to the Pool Balance of the Certificates of such series, together with accrued and unpaid interest thereon to the date of such purchase, without premium, but including any other amounts then due and payable to the

Certificateholders of such series under this Agreement, any related Intercreditor Agreement or any other Note Document or on or in respect of the Certificates of such series; provided, however, that if such purchase occurs after a Record Date, such purchase price shall be reduced by the amount to be distributed hereunder on the related Distribution Date (which deducted amounts shall remain distributable to, and may be retained by, the Certificateholder as of such Record Date); provided, further, that no such purchase of Certificates of such series shall be effective unless the purchasing Certificateholder (each, a "Purchasing Certificateholder" and, collectively, the "Purchasing Certificateholders") shall certify to the Trustee that contemporaneously with such purchase, one or more Purchasing Certificateholders are purchasing, pursuant to the terms of this Agreement and the other Agreements, if any, relating to the Certificates of a series that are subject to the same Intercreditor Agreement (such other Agreements, the "Other Agreements"), the Certificates of each such series that the Trust Supplement applicable to the Certificates held by the Purchasing Certificateholder specifies may be purchased by such Purchasing Certificateholder. Each payment of the purchase price of the Certificates of any series shall be made to an account or accounts designated by the Trustee and each such purchase shall be subject to the terms of this Section 6.01. By acceptance of its Certificate, each Certificateholder (each, a "Selling Certificateholder" and, collectively, the "Selling Certificateholders") of a series that is subject to purchase by Potential Purchasers, all as set forth in the Trust Supplement applicable to the Certificates held by the Selling Certificateholders, agrees that, at any time after the occurrence and during the continuance of a Triggering Event, it will, upon payment of the purchase price specified herein by one or more Purchasing Certificateholders, forthwith sell, assign, transfer and convey to such Purchasing Certificateholder (without recourse, representation or warranty of any kind except for its own acts), all of the right, title, interest and obligation of such Selling Certificateholder in this Agreement, any related Intercreditor Agreement, the related Liquidity Facility, the related Note Documents and all Certificates of such series held by such Selling Certificateholder (excluding all right, title and interest under any of the foregoing to the extent such right, title or interest is with respect to an obligation not then due and payable as respects any action or inaction or state of affairs occurring prior to such sale) and the Purchasing Certificateholder shall assume all of such Selling Certificateholder's obligations under this Agreement, any related Intercreditor Agreement, the related Liquidity Facility and the related Note Documents. The Certificates of such series will be deemed to be purchased on the date payment of the purchase price is made notwithstanding the failure of any Selling Certificateholder to deliver any Certificates of such series and, upon such a purchase, (i) the only rights of the Selling Certificateholders will be to deliver the Certificates to the Purchasing Certificateholder and receive the purchase price for such Certificates of such series and (ii) if the Purchasing Certificateholder shall so request, such Selling Certificateholder will comply with all of the provisions of Section 3.04 hereof to enable new Certificates of such series to be issued to the Purchasing Certificateholder in such denominations as it shall request. All charges and expenses in connection with the issuance of any such new Certificates shall be borne by the Purchasing Certificateholder.

Section 6.02, Incidents of Sale of Equipment Notes. Upon any sale of all or any part of the Equipment Notes held in the Trust made either under the power of sale given under this Agreement or otherwise for the enforcement of this Agreement, the following shall be applicable:

(1) Certificateholders and Trustee May Purchase Equipment Notes. Any Certificateholder, the Trustee in its individual or any other capacity or any other Person may bid for and purchase any of the Equipment Notes held in the Trust, and upon compliance with the terms of sale, may hold, retain, possess and dispose of such Equipment Notes in their own absolute right without further accountability.

(2) Receipt of Trustee Shall Discharge Purchaser. The receipt of the Trustee making such sale shall be a sufficient discharge to any purchaser for his purchase money, and, after paying such purchase money and receiving such receipt, such purchaser or its personal representative or assigns shall not be obliged to see to the application of such purchase money, or be in any way answerable for any loss, misapplication or non-application thereof.

(3) Application of Moneys Received upon Sale. Any moneys collected by the Trustee upon any sale made either under the power of sale given by this Agreement or otherwise for the enforcement of this Agreement shall be applied as provided in Section 4.02.

Section 6.03. Judicial Proceedings Instituted by Trustee; Trustee May Bring Suit. If there shall be a failure to make payment of the principal of, premium, if any, or interest on any Equipment Note held in the related Trust, or if there shall be any failure to pay Rent (as defined in the relevant Lease) under any Lease when due and payable, then the Trustee, in its own name and as trustee of an express trust, as holder of such Equipment Notes, to the extent permitted by and in accordance with the terms of any related Intercreditor Agreement and any related Note Documents (subject to rights of the applicable Owner Trustee or Owner Participant to cure any such failure to pay principal of, premium, if any, or interest on any Equipment Note or to pay Rent under any Lease in accordance with the applicable Indenture), shall be entitled and empowered to institute any suits, actions or proceedings at law, in equity or otherwise, for the collection of the sums so due and unpaid on such Equipment Notes or under such Lease and may prosecute any such claim or proceeding to judgment or final decree with respect to the whole amount of any such sums so due and unpaid.

Section 6.04. Control by Certificateholders. Subject to Section 6.03 and any related Intercreditor Agreement, the Certificateholders holding Certificates of a series evidencing Fractional Undivided Interests aggregating not less than a majority in interest in the related 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 such Intercreditor Agreement, or exercising any trust or power conferred on the Trustee under this Agreement or such Intercreditor Agreement, including any right of the Trustee as Controlling Party under such Intercreditor Agreement or as holder of the Equipment Notes held in the related Trust; provided, however, that

(1) such Direction shall not in the opinion of the Trustee be in conflict with any rule of law or with this Agreement and would not involve the Trustee in personal liability or expense, unless the Person(s) issuing such Direction shall provide the Trustee with an indemnity against such liability or expense satisfactory to the Trustee in its sole discretion,

- (2) the Trustee shall not determine that the action so directed would be unjustly prejudicial to the Certificateholders of such series not taking part in such Direction, and
- (3) the Trustee may take any other action deemed proper by the Trustee which is not inconsistent with such Direction.

Section 6.05. Waiver of Past Defaults. Subject to any related Intercreditor Agreement, the Certificateholders holding Certificates of a series evidencing Fractional Undivided Interests aggregating not less than a majority in interest in the Trust (i) may on behalf of all of the Certificateholders waive any past Event of Default hereunder and its consequences or (ii) if the Trustee is the Controlling Party, may direct the Trustee to instruct the applicable Loan Trustee to waive any past Indenture Event of Default under any related Indenture and its consequences, and thereby annul any Direction given by such Certificateholders or the Trustee to such Loan Trustee with respect thereto, except a default:

- (1) in the deposit of any Scheduled Payment or Special Payment under Section 4.01 or in the distribution of any payment under Section 4.02 on the Certificates of a series, or
- (2) in the payment of the principal of (premium, if any) or interest on the Equipment Notes held in the related Trust, or
- (3) in respect of a covenant or provision hereof which under Article IX hereof cannot be modified or amended without the consent of each Certificateholder holding an Outstanding Certificate of a series affected thereby.

Upon any such waiver, such default shall cease to exist with respect to the Certificates of such series and any Event of Default arising therefrom shall be deemed to have been cured for every purpose and any direction given by the Trustee on behalf of the Certificateholders of such series to the relevant Loan Trustee shall be annulled with respect thereto; but no such waiver shall extend to any subsequent or other default or Event of Default or impair any right consequent thereon. Upon any such waiver, the Trustee shall vote the Equipment Notes issued under the relevant Indenture to waive the corresponding Indenture Event of Default.

Section 6.06. Right of Certificateholders to Receive Payments Not to Be Impaired. Anything in this Agreement to the contrary notwithstanding, including, without limitation, Section 6.07 hereof, but subject to any related Intercreditor Agreement, the right of any Certificateholder to receive distributions of payments required pursuant to Section 4.02 hereof on the applicable Certificates when due, or to institute suit for the enforcement of any such payment on or after the applicable Regular Distribution Date or Special Distribution Date, shall not be impaired or affected without the consent of such Certificateholder.

Section 6.07. Certificateholders May Not Bring Suit Except Under Certain Conditions. A Certificateholder of any series shall not have the right to institute any suit, action or proceeding at law or in equity or otherwise with respect to this Agreement, for the appointment of a receiver or for the enforcement of any other remedy under this Agreement, unless:

- (1) such Certificateholder previously shall have given written notice to the Trustee of a continuing Event of Default;
- (2) Certificateholders holding Certificates of such series evidencing Fractional Undivided Interests aggregating not less than 25% of the related Trust shall have requested the Trustee in writing to institute such action, suit or proceeding and shall have offered to the Trustee indemnity as provided in Section 7.03(e);
- (3) the Trustee shall have refused or neglected to institute any such action, suit or proceeding for 60 days after receipt of such notice, request and offer of indemnity; and
- (4) no direction inconsistent with such written request shall have been given to the Trustee during such 60-day period by Certificateholders holding Certificates of such series evidencing Fractional Undivided Interests aggregating not less than a majority in interest in the related Trust.

It is understood and intended that no one or more of the Certificateholders of any series shall have any right in any manner whatsoever hereunder or under the related Trust Supplement or under the Certificates of such series to (i) surrender, impair, waive, affect, disturb or prejudice any property in the Trust Property of the related Trust, or the lien of any related Indenture on any property subject thereto, or the rights of the Certificateholders of such series or the holders of the related Equipment Notes, (ii) obtain or seek to obtain priority over or preference with respect to any other such Certificateholder of such series or (iii) enforce any right under this Agreement, except in the manner herein provided and for the equal, ratable and common benefit of all the Certificateholders of such series subject to the provisions of this Agreement.

Section 6.08. Remedies Cumulative. Every remedy given hereunder to the Trustee or to any of the Certificateholders of any series shall not be exclusive of any other remedy or remedies, and every such remedy shall be cumulative and in addition to every other remedy given hereunder or now or hereafter given by statute, law, equity or otherwise.

Section 6.09. Undertaking for Costs. In any suit for the enforcement of any right or remedy under this Agreement, or in any suit against the Trustee for any action taken, suffered or omitted by it as Trustee, a court may require any party litigant in such suit to file an undertaking to pay the costs of such suit, and may assess costs against any such party litigant, in the manner and to the extent provided in the Trust Indenture Act; provided, however, that neither this Section 6.09 nor the Trust Indenture Act shall be deemed to authorize any court to require such an undertaking or to make such an assessment in any suit instituted by the Company.

ARTICLE VII
THE TRUSTEE

Section 7.01. Certain Duties and Responsibilities. (a) Except during the continuance of an Event of Default in respect of a Trust, the Trustee undertakes to perform such duties in respect of such Trust as are specifically set forth in this Agreement, and no implied covenants or obligations shall be read into this Agreement against the Trustee.

(b) In case an Event of Default in respect of a Trust has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested in it by this Agreement in respect of such Trust, and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.

(c) No provision of this Agreement shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that

(1) this Subsection shall not be construed to limit the effect of Subsection (a) of this Section 7.01; and

(2) the Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer of the Trustee, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts.

(d) Whether or not herein expressly so provided, every provision of this Agreement relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Section 7.01.

Section 7.02. Notice of Defaults. As promptly as practicable after, and in any event within 90 days after, the occurrence of any default (as such term is defined below) hereunder known to the Trustee, the Trustee shall transmit by mail to the Company, any related Owner Trustees, any related Owner Participants, the related Loan Trustees and the Certificateholders holding Certificates of the related series in accordance with Section 313(c) of the Trust Indenture Act, notice of such default hereunder known to the Trustee, unless such default shall have been cured or waived; provided, however, that, except in the case of a default in the payment of the principal, premium, if any, or interest on any Equipment Note, the Trustee shall be protected in withholding such notice if and so long as the board of directors, the executive committee or a trust committee of directors and/or Responsible Officers of the Trustee in good faith shall determine that the withholding of such notice is in the interests of the Certificateholders of the related series. For the purpose of this Section 7.02 in respect of any Trust, the term "default" means any event that is, or after notice or lapse of time or both would become, an Event of Default in respect of that Trust.

Section 7.03. Certain Rights of Trustee. Subject to the provisions of Section 315 of the Trust Indenture Act:

(a) the Trustee may rely and shall be protected in acting or refraining from acting in reliance upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties;

(b) any request or direction of the Company mentioned herein shall be sufficiently evidenced by a Request;

(c) whenever in the administration of this Agreement or any Intercreditor Agreement, the Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Trustee (unless other evidence be herein specifically prescribed) may, in the absence of bad faith on its part, rely upon an Officer's Certificate of the Company, any related Owner Trustee or any related Loan Trustee;

(d) the Trustee may consult with counsel and the advice of such counsel or any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon;

(e) the Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Agreement or any Intercreditor Agreement at the Direction of any of the Certificateholders pursuant to this Agreement or any Intercreditor Agreement, unless such Certificateholders shall have offered to the Trustee reasonable security or indemnity against the cost, expenses and liabilities which might be incurred by it in compliance with such Direction;

(f) the Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture or other paper or document;

(g) the Trustee may execute any of the trusts or powers under this Agreement or any Intercreditor Agreement or perform any duties under this Agreement or any Intercreditor Agreement either directly or by or through agents or attorneys, and the Trustee shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it under this Agreement or any Intercreditor Agreement;

(h) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the Direction of the Certificateholders holding Certificates of any series evidencing Fractional Undivided Interests aggregating not less than a majority in interest in the related Trust relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Agreement or any Intercreditor Agreement; and

(i) the Trustee shall not be required to expend or risk its own funds in the performance of any of its duties under this Agreement, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk is not reasonably assured to it.

Section 7.04. Not Responsible for Recitals or Issuance of Certificates. The recitals contained herein and in the Certificates of each series, except the certificates of authentication, shall not be taken as the statements of the Trustee, and the Trustee assumes no responsibility for their correctness. Subject to Section 7.15, the Trustee makes no representations as to the validity or sufficiency of this Basic Agreement, any Equipment Notes, any Intercreditor Agreement, the Certificates of any series, any Trust Supplement or any Note Documents, except that the Trustee hereby represents and warrants that this Basic Agreement has been, and each Trust Supplement, each Certificate, each Note Purchase Agreement and each Intercreditor Agreement of, or relating to, each series will be executed and delivered by one of its officers who is duly authorized to execute and deliver such document on its behalf.

Section 7.05. May Hold Certificates. The Trustee, any Paying Agent, Registrar or any of their Affiliates or any other agent, in their respective individual or any other capacity, may become the owner or pledgee of Certificates and, subject to Sections 310(b) and 311 of the Trust Indenture Act, if applicable, may otherwise deal with the Company, any Owner Trustees or the Loan Trustees with the same rights it would have if it were not Trustee, Paying Agent, Registrar or such other agent.

Section 7.06. Money Held in Trust. Money held by the Trustee or the Paying Agent in trust under this Agreement need not be segregated from other funds except to the extent required herein or by law and neither the Trustee nor the Paying Agent shall have any liability for interest upon any such moneys except as provided for herein.

Section 7.07. Compensation and Reimbursement. The Company agrees:

(1) to pay, or cause to be paid, to the Trustee from time to time reasonable compensation for all services rendered by it hereunder (which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust); and

(2) except as otherwise expressly provided herein or in any Trust Supplement, to reimburse, or cause to be reimbursed, the Trustee upon its request for all reasonable out-of-pocket expenses, disbursements and advances incurred or made by the Trustee in accordance with any provision of this Basic Agreement, any Trust Supplement or any Intercreditor Agreement (including the reasonable compensation and the expenses and disbursements of its agents and counsel), except any such expense, disbursement or

advance as may be attributable to its negligence, willful misconduct or bad faith or as may be incurred due to the Trustee's breach of its representations and warranties set forth in Section 7.15; and

(3) to indemnify, or cause to be indemnified, the Trustee with respect to the Certificates of any series, pursuant to the particular sections of the Note Purchase Agreements specified in the related Trust Supplement.

The Trustee shall be entitled to reimbursement from, and shall have a lien prior to the Certificates of each series upon, all property and funds held or collected by the Trustee in its capacity as Trustee with respect to such series or the related Trust for any tax incurred without negligence, bad faith or willful misconduct, on its part, arising out of or in connection with the acceptance or administration of such Trust (other than any tax attributable to the Trustee's compensation for serving as such), including any costs and expenses incurred in contesting the imposition of any such tax. The Trustee shall notify the Company of any claim for any tax for which it may seek reimbursement. If the Trustee reimburses itself from the Trust Property of such Trust for any such tax, it will mail a brief report within 30 days setting forth the amount of such tax and the circumstances thereof to all Certificateholders of such series as their names and addresses appear in the Register.

Section 7.08. Corporate Trustee Required; Eligibility. Each Trust shall at all times have a Trustee which shall be eligible to act as a trustee under Section 310(a) of the Trust Indenture Act and shall have a combined capital and surplus of at least \$75,000,000 (or a combined capital and surplus in excess of \$5,000,000 and the obligations of which, whether now in existence or hereafter incurred, are fully and unconditionally guaranteed by a corporation organized and doing business under the laws of the United States, any state or territory thereof or of the District of Columbia and having a combined capital and surplus of at least \$75,000,000). If such corporation publishes reports of conditions at least annually, pursuant to law or to the requirements of federal, state, territorial or District of Columbia supervising or examining authority, then for the purposes of this Section 7.08 the combined capital and surplus of such corporation shall be deemed to be its combined capital and surplus as set forth in its most recent report of conditions so published.

In case at any time the Trustee shall cease to be eligible in accordance with the provisions of this Section 7.08 to act as Trustee of any Trust, the Trustee shall resign immediately as Trustee of such Trust in the manner and with the effect specified in Section 7.09.

Section 7.09. Resignation and Removal; Appointment of Successor. (a) No resignation or removal of the Trustee and no appointment of a successor Trustee of any Trust pursuant to this Article shall become effective until the acceptance of appointment by the successor Trustee under Section 7.10.

(b) The Trustee may resign at any time as Trustee of any or all Trusts by giving prior written notice thereof to the Company, the Authorized Agents, the related Owner Trustees and the related Loan Trustees. If an instrument of acceptance by a successor Trustee

shall not have been delivered to the Company, the related Owner Trustees and the Trustee within 30 days after the giving of such notice of resignation, the resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee.

(c) The Trustee may be removed at any time by Direction of the Certificateholders of the related series holding Certificates evidencing Fractional Undivided Interests aggregating not less than a majority in interest in such Trust delivered to the Trustee and to the Company, the related Owner Trustees and the related Loan Trustees.

(d) If at any time in respect of any Trust:

(1) the Trustee shall fail to comply with Section 310 of the Trust Indenture Act, if applicable, after written request therefor by the Company or by any Certificateholder who has been a *bona fide* Certificateholder for at least six months; or

(2) the Trustee shall cease to be eligible under Section 7.08 and shall fail to resign after written request therefor by the Company or by any such Certificateholder; or

(3) the Trustee shall become incapable of acting or shall be adjudged a bankrupt or insolvent, or a receiver of the Trustee or of its property shall be appointed or any public officer shall take charge or control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation;

then, in any case, (i) the Company may remove the Trustee or (ii) any Certificateholder of the related series who has been a *bona fide* Certificateholder for at least six months may, on behalf of itself and all others similarly situated, petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor Trustee of such Trust.

(e) If a Responsible Officer of the Trustee shall obtain actual knowledge of an Avoidable Tax (as defined below) in respect of any Trust which has been or is likely to be asserted, the Trustee shall promptly notify the Company and shall, within 30 days of such notification, resign as Trustee of such Trust hereunder unless within such 30-day period the Trustee shall have received notice that the Company has agreed to pay such tax. The Company shall promptly appoint a successor Trustee of such Trust in a jurisdiction where there are no Avoidable Taxes. As used herein, an "Avoidable Tax" in respect of such Trust means a state or local tax: (i) upon (w) such Trust, (x) such Trust Property, (y) Certificateholders of such Trust or (z) the Trustee for which the Trustee is entitled to seek reimbursement from the Trust Property of such Trust, and (ii) which would be avoided if the Trustee were located in another state, or jurisdiction within a state, within the United States of America. A tax shall not be an Avoidable Tax in respect of any Trust if the Company or any Owner Trustee shall agree to pay, and shall pay, such tax.

(f) If the Trustee shall resign, be removed or become incapable of acting as Trustee of any Trust or if a vacancy shall occur in the office of the Trustee of any Trust for any cause, the Company shall promptly appoint a successor Trustee of such Trust. If, within one year after such resignation, removal or incapability, or other occurrence of such vacancy, a successor Trustee of such Trust shall be appointed by Direction of the Certificateholders of the related series holding Certificates of such series evidencing Fractional Undivided Interests

aggregating not less than a majority in interest in such Trust delivered to the Company, the related Owner Trustees, the related Loan Trustee and the retiring Trustee, then the successor Trustee of such Trust so appointed shall, with the approval of the Company of such appointment, which approval shall not be unreasonably withheld, forthwith upon its acceptance of such appointment, become the successor Trustee of such Trust and supersede the successor Trustee of such Trust appointed as provided above. If no successor Trustee shall have been so appointed as provided above and accepted appointment in the manner hereinafter provided, the resigning Trustee or any Certificateholder who has been a *bona fide* Certificateholder of the related series for at least six months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the appointment of a successor Trustee of such Trust.

(g) The successor Trustee of a Trust shall give notice of the resignation and removal of the Trustee and appointment of the successor Trustee by mailing written notice of such event by first-class mail, postage prepaid, to the Certificateholders of the related series as their names and addresses appear in the Register. Each notice shall include the name of such successor Trustee and the address of its Corporate Trust Office.

Section 7.10. Acceptance of Appointment by Successor. Every successor Trustee appointed hereunder shall execute and deliver to the Company and to the retiring Trustee with respect to any or all Trusts an instrument accepting such appointment, and thereupon the resignation or removal of the retiring Trustee with respect to such Trusts shall become effective and such successor Trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts and duties of the retiring Trustee; but, on request of the Company or the successor Trustee, such retiring Trustee shall execute and deliver an instrument transferring to such successor Trustee all such rights, powers and trusts of the retiring Trustee and shall duly assign, transfer and deliver to such successor Trustee all Trust Property held by such retiring Trustee in respect of such Trusts hereunder, subject nevertheless to its lien, if any, provided for in Section 7.07. Upon request of any such successor Trustee, the Company, the retiring Trustee and such successor Trustee shall execute and deliver any and all instruments containing such provisions as shall be necessary or desirable to transfer and confirm to, and for more fully and certainly vesting in, such successor Trustee all such rights, powers and trusts.

If a successor Trustee is appointed with respect to one or more (but not all) Trusts, the Company, the predecessor Trustee and each successor Trustee with respect to any Trust shall execute and deliver a supplemental agreement hereto which shall contain such provisions as shall be deemed necessary or desirable to confirm that all the rights, powers, trusts and duties of the predecessor Trustee with respect to the Trusts as to which the predecessor Trustee is not retiring shall continue to be vested in the predecessor Trustee, and shall add to or change any of the provisions of this Basic Agreement and the applicable Trust Supplements as shall be necessary to provide for or facilitate the administration of the Trusts hereunder by more than one Trustee, it being understood that nothing herein or in such supplemental agreement shall constitute such Trustees as co-Trustees of the same Trust and that each such Trustee shall be Trustee of separate Trusts.

No institution shall accept its appointment as a Trustee hereunder unless at the time of such acceptance such institution shall be qualified and eligible under this Article VII.

Section 7.11. Merger, Conversion, Consolidation or Succession to Business. Any corporation into which the Trustee may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any corporation succeeding to all or substantially all of the corporate trust business of the Trustee, shall be the successor of the Trustee hereunder; provided, however, that such corporation shall be otherwise qualified and eligible under this Article VII, without the execution or filing of any paper or any further act on the part of any of the parties hereto. In case any Certificates shall have been executed or authenticated, but not delivered, by the Trustee then in office, any successor by merger, conversion or consolidation to such authenticating Trustee may adopt such execution or authentication and deliver the Certificates so executed or authenticated with the same effect as if such successor Trustee had itself executed or authenticated such Certificates.

Section 7.12. Maintenance of Agencies. (a) With respect to each series of Certificates, there shall at all times be maintained an office or agency in the location set forth in Section 12.04 where Certificates of such series may be presented or surrendered for registration of transfer or for exchange, and for payment thereof, and where notices and demands, to or upon the Trustee in respect of such Certificates or this Agreement may be served; provided, however, that, if it shall be necessary that the Trustee maintain an office or agency in another location with respect to the Certificates of any series (e.g., the Certificates of such series shall be represented by Definitive Certificates and shall be listed on a national securities exchange), the Trustee will make all reasonable efforts to establish such an office or agency. Written notice of the location of each such other office or agency and of any change of location thereof shall be given by the Trustee to the Company, any Owner Trustees, the Loan Trustees (in the case of any Owner Trustee or Loan Trustee, at its address specified in the Note Documents or such other address as may be notified to the Trustee) and the Certificateholders of such series. In the event that no such office or agency shall be maintained or no such notice of location or of change of location shall be given, presentations and demands may be made and notices may be served at the Corporate Trust Office of the Trustee.

(b) There shall at all times be a Registrar and a Paying Agent hereunder with respect to the Certificates of each series. Each such Authorized Agent shall be a bank or trust company, shall be a corporation organized and doing business under the laws of the United States or any state, with a combined capital and surplus of at least \$75,000,000, or a corporation having a combined capital and surplus in excess of \$5,000,000, the obligations of which are guaranteed by a corporation organized and doing business under the laws of the United States or any state, with a combined capital and surplus of at least \$75,000,000, and shall be authorized under such laws to exercise corporate trust powers, subject to supervision by federal or state authorities. The Trustee shall initially be the Paying Agent and, as provided in Section 3.04, Registrar hereunder with respect to the Certificates of each series. Each Registrar shall furnish to the Trustee, at stated intervals of not more than six months, and at such other times as the Trustee may request in writing, a copy of the Register maintained by such Registrar.

(c) Any corporation into which any Authorized Agent may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger,

consolidation or conversion to which any Authorized Agent shall be a party, or any corporation succeeding to the corporate trust business of any Authorized Agent, shall be the successor of such Authorized Agent, if such successor corporation is otherwise eligible under this Section 7.12, without the execution or filing of any paper or any further act on the part of the parties hereto or such Authorized Agent or such successor corporation.

(d) Any Authorized Agent may at any time resign by giving written notice of resignation to the Trustee, the Company, any related Owner Trustees and the related Loan Trustees. The Company may, and at the request of the Trustee shall, at any time terminate the agency of any Authorized Agent by giving written notice of termination to such Authorized Agent and to the Trustee. Upon the resignation or termination of an Authorized Agent or in case at any time any such Authorized Agent shall cease to be eligible under this Section 7.12 (when, in either case, no other Authorized Agent performing the functions of such Authorized Agent shall have been appointed), the Company shall promptly appoint one or more qualified successor Authorized Agents, reasonably satisfactory to the Trustee, to perform the functions of the Authorized Agent which has resigned or whose agency has been terminated or who shall have ceased to be eligible under this Section 7.12. The Company shall give written notice of any such appointment made by it to the Trustee, any related Owner Trustees and the related Loan Trustees; and in each case the Trustee shall mail notice of such appointment to all Certificateholders of the related series as their names and addresses appear on the Register for such series.

(e) The Company agrees to pay, or cause to be paid, from time to time to each Authorized Agent reasonable compensation for its services and to reimburse it for its reasonable expenses.

Section 7.13. Money for Certificate Payments to Be Held in Trust. All moneys deposited with any Paying Agent for the purpose of any payment on Certificates shall be deposited and held in trust for the benefit of the Certificateholders entitled to such payment, subject to the provisions of this Section 7.13. Moneys so deposited and held in trust shall constitute a separate trust fund for the benefit of the Certificateholders with respect to which such money was deposited.

The Trustee may at any time, for the purpose of obtaining the satisfaction and discharge of this Agreement or for any other purpose, direct any Paying Agent to pay to the Trustee all sums held in trust by such Paying Agent, such sums to be held by the Trustee upon the same trusts as those upon which such sums were held by such Paying Agent; and, upon such payment by any Paying Agent to the Trustee, such Paying Agent shall be released from all further liability with respect to such money.

Section 7.14. Registration of Equipment Notes in Trustee's Name. Subject to the provisions of any Intercreditor Agreement, the Trustee agrees that all Equipment Notes to be purchased by any Trust and Permitted Investments, if any, shall be issued in the name of the Trustee as trustee for the applicable Trust or its nominee and held by the Trustee in trust for the benefit of the Certificateholders of such series, or, if not so held, the Trustee or its nominee shall

be reflected as the owner of such Equipment Notes or Permitted Investments, as the case may be, in the register of the issuer of such Equipment Notes or Permitted Investments, as the case may be.

Section 7.15. Representations and Warranties of Trustee. The Trustee hereby represents and warrants that:

- (a) the Trustee is a national banking association organized and validly existing in good standing under the laws of the United States of America;
- (b) the Trustee has full power, authority and legal right to execute, deliver and perform this Agreement, any Intercreditor Agreement and the Note Purchase Agreements and has taken all necessary action to authorize the execution, delivery and performance by it of this Agreement, any Intercreditor Agreement and the Note Purchase Agreements;
- (c) the execution, delivery and performance by the Trustee of this Agreement, any Intercreditor Agreement and the Note Purchase Agreements (i) will not violate any provision of any United States federal law or the law of the state of the United States where it is located governing the banking and trust powers of the Trustee or any order, writ, judgment, or decree of any court, arbitrator or governmental authority applicable to the Trustee or any of its assets, (ii) will not violate any provision of the articles of association or by-laws of the Trustee, and (iii) will not violate any provision of, or constitute, with or without notice or lapse of time, a default under, or result in the creation or imposition of any lien on any properties included in the Trust Property pursuant to the provisions of any mortgage, indenture, contract, agreement or other undertaking to which it is a party, which violation, default or lien could reasonably be expected to have an adverse effect on the Trustee's performance or ability to perform its duties hereunder or thereunder or on the transactions contemplated herein or therein;
- (d) the execution, delivery and performance by the Trustee of this Agreement, any Intercreditor Agreement and the Note Purchase Agreements will not require the authorization, consent, or approval of, the giving of notice to, the filing or registration with, or the taking of any other action in respect of, any governmental authority or agency of the United States or the state of the United States where it is located regulating the banking and corporate trust activities of the Trustee; and
- (e) this Agreement, any Intercreditor Agreement and the Note Purchase Agreements have been duly executed and delivered by the Trustee and constitute the legal, valid and binding agreements of the Trustee, enforceable against it in accordance with their respective terms; provided, however, that enforceability may be limited by (i) applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the rights of creditors generally and (ii) general principles of equity.

Section 7.16. Withholding Taxes; Information Reporting. As to the Certificates of any series, the Trustee, as trustee of the related grantor trust created by this Agreement, shall exclude

and withhold from each distribution of principal, premium, if any, and interest and other amounts due under this Agreement or under the Certificates of such series any and all withholding taxes applicable thereto as required by law. The Trustee agrees to act as such withholding agent and, in connection therewith, whenever any present or future taxes or similar charges are required to be withheld with respect to any amounts payable in respect of the Certificates of such series, to withhold such amounts and timely pay the same to the appropriate authority in the name of and on behalf of the Certificateholders of such series, that it will file any necessary withholding tax returns or statements when due, and that, as promptly as possible after the payment thereof, it will deliver to each such Certificateholder of such series appropriate documentation showing the payment thereof, together with such additional documentary evidence as such Certificateholders may reasonably request from time to time. The Trustee agrees to file any other information reports as it may be required to file under United States law.

Section 7.17. Trustee's Liens. The Trustee in its individual capacity agrees that it will, in respect of each Trust created by this Agreement, at its own cost and expense promptly take any action as may be necessary to duly discharge and satisfy in full any mortgage, pledge, lien, charge, encumbrance, security interest or claim ("Trustee's Liens") on or with respect to the Trust Property of such Trust which is attributable to the Trustee either (i) in its individual capacity and which is unrelated to the transactions contemplated by this Agreement or the related Note Documents or (ii) as Trustee hereunder or in its individual capacity and which arises out of acts or omissions which are not contemplated by this Agreement.

Section 7.18. Preferential Collection of Claims. The Trustee shall comply with Section 311(a) of the Trust Indenture Act, excluding any creditor relationship listed in Section 311(b) of the Trust Indenture Act. If the Trustee shall resign or be removed as Trustee, it shall be subject to Section 311(a) of the Trust Indenture Act to the extent provided therein.

ARTICLE VIII

CERTIFICATEHOLDERS' LISTS AND REPORTS BY TRUSTEE

Section 8.01. The Company to Furnish Trustee with Names and Addresses of Certificateholders. The Company will furnish to the Trustee within 15 days after each Record Date with respect to a Scheduled Payment, and at such other times as the Trustee may request in writing within 30 days after receipt by the Company of any such request, a list, in such form as the Trustee may reasonably require, of all information in the possession or control of the Company as to the names and addresses of the Certificateholders of each series, in each case as of a date not more than 15 days prior to the time such list is furnished; provided, however, that so long as the Trustee is the sole Registrar for such series, no such list need be furnished; and provided further, however, that no such list need be furnished for so long as a copy of the Register is being furnished to the Trustee pursuant to Section 7.12.

Section 8.02. Preservation of Information; Communications to Certificateholders. The Trustee shall preserve, in as current a form as is reasonably practicable, the names and addresses of Certificateholders of each series contained in the most recent list furnished to the Trustee as provided in Section 7.12 or Section 8.01, as the case may be, and the names and addresses of Certificateholders of each series received by the Trustee in its capacity as Registrar, if so acting. The Trustee may destroy any list furnished to it as provided in Section 7.12 or Section 8.01, as the case may be, upon receipt of a new list so furnished.

Section 8.03. Reports by Trustee. Within 60 days after May 15 of each year commencing with the first full year following the issuance of any series of Certificates, the Trustee shall transmit to the Certificateholders of such series, as provided in Section 313(c) of the Trust Indenture Act, a brief report dated as of such May 15, if required by Section 313(a) of the Trust Indenture Act.

Section 8.04. Reports by the Company. The Company shall:

(a) file with the Trustee, within 30 days after the Company is required to file the same with the SEC, copies of the annual reports and of the information, documents and other reports (or copies of such portions of any of the foregoing as the SEC may from time to time by rules and regulations prescribe) which the Company is required to file with the SEC pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934, as amended; or, if the Company is not required to file information, documents or reports pursuant to either of such sections, then to file with the Trustee and the SEC, in accordance with rules and regulations prescribed by the SEC, such of the supplementary and periodic information, documents and reports which may be required pursuant to Section 13 of the Securities Exchange Act of 1934, as amended, in respect of a security listed and registered on a national securities exchange as may be prescribed in such rules and regulations;

(b) file with the Trustee and the SEC, in accordance with the rules and regulations prescribed by the SEC, such additional information, documents and reports with respect to compliance by the Company with the conditions and covenants of the Company provided for in this Agreement, as may be required by such rules and regulations, including, in the case of annual reports, if required by such rules and regulations, certificates or opinions of independent public accountants, conforming to the requirements of Section 1.02;

(c) transmit to all Certificateholders, in the manner and to the extent provided in Section 313(c) of the Trust Indenture Act such summaries of any information, documents and reports required to be filed by the Company pursuant to subsections (a) and (b) of this Section 8.04 as may be required by rules and regulations prescribed by the SEC; and

(d) furnish to the Trustee, not less often than annually, a brief certificate from the principal executive officer, principal financial officer or principal accounting officer

as to his knowledge of the Company's compliance with all conditions and covenants under this Agreement (it being understood that for purposes of this paragraph (d), such compliance shall be determined without regard to any period of grace or requirement of notice provided under this Agreement).

ARTICLE IX
SUPPLEMENTAL AGREEMENTS

Section 9.01. Supplemental Agreements Without Consent of Certificateholders. Without the consent of the Certificateholders, the Company may (but will not be required to), and the Trustee (subject to Section 9.03) shall, at the Company's request, at any time and from time to time, enter into one or more agreements supplemental hereto or, if applicable, to an Intercreditor Agreement or a Liquidity Facility, in form satisfactory to the Trustee, for any of the following purposes:

- (1) to provide for the formation of a Trust, the issuance of a series of Certificates and other matters contemplated by Section 2.01(b); or
- (2) to evidence the succession of another corporation to the Company and the assumption by any such successor of the covenants of the Company herein contained or of the Company's obligations under any Intercreditor Agreement or any Liquidity Facility; or
- (3) to add to the covenants of the Company for the benefit of the Certificateholders of any series, or to surrender any right or power conferred upon the Company in this Agreement, any Intercreditor Agreement or any Liquidity Facility; or
- (4) to correct or supplement any provision in this Agreement, any Intercreditor Agreement or any Liquidity Facility which may be defective or inconsistent with any other provision herein or therein or to cure any ambiguity or to modify any other provision with respect to matters or questions arising under this Agreement, any Intercreditor Agreement or any Liquidity Facility, provided, however, that any such action shall not materially adversely affect the interests of the Certificateholders of any series; to correct any mistake in this Agreement, any Intercreditor Agreement or any Liquidity Facility; or, as provided in any Intercreditor Agreement, to give effect to or provide for a Replacement Liquidity Facility (as defined in such Intercreditor Agreement); or
- (5) to comply with any requirement of the SEC, any applicable law, rules or regulations of any exchange or quotation system on which the Certificates of any series are listed or of any regulatory body; or
- (6) to modify, eliminate or add to the provisions of this Agreement, any Intercreditor Agreement or any Liquidity Facility to such extent as shall be necessary to

continue the qualification of this Agreement, any Intercreditor Agreement or any Liquidity Facility (including any supplemental agreement) under the Trust Indenture Act or under any similar Federal statute hereafter enacted, and to add to this Agreement, any Intercreditor Agreement or any Liquidity Facility such other provisions as may be expressly permitted by the Trust Indenture Act, excluding, however, the provisions referred to in Section 316(a)(2) of the Trust Indenture Act as in effect at the date as of which this Basic Agreement was executed or any corresponding provision in any similar Federal statute hereafter enacted; or

(7) to evidence and provide for the acceptance of appointment under this Agreement, any Intercreditor Agreement or any Liquidity Facility by a successor Trustee with respect to one or more Trusts and to add to or change any of the provisions of this Agreement, any Intercreditor Agreement or any Liquidity Facility as shall be necessary to provide for or facilitate the administration of the Trust, pursuant to the requirements of Section 7.10; or

(8) to provide the information required under Section 7.12 and Section 12.04 as to the Trustee; or

(9) to make any other amendments or modifications hereto, provided, however, that such amendments or modifications shall apply to Certificates of any series to be thereafter issued;

provided, however, that no such supplemental agreement shall 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 Internal Revenue Code of 1986, as amended, for U.S. federal income tax purposes.

Section 9.02. Supplemental Agreements with Consent of Certificateholders. With respect to each separate Trust and the series of Certificates relating thereto, with the consent of the Certificateholders holding Certificates of such series (including consents obtained in connection with a tender offer or exchange offer for the Certificates) evidencing Fractional Undivided Interests aggregating not less than a majority in interest in such Trust, by Direction of said Certificateholders delivered to the Company and the Trustee, the Company may (with the consent of the Owner Trustees, if any, relating to such Certificates, which consent shall not be unreasonably withheld), but shall not be obligated to, and the Trustee (subject to Section 9.03) shall, enter into an agreement or agreements supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Agreement, any Intercreditor Agreement or any Liquidity Facility to the extent applicable to such Certificateholders or of modifying in any manner the rights and obligations of such Certificateholders under this Agreement, any Intercreditor Agreement or any Liquidity Facility; provided, however, that no such agreement shall, without the consent of the Certificateholder of each Outstanding Certificate affected thereby:

(1) reduce in any manner the amount of, or delay the timing of, any receipt by the Trustee of payments on the Equipment Notes held in such Trust or distributions that are required to be made herein on any Certificate of such series, or change any date of

payment on any Certificate of such series, or change the place of payment where, or the coin or currency in which, any Certificate of such series is payable, or impair the right to institute suit for the enforcement of any such payment or distribution on or after the Regular Distribution Date or Special Distribution Date applicable thereto; or

(2) permit the disposition of any Equipment Note included in the Trust Property of such Trust except as permitted by this Agreement, or otherwise deprive such Certificateholder of the benefit of the ownership of the Equipment Notes in such Trust; or

(3) alter the priority of distributions specified in the Intercreditor Agreement in a manner materially adverse to the interests of the Certificateholders of any series; or

(4) reduce the specified percentage of the aggregate Fractional Undivided Interests of such Trust that is required for any such supplemental agreement, or reduce such specified percentage required for any waiver (of compliance with certain provisions of this Agreement or certain defaults hereunder and their consequences) provided for in this Agreement; or

(5) modify any of the provisions of this Section 9.02 or Section 6.05, except to increase any such percentage or to provide that certain other provisions of this Agreement cannot be modified or waived without the consent of the Certificateholder of each Certificate of such series affected thereby; or

(6) 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 Internal Revenue Code of 1986, as amended, for U.S. federal income tax purposes.

It shall not be necessary for any Direction of such Certificateholders under this Section 9.02 to approve the particular form of any proposed supplemental agreement, but it shall be sufficient if such Direction shall approve the substance thereof.

Section 9.03. Documents Affecting Immunity or Indemnity. If in the opinion of the Trustee any document required to be executed by it pursuant to the terms of Section 9.01 or 9.02 affects any interest, right, duty, immunity or indemnity in favor of the Trustee under this Basic Agreement or any Trust Supplement, the Trustee may in its discretion decline to execute such document.

Section 9.04. Execution of Supplemental Agreements. In executing, or accepting the additional trusts created by, any supplemental agreement permitted by this Article or the modifications thereby of the trusts created by this Agreement, the Trustee shall be entitled to receive, and shall be fully protected in relying upon, an Opinion of Counsel stating that the execution of such supplemental agreement is authorized or permitted by this Agreement.

Section 9.05. Effect of Supplemental Agreements. Upon the execution of any agreement supplemental to this Agreement under this Article, this Basic Agreement shall be modified in accordance

therewith, and such supplemental agreement shall form a part of this Basic Agreement for all purposes; and every Certificateholder of each series theretofore or thereafter authenticated and delivered hereunder shall be bound thereby to the extent applicable to such series.

Section 9.06. Conformity with Trust Indenture Act. Every supplemental agreement executed pursuant to this Article shall conform to the requirements of the Trust Indenture Act as then in effect.

Section 9.07. Reference in Certificates to Supplemental Agreements. Certificates of each series authenticated and delivered after the execution of any supplemental agreement applicable to such series pursuant to this Article may bear a notation in form approved by the Trustee as to any matter provided for in such supplemental agreement; and, in such case, suitable notation may be made upon Outstanding Certificates of such series after proper presentation and demand.

ARTICLE X

AMENDMENTS TO INDENTURE AND NOTE DOCUMENTS

Section 10.01. Amendments and Supplements to Indenture and Other Note Documents. In the event that the Trustee, as holder (or beneficial owner through the Subordination Agent) of any Equipment Notes (or as a prospective purchaser of any Postponed Notes) in trust for the benefit of the Certificateholders of any series or as Controlling Party under an 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, other Note Document or any other related document, the Trustee shall forthwith send a notice of such proposed amendment, modification, waiver or supplement to each Certificateholder of such series registered on the Register as of the date of such notice. The Trustee shall request from the Certificateholders of such series a Direction as to (a) 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 (or, with respect to Postponed Notes, a prospective purchaser of) such Equipment Note or a Controlling Party has the option to direct, (b) 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 (or, with respect to Postponed Notes, a prospective purchaser of) such Equipment Note or as Controlling Party and (c) how to vote (or direct the Subordination Agent to vote) any Equipment Note (or, with respect to a Postponed Note, its commitment to acquire such Postponed 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), (i) other than as Controlling Party, the Trustee shall vote for or give consent to any such action with respect to such Equipment Note (or Postponed Note) in the same proportion as that of (A) the aggregate face amounts of all Certificates actually voted in favor of or for giving consent to such action by

such Direction of Certificateholders to (B) the aggregate face amount of all Outstanding Certificates and (ii) as Controlling Party, the Trustee shall vote as directed in such Certificateholder Direction by the Certificateholders of such series evidencing a Fractional Undivided Interest aggregating not less than a majority in interest in the Trust. For purposes of the immediately preceding sentence, a Certificate shall have been "actually voted" if the Holder of such Certificate has delivered to the Trustee an instrument evidencing such Holder's consent to such Direction prior to one Business Day before the Trustee directs such action or casts such vote or gives such consent. Notwithstanding the foregoing, but subject to Section 6.04 and any Intercreditor Agreement, the Trustee may, with respect to the Certificates of any series, 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 Loan Trustee of such consent) to any amendment, modification, waiver or supplement under any related Indenture or any other related Note Document if an Event of Default hereunder shall have occurred and be continuing or if such amendment, modification, waiver or supplement will not materially adversely affect the interests of the Certificateholders of such series.

ARTICLE XI
TERMINATION OF TRUSTS

Section 11.01. Termination of the Trusts. In respect of each Trust created by this Basic Agreement as supplemented by a related Trust Supplement, the respective obligations and responsibilities of the Company and the Trustee with respect to such Trust shall terminate upon the distribution to all Holders of Certificates of the series of such Trust and the Trustee of all amounts required to be distributed to them pursuant to this Agreement and the disposition of all property held as part of the Trust Property of such Trust; provided, however, that in no event shall such Trust continue beyond one hundred ten (110) years following the date of the execution of the Trust Supplement with respect to such Trust (or such other final expiration date as may be specified in such Trust Supplement).

Notice of any termination of a Trust, specifying the applicable Regular Distribution Date (or applicable Special Distribution Date, as the case may be) upon which the Certificateholders of any series may surrender their Certificates to the Trustee for payment of the final distribution and cancellation, shall be mailed promptly by the Trustee to Certificateholders of such series not earlier than the minimum number of days and not later than the maximum number of days specified therefor in the related Trust Supplement preceding such final distribution specifying (A) the Regular Distribution Date (or Special Distribution Date, as the case may be) upon which the proposed final payment of the Certificates of such series will be made upon presentation and surrender of Certificates of such series at the office or agency of the Trustee therein specified, (B) the amount of any such proposed final payment, and (C) that the Record Date otherwise applicable to such Regular Distribution Date (or Special Distribution Date, as the case may be) is not applicable, payments being made only upon presentation and surrender of the Certificates of such series at the office or agency of the Trustee therein specified. The Trustee shall give such notice to the Registrar at the time such notice is given to Certificateholders of such series. Upon presentation and surrender of the Certificates of such

series in accordance with such notice, the Trustee shall cause to be distributed to Certificateholders of such series amounts distributable on such Regular Distribution Date (or Special Distribution Date, as the case may be) pursuant to Section 4.02.

In the event that all of the Certificateholders of such series shall not surrender their Certificates for cancellation within six months after the date specified in the above-mentioned written notice, the Trustee shall give a second written notice to the remaining Certificateholders of such series to surrender their Certificates for cancellation and receive the final distribution with respect thereto. No additional interest shall accrue on the Certificates of such series after any Regular Distribution Date (or Special Distribution Date, as the case may be) of such series, as specified in the first written notice. In the event that any money held by the Trustee for the payment of distributions on the Certificates of such series shall remain unclaimed for two years (or such lesser time as the Trustee shall be satisfied, after 60 days' notice from the Company, is one month prior to the escheat period provided under applicable law) after the final distribution date with respect thereto, the Trustee shall pay to each Loan Trustee the appropriate amount of money relating to such Loan Trustee and shall give written notice thereof to the related Owner Trustees and the Company.

ARTICLE XII
MISCELLANEOUS PROVISIONS

Section 12.01. Limitation on Rights of Certificateholders. The death or incapacity of any Certificateholder of any series shall not operate to terminate this Agreement or the related Trust, nor entitle such Certificateholder's legal representatives or heirs to claim an accounting or to take any action or commence any proceeding in any court for a partition or winding up of the Trust, nor otherwise affect the rights, obligations, and liabilities of the parties hereto or any of them.

Section 12.02. Liabilities of Certificateholders. Neither the existence of the Trust nor any provision in this Agreement is intended to or shall limit the liability the Certificateholders would otherwise incur if the Certificateholders owned Trust Property as co-owners, or incurred any obligations of the Trust, directly rather than through the Trust.

Section 12.03. Registration of Equipment Notes in Name of Subordination Agent. If a Trust is party to an Intercreditor Agreement, the Trustee agrees that all Equipment Notes to be purchased by such Trust shall be issued in the name of the Subordination Agent under such Intercreditor Agreement or its nominee and held by such Subordination Agent in trust for the benefit of the Certificateholders, or, if not so held, such Subordination Agent or its nominee shall be reflected as the owner of such Equipment Notes in the register of the issuer of such Equipment Notes.

Section 12.04. Notices. (a) Unless otherwise specifically provided herein or in the applicable Trust Supplement with respect to any

Trust, all notices required under the terms and provisions of this Basic Agreement or such Trust Supplement with respect to such Trust shall be in English and in writing, and any such notice may be given by United States mail, courier service or telecopy, and any such notice shall be effective when delivered or received or, if mailed, three days after deposit in the United States mail with proper postage for ordinary mail prepaid,

if to the Company:

United Air Lines, Inc.
77 W. Wacker Drive
Chicago, Illinois 60601
Attention: Treasurer
Facsimile: (312) 997-8333

if to the Trustee:

Wilmington Trust, National Association
1100 North Market Street
Wilmington, DE 19890-1605
Attention: Corporate Trust Administration
Facsimile: (302) 636-4140
Telephone: (302) 636-6294

(b) The Company or the Trustee, by notice to the other, may designate additional or different addresses for subsequent notices or communications.

(c) Any notice or communication to Certificateholders of any series shall be mailed by first-class mail to the addresses for Certificateholders of such series shown on the Register kept by the Registrar and to addresses filed with the Trustee for Certificate Owners of such series. Failure so to mail a notice or communication or any defect in such notice or communication shall not affect its sufficiency with respect to other Certificateholders or Certificate Owners of such series.

(d) If a notice or communication is mailed in the manner provided above within the time prescribed, it is conclusively presumed to have been duly given, whether or not the addressee receives it.

(e) If the Company mails a notice or communication to the Certificateholders of such series, it shall mail a copy to the Trustee and to each Paying Agent for such series at the same time.

(f) Notwithstanding the foregoing, all communications or notices to the Trustee shall be deemed to be given only when received by a Responsible Officer of the Trustee.

(g) The Trustee shall promptly furnish the Company with a copy of any demand, notice or written communication received by the Trustee hereunder from any Certificateholder, Owner Trustee or Loan Trustee.

Section 12.05. Governing Law. THIS BASIC AGREEMENT HAS BEEN DELIVERED IN THE STATE OF NEW YORK AND, TOGETHER WITH ALL TRUST SUPPLEMENTS AND CERTIFICATES, SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.

Section 12.06. Severability of Provisions. If any one or more of the covenants, agreements, provisions or terms of this Agreement shall be for any reason whatsoever held invalid, then such covenants, agreements, provisions, or terms shall be deemed severable from the remaining covenants, agreements, provisions or terms of this Agreement and shall in no way affect the validity or enforceability of the other provisions of this Agreement or the related Trust, or of the Certificates of such series or the rights of the Certificateholders thereof.

Section 12.07. Trust Indenture Act Controls. This Agreement is subject to the provisions of the Trust Indenture Act and shall, to the extent applicable, be governed by such provisions. If any provision of this Agreement limits, qualifies or conflicts with another provision which is required to be included in this Agreement by the Trust Indenture Act, the required provision shall control.

Section 12.08. Effect of Headings and Table of Contents. The Article and Section headings herein and the Table of Contents are for convenience only and shall not affect the construction hereof.

Section 12.09. Successors and Assigns. All covenants, agreements, representations and warranties in this Agreement by the Trustee and the Company shall bind and, to the extent permitted hereby, shall inure to the benefit of and be enforceable by their respective successors and assigns, whether so expressed or not.

Section 12.10. Benefits of Agreement. Nothing in this Agreement or in the Certificates of any series, express or implied, shall give to any Person, other than the parties hereto and their successors hereunder, and the Certificateholders of each series, any benefit or any legal or equitable right, remedy or claim under this Agreement.

Section 12.11. Legal Holidays. In any case where any Regular Distribution Date or Special Distribution Date relating to any Certificate of any series shall not be a Business Day with respect to such series, then (notwithstanding any other provision of this Agreement) payment need not be made on such date, but may be made on the next succeeding Business Day with the same force and effect as if made on such Regular Distribution Date or Special Distribution Date, and no interest shall accrue during the intervening period.

Section 12.12. Counterparts. For the purpose of facilitating the execution of this Agreement and for other purposes, this Agreement may be executed simultaneously in any number of counterparts, each of which counterparts shall be deemed to be an original, and all of which counterparts shall constitute but one and the same instrument.

Section 12.13. Communication by Certificateholders with Other Certificateholders. Certificateholders of any series may communicate with other Certificateholders of such series with respect to their rights under this Basic Agreement, the related Trust Supplement or the Certificates of such series pursuant to Section 312(b) of the Trust Indenture Act. The Company, the Trustee and any and all other persons benefitted by this Agreement shall have the protection afforded by Section 312(c) of the Trust Indenture Act.

Section 12.14. Intention of Parties. The parties hereto intend that each Trust be classified for U.S. federal income tax purposes as a grantor trust under Subpart E, Part I of Subchapter J of the Internal Revenue Code of 1986, as amended, and not as a trust or association taxable as a corporation or as a partnership. The powers granted and obligations undertaken pursuant to this Agreement shall be so construed so as to further such intent.

UNITED AIR LINES, INC.

By: _____
Name:
Title:

WILMINGTON TRUST, NATIONAL
ASSOCIATION,
as Trustee

By: _____
Name:
Title:

FORM OF CERTIFICATE

Certificate No. _____

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.¹

UNITED AIR LINES PASS THROUGH TRUST

Pass Through
Certificate, Series

Final Regular Distribution Date: _____ ,

evidencing a fractional undivided interest in a trust, the property of which includes certain equipment notes each secured by Aircraft owned by or leased to United Air Lines, Inc.

\$ _____ Fractional Undivided Interest representing . _____ % of the Trust per \$1,000 face amount

THIS CERTIFIES THAT _____, for value received, is the registered owner of a \$ _____ (_____ dollars) Fractional Undivided Interest in the United Air Lines Pass Through Trust, Series [_____] (the "Trust") created by Wilmington Trust, National Association, as trustee (the "Trustee"), pursuant to a Pass Through Trust Agreement dated as of [_____] (the "Basic Agreement"), as supplemented by Trust Supplement No. _____ thereto dated [_____] (collectively, the "Agreement"), between the Trustee and United Air Lines, Inc., a corporation incorporated under Delaware law (the "Company"), a summary of certain of the pertinent provisions of which is set forth below. To the extent not otherwise defined herein, the capitalized terms used herein have the meanings assigned to them in the Agreement. This Certificate is one of the duly authorized Certificates designated as " _____ % United Air Lines Pass Through Certificate, Series _____ " (herein called the "Certificates"). This Certificate is issued under and is subject to the terms, provisions and conditions of the Agreement. By virtue of its acceptance hereof, the Certificateholder of this Certificate assents to and agrees to be bound by the provisions of the Agreement and any related Intercreditor Agreement. The property of the Trust includes certain Equipment Notes and all

1. _____ This legend to appear on Book-Entry Certificates to be deposited with The Depository Trust Company.

rights of the Trust to receive any payments under any related Intercreditor Agreement or Liquidity Facility (the "Trust Property"). Each issue of the Equipment Notes is or will be secured by, among other things, a security interest in aircraft leased to or owned by the Company.

The Certificates represent fractional undivided interests in the Trust and the Trust Property, and have no rights, benefits or interest in respect of any other separate trust established pursuant to the terms of the Basic Agreement for any other series of certificates issued pursuant thereto.

Subject to and in accordance with the terms of the Agreement and any related Intercreditor Agreement, from funds then available to the Trustee, there will be distributed on each _____ and _____ (a "Regular Distribution Date") commencing on _____, to the Person in whose name this Certificate is registered at the close of business on the 15th day preceding the Regular Distribution Date, an amount in respect of the Scheduled Payments on the Equipment Notes due on such Regular Distribution Date, the receipt of which has been confirmed by the Trustee, equal to the product of the percentage interest in the Trust evidenced by this Certificate and an amount equal to the sum of such Scheduled Payments. Subject to and in accordance with the terms of the Agreement and any related Intercreditor Agreement, in the event that Special Payments on the Equipment Notes are received by the Trustee, from funds then available to the Trustee, there shall be distributed on the applicable Special Distribution Date, to the Person in whose name this Certificate is registered at the close of business on the 15th day preceding the Special Distribution Date, an amount in respect of such Special Payments on the Equipment Notes, the receipt of which has been confirmed by the Trustee, equal to the product of the percentage interest in the Trust evidenced by this Certificate and an amount equal to the sum of such Special Payments so received. If a Regular Distribution Date or Special Distribution Date is not a Business Day, distribution shall be made on the immediately following Business Day with the same force and effect as if made on such Regular Distribution Date or Special Distribution Date and no interest shall accrue during the intervening period. The Trustee shall mail notice of each Special Payment and the Special Distribution Date therefor to the Certificateholder of this Certificate.

Distributions on this Certificate will be made by the Trustee by check mailed to the Person entitled thereto, without the presentation or surrender of this Certificate or the making of any notation hereon, except with respect to Certificates registered on the Record Date in the name of Clearing Agency (or its nominee), in which case, such distribution shall be made by wire transfer. Except as otherwise provided in the Agreement and notwithstanding the above, the final distribution on this Certificate will be made after notice mailed by the Trustee of the pendency of such distribution and only upon presentation and surrender of this Certificate at the office or agency of the Trustee specified in such notice.

The Certificates do not represent a direct obligation of, or an obligation guaranteed by, or an interest in, the Company or the Trustee or any affiliate thereof. The Certificates are limited in right of payment, all as more specifically set forth on the face hereof and in the Agreement. All payments or distributions made to Certificateholders under the Agreement shall be made only from the Trust Property and only to the extent that the Trustee shall have sufficient income or proceeds from the Trust Property to make such payments in

accordance with the terms of the Agreement. Each Certificateholder of this Certificate, by its acceptance hereof, agrees that it will look solely to the income and proceeds from the Trust Property to the extent available for distribution to such Certificateholder as provided in the Agreement. This Certificate does not purport to summarize the Agreement and reference is made to the Agreement for information with respect to the interests, rights, benefits, obligations, proceeds, and duties evidenced hereby. A copy of the Agreement may be examined during normal business hours at the principal office of the Trustee, and at such other places, if any, designated by the Trustee, by any Certificateholder upon request.

The Agreement permits, with certain exceptions therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Certificateholders under the Agreement at any time by the Company and the Trustee with the consent of the Certificateholders holding Certificates evidencing Fractional Undivided Interests aggregating not less than a majority in interest in the Trust. Any such consent by the Certificateholder of this Certificate shall be conclusive and binding on such Certificateholder and upon all future Certificateholders of this Certificate and of any Certificate issued upon the transfer hereof or in exchange hereof or in lieu hereof whether or not notation of such consent is made upon this Certificate. The Agreement also permits the amendment thereof, in certain limited circumstances, without the consent of the Certificateholders of any of the Certificates.

As provided in the Agreement and subject to certain limitations set forth therein, the transfer of this Certificate is registrable in the Register upon surrender of this Certificate for registration of transfer at the offices or agencies maintained by the Trustee in its capacity as Registrar, or by any successor Registrar duly endorsed or accompanied by a written instrument of transfer in form satisfactory to the Trustee and the Registrar, duly executed by the Certificateholder hereof or such Certificateholder's attorney duly authorized in writing, and thereupon one or more new Certificates of authorized denominations evidencing the same aggregate Fractional Undivided Interest in the Trust will be issued to the designated transferee or transferees.

The Certificates are issuable only as registered Certificates without coupons in minimum denominations of \$1,000 Fractional Undivided Interest and integral multiples thereof except that one Certificate may be issued in a different denomination. As provided in the Agreement and subject to certain limitations therein set forth, the Certificates are exchangeable for new Certificates of authorized denominations evidencing the same aggregate Fractional Undivided Interest in the Trust, as requested by the Certificateholder surrendering the same.

No service charge will be made for any such registration of transfer or exchange, but the Trustee shall require payment of a sum sufficient to cover any tax or governmental charge payable in connection therewith.

The Trustee, the Registrar, and any agent of the Trustee or the Registrar may treat the person in whose name this Certificate is registered as the owner hereof for all purposes, and neither the Trustee, the Registrar, nor any such agent shall be affected by any notice to the contrary.

The obligations and responsibilities created by the Agreement and the Trust created thereby shall terminate upon the distribution to Certificateholders of all amounts required to be distributed to them pursuant to the Agreement and the disposition of all property held as part of the Trust Property.

THIS CERTIFICATE AND THE AGREEMENT HAVE EACH BEEN DELIVERED IN THE STATE OF NEW YORK AND SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES AND CERTIFICATEHOLDERS HEREUNDER AND THEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.

Unless the certificate of authentication hereon has been executed by the Trustee, by manual signature, this Certificate shall not be entitled to any benefit under the Agreement or be valid for any purpose.

IN WITNESS WHEREOF, the Trustee has caused this Certificate to be duly executed.

UNITED AIR LINES PASS THROUGH TRUST

By: WILMINGTON TRUST, NATIONAL
ASSOCIATION,
as Trustee

By: _____
Title: _____

Dated: _____

This is one of the Certificates referred to
in the within-mentioned Agreement.

WILMINGTON TRUST, NATIONAL
ASSOCIATION, as Trustee

By:

Authorized Officer

PASS THROUGH TRUST AGREEMENT

Dated as of [] [], 2012

between

CONTINENTAL AIRLINES, INC.

and

WILMINGTON TRUST, NATIONAL ASSOCIATION,

as Trustee

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Trust Indenture Act of 1939 Section	Pass Through Trust Agreement Section
310(a)(1)	7.08
(a)(2)	7.08
312(a)	3.05; 7.12; 8.01; 8.02
313(a) and (c)	8.03
313(b) and (d)	N.A.
314(a)(1)-(3)	8.04(a) - (c)
(a)(4)	8.04(d)
(c)(1)	1.02
(c)(2)	1.02
(d)(1)	N.A.
(d)(2)	N.A.
(d)(3)	N.A.
(e)	1.02
315(b)	7.02
315(c)	7.01(b)
316(a)(last sentence)	1.04(c)
(a)(1)(A)	6.04
(a)(1)(B)	6.05
(b)	6.06
(c)	1.04(d)
317(a)(1)	6.03
(b)	7.13
318(a)	12.07

N.A. means not applicable.

PASS THROUGH TRUST AGREEMENT

This PASS THROUGH TRUST AGREEMENT, dated as of _____ (this "Basic Agreement"), between CONTINENTAL AIRLINES, INC., a Delaware corporation (the "Company"), and WILMINGTON TRUST, NATIONAL ASSOCIATION, a national banking association, as Trustee, is made with respect to the formation from time to time of separate Continental Airlines Pass Through Trusts, and the issuance from time to time of separate series of Pass Through Certificates representing fractional undivided interests in the respective Trusts.

WITNESSETH:

WHEREAS, from time to time, the Company and the Trustee may enter into one or more Trust Supplements (this and certain other defined terms used herein are defined in Section 1.01) pursuant to which the Trustee shall declare the creation of a separate Trust for the benefit of the Holders of the series of Certificates to be issued in respect of such Trust, and the initial Holders of the Certificates of such series, as the grantors of such Trust, by their respective acceptances of the Certificates of such series, shall join in the creation of such Trust with the Trustee;

WHEREAS, all Certificates to be issued in respect of each separate Trust will be issued as a separate series pursuant to this Agreement, will evidence fractional undivided interests in such Trust and will have no rights, benefits or interests in respect of any other separate Trust or the property held therein, subject, however, to the provisions of any Intercreditor Agreement to which one or more Trusts may be a party;

WHEREAS, from time to time, pursuant to the terms and conditions of this Agreement with respect to each separate Trust formed hereunder, the Trustee on behalf of such Trust shall purchase one or more issues of Equipment Notes having the same interest rate as, and final maturity dates not later than the final Regular Distribution Date of, the series of Certificates issued in respect of such Trust and, subject to the terms of any related Intercreditor Agreement, shall hold such Equipment Notes in trust for the benefit of the Certificateholders of such Trust;

WHEREAS, to facilitate the sale of Equipment Notes to, and the purchase of Equipment Notes by, the Trustee on behalf of each Trust created from time to time pursuant to this Agreement, the Company as the "issuer", as such term is defined in and solely for purposes of the Securities Act of 1933, as amended, of the Certificates to be issued in respect of each Trust and as the "obligor", as such term is defined in and solely for purposes of the Trust Indenture Act has duly authorized the execution and delivery of this Basic Agreement and each Trust Supplement with respect to all such Certificates and is undertaking to perform certain administrative and ministerial duties hereunder and is also undertaking to pay the fees and expenses of the Trustee; and

WHEREAS, this Basic Agreement, as supplemented from time to time, is subject to the provisions of the Trust Indenture Act and shall, to the extent applicable, be governed by such provisions;

ARTICLE I
DEFINITIONS

Section 1.01. Definitions. For all purposes of this Basic Agreement, except as otherwise expressly provided or unless the context otherwise requires:

- (1) the terms used herein that are defined in this Article I have the meanings assigned to them in this Article I, and include the plural as well as the singular;
- (2) all other terms used herein which are defined in the Trust Indenture Act, either directly or by reference therein, or by the rules promulgated under the Trust Indenture Act, have the meanings assigned to them therein;
- (3) all references in this Basic Agreement to designated "Articles", "Sections", "Subsections" and other subdivisions are to the designated Articles, Sections, Subsections and other subdivisions of this Basic Agreement;
- (4) the words "herein", "hereof" and "hereunder" and other words of similar import refer to this Basic Agreement as a whole and not to any particular Article, Section, Subsection or other subdivision;
- (5) unless the context otherwise requires, whenever the word "including", "include" or "includes" is used herein, it shall be deemed to be followed by the phrase "without limitation"; and
- (6) the term "this Agreement" (as distinguished from "this Basic Agreement") refers, unless the context otherwise requires, to this Basic Agreement as supplemented by the Trust Supplement creating a particular Trust and establishing the series of Certificates issued or to be issued in respect thereof, with reference to such Trust and such series of Certificates, as this Basic Agreement as so supplemented may be further supplemented with respect to such Trust and such series of Certificates.

Act: Has the meaning, with respect to any Certificateholder, specified in Section 1.04(a).

Affiliate: Means, with respect to any specified Person, any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such Person. For the purposes of this definition, "control", when used with respect to any specified Person, means the power, directly or indirectly, to direct the management and policies of such Person, whether through the ownership of voting securities or by contract or otherwise, and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

Aircraft: Means one or more aircraft, including engines therefor, owned by or leased to the Company and securing one or more Equipment Notes.

Authorized Agent: Means, with respect to the Certificates of any series, any Paying Agent or Registrar for the Certificates of such series.

Basic Agreement: Means this Pass Through Trust Agreement, as the same may from time to time be supplemented, amended or modified, but does not include any Trust Supplement.

Book-Entry Certificates: Means, with respect to the Certificates of any series, a beneficial interest in the Certificates of such series, ownership and transfers of which shall be made through book entries as described in Section 3.05.

Business Day: Means, with respect to the Certificates of any series, any day other than a Saturday, a Sunday or a day on which commercial banks are required or authorized to close in Chicago, Illinois, New York, New York, or, so long as any Certificate of such series is outstanding, the city and state in which the Trustee or any related Loan Trustee maintains its Corporate Trust Office or receives and disburses funds.

Certificate: Means any one of the certificates executed and authenticated by the Trustee, substantially in the form of Exhibit A hereto.

Certificate Account: Means, with respect to the Certificates of any series, the account or accounts created and maintained for such series pursuant to Section 4.01(a) and the related Trust Supplement.

Certificateholder or Holder: Means, with respect to the Certificates of any series, the Person in whose name a Certificate of such series is registered in the Register for Certificates of such series.

Certificate Owner: Means, with respect to the Certificates of any series, for purposes of Section 3.05, the Person who owns a Book-Entry Certificate of such series.

Clearing Agency: Means an organization registered as a "clearing agency" pursuant to Section 17A of the Securities Exchange Act of 1934, as amended.

Clearing Agency Participant: Means a broker, dealer, bank, other financial institution or other Person for whom from time to time a Clearing Agency effects, directly or indirectly, book-entry transfers and pledges of securities deposited with the Clearing Agency.

Company: Means Continental Airlines, Inc., a Delaware corporation, or its successor in interest pursuant to Section 5.02, or (only in the context of provisions hereof, if any, when such reference is required for purposes of compliance with the Trust Indenture Act) any other "obligor" (within the meaning of the Trust Indenture Act) with respect to the Certificates of any series.

Controlling Party: Means, with respect to a series of Certificates, the Person entitled to act as such pursuant to the terms of the related Intercreditor Agreement.

Corporate Trust Office: Means, with respect to the Trustee or any Loan Trustee, the office of such trustee in the city at which at any particular time its corporate trust business shall be principally administered.

Cut-off Date: Means, with respect to the Certificates of any series, the date designated as such in the Trust Supplement establishing such series.

Definitive Certificates: Has the meaning, with respect to the Certificates of any series, specified in Section 3.05.

Direction: Has the meaning specified in Section 1.04(a).

Distribution Date: Means a Regular Distribution Date or a Specified Distribution Date.

Equipment Notes: Means, with respect to the Certificates of any series, all of the equipment notes issued under the Indentures related to such series of Certificates.

ERISA: Means the Employee Retirement Income Security Act of 1974, as amended from time to time, or any successor federal statute.

Escrow Account: Has the meaning, with respect to the Certificates of any series, specified in Section 2.02(b).

Escrowed Funds: Has the meaning, with respect to any Trust, specified in Section 2.02(b).

Event of Default: Means, in respect of any Trust, an Indenture Event of Default under any Indenture pursuant to which Equipment Notes held by such Trust were issued.

Fractional Undivided Interest: Means the fractional undivided interest in a Trust that is evidenced by a Certificate relating to such Trust.

Indenture: Means, with respect to any Trust, each of the one or more separate trust indenture and security agreements or trust indenture and mortgages or similar documents described in, or on a schedule attached to, the Trust Supplement and an indenture having substantially the same terms and conditions which relates to a Substitute Aircraft, as each such indenture may be amended or supplemented in accordance with its respective terms; and "Indentures" means all of such agreements.

Indenture Event of Default: Means, with respect to any Indenture, any Indenture Event of Default (as such term is defined in such Indenture).

Initial Regular Distribution Date: Means, with respect to the Certificates of any series, the first Regular Distribution Date on which a Scheduled Payment is to be made.

Intercreditor Agreement: Means any agreement by and among the Trustee, as trustee hereunder with respect to one or more Trusts, one or more Liquidity Providers, if any, and a Subordination Agent providing, among other things, for the distribution of payments made in respect of Equipment Notes held by such Trusts.

Issuance Date: Means, with respect to the Certificates of any series, the date of the issuance of such Certificates.

Lease: Means any lease between an Owner Trustee, as the lessor, and the Company, as the lessee, referred to in the related Indenture, as such lease may be amended, supplemented or otherwise modified in accordance with its terms; and "Leases" means all such Leases.

Letter of Representations: Means, with respect to the Certificates of any series, an agreement between the Trustee and the initial Clearing Agency substantially in the form attached as an exhibit to the related Trust Supplement, as such letter may be amended, modified or supplemented.

Liquidity Facility: Means, with respect to the Certificates of any series, any revolving credit agreement, letter of credit or similar facility relating to the Certificates of such series between a bank or other financial institution and a Subordination Agent, as amended, replaced, supplemented or otherwise modified from time to time in accordance with its terms and the terms of any applicable Intercreditor Agreement.

Liquidity Provider: Means, with respect to the Certificates of any series, a bank or other financial institution that agrees to provide a Liquidity Facility for the benefit of the holders of Certificates of such series.

Loan Trustee: Means, with respect to any Equipment Note or the Indenture applicable thereto, the bank or trust company designated as loan or indenture trustee under such Indenture, and any successor to such Loan Trustee as such trustee; and "Loan Trustees" means all of the Loan Trustees under the Indentures.

Note Documents: Means, with respect to the Certificates of any series, the Equipment Notes with respect to such Certificates and, with respect to such Equipment Notes, the related Indenture, Note Purchase Agreement and, if the related Aircraft is leased to the Company, the related Lease and the related Owner Trustee's Purchase Agreement.

Note Purchase Agreement: Means, with respect to the Certificates of any series, any note purchase, refunding, participation or similar agreement providing for, among other things, the purchase of Equipment Notes by the Trustee on behalf of the relevant Trust; and "Note Purchase Agreements" means all such agreements.

Officer's Certificate: Means a certificate signed, (a) in the case of the Company, by the Chairman or Vice Chairman of the Board of Directors, the President, any Vice President or the Treasurer of the Company, signing alone, or (b) in the case of the Trustee or an Owner Trustee or a Loan Trustee, a Responsible Officer of the Trustee or such Owner Trustee or such Loan Trustee, as the case may be.

Opinion of Counsel: Means a written opinion of legal counsel who (a) in the case of counsel for the Company may be (i) a senior attorney of the Company one of whose principal duties is furnishing advice as to legal matters, (ii) Hughes Hubbard & Reed LLP or (iii) such other counsel designated by the Company and reasonably acceptable to the Trustee and (b) in the case of any Owner Trustee or any Loan Trustee, may be such counsel as may be designated by any of them whether or not such counsel is an employee of any of them, and who shall be reasonably acceptable to the Trustee.

Other Agreements: Has the meaning specified in Section 6.01(b).

Outstanding: When used with respect to Certificates of any series, means, as of the date of determination, all Certificates of such series theretofore authenticated and delivered under this Agreement, except:

(i) Certificates of such series theretofore cancelled by the Registrar or delivered to the Trustee or the Registrar for cancellation;

(ii) All of the Certificates of such series if money in the full amount required to make the final distribution with respect to such series pursuant to Section 11.01 hereof has been theretofore deposited with the Trustee in trust for the Holders of the Certificates of such series as provided in Section 4.01 pending distribution of such money to such Certificateholders pursuant to payment of such final distribution payment; and

(iii) Certificates of such series in exchange for or in lieu of which other Certificates of such series have been authenticated and delivered pursuant to this Agreement.

Owner Participant: Means, with respect to any Equipment Note, the "Owner Participant", if any, as referred to in the Indenture pursuant to which such Equipment Note is issued and any permitted successor or assign of such Owner Participant; and "Owner Participants" at any time of determination means all of the Owner Participants thus referred to in the Indentures.

Owner Trustee: Means, with respect to any Equipment Note, the "Owner Trustee", if any, as referred to in the Indenture pursuant to which such Equipment Note is issued, not in its individual capacity but solely as trustee; and "Owner Trustees" means all of the Owner Trustees party to any of the related Indentures.

Owner Trustee's Purchase Agreement: Has the meaning, with respect to the Certificates of any series if the related Aircraft is leased to the Company, specified therefor in the related Lease.

Paying Agent: Means, with respect to the Certificates of any series, the paying agent maintained and appointed for the Certificates of such series pursuant to Section 7.12.

Permitted Investments: Means obligations of the United States of America or agencies or instrumentalities thereof for the payment of which the full faith and credit of the United States of America is pledged, maturing in not more than 60 days after the date of acquisition thereof or such lesser time as is required for the distribution of any Special Payments on a Special Distribution Date.

Person: Means any person, including any individual, corporation, limited liability company, partnership, joint venture, association, joint-stock company, trust, trustee, unincorporated organization, or government or any agency or political subdivision thereof.

Pool Balance: Means, with respect to the Certificates of any series as of any date, (i) the original aggregate face amount of the Certificates of any series less (ii) the aggregate amount of all payments made in respect of such Certificates other than payments made in respect of interest or premium thereon or reimbursement of any costs or expenses incurred in connection therewith. The Pool Balance as of any Distribution Date shall be computed after giving effect to the payment of principal, if any, on the Equipment Notes or other Trust Property held in the Trust and the distribution thereof to be made on such Distribution Date.

Pool Factor: Means, with respect to any series of Certificates as of any date, the quotient (rounded to the seventh decimal place) computed by dividing (i) the Pool Balance of such series as at such date by (ii) the original aggregate face amount of the Certificates of such series. The Pool Factor as of any Distribution Date shall be computed after giving effect to the payment of principal, if any, on the Equipment Notes or other Trust Property held in the Trust and the distribution thereof to be made on such Distribution Date.

Postponed Notes: Means, with respect to any Trust or the related series of Certificates, the Equipment Notes to be held in such Trust as to which a Postponement Notice shall have been delivered pursuant to Section 2.02(b).

Postponement Notice: Means, with respect to any Trust or the related series of Certificates, an Officer's Certificate of the Company signed by an officer of the Company (1) requesting that the Trustee temporarily postpone purchase of the related Equipment Notes to a date later than the Issuance Date of such series of Certificates, (2) identifying the amount of the purchase price of each such Equipment Note and the aggregate purchase price for all such Equipment Notes, (3) setting forth the reasons for such postponement and (4) with respect to each such Equipment Note, either (a) setting or resetting a new Transfer Date (which shall be on or prior to the applicable Cut-off Date) for payment by the Trustee of such purchase price and issuance of the related Equipment Note (subject to subsequent change from time to time in accordance with the relevant Note Purchase Agreement), or (b) indicating that such new Transfer Date (which shall be

on or prior to the applicable Cut-off Date) will be set by subsequent written notice not less than one Business Day prior to such new Transfer Date (subject to subsequent change from time to time in accordance with the relevant Note Purchase Agreement).

Potential Purchaser: Has the meaning, with respect to any Certificateholder, specified in Section 6.01(b).

PTC Event of Default: Means, with respect to the Certificates of any series, any failure to pay within ten Business Days of the due date thereof: (i) the outstanding Pool Balance of such series of Certificates on the date specified in any Trust Supplement for such payment or (ii) interest due on the Certificates of such series on any Distribution Date (unless the related Subordination Agent shall have made an Interest Drawing or Drawings (as defined in the related Intercreditor Agreement), or a withdrawal or withdrawals pursuant to a cash collateral account under such Intercreditor Agreement, with respect thereto in an aggregate amount sufficient to pay such interest and shall have distributed such amount to the Trustee).

Purchasing Certificateholder: Has the meaning, with respect to any Certificateholder, specified in Section 6.01(b).

Record Date: Means, with respect to any Trust or the related series of Certificates, (i) for Scheduled Payments to be distributed on any Regular Distribution Date, other than the final distribution with respect to such series, the 15th day (whether or not a Business Day) preceding such Regular Distribution Date, and (ii) for Special Payments to be distributed on any Special Distribution Date, other than the final distribution with respect to such series, the 15th day (whether or not a Business Day) preceding such Special Distribution Date.

Register and Registrar: Means, each with respect to the Certificates of any series, the register maintained and the registrar appointed pursuant to Sections 3.04 and 7.12.

Regular Distribution Date: Means, with respect to distributions of Scheduled Payments in respect of any series of Certificates, each date designated as such in this Agreement, until payment of all the Scheduled Payments to be made under the Equipment Notes held in the Trust has been made.

Request: Means a request by the Company setting forth the subject matter of the request accompanied by an Officer's Certificate and an Opinion of Counsel as provided in Section 1.02 of this Basic Agreement.

Responsible Officer: Means, with respect to any Trustee, any Loan Trustee and any Owner Trustee, any officer in the Corporate Trust Department of the Trustee, Loan Trustee or Owner Trustee or any other officer customarily performing functions similar to those performed by the persons who at the time shall be such officers, respectively, or to whom any corporate trust matter is referred because of his knowledge of and familiarity with a particular subject.

Responsible Party: Means, with respect to the Certificates of any series, the person designated as such in the related Trust Supplement.

Scheduled Payment: Means, with respect to any Equipment Note, (i) any payment of principal or interest on such Equipment Note (other than any such payment which is not in fact received by the Trustee or the applicable Subordination Agent within five days of the date on which such payment is scheduled to be made) or (ii) any payment of interest on the Certificates of any series with funds drawn under the Liquidity Facility for such series, which payment represents the installment of principal on such Equipment Note at the stated maturity of such installment, the payment of regularly scheduled interest accrued on the unpaid principal amount of such Equipment Note, or both; provided, however, that any payment of principal, premium, if any, or interest resulting from the redemption or purchase of any Equipment Note shall not constitute a Scheduled Payment.

SEC: Means the Securities and Exchange Commission, as from time to time constituted or created under the Securities Exchange Act of 1934, as amended, or, if at any time after the execution of this instrument such Commission is not existing and performing the duties now assigned to it under the Trust Indenture Act, then the body performing such duties on such date.

Selling Certificateholder: Has the meaning, with respect to any Certificateholder, specified in Section 6.01(b).

Special Distribution Date: Means, with respect to the Certificates of any series, each date on which a Special Payment is to be distributed as specified in this Agreement.

Special Payment: Means (i) any payment (other than a Scheduled Payment) in respect of, or any proceeds of, any Equipment Note or Trust Indenture Estate (as defined in each Indenture), (ii) the amounts required to be distributed pursuant to the last paragraph of Section 2.02(b) or (iii) the amounts required to be distributed pursuant to the penultimate paragraph of Section 2.02(b).

Special Payments Account: Means, with respect to the Certificates of any series, the account or accounts created and maintained for such series pursuant to Section 4.01(b) and the related Trust Supplement.

Specified Investments: Means, with respect to any Trust, unless otherwise specified in the related Trust Supplement, (i) obligations of, or guaranteed by, the United States Government or agencies thereof, (ii) open market commercial paper of any corporation incorporated under the laws of the United States of America or any state thereof rated at least P-2 or its equivalent by Moody's Investors Service, Inc. or at least A-2 or its equivalent by Standard & Poor's Ratings Services, a Standard & Poor's Financial Services LLC business, (iii) certificates of deposit issued by commercial banks organized under the laws of the United States or of any political subdivision thereof having a combined capital and surplus in excess of \$100,000,000 which banks or their holding companies have a rating of A or its equivalent by Moody's Investors Service,

Inc. or Standard & Poor's Ratings Services, a Standard & Poor's Financial Services LLC business; provided, however, that the aggregate amount at any one time so invested in certificates of deposit issued by any one bank shall not exceed 5% of such bank's capital and surplus, (iv) U.S. dollar-denominated offshore certificates of deposit issued by, or offshore time deposits with, any commercial bank described in clause (iii) above or any subsidiary thereof and (v) repurchase agreements with any financial institution having combined capital and surplus of at least \$100,000,000 with any of the obligations described in clauses (i) through (iv) above as collateral; provided further that if all of the above investments are unavailable, the entire amounts to be invested may be used to purchase federal funds from an entity described in clause (iii) above.

Subordination Agent: Has the meaning specified therefor in the applicable Intercreditor Agreement.

Substitute Aircraft: Means, with respect to any Trust, any Aircraft of a type specified in this Agreement and, at the election of the Company, substituted prior to the applicable Cut-off Date, if any, pursuant to the terms of this Agreement.

Transfer Date: Has the meaning assigned to that term or any of the terms "Delivery Date", "Funding Date" or "Closing Date" in the applicable Note Purchase Agreement, and in any event refers to any such date as it may be changed from time to time in accordance with the terms of such Note Purchase Agreement.

Triggering Event: Has the meaning specified therefor in the applicable Intercreditor Agreement.

Trust: Means, with respect to the Certificates of any series, the related trust under this Agreement.

Trustee: Means Wilmington Trust, National Association, or its successor in interest, and any successor or other trustee appointed as provided herein.

Trust Indenture Act: Means, with respect to any particular Trust, the United States Trust Indenture Act of 1939, as in force at the date as of which the related Trust Supplement was executed.

Trust Property: Means, with respect to any Trust, (i) subject to any related Intercreditor Agreement, the Equipment Notes held as the property of such Trust, all monies at any time paid thereon and all monies due and to become due thereunder, (ii) funds from time to time deposited in the related Escrow Account, the related Certificate Account and the related Special Payments Account and, subject to the related Intercreditor Agreement, any proceeds from the sale by the Trustee pursuant to Article VI hereof of any such Equipment Note, (iii) all rights of such Trust and the Trustee, on behalf of the Trust, under any Intercreditor Agreement, including, without limitation, all monies receivable in respect of such rights, and (iv) all monies receivable under any Liquidity Facility for such Trust.

Trust Supplement: Means an agreement supplemental hereto pursuant to which (i) a separate Trust is created for the benefit of the Holders of the Certificates of a series, (ii) the issuance of the Certificates of such series representing fractional undivided interests in such Trust is authorized and (iii) the terms of the Certificates of such series are established.

Section 1.02. Compliance Certificates and Opinions. Upon any application or request by the Company, any Owner Trustee or any Loan Trustee to the Trustee to take any action under any provision of this Basic Agreement or, in respect of the Certificates of any series, this Agreement, the Company, such Owner Trustee or such Loan Trustee, as the case may be, shall furnish to the Trustee (i) an Officer's Certificate stating that, in the opinion of the signer or signers, all conditions precedent, if any, provided for in this Basic Agreement or this Agreement relating to the proposed action have been complied with and (ii) an Opinion of Counsel stating that in the opinion of such counsel all such conditions precedent, if any, have been complied with, except that in the case of any such application or request as to which the furnishing of such documents is specifically required by any provision of this Basic Agreement or this Agreement relating to such particular application or request, no such Officer's Certificate or Opinion of Counsel need be furnished.

Every certificate or opinion with respect to compliance with a condition or covenant provided for in this Basic Agreement or, in respect of the Certificates of any series, this Agreement (other than a certificate provided pursuant to Section 8.04(d)) or any Trust Supplement shall include:

- (1) a statement that each individual signing such certificate or each firm or individual signing such opinion has read such covenant or condition and the definitions in this Basic Agreement or this Agreement relating thereto;
- (2) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;
- (3) a statement that, in the opinion of each such individual or firm, he or it has made such examination or investigation as is necessary to enable him or it to express an informed opinion as to whether or not such covenant or condition has been complied with; and
- (4) a statement as to whether, in the opinion of each such individual or firm, such condition or covenant has been complied with.

Section 1.03. Form of Documents Delivered to Trustee. In any case where several matters are required to be certified by, or covered by an opinion of, any specified Person, it is not necessary that all such matters be certified by, or covered by the opinion of, only one such Person, or that they be so certified or covered by only one document, but one such Person may certify or give an opinion with respect to some matters and one or more other such Persons as to other matters and any such Person may certify or give an opinion as to such matters in one or several documents.

Where any Person is required to make, give or execute two or more applications, requests, consents, certificates, statements, opinions or other instruments under this Basic Agreement or, in respect of the Certificates of any series, this Agreement, they may, but need not, be consolidated and form one instrument.

Section 1.04. Directions of Certificateholders. (a) Any direction, consent, request, demand, authorization, notice, waiver or other action provided by this Agreement in respect of the Certificates of any series to be given or taken by Certificateholders (a "Direction") may be embodied in and evidenced by one or more instruments of substantially similar tenor signed by such Certificateholders in person or by an agent or proxy duly appointed in writing; and, except as herein otherwise expressly provided, such action shall become effective when such instrument or instruments are delivered to the Trustee and, when it is hereby expressly required pursuant to this Agreement, to the Company or any Loan Trustee. Such instrument or instruments (and the action embodied therein and evidenced thereby) are herein sometimes referred to as the "Act" of the Certificateholders signing such instrument or instruments. Proof of execution of any such instrument or of a writing appointing any such agent or proxy shall be sufficient for any purpose of this Trust Agreement and conclusive in favor of the Trustee, the Company and the related Loan Trustee, if made in the manner provided in this Section 1.04.

(b) The fact and date of the execution by any Person of any such instrument or writing may be proved by the certificate of any notary public or other officer of any jurisdiction authorized to take acknowledgments of deeds or administer oaths that the Person executing such instrument acknowledged to him the execution thereof, or by an affidavit of a witness to such execution sworn to before any such notary or such other officer, and where such execution is by an officer of a corporation or association or a member of a partnership, on behalf of such corporation, association or partnership, such certificate or affidavit shall also constitute sufficient proof of his authority. The fact and date of the execution of any such instrument or writing, or the authority of the Person executing the same, may also be proved in any other reasonable manner which the Trustee deems sufficient.

(c) In determining whether the Certificateholders of the requisite Fractional Undivided Interests of Certificates of any series Outstanding have given any Direction under this Agreement, Certificates owned by the Company or any Affiliate thereof shall be disregarded and deemed not to be Outstanding for purposes of any such determination. In determining whether the Trustee shall be protected in relying upon any such Direction, only Certificates which the Trustee knows to be so owned shall be so disregarded. Notwithstanding the foregoing, (i) if any such Person owns 100% of the Certificates of any series Outstanding, such Certificates shall not be so disregarded, and (ii) if any amount of Certificates of any series 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 Trustee the pledgee's right so to act with respect to such Certificates and that the pledgee is not the Company or any Affiliate thereof.

(d) The Company may, at its option, by delivery of an Officer's Certificate to the Trustee, set a record date to determine the Certificateholders in respect of the Certificates of any series, entitled to give any Direction. Notwithstanding Section 316(c) of the Trust Indenture Act, such record date shall be the record date specified in such Officer's Certificate, which shall be a date not more than 30 days prior to the first solicitation of Certificateholders of the applicable series in connection therewith. If such a record date is fixed, such Direction may be given before or after such record date, but only the Certificateholders of record of the applicable series at the close of business on such record date shall be deemed to be Certificateholders for the purposes of determining whether Certificateholders of the requisite proportion of Outstanding Certificates of such series have authorized or agreed or consented to such Direction, and for that purpose the Outstanding Certificates shall be computed as of such record date; provided, however, that no such Direction by the Certificateholders on such record date shall be deemed effective unless it shall become effective pursuant to the provisions of this Agreement not later than one year after such record date.

(e) Any Direction by the Holder of any Certificate shall bind the Holder of every Certificate issued upon the transfer thereof or in exchange therefor or in lieu thereof, whether or not notation of such Direction is made upon such Certificate.

(f) Except as otherwise provided in Section 1.04(c), Certificates of any series owned by or pledged to any Person shall have an equal and proportionate benefit under the provisions of this Agreement, without preference, priority or distinction as among all of the Certificates of such series.

ARTICLE II

ORIGINAL ISSUANCE OF CERTIFICATES: ACQUISITION OF TRUST PROPERTY

Section 2.01. Amount Unlimited; Issuable in Series. (a) The aggregate face amount of Certificates which may be authenticated and delivered under this Basic Agreement is unlimited. The Certificates may be issued from time to time in one or more series and shall be designated generally as the "Pass Through Certificates", with such further designations added or incorporated in such title for the Certificates of each series as specified in the related Trust Supplement. Each Certificate shall bear upon its face the designation so selected for the series to which it belongs. All Certificates of the same series shall be substantially identical except that the Certificates of a series may differ as to denomination and as may otherwise be provided in the Trust Supplement establishing the Certificates of such series. Each series of Certificates issued pursuant to this Agreement will evidence fractional undivided interests in the related Trust and, except as may be contained in any Intercreditor Agreement, will have no rights, benefits or interests in respect of any other Trust or the Trust Property held therein. All Certificates of the same series shall be in all respects equally and ratably entitled to the benefits of this Agreement without preference, priority or distinction on account of the actual time or times of authentication and delivery, all in accordance with the terms and provisions of this Agreement.

- (b) The following matters shall be established with respect to the Certificates of each series issued hereunder by a Trust Supplement executed and delivered by and between the Company and the Trustee:
- (1) the formation of the Trust as to which the Certificates of such series represent fractional undivided interests and its designation (which designation shall distinguish such Trust from each other Trust created under this Basic Agreement and a Trust Supplement);
 - (2) the specific title of the Certificates of such series (which title shall distinguish the Certificates of such series from each other series of Certificates created under this Basic Agreement and a Trust Supplement);
 - (3) any limit upon the aggregate face amount of the Certificates of such series which may be authenticated and delivered (which limit shall not pertain to Certificates authenticated and delivered upon registration of transfer of, or in exchange for, or in lieu of, other Certificates of the series pursuant to Sections 3.03, 3.04 and 3.06);
 - (4) the Cut-off Date with respect to the Certificates of such series;
 - (5) the Regular Distribution Dates applicable to the Certificates of such series;
 - (6) the Special Distribution Dates applicable to the Certificates of such series;
 - (7) if other than as provided in Section 7.12(b), the Registrar or the Paying Agent for the Certificates of such series, including any Co-Registrar or additional Paying Agent;
 - (8) if other than as provided in Section 3.01, the denominations in which the Certificates of such series shall be issuable;
 - (9) if other than United States dollars, the currency or currencies (including currency units) in which the Certificates of such series shall be denominated;
 - (10) the specific form of the Certificates of such series (including the interest rate applicable thereto) and whether or not Certificates of such series are to be issued as Book-Entry Certificates and, if such Certificates are to be Book-Entry Certificates, the form of Letter of Representations, if any (or, in the case of any Certificates denominated in a currency other than United States dollars and if other than as provided in Section 3.05, whether and the circumstances under which beneficial owners of interests in such Certificates in permanent global form may exchange such interests for Certificates of such series and of like tenor of any authorized form and denomination);
 - (11) a description of the Equipment Notes to be acquired and held in the related Trust and of the related Aircraft and Note Documents;

(12) provisions with respect to the terms for which the definitions set forth in Article I hereof or the terms of Section 11.01 hereof require further specification in the related Trust Supplement;

(13) any restrictions (including legends) in respect of ERISA;

(14) whether such series will be subject to an Intercreditor Agreement and, if so, the specific designation of such Intercreditor Agreement;

(15) whether such series will have the benefit of a Liquidity Facility and, if so, the specific designation of such Liquidity Facility;

(16) whether there will be a deposit agreement or other comparable arrangement prior to the delivery of one or more Aircraft and, if so, any terms appropriate thereto; and

(17) any other terms of the Certificates of such series (which terms shall not be inconsistent with the provisions of the Trust Indenture Act), including any terms of the Certificates of such series which may be required or advisable under United States laws or regulations or advisable in connection with the marketing of Certificates of the series.

(c) At any time and from time to time after the execution and delivery of this Basic Agreement and a Trust Supplement forming a Trust and establishing the terms of Certificates of a series, Certificates of such series shall be executed, authenticated and delivered by the Trustee to the Person or Persons specified by the Company upon request of the Company and upon satisfaction or waiver of any conditions precedent set forth in such Trust Supplement.

Section 2.02. Acquisition of Equipment Notes. (a) Unless otherwise specified in the related Trust Supplement, on or prior to the Issuance Date of the Certificates of a series, the Trustee shall execute and deliver the related Note Purchase Agreements in the form delivered to the Trustee by the Company and shall, subject to the respective terms thereof, perform its obligations under such Note Purchase Agreements. The Trustee shall issue and sell such Certificates, in authorized denominations and in such Fractional Undivided Interests, so as to result in the receipt of consideration in an amount equal to the aggregate purchase price of the Equipment Notes contemplated to be purchased by the Trustee under the related Note Purchase Agreements and, concurrently therewith, the Trustee shall purchase, pursuant to the terms and conditions of the Note Purchase Agreements, such Equipment Notes at a purchase price equal to the amount of such consideration so received. Except as provided in Sections 3.03, 3.04 and 3.06 hereof, the Trustee shall not execute, authenticate or deliver Certificates of such series in excess of the aggregate amount specified in this paragraph. The provisions of this Subsection (a) are subject to the provisions of Subsection (b) below.

(b) If on or prior to the Issuance Date with respect to a series of Certificates the Company shall deliver to the Trustee a Postponement Notice relating to one or more Postponed Notes, the Trustee shall postpone the purchase of such Postponed Notes and shall deposit into an escrow account (as to such Trust, the "Escrow Account") to be maintained as part of the related Trust an amount equal to the purchase price of such Postponed Notes (the

"Escrowed Funds"). The portion of the Escrowed Funds so deposited with respect to any particular Postponed Notes shall be invested by the Trustee at the written direction and risk of, and for the benefit of, the Responsible Party in Specified Investments (i) maturing no later than any scheduled Transfer Date relating to such Postponed Notes or (ii) if no such Transfer Date has been scheduled, maturing on the next Business Day, or (iii) if the Company has given notice to the Trustee that such Postponed Notes will not be issued, maturing on the next applicable Special Distribution Date, if such investments are reasonably available for purchase. The Trustee shall make withdrawals from the Escrow Account only as provided in this Agreement. Upon request of the Company on one or more occasions and the satisfaction or waiver of the closing conditions specified in the applicable Note Purchase Agreements on or prior to the related Cut-off Date, the Trustee shall purchase the applicable Postponed Notes with the Escrowed Funds withdrawn from the Escrow Account. The purchase price shall equal the principal amount of such Postponed Notes.

The Trustee shall hold all Specified Investments until the maturity thereof and will not sell or otherwise transfer Specified Investments. If Specified Investments held in an Escrow Account mature prior to any applicable Transfer Date, any proceeds received on the maturity of such Specified Investments (other than any earnings thereon) shall be reinvested by the Trustee at the written direction and risk of, and for the benefit of, the Responsible Party in Specified Investments maturing as provided in the preceding paragraph.

Any earnings on Specified Investments received from time to time by the Trustee shall be promptly distributed to the Responsible Party. The Responsible Party shall pay to the Trustee for deposit to the relevant Escrow Account an amount equal to any losses on such Specified Investments as incurred. On the Initial Regular Distribution Date in respect of the Certificates of any series, the Responsible Party will pay (in immediately available funds) to the Trustee an amount equal to the interest that would have accrued on any Postponed Notes with respect to such Certificates, if any, purchased after the Issuance Date if such Postponed Notes had been purchased on the Issuance Date, from the Issuance Date to, but not including, the date of the purchase of such Postponed Notes by the Trustee.

If, in respect of the Certificates of any series, the Company notifies the Trustee prior to the Cut-off Date that any Postponed Notes will not be issued on or prior to the Cut-off Date for any reason, on the next Special Distribution Date for such Certificates occurring not less than 15 days following the date of such notice, (i) the Responsible Party shall pay to the Trustee for deposit in the related Special Payments Account, in immediately available funds, an amount equal to the interest that would have accrued on the Postponed Notes designated in such notice at a rate equal to the interest rate applicable to such Certificates from the Issuance Date to, but not including, such Special Distribution Date and (ii) the Trustee shall transfer an amount equal to that amount of Escrowed Funds that would have been used to purchase the Postponed Notes designated in such notice and the amount paid by the Responsible Party pursuant to the immediately preceding clause (i) to the related Special Payments Account for distribution as a Special Payment in accordance with the provisions hereof.

If, on such Cut-off Date, an amount equal to less than all of the Escrowed Funds (other than Escrowed Funds referred to in the immediately preceding paragraph) has been used to purchase Postponed Notes, on the next such Special Distribution Date occurring not less than

15 days following such Cut-off Date (i) the Responsible Party shall pay to the Trustee for deposit in such Special Payments Account, in immediately available funds, an amount equal to the interest that would have accrued on such Postponed Notes contemplated to be purchased with such unused Escrowed Funds (other than Escrowed Funds referred to in the immediately preceding paragraph) but not so purchased at a rate equal to the interest rate applicable to such Certificates from the Issuance Date to, but not including, such Special Distribution Date and (ii) the Trustee shall transfer such unused Escrowed Funds and the amount paid by the Responsible Party pursuant to the immediately preceding clause (i) to such Special Payments Account for distribution as a Special Payment in accordance with the provisions hereof.

Section 2.03. Acceptance by Trustee. Upon the execution and delivery of a Trust Supplement creating a Trust and establishing a series of Certificates, the Trustee shall acknowledge its acceptance of all right, title and interest in and to the Trust Property to be acquired pursuant to Section 2.02 hereof and the related Note Purchase Agreements and shall declare that the Trustee holds and will hold such right, title and interest for the benefit of all then present and future Certificateholders of such series, upon the trusts herein and in such Trust Supplement set forth. By the acceptance of each Certificate of such series issued to it under this Agreement, each initial Holder of such series as grantor of such Trust shall thereby join in the creation and declaration of such Trust.

Section 2.04. Limitation of Powers. Each Trust shall be constituted solely for the purpose of making the investment in the Equipment Notes provided for in the related Trust Supplement, and, except as set forth herein, the Trustee shall not be authorized or empowered to acquire any other investments or engage in any other activities and, in particular, the Trustee shall not be authorized or empowered to do anything that would cause such Trust to fail to qualify as a "grantor trust" for federal income tax purposes (including, as subject to this restriction, acquiring any Aircraft (as defined in the respective Indentures) by bidding such Equipment Notes or otherwise, or taking any action with respect to any such Aircraft once acquired).

ARTICLE III
THE CERTIFICATES

Section 3.01. Form, Denomination and Execution of Certificates. The Certificates of each series shall be issued in fully registered form without coupons and shall be substantially in the form attached hereto as Exhibit A, with such omissions, variations and insertions as are permitted by this Agreement, and may have such letters, numbers or other marks of identification and such legends or endorsements placed thereon as may be required to comply with the rules of any securities exchange on which such Certificates may be listed or to conform to any usage in respect thereof, or as may, consistently herewith, be determined by the Trustee or the officers executing such Certificates, as evidenced by the Trustee's or respective officers' execution of the Certificates.

Except as provided in Section 3.05, the definitive Certificates of such series shall be typed, printed, lithographed or engraved or produced by any combination of these methods or may be produced in any other manner permitted by the rules of any securities exchange on which the Certificates may be listed, all as determined by the officers executing such Certificates, as evidenced by their execution of such Certificates.

Except as otherwise provided in the related Trust Supplement, the Certificates of each series shall be issued in minimum denominations of \$1,000 or integral multiples thereof except that one Certificate of such series may be issued in a different denomination.

The Certificates of such series shall be executed on behalf of the Trustee by manual or facsimile signature of a Responsible Officer of the Trustee. Certificates of any series bearing the manual or facsimile signature of an individual who was, at the time when such signature was affixed, authorized to sign on behalf of the Trustee shall be valid and binding obligations of the Trustee, notwithstanding that such individual has ceased to be so authorized prior to the authentication and delivery of such Certificates or did not hold such office at the date of such Certificates.

Section 3.02. Authentication of Certificates. (a) On the Issuance Date, the Trustee shall duly execute, authenticate and deliver Certificates of each series in authorized denominations equalling in the aggregate the aggregate principal amount of the Equipment Notes that may be purchased by the Trustee pursuant to the related Note Purchase Agreements, and evidencing the entire ownership of the related Trust. Thereafter, the Trustee shall duly execute, authenticate and deliver the Certificates of such series as herein provided.

(b) No Certificate of any series shall be entitled to any benefit under this Agreement, or be valid for any purpose, unless there appears on such Certificate a certificate of authentication substantially in the form set forth in Exhibit A hereto executed by the Trustee by manual signature, and such certificate of authentication upon any Certificate shall be conclusive evidence, and the only evidence, that such Certificate has been duly authenticated and delivered hereunder. All Certificates of any series shall be dated the date of their authentication.

Section 3.03. Temporary Certificates. Until definitive Certificates are ready for delivery, the Trustee shall execute, authenticate and deliver temporary Certificates of each series. Temporary Certificates of each series shall be substantially in the form of definitive Certificates of such series but may have insertions, substitutions, omissions and other variations determined to be appropriate by the officers executing the temporary Certificates of such series, as evidenced by their execution of such temporary Certificates. If temporary Certificates of any series are issued, the Trustee will cause definitive Certificates of such series to be prepared without unreasonable delay. After the preparation of definitive Certificates of such series, the temporary Certificates shall be exchangeable for definitive Certificates upon surrender of such temporary Certificates at the office or agency of the Trustee designated for such purpose pursuant to Section 7.12, without charge to the Certificateholder. Upon surrender for cancellation of any one or more temporary Certificates, the Trustee shall execute, authenticate and deliver in exchange therefor a like face amount of definitive Certificates of like series, in authorized denominations and of a like Fractional Undivided Interest. Until so exchanged, such temporary Certificates shall be entitled to the same benefits under this Agreement as definitive Certificates.

Section 3.04. Transfer and Exchange. The Trustee shall cause to be kept at the office or agency to be maintained by it in accordance with the provisions of Section 7.12 a register (the "Register") for each series of Certificates in which, subject to such reasonable regulations as it may prescribe, the Trustee shall provide for the registration of Certificates of such series and of transfers and exchanges of such Certificates as herein provided. The Trustee shall initially be the registrar (the "Registrar") for the purpose of registering such Certificates of each series and transfers and exchanges of such Certificates as herein provided.

All Certificates issued upon any registration of transfer or exchange of Certificates of any series shall be valid obligations of the applicable Trust, evidencing the same interest therein, and entitled to the same benefits under this Agreement, as the Certificates of such series surrendered upon such registration of transfer or exchange.

Upon surrender for registration of transfer of any Certificate at the Corporate Trust Office or such other office or agency, the Trustee shall execute, authenticate and deliver, in the name of the designated transferee or transferees, one or more new Certificates of like series, in authorized denominations of a like aggregate Fractional Undivided Interest.

At the option of a Certificateholder, Certificates may be exchanged for other Certificates of like series, in authorized denominations and of a like aggregate Fractional Undivided Interest, upon surrender of the Certificates to be exchanged at any such office or agency. Whenever any Certificates are so surrendered for exchange, the Trustee shall execute, authenticate and deliver the Certificates that the Certificateholder making the exchange is entitled to receive. Every Certificate presented or surrendered for registration of transfer or exchange shall be duly endorsed or accompanied by a written instrument of transfer in form satisfactory to the Trustee and the Registrar duly executed by the Certificateholder thereof or its attorney duly authorized in writing.

No service charge shall be made to a Certificateholder for any registration of transfer or exchange of Certificates, but the Trustee shall require payment of a sum sufficient to cover any tax or governmental charge that may be imposed in connection with any transfer or exchange of Certificates. All Certificates surrendered for registration of transfer or exchange shall be cancelled and subsequently destroyed by the Trustee.

Section 3.05. Book-Entry and Definitive Certificates. (a) The Certificates of any series may be issued in the form of one or more typewritten Certificates representing the Book-Entry Certificates of such series, to be delivered to The Depository Trust Company, the initial Clearing Agency, by, or on behalf of, the Company. In such case, the Certificates of such series delivered to The Depository Trust Company shall initially be registered on the Register in the name of CEDE & Co., the nominee of the initial Clearing Agency, and no Certificate Owner will receive a definitive certificate representing such Certificate Owner's interest in the Certificates of such series, except as provided above and in Subsection (d) below. As to the Certificates of any series, unless and until definitive, fully registered Certificates (the "Definitive Certificates") have been issued pursuant to Subsection (d) below:

(i) the provisions of this Section 3.05 shall be in full force and effect;

(ii) the Company, the Paying Agent, the Registrar and the Trustee may deal with the Clearing Agency Participants for all purposes (including the making of distributions on the Certificates) as the authorized representatives of the Certificate Owners;

(iii) to the extent that the provisions of this Section 3.05 conflict with any other provisions of this Agreement (other than the provisions of any Trust Supplement expressly amending this Section 3.05 as permitted by this Basic Agreement), the provisions of this Section 3.05 shall control;

(iv) the rights of Certificate Owners shall be exercised only through the Clearing Agency and shall be limited to those established by law and agreements between such Certificate Owners and the Clearing Agency Participants; and until Definitive Certificates are issued pursuant to Subsection (d) below, the Clearing Agency will make book-entry transfers among the Clearing Agency Participants and receive and transmit distributions of principal, interest and premium, if any, on the Certificates to such Clearing Agency Participants; and

(v) whenever this Agreement requires or permits actions to be taken based upon instructions or directions of Certificateholders of such series holding Certificates of such series evidencing a specified percentage of the Fractional Undivided Interests in the related Trust, the Clearing Agency shall be deemed to represent such percentage only to the extent that it has received instructions to such effect from Clearing Agency Participants owning or representing, respectively, such required percentage of the beneficial interest in Certificates of such series and has delivered such instructions to the Trustee. The Trustee shall have no obligation to determine whether the Clearing Agency has in fact received any such instructions.

(b) Whenever notice or other communication to the Certificateholders of such series is required under this Agreement, unless and until Definitive Certificates shall have been issued pursuant to Subsection (d) below, the Trustee shall give all such notices and communications specified herein to be given to Certificateholders of such series to the Clearing Agency.

(c) Unless and until Definitive Certificates of a series are issued pursuant to Subsection (d) below, on the Record Date prior to each applicable Regular Distribution Date and Special Distribution Date, as stated in Section 4.03(a) the Trustee will request from the Clearing Agency a securities position listing setting forth the names of all Clearing Agency Participants reflected on the Clearing Agency's books as holding interests in the Certificates on such Record Date.

(d) If with respect to the Certificates of any series (i) the Company advises the Trustee in writing that the Clearing Agency is no longer willing or able to discharge properly its

responsibilities and the Trustee or the Company is unable to locate a qualified successor, (ii) the Company, at its option, advises the Trustee in writing that it elects to terminate the book-entry system through the Clearing Agency or (iii) after the occurrence of an Event of Default, Certificate Owners of Book-Entry Certificates of such series evidencing Fractional Undivided Interests aggregating not less than a majority in interest in the related Trust, by Act of such Certificate Owners delivered to the Company and the Trustee, advise the Company, the Trustee and the Clearing Agency through the Clearing Agency Participants in writing that the continuation of a book-entry system through the Clearing Agency Participants is no longer in the best interests of the Certificate Owners of such series, then the Trustee shall notify all Certificate Owners of such series, through the Clearing Agency, of the occurrence of any such event and of the availability of Definitive Certificates. Upon surrender to the Trustee of all the Certificates of such series held by the Clearing Agency, accompanied by registration instructions from the Clearing Agency Participants for registration of Definitive Certificates in the names of Certificate Owners of such series, the Trustee shall issue and deliver the Definitive Certificates of such series in accordance with the instructions of the Clearing Agency. Neither the Company, the Registrar, the Paying Agent nor the Trustee shall be liable for any delay in delivery of such instructions and may conclusively rely on, and shall be protected in relying on, such registration instructions. Upon the issuance of Definitive Certificates of such series, the Trustee shall recognize the Person in whose name the Definitive Certificates are registered in the Register as Certificateholders hereunder. Neither the Company nor the Trustee shall be liable to the Certificateholders or any other Person if the Trustee or the Company is unable to locate a qualified successor Clearing Agency.

(e) Except as otherwise provided in the related Trust Supplement, the Trustee shall enter into the applicable Letter of Representations with respect to such series of Certificates and fulfill its responsibilities thereunder.

(f) The provisions of this Section 3.05 may be made inapplicable to any series or may be amended with respect to any series in the related Trust Supplement.

Section 3.06. Mutilated, Destroyed, Lost or Stolen Certificates. If (a) any mutilated Certificate is surrendered to the Registrar, or the Registrar receives evidence to its satisfaction of the destruction, loss or theft of any Certificate, and (b) there is delivered to the Registrar and the Trustee such security, indemnity or bond, as may be required by them to save each of them harmless, then, in the absence of notice to the Registrar or the Trustee that such destroyed, lost or stolen Certificate has been acquired by a *bona fide* purchaser, and provided, however, that the requirements of Section 8-405 of the Uniform Commercial Code in effect in any applicable jurisdiction are met, the Trustee shall execute, authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Certificate, a new Certificate or Certificates of like series, in authorized denominations and of like Fractional Undivided Interest and bearing a number not contemporaneously outstanding.

In connection with the issuance of any new Certificate under this Section 3.06, the Trustee shall require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Trustee and the Registrar) connected therewith.

Any duplicate Certificate issued pursuant to this Section 3.06 shall constitute conclusive evidence of the appropriate Fractional Undivided Interest in the related Trust, as if originally issued, whether or not the lost, stolen or destroyed Certificate shall be found at any time.

The provisions of this Section 3.06 are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement or payment of mutilated, destroyed, lost or stolen Certificates.

Section 3.07. Persons Deemed Owners. Prior to due presentment of a Certificate for registration of transfer, the Trustee, the Registrar and any Paying Agent may treat the Person in whose name any Certificate is registered (as of the day of determination) as the owner of such Certificate for the purpose of receiving distributions pursuant to Article IV and for all other purposes whatsoever, and none of the Trustee, the Registrar or any Paying Agent shall be affected by any notice to the contrary.

Section 3.08. Cancellation. All Certificates surrendered for payment or transfer or exchange shall, if surrendered to the Trustee or any agent of the Trustee other than the Registrar, be delivered to the Registrar for cancellation and shall promptly be cancelled by it. No Certificates shall be authenticated in lieu of or in exchange for any Certificates cancelled as provided in this Section 3.08, except as expressly permitted by this Agreement. All cancelled Certificates held by the Registrar shall be destroyed and a certification of their destruction delivered to the Trustee.

Section 3.09. Limitation of Liability for Payments. All payments and distributions made to Certificateholders of any series in respect of the Certificates of such series shall be made only from the Trust Property of the related Trust and only to the extent that the Trustee shall have sufficient income or proceeds from such Trust Property to make such payments in accordance with the terms of Article IV of this Agreement. Each Certificateholder, by its acceptance of a Certificate, agrees that it will look solely to the income and proceeds from the Trust Property of the related Trust for any payment or distribution due to such Certificateholder pursuant to the terms of this Agreement and that it will not have any recourse to the Company, the Trustee, the Loan Trustees, the Owner Trustees or the Owner Participants, except as otherwise expressly provided herein or in the related Intercreditor Agreement.

The Company is a party to this Agreement solely for purposes of meeting the requirements of the Trust Indenture Act, and therefore shall not have any right, obligation or liability hereunder (except as otherwise expressly provided herein).

ARTICLE IV
DISTRIBUTIONS; STATEMENTS TO CERTIFICATEHOLDERS

Section 4.01. Certificate Account and Special Payments Account. (a) The Trustee shall establish and maintain on behalf of the Certificateholders of each series a Certificate Account as one or more non-interest-bearing accounts. The Trustee shall hold such Certificate Account in trust for the benefit of the Certificateholders of such series, and shall make or permit withdrawals therefrom only as provided in this Agreement. On each day when a Scheduled Payment is made to the Trustee (under an Intercreditor Agreement, if applicable) with respect to the Certificates of such series, the Trustee, upon receipt thereof, shall immediately deposit the aggregate amount of such Scheduled Payment in such Certificate Account.

(b) The Trustee shall establish and maintain on behalf of the Certificateholders of each series a Special Payments Account as one or more accounts, which shall be non-interest bearing except as provided in Section 4.04. The Trustee shall hold the Special Payments Account in trust for the benefit of the Certificateholders of such series and shall make or permit withdrawals therefrom only as provided in this Agreement. On each day when one or more Special Payments are made to the Trustee (under an Intercreditor Agreement, if applicable) with respect to the Certificates of such series, the Trustee, upon receipt thereof, shall immediately deposit the aggregate amount of such Special Payments in such Special Payments Account.

(c) The Trustee shall present (or, if applicable, cause the Subordination Agent to present) to the related Loan Trustee of each Equipment Note such Equipment Note on the date of its stated final maturity or, in the case of any Equipment Note which is to be redeemed in whole pursuant to the related Indenture, on the applicable redemption date under such Indenture.

Section 4.02. Distributions from Certificate Account and Special Payments Account. (a) On each Regular Distribution Date with respect to a series of Certificates or as soon thereafter as the Trustee has confirmed receipt of the payment of all or any part of the Scheduled Payments due on the Equipment Notes held (subject to the Intercreditor Agreement) in the related Trust on such date, the Trustee shall distribute out of the applicable Certificate Account the entire amount deposited therein pursuant to Section 4.01(a). There shall be so distributed to each Certificateholder of record of such series on the Record Date with respect to such Regular Distribution Date (other than as provided in Section 11.01 concerning the final distribution) by check mailed to such Certificateholder, at the address appearing in the Register, such Certificateholder's pro rata share (based on the Fractional Undivided Interest in the Trust held by such Certificateholder) of the total amount in the applicable Certificate Account, except that, with respect to Certificates registered on the Record Date in the name of a Clearing Agency (or its nominee), such distribution shall be made by wire transfer in immediately available funds to the account designated by such Clearing Agency (or such nominee).

(b) On each Special Distribution Date with respect to any Special Payment with respect to a series of Certificates or as soon thereafter as the Trustee has confirmed receipt of any Special Payments due on the Equipment Notes held (subject to the Intercrreditor Agreement) in the related Trust or realized upon the sale of such Equipment Notes, the Trustee shall distribute out of the applicable Special Payments Account the entire amount of such applicable Special Payment deposited therein pursuant to Section 4.01(b). There shall be so distributed to each Certificateholder of record of such series on the Record Date with respect to such Special Distribution Date (other than as provided in Section 11.01 concerning the final distribution) by check mailed to such Certificateholder, at the address appearing in the Register, such Certificateholder's pro rata share (based on the Fractional Undivided Interest in the related Trust held by such Certificateholder) of the total amount in the applicable Special Payments Account on account of such Special Payment, except that, with respect to Certificates registered on the Record Date in the name of a Clearing Agency (or its nominee), such distribution shall be made by wire transfer in immediately available funds to the account designated by such Clearing Agency (or such nominee).

(c) The Trustee shall, at the expense of the Company, cause notice of each Special Payment with respect to a series of Certificates to be mailed to each Certificateholder of such series at his address as it appears in the Register. In the event of redemption or purchase of Equipment Notes held in the related Trust, such notice shall be mailed not less than 15 days prior to the Special Distribution Date for the Special Payment resulting from such redemption or purchase, which Special Distribution Date shall be the date of such redemption or purchase. In the event that the Trustee receives a notice from the Company that Postponed Notes will not be purchased by the Trustee pursuant to Section 2.02, such notice of Special Payment shall be mailed as soon as practicable after receipt of such notice from the Company and shall state the Special Distribution Date for such Special Payment, which shall occur 15 days after the date of such notice of Special Payment or (if such 15th day is not practicable) as soon as practicable thereafter. In the event that any Special Payment is to be made pursuant to the last paragraph of Section 2.02(b) hereof, there shall be mailed on the Cut-off Date (or, if such mailing on the Cut-off Date is not practicable, as soon as practicable after the Cut-off Date), notice of such Special Payment stating the Special Distribution Date for such Special Payment, which shall occur 15 days after the date of such notice of such Special Payment (or, if such 15th day is not practicable, as soon as practicable thereafter). In the case of any other Special Payments, such notice shall be mailed as soon as practicable after the Trustee has confirmed that it has received funds for such Special Payment, stating the Special Distribution Date for such Special Payment which shall occur not less than 15 days after the date of such notice and as soon as practicable thereafter. Notices mailed by the Trustee shall set forth:

- (i) the Special Distribution Date and the Record Date therefor (except as otherwise provided in Section 11.01),
- (ii) the amount of the Special Payment (taking into account any payment to be made by the Company pursuant to Section 2.02(b)) for each \$1,000 face amount Certificate and the amount thereof constituting principal, premium, if any, and interest,
- (iii) the reason for the Special Payment, and

(iv) if the Special Distribution Date is the same date as a Regular Distribution Date for the Certificates of such series, the total amount to be received on such date for each \$1,000 face amount Certificate.

If the amount of premium, if any, payable upon the redemption or purchase of an Equipment Note has not been calculated at the time that the Trustee mails notice of a Special Payment, it shall be sufficient if the notice sets forth the other amounts to be distributed and states that any premium received will also be distributed.

If any redemption of the Equipment Notes held in any Trust is cancelled, the Trustee, as soon as possible after learning thereof, shall cause notice thereof to be mailed to each Certificateholder of the related series at its address as it appears on the Register.

Section 4.03. **Statements to Certificateholders.** (a) On each Regular Distribution Date and Special Distribution Date, the Trustee will include with each distribution of a Scheduled Payment or Special Payment, as the case may be, to Certificateholders of the related series a statement setting forth the information provided below. Such statement shall set forth (per \$1,000 aggregate face amount of Certificate as to (i) and (ii) below) the following information:

- (i) the amount of such distribution hereunder allocable to principal and the amount allocable to premium, if any;
- (ii) the amount of such distribution hereunder allocable to interest; and
- (iii) the Pool Balance and the Pool Factor of the related Trust.

With respect to the Certificates registered in the name of a Clearing Agency or its nominee, on the Record Date prior to each Distribution Date, the Trustee will request from the Clearing Agency a securities position listing setting forth the names of all the Clearing Agency Participants reflected on the Clearing Agency's books as holding interests in the Certificates on such Record Date. On each Distribution Date, the applicable Trustee will mail to each such Clearing Agency Participant the statement described above and will make available additional copies as requested by such Clearing Agency Participant for forwarding to holders of interests in the Certificates.

(b) Within a reasonable period of time after the end of each calendar year but not later than the latest date permitted by law, the Trustee shall furnish to each Person who at any time during such calendar year was a Certificateholder of record a statement containing the sum of the amounts determined pursuant to clauses (a)(i) and (a)(ii) above with respect to the related Trust for such calendar year or, in the event such Person was a Certificateholder of record during a portion of such calendar year, for the applicable portion of such year, and such other items as are readily available to the Trustee and which a Certificateholder shall reasonably request as necessary for the purpose of such Certificateholder's preparation of its federal income tax returns. With respect to Certificates registered in the name of a Clearing Agency or its nominee, such statement and such other items shall be prepared on the basis of information supplied to the Trustee by the Clearing Agency Participants and shall be delivered by the Trustee to such Clearing Agency Participants to be available for forwarding by such Clearing Agency Participants to the holders of interests in the Certificates in the manner described in Section 4.03(a).

Section 4.04. Investment of Special Payment Moneys. Any money received by the Trustee pursuant to Section 4.01(b) representing a Special Payment which is not distributed on the date received shall, to the extent practicable, be invested in Permitted Investments by the Trustee pending distribution of such Special Payment pursuant to Section 4.02. Any investment made pursuant to this Section 4.04 shall be in such Permitted Investments having maturities not later than the date that such moneys are required to be used to make the payment required under Section 4.02 on the applicable Special Distribution Date and the Trustee shall hold any such Permitted Investments until maturity. The Trustee shall have no liability with respect to any investment made pursuant to this Section 4.04, other than by reason of the willful misconduct or negligence of the Trustee. All income and earnings from such investments shall be distributed on such Special Distribution Date as part of such Special Payment.

ARTICLE V
THE COMPANY

Section 5.01. Maintenance of Corporate Existence. The Company, at its own cost and expense, will do or cause to be done all things necessary to preserve and keep in full force and effect its corporate existence, rights and franchises, except as otherwise specifically permitted in Section 5.02; provided, however, that the Company shall not be required to preserve any right or franchise if the Company shall determine that the preservation thereof is no longer desirable in the conduct of the business of the Company.

Section 5.02. Consolidation, Merger, Etc. The Company shall not consolidate with or merge into any other Person or convey, transfer or lease substantially all of its assets as an entirety to any Person unless:

(a) the Person formed by such consolidation or into which the Company is merged or the Person that acquires by conveyance, transfer or lease substantially all of the assets of the Company as an entirety shall be (i) organized and validly existing under the laws of the United States of America or any state thereof or the District of Columbia, (ii) a "citizen of the United States" as defined in 49 U.S.C. § 40102(a)(15), as amended, and (iii) a United States certificated air carrier, if and so long as such status is a condition of entitlement to the benefits of Section 1110 of the Bankruptcy Reform Act of 1978, as amended (11 U.S.C. § 1110), with respect to the Leases or the Aircraft owned by the Company;

(b) the Person formed by such consolidation or into which the Company is merged or the Person which acquires by conveyance, transfer or lease substantially all of the assets of the Company as an entirety shall execute and deliver to the Trustee applicable to the Certificates of each series a duly authorized, valid, binding and

enforceable agreement in form and substance reasonably satisfactory to the Trustee containing an assumption by such successor corporation or Person of the due and punctual performance and observance of each covenant and condition of the Note Documents and of this Agreement applicable to the Certificates of each series to be performed or observed by the Company; and

(c) the Company shall deliver to the Trustee an Officer's Certificate of the Company and an Opinion of Counsel of the Company reasonably satisfactory to the Trustee, each stating that such consolidation, merger, conveyance, transfer or lease and the assumption agreement mentioned in clause (b) above comply with this Section 5.02 and that all conditions precedent herein provided for relating to such transaction have been complied with.

Upon any consolidation or merger, or any conveyance, transfer or lease of substantially all of the assets of the Company as an entirety in accordance with this Section 5.02, the successor corporation or Person formed by such consolidation or into which the Company is merged or to which such conveyance, transfer or lease is made shall succeed to, and be substituted for, and may exercise every right and power of, the Company under this Agreement applicable to the Certificates of each series with the same effect as if such successor corporation or Person had been named as the Company herein. No such conveyance, transfer or lease of substantially all of the assets of the Company as an entirety shall have the effect of releasing any successor corporation or Person which shall have become such in the manner prescribed in this Section 5.02 from its liability in respect of this Agreement and any Note Document applicable to the Certificates of such series to which it is a party.

ARTICLE VI

DEFAULT

Section 6.01. Events of Default. (a) Exercise of Remedies. Upon the occurrence and during the continuation of any Indenture Event of Default under any Indenture, the Trustee may (i) to the extent it is the Controlling Party at such time (as determined pursuant to the related Intercreditor Agreement), direct the exercise of remedies as provided in such related Intercreditor Agreement and (ii) if there is no related Intercreditor Agreement, direct the exercise of remedies or take other action as provided in the relevant Indenture to the extent that it may do so as the holder of the Equipment Notes issued under such Indenture and held in the related Trust.

(b) Purchase Rights of Certificateholders. At any time after the occurrence and during the continuation of a Triggering Event, each Certificateholder of Certificates of certain series (each, a "Potential Purchaser" and, collectively, the "Potential Purchasers") will have certain rights to purchase the Certificates of one or more other series, all as set forth in the Trust Supplement applicable to the Certificates held by such Potential Purchaser. The purchase price with respect to the Certificates of any series shall be equal to the Pool Balance of the Certificates of such series, together with accrued and unpaid interest thereon to the date of such purchase, without premium, but including any other amounts then due and payable to the

Certificateholders of such series under this Agreement, any related Intercreditor Agreement or any other Note Document or on or in respect of the Certificates of such series; provided, however, that if such purchase occurs after a Record Date, such purchase price shall be reduced by the amount to be distributed hereunder on the related Distribution Date (which deducted amounts shall remain distributable to, and may be retained by, the Certificateholder as of such Record Date); provided, further, that no such purchase of Certificates of such series shall be effective unless the purchasing Certificateholder (each, a "Purchasing Certificateholder" and, collectively, the "Purchasing Certificateholders") shall certify to the Trustee that contemporaneously with such purchase, one or more Purchasing Certificateholders are purchasing, pursuant to the terms of this Agreement and the other Agreements, if any, relating to the Certificates of a series that are subject to the same Intercreditor Agreement (such other Agreements, the "Other Agreements"), the Certificates of each such series that the Trust Supplement applicable to the Certificates held by the Purchasing Certificateholder specifies may be purchased by such Purchasing Certificateholder. Each payment of the purchase price of the Certificates of any series shall be made to an account or accounts designated by the Trustee and each such purchase shall be subject to the terms of this Section 6.01. By acceptance of its Certificate, each Certificateholder (each, a "Selling Certificateholder" and, collectively, the "Selling Certificateholders") of a series that is subject to purchase by Potential Purchasers, all as set forth in the Trust Supplement applicable to the Certificates held by the Selling Certificateholders, agrees that, at any time after the occurrence and during the continuance of a Triggering Event, it will, upon payment of the purchase price specified herein by one or more Purchasing Certificateholders, forthwith sell, assign, transfer and convey to such Purchasing Certificateholder (without recourse, representation or warranty of any kind except for its own acts), all of the right, title, interest and obligation of such Selling Certificateholder in this Agreement, any related Intercreditor Agreement, the related Liquidity Facility, the related Note Documents and all Certificates of such series held by such Selling Certificateholder (excluding all right, title and interest under any of the foregoing to the extent such right, title or interest is with respect to an obligation not then due and payable as respects any action or inaction or state of affairs occurring prior to such sale) and the Purchasing Certificateholder shall assume all of such Selling Certificateholder's obligations under this Agreement, any related Intercreditor Agreement, the related Liquidity Facility and the related Note Documents. The Certificates of such series will be deemed to be purchased on the date payment of the purchase price is made notwithstanding the failure of any Selling Certificateholder to deliver any Certificates of such series and, upon such a purchase, (i) the only rights of the Selling Certificateholders will be to deliver the Certificates to the Purchasing Certificateholder and receive the purchase price for such Certificates of such series and (ii) if the Purchasing Certificateholder shall so request, such Selling Certificateholder will comply with all of the provisions of Section 3.04 hereof to enable new Certificates of such series to be issued to the Purchasing Certificateholder in such denominations as it shall request. All charges and expenses in connection with the issuance of any such new Certificates shall be borne by the Purchasing Certificateholder.

Section 6.02, Incidents of Sale of Equipment Notes. Upon any sale of all or any part of the Equipment Notes held in the Trust made either under the power of sale given under this Agreement or otherwise for the enforcement of this Agreement, the following shall be applicable:

(1) Certificateholders and Trustee May Purchase Equipment Notes. Any Certificateholder, the Trustee in its individual or any other capacity or any other Person may bid for and purchase any of the Equipment Notes held in the Trust, and upon compliance with the terms of sale, may hold, retain, possess and dispose of such Equipment Notes in their own absolute right without further accountability.

(2) Receipt of Trustee Shall Discharge Purchaser. The receipt of the Trustee making such sale shall be a sufficient discharge to any purchaser for his purchase money, and, after paying such purchase money and receiving such receipt, such purchaser or its personal representative or assigns shall not be obliged to see to the application of such purchase money, or be in any way answerable for any loss, misapplication or non-application thereof.

(3) Application of Moneys Received upon Sale. Any moneys collected by the Trustee upon any sale made either under the power of sale given by this Agreement or otherwise for the enforcement of this Agreement shall be applied as provided in Section 4.02.

Section 6.03. Judicial Proceedings Instituted by Trustee; Trustee May Bring Suit. If there shall be a failure to make payment of the principal of, premium, if any, or interest on any Equipment Note held in the related Trust, or if there shall be any failure to pay Rent (as defined in the relevant Lease) under any Lease when due and payable, then the Trustee, in its own name and as trustee of an express trust, as holder of such Equipment Notes, to the extent permitted by and in accordance with the terms of any related Intercreditor Agreement and any related Note Documents (subject to rights of the applicable Owner Trustee or Owner Participant to cure any such failure to pay principal of, premium, if any, or interest on any Equipment Note or to pay Rent under any Lease in accordance with the applicable Indenture), shall be entitled and empowered to institute any suits, actions or proceedings at law, in equity or otherwise, for the collection of the sums so due and unpaid on such Equipment Notes or under such Lease and may prosecute any such claim or proceeding to judgment or final decree with respect to the whole amount of any such sums so due and unpaid.

Section 6.04. Control by Certificateholders. Subject to Section 6.03 and any related Intercreditor Agreement, the Certificateholders holding Certificates of a series evidencing Fractional Undivided Interests aggregating not less than a majority in interest in the related 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 such Intercreditor Agreement, or exercising any trust or power conferred on the Trustee under this Agreement or such Intercreditor Agreement, including any right of the Trustee as Controlling Party under such Intercreditor Agreement or as holder of the Equipment Notes held in the related Trust; provided, however, that

(1) such Direction shall not in the opinion of the Trustee be in conflict with any rule of law or with this Agreement and would not involve the Trustee in personal liability or expense, unless the Person(s) issuing such Direction shall provide the Trustee with an indemnity against such liability or expense satisfactory to the Trustee in its sole discretion,

- (2) the Trustee shall not determine that the action so directed would be unjustly prejudicial to the Certificateholders of such series not taking part in such Direction, and
- (3) the Trustee may take any other action deemed proper by the Trustee which is not inconsistent with such Direction.

Section 6.05. Waiver of Past Defaults. Subject to any related Intercreditor Agreement, the Certificateholders holding Certificates of a series evidencing Fractional Undivided Interests aggregating not less than a majority in interest in the Trust (i) may on behalf of all of the Certificateholders waive any past Event of Default hereunder and its consequences or (ii) if the Trustee is the Controlling Party, may direct the Trustee to instruct the applicable Loan Trustee to waive any past Indenture Event of Default under any related Indenture and its consequences, and thereby annul any Direction given by such Certificateholders or the Trustee to such Loan Trustee with respect thereto, except a default:

- (1) in the deposit of any Scheduled Payment or Special Payment under Section 4.01 or in the distribution of any payment under Section 4.02 on the Certificates of a series, or
- (2) in the payment of the principal of (premium, if any) or interest on the Equipment Notes held in the related Trust, or
- (3) in respect of a covenant or provision hereof which under Article IX hereof cannot be modified or amended without the consent of each Certificateholder holding an Outstanding Certificate of a series affected thereby.

Upon any such waiver, such default shall cease to exist with respect to the Certificates of such series and any Event of Default arising therefrom shall be deemed to have been cured for every purpose and any direction given by the Trustee on behalf of the Certificateholders of such series to the relevant Loan Trustee shall be annulled with respect thereto; but no such waiver shall extend to any subsequent or other default or Event of Default or impair any right consequent thereon. Upon any such waiver, the Trustee shall vote the Equipment Notes issued under the relevant Indenture to waive the corresponding Indenture Event of Default.

Section 6.06. Right of Certificateholders to Receive Payments Not to Be Impaired. Anything in this Agreement to the contrary notwithstanding, including, without limitation, Section 6.07 hereof, but subject to any related Intercreditor Agreement, the right of any Certificateholder to receive distributions of payments required pursuant to Section 4.02 hereof on the applicable Certificates when due, or to institute suit for the enforcement of any such payment on or after the applicable Regular Distribution Date or Special Distribution Date, shall not be impaired or affected without the consent of such Certificateholder.

Section 6.07. Certificateholders May Not Bring Suit Except Under Certain Conditions. A Certificateholder of any series shall not have the right to institute any suit, action or proceeding at law or in equity or otherwise with respect to this Agreement, for the appointment of a receiver or for the enforcement of any other remedy under this Agreement, unless:

- (1) such Certificateholder previously shall have given written notice to the Trustee of a continuing Event of Default;
- (2) Certificateholders holding Certificates of such series evidencing Fractional Undivided Interests aggregating not less than 25% of the related Trust shall have requested the Trustee in writing to institute such action, suit or proceeding and shall have offered to the Trustee indemnity as provided in Section 7.03(e);
- (3) the Trustee shall have refused or neglected to institute any such action, suit or proceeding for 60 days after receipt of such notice, request and offer of indemnity; and
- (4) no direction inconsistent with such written request shall have been given to the Trustee during such 60-day period by Certificateholders holding Certificates of such series evidencing Fractional Undivided Interests aggregating not less than a majority in interest in the related Trust.

It is understood and intended that no one or more of the Certificateholders of any series shall have any right in any manner whatsoever hereunder or under the related Trust Supplement or under the Certificates of such series to (i) surrender, impair, waive, affect, disturb or prejudice any property in the Trust Property of the related Trust, or the lien of any related Indenture on any property subject thereto, or the rights of the Certificateholders of such series or the holders of the related Equipment Notes, (ii) obtain or seek to obtain priority over or preference with respect to any other such Certificateholder of such series or (iii) enforce any right under this Agreement, except in the manner herein provided and for the equal, ratable and common benefit of all the Certificateholders of such series subject to the provisions of this Agreement.

Section 6.08. Remedies Cumulative. Every remedy given hereunder to the Trustee or to any of the Certificateholders of any series shall not be exclusive of any other remedy or remedies, and every such remedy shall be cumulative and in addition to every other remedy given hereunder or now or hereafter given by statute, law, equity or otherwise.

Section 6.09. Undertaking for Costs. In any suit for the enforcement of any right or remedy under this Agreement, or in any suit against the Trustee for any action taken, suffered or omitted by it as Trustee, a court may require any party litigant in such suit to file an undertaking to pay the costs of such suit, and may assess costs against any such party litigant, in the manner and to the extent provided in the Trust Indenture Act; provided, however, that neither this Section 6.09 nor the Trust Indenture Act shall be deemed to authorize any court to require such an undertaking or to make such an assessment in any suit instituted by the Company.

ARTICLE VII
THE TRUSTEE

Section 7.01. Certain Duties and Responsibilities. (a) Except during the continuance of an Event of Default in respect of a Trust, the Trustee undertakes to perform such duties in respect of such Trust as are specifically set forth in this Agreement, and no implied covenants or obligations shall be read into this Agreement against the Trustee.

(b) In case an Event of Default in respect of a Trust has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested in it by this Agreement in respect of such Trust, and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.

(c) No provision of this Agreement shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that

(1) this Subsection shall not be construed to limit the effect of Subsection (a) of this Section 7.01; and

(2) the Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer of the Trustee, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts.

(d) Whether or not herein expressly so provided, every provision of this Agreement relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Section 7.01.

Section 7.02. Notice of Defaults. As promptly as practicable after, and in any event within 90 days after, the occurrence of any default (as such term is defined below) hereunder known to the Trustee, the Trustee shall transmit by mail to the Company, any related Owner Trustees, any related Owner Participants, the related Loan Trustees and the Certificateholders holding Certificates of the related series in accordance with Section 313(c) of the Trust Indenture Act, notice of such default hereunder known to the Trustee, unless such default shall have been cured or waived; provided, however, that, except in the case of a default in the payment of the principal, premium, if any, or interest on any Equipment Note, the Trustee shall be protected in withholding such notice if and so long as the board of directors, the executive committee or a trust committee of directors and/or Responsible Officers of the Trustee in good faith shall determine that the withholding of such notice is in the interests of the Certificateholders of the related series. For the purpose of this Section 7.02 in respect of any Trust, the term "default" means any event that is, or after notice or lapse of time or both would become, an Event of Default in respect of that Trust.

Section 7.03. Certain Rights of Trustee. Subject to the provisions of Section 315 of the Trust Indenture Act:

(a) the Trustee may rely and shall be protected in acting or refraining from acting in reliance upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties;

(b) any request or direction of the Company mentioned herein shall be sufficiently evidenced by a Request;

(c) whenever in the administration of this Agreement or any Intercreditor Agreement, the Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Trustee (unless other evidence be herein specifically prescribed) may, in the absence of bad faith on its part, rely upon an Officer's Certificate of the Company, any related Owner Trustee or any related Loan Trustee;

(d) the Trustee may consult with counsel and the advice of such counsel or any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon;

(e) the Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Agreement or any Intercreditor Agreement at the Direction of any of the Certificateholders pursuant to this Agreement or any Intercreditor Agreement, unless such Certificateholders shall have offered to the Trustee reasonable security or indemnity against the cost, expenses and liabilities which might be incurred by it in compliance with such Direction;

(f) the Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture or other paper or document;

(g) the Trustee may execute any of the trusts or powers under this Agreement or any Intercreditor Agreement or perform any duties under this Agreement or any Intercreditor Agreement either directly or by or through agents or attorneys, and the Trustee shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it under this Agreement or any Intercreditor Agreement;

(h) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the Direction of the Certificateholders holding Certificates of any series evidencing Fractional Undivided Interests aggregating not less than a majority in interest in the related Trust relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Agreement or any Intercreditor Agreement; and

(i) the Trustee shall not be required to expend or risk its own funds in the performance of any of its duties under this Agreement, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk is not reasonably assured to it.

Section 7.04. Not Responsible for Recitals or Issuance of Certificates. The recitals contained herein and in the Certificates of each series, except the certificates of authentication, shall not be taken as the statements of the Trustee, and the Trustee assumes no responsibility for their correctness. Subject to Section 7.15, the Trustee makes no representations as to the validity or sufficiency of this Basic Agreement, any Equipment Notes, any Intercreditor Agreement, the Certificates of any series, any Trust Supplement or any Note Documents, except that the Trustee hereby represents and warrants that this Basic Agreement has been, and each Trust Supplement, each Certificate, each Note Purchase Agreement and each Intercreditor Agreement of, or relating to, each series will be executed and delivered by one of its officers who is duly authorized to execute and deliver such document on its behalf.

Section 7.05. May Hold Certificates. The Trustee, any Paying Agent, Registrar or any of their Affiliates or any other agent, in their respective individual or any other capacity, may become the owner or pledgee of Certificates and, subject to Sections 310(b) and 311 of the Trust Indenture Act, if applicable, may otherwise deal with the Company, any Owner Trustees or the Loan Trustees with the same rights it would have if it were not Trustee, Paying Agent, Registrar or such other agent.

Section 7.06. Money Held in Trust. Money held by the Trustee or the Paying Agent in trust under this Agreement need not be segregated from other funds except to the extent required herein or by law and neither the Trustee nor the Paying Agent shall have any liability for interest upon any such moneys except as provided for herein.

Section 7.07. Compensation and Reimbursement. The Company agrees:

(1) to pay, or cause to be paid, to the Trustee from time to time reasonable compensation for all services rendered by it hereunder (which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust); and

(2) except as otherwise expressly provided herein or in any Trust Supplement, to reimburse, or cause to be reimbursed, the Trustee upon its request for all reasonable out-of-pocket expenses, disbursements and advances incurred or made by the Trustee in accordance with any provision of this Basic Agreement, any Trust Supplement or any Intercreditor Agreement (including the reasonable compensation and the expenses and disbursements of its agents and counsel), except any such expense, disbursement or

advance as may be attributable to its negligence, willful misconduct or bad faith or as may be incurred due to the Trustee's breach of its representations and warranties set forth in Section 7.15; and

(3) to indemnify, or cause to be indemnified, the Trustee with respect to the Certificates of any series, pursuant to the particular sections of the Note Purchase Agreements specified in the related Trust Supplement.

The Trustee shall be entitled to reimbursement from, and shall have a lien prior to the Certificates of each series upon, all property and funds held or collected by the Trustee in its capacity as Trustee with respect to such series or the related Trust for any tax incurred without negligence, bad faith or willful misconduct, on its part, arising out of or in connection with the acceptance or administration of such Trust (other than any tax attributable to the Trustee's compensation for serving as such), including any costs and expenses incurred in contesting the imposition of any such tax. The Trustee shall notify the Company of any claim for any tax for which it may seek reimbursement. If the Trustee reimburses itself from the Trust Property of such Trust for any such tax, it will mail a brief report within 30 days setting forth the amount of such tax and the circumstances thereof to all Certificateholders of such series as their names and addresses appear in the Register.

Section 7.08. Corporate Trustee Required; Eligibility. Each Trust shall at all times have a Trustee which shall be eligible to act as a trustee under Section 310(a) of the Trust Indenture Act and shall have a combined capital and surplus of at least \$75,000,000 (or a combined capital and surplus in excess of \$5,000,000 and the obligations of which, whether now in existence or hereafter incurred, are fully and unconditionally guaranteed by a corporation organized and doing business under the laws of the United States, any state or territory thereof or of the District of Columbia and having a combined capital and surplus of at least \$75,000,000). If such corporation publishes reports of conditions at least annually, pursuant to law or to the requirements of federal, state, territorial or District of Columbia supervising or examining authority, then for the purposes of this Section 7.08 the combined capital and surplus of such corporation shall be deemed to be its combined capital and surplus as set forth in its most recent report of conditions so published.

In case at any time the Trustee shall cease to be eligible in accordance with the provisions of this Section 7.08 to act as Trustee of any Trust, the Trustee shall resign immediately as Trustee of such Trust in the manner and with the effect specified in Section 7.09.

Section 7.09. Resignation and Removal; Appointment of Successor. (a) No resignation or removal of the Trustee and no appointment of a successor Trustee of any Trust pursuant to this Article shall become effective until the acceptance of appointment by the successor Trustee under Section 7.10.

(b) The Trustee may resign at any time as Trustee of any or all Trusts by giving prior written notice thereof to the Company, the Authorized Agents, the related Owner Trustees and the related Loan Trustees. If an instrument of acceptance by a successor Trustee

shall not have been delivered to the Company, the related Owner Trustees and the Trustee within 30 days after the giving of such notice of resignation, the resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee.

(c) The Trustee may be removed at any time by Direction of the Certificateholders of the related series holding Certificates evidencing Fractional Undivided Interests aggregating not less than a majority in interest in such Trust delivered to the Trustee and to the Company, the related Owner Trustees and the related Loan Trustees.

(d) If at any time in respect of any Trust:

(1) the Trustee shall fail to comply with Section 310 of the Trust Indenture Act, if applicable, after written request therefor by the Company or by any Certificateholder who has been a *bona fide* Certificateholder for at least six months; or

(2) the Trustee shall cease to be eligible under Section 7.08 and shall fail to resign after written request therefor by the Company or by any such Certificateholder; or

(3) the Trustee shall become incapable of acting or shall be adjudged a bankrupt or insolvent, or a receiver of the Trustee or of its property shall be appointed or any public officer shall take charge or control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation;

then, in any case, (i) the Company may remove the Trustee or (ii) any Certificateholder of the related series who has been a *bona fide* Certificateholder for at least six months may, on behalf of itself and all others similarly situated, petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor Trustee of such Trust.

(e) If a Responsible Officer of the Trustee shall obtain actual knowledge of an Avoidable Tax (as defined below) in respect of any Trust which has been or is likely to be asserted, the Trustee shall promptly notify the Company and shall, within 30 days of such notification, resign as Trustee of such Trust hereunder unless within such 30-day period the Trustee shall have received notice that the Company has agreed to pay such tax. The Company shall promptly appoint a successor Trustee of such Trust in a jurisdiction where there are no Avoidable Taxes. As used herein, an "Avoidable Tax" in respect of such Trust means a state or local tax: (i) upon (w) such Trust, (x) such Trust Property, (y) Certificateholders of such Trust or (z) the Trustee for which the Trustee is entitled to seek reimbursement from the Trust Property of such Trust, and (ii) which would be avoided if the Trustee were located in another state, or jurisdiction within a state, within the United States of America. A tax shall not be an Avoidable Tax in respect of any Trust if the Company or any Owner Trustee shall agree to pay, and shall pay, such tax.

(f) If the Trustee shall resign, be removed or become incapable of acting as Trustee of any Trust or if a vacancy shall occur in the office of the Trustee of any Trust for any cause, the Company shall promptly appoint a successor Trustee of such Trust. If, within one year after such resignation, removal or incapability, or other occurrence of such vacancy, a successor Trustee of such Trust shall be appointed by Direction of the Certificateholders of the related series holding Certificates of such series evidencing Fractional Undivided Interests

aggregating not less than a majority in interest in such Trust delivered to the Company, the related Owner Trustees, the related Loan Trustee and the retiring Trustee, then the successor Trustee of such Trust so appointed shall, with the approval of the Company of such appointment, which approval shall not be unreasonably withheld, forthwith upon its acceptance of such appointment, become the successor Trustee of such Trust and supersede the successor Trustee of such Trust appointed as provided above. If no successor Trustee shall have been so appointed as provided above and accepted appointment in the manner hereinafter provided, the resigning Trustee or any Certificateholder who has been a *bona fide* Certificateholder of the related series for at least six months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the appointment of a successor Trustee of such Trust.

(g) The successor Trustee of a Trust shall give notice of the resignation and removal of the Trustee and appointment of the successor Trustee by mailing written notice of such event by first-class mail, postage prepaid, to the Certificateholders of the related series as their names and addresses appear in the Register. Each notice shall include the name of such successor Trustee and the address of its Corporate Trust Office.

Section 7.10. Acceptance of Appointment by Successor. Every successor Trustee appointed hereunder shall execute and deliver to the Company and to the retiring Trustee with respect to any or all Trusts an instrument accepting such appointment, and thereupon the resignation or removal of the retiring Trustee with respect to such Trusts shall become effective and such successor Trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts and duties of the retiring Trustee; but, on request of the Company or the successor Trustee, such retiring Trustee shall execute and deliver an instrument transferring to such successor Trustee all such rights, powers and trusts of the retiring Trustee and shall duly assign, transfer and deliver to such successor Trustee all Trust Property held by such retiring Trustee in respect of such Trusts hereunder, subject nevertheless to its lien, if any, provided for in Section 7.07. Upon request of any such successor Trustee, the Company, the retiring Trustee and such successor Trustee shall execute and deliver any and all instruments containing such provisions as shall be necessary or desirable to transfer and confirm to, and for more fully and certainly vesting in, such successor Trustee all such rights, powers and trusts.

If a successor Trustee is appointed with respect to one or more (but not all) Trusts, the Company, the predecessor Trustee and each successor Trustee with respect to any Trust shall execute and deliver a supplemental agreement hereto which shall contain such provisions as shall be deemed necessary or desirable to confirm that all the rights, powers, trusts and duties of the predecessor Trustee with respect to the Trusts as to which the predecessor Trustee is not retiring shall continue to be vested in the predecessor Trustee, and shall add to or change any of the provisions of this Basic Agreement and the applicable Trust Supplements as shall be necessary to provide for or facilitate the administration of the Trusts hereunder by more than one Trustee, it being understood that nothing herein or in such supplemental agreement shall constitute such Trustees as co-Trustees of the same Trust and that each such Trustee shall be Trustee of separate Trusts.

No institution shall accept its appointment as a Trustee hereunder unless at the time of such acceptance such institution shall be qualified and eligible under this Article VII.

Section 7.11. Merger, Conversion, Consolidation or Succession to Business. Any corporation into which the Trustee may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any corporation succeeding to all or substantially all of the corporate trust business of the Trustee, shall be the successor of the Trustee hereunder; provided, however, that such corporation shall be otherwise qualified and eligible under this Article VII, without the execution or filing of any paper or any further act on the part of any of the parties hereto. In case any Certificates shall have been executed or authenticated, but not delivered, by the Trustee then in office, any successor by merger, conversion or consolidation to such authenticating Trustee may adopt such execution or authentication and deliver the Certificates so executed or authenticated with the same effect as if such successor Trustee had itself executed or authenticated such Certificates.

Section 7.12. Maintenance of Agencies. (a) With respect to each series of Certificates, there shall at all times be maintained an office or agency in the location set forth in Section 12.04 where Certificates of such series may be presented or surrendered for registration of transfer or for exchange, and for payment thereof, and where notices and demands, to or upon the Trustee in respect of such Certificates or this Agreement may be served; provided, however, that, if it shall be necessary that the Trustee maintain an office or agency in another location with respect to the Certificates of any series (e.g., the Certificates of such series shall be represented by Definitive Certificates and shall be listed on a national securities exchange), the Trustee will make all reasonable efforts to establish such an office or agency. Written notice of the location of each such other office or agency and of any change of location thereof shall be given by the Trustee to the Company, any Owner Trustees, the Loan Trustees (in the case of any Owner Trustee or Loan Trustee, at its address specified in the Note Documents or such other address as may be notified to the Trustee) and the Certificateholders of such series. In the event that no such office or agency shall be maintained or no such notice of location or of change of location shall be given, presentations and demands may be made and notices may be served at the Corporate Trust Office of the Trustee.

(b) There shall at all times be a Registrar and a Paying Agent hereunder with respect to the Certificates of each series. Each such Authorized Agent shall be a bank or trust company, shall be a corporation organized and doing business under the laws of the United States or any state, with a combined capital and surplus of at least \$75,000,000, or a corporation having a combined capital and surplus in excess of \$5,000,000, the obligations of which are guaranteed by a corporation organized and doing business under the laws of the United States or any state, with a combined capital and surplus of at least \$75,000,000, and shall be authorized under such laws to exercise corporate trust powers, subject to supervision by federal or state authorities. The Trustee shall initially be the Paying Agent and, as provided in Section 3.04, Registrar hereunder with respect to the Certificates of each series. Each Registrar shall furnish to the Trustee, at stated intervals of not more than six months, and at such other times as the Trustee may request in writing, a copy of the Register maintained by such Registrar.

(c) Any corporation into which any Authorized Agent may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger,

consolidation or conversion to which any Authorized Agent shall be a party, or any corporation succeeding to the corporate trust business of any Authorized Agent, shall be the successor of such Authorized Agent, if such successor corporation is otherwise eligible under this Section 7.12, without the execution or filing of any paper or any further act on the part of the parties hereto or such Authorized Agent or such successor corporation.

(d) Any Authorized Agent may at any time resign by giving written notice of resignation to the Trustee, the Company, any related Owner Trustees and the related Loan Trustees. The Company may, and at the request of the Trustee shall, at any time terminate the agency of any Authorized Agent by giving written notice of termination to such Authorized Agent and to the Trustee. Upon the resignation or termination of an Authorized Agent or in case at any time any such Authorized Agent shall cease to be eligible under this Section 7.12 (when, in either case, no other Authorized Agent performing the functions of such Authorized Agent shall have been appointed), the Company shall promptly appoint one or more qualified successor Authorized Agents, reasonably satisfactory to the Trustee, to perform the functions of the Authorized Agent which has resigned or whose agency has been terminated or who shall have ceased to be eligible under this Section 7.12. The Company shall give written notice of any such appointment made by it to the Trustee, any related Owner Trustees and the related Loan Trustees; and in each case the Trustee shall mail notice of such appointment to all Certificateholders of the related series as their names and addresses appear on the Register for such series.

(e) The Company agrees to pay, or cause to be paid, from time to time to each Authorized Agent reasonable compensation for its services and to reimburse it for its reasonable expenses.

Section 7.13. Money for Certificate Payments to Be Held in Trust. All moneys deposited with any Paying Agent for the purpose of any payment on Certificates shall be deposited and held in trust for the benefit of the Certificateholders entitled to such payment, subject to the provisions of this Section 7.13. Moneys so deposited and held in trust shall constitute a separate trust fund for the benefit of the Certificateholders with respect to which such money was deposited.

The Trustee may at any time, for the purpose of obtaining the satisfaction and discharge of this Agreement or for any other purpose, direct any Paying Agent to pay to the Trustee all sums held in trust by such Paying Agent, such sums to be held by the Trustee upon the same trusts as those upon which such sums were held by such Paying Agent; and, upon such payment by any Paying Agent to the Trustee, such Paying Agent shall be released from all further liability with respect to such money.

Section 7.14. Registration of Equipment Notes in Trustee's Name. Subject to the provisions of any Intercreditor Agreement, the Trustee agrees that all Equipment Notes to be purchased by any Trust and Permitted Investments, if any, shall be issued in the name of the Trustee as trustee for the applicable Trust or its nominee and held by the Trustee in trust for the benefit of the Certificateholders of such series, or, if not so held, the Trustee or its nominee shall

be reflected as the owner of such Equipment Notes or Permitted Investments, as the case may be, in the register of the issuer of such Equipment Notes or Permitted Investments, as the case may be.

Section 7.15. Representations and Warranties of Trustee. The Trustee hereby represents and warrants that:

- (a) the Trustee is a national banking association organized and validly existing in good standing under the laws of the United States of America;
- (b) the Trustee has full power, authority and legal right to execute, deliver and perform this Agreement, any Intercreditor Agreement and the Note Purchase Agreements and has taken all necessary action to authorize the execution, delivery and performance by it of this Agreement, any Intercreditor Agreement and the Note Purchase Agreements;
- (c) the execution, delivery and performance by the Trustee of this Agreement, any Intercreditor Agreement and the Note Purchase Agreements (i) will not violate any provision of any United States federal law or the law of the state of the United States where it is located governing the banking and trust powers of the Trustee or any order, writ, judgment, or decree of any court, arbitrator or governmental authority applicable to the Trustee or any of its assets, (ii) will not violate any provision of the articles of association or by-laws of the Trustee, and (iii) will not violate any provision of, or constitute, with or without notice or lapse of time, a default under, or result in the creation or imposition of any lien on any properties included in the Trust Property pursuant to the provisions of any mortgage, indenture, contract, agreement or other undertaking to which it is a party, which violation, default or lien could reasonably be expected to have an adverse effect on the Trustee's performance or ability to perform its duties hereunder or thereunder or on the transactions contemplated herein or therein;
- (d) the execution, delivery and performance by the Trustee of this Agreement, any Intercreditor Agreement and the Note Purchase Agreements will not require the authorization, consent, or approval of, the giving of notice to, the filing or registration with, or the taking of any other action in respect of, any governmental authority or agency of the United States or the state of the United States where it is located regulating the banking and corporate trust activities of the Trustee; and
- (e) this Agreement, any Intercreditor Agreement and the Note Purchase Agreements have been duly executed and delivered by the Trustee and constitute the legal, valid and binding agreements of the Trustee, enforceable against it in accordance with their respective terms; provided, however, that enforceability may be limited by (i) applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the rights of creditors generally and (ii) general principles of equity.

Section 7.16. Withholding Taxes; Information Reporting. As to the Certificates of any series, the Trustee, as trustee of the related grantor trust created by this Agreement, shall exclude

and withhold from each distribution of principal, premium, if any, and interest and other amounts due under this Agreement or under the Certificates of such series any and all withholding taxes applicable thereto as required by law. The Trustee agrees to act as such withholding agent and, in connection therewith, whenever any present or future taxes or similar charges are required to be withheld with respect to any amounts payable in respect of the Certificates of such series, to withhold such amounts and timely pay the same to the appropriate authority in the name of and on behalf of the Certificateholders of such series, that it will file any necessary withholding tax returns or statements when due, and that, as promptly as possible after the payment thereof, it will deliver to each such Certificateholder of such series appropriate documentation showing the payment thereof, together with such additional documentary evidence as such Certificateholders may reasonably request from time to time. The Trustee agrees to file any other information reports as it may be required to file under United States law.

Section 7.17. Trustee's Liens. The Trustee in its individual capacity agrees that it will, in respect of each Trust created by this Agreement, at its own cost and expense promptly take any action as may be necessary to duly discharge and satisfy in full any mortgage, pledge, lien, charge, encumbrance, security interest or claim ("Trustee's Liens") on or with respect to the Trust Property of such Trust which is attributable to the Trustee either (i) in its individual capacity and which is unrelated to the transactions contemplated by this Agreement or the related Note Documents or (ii) as Trustee hereunder or in its individual capacity and which arises out of acts or omissions which are not contemplated by this Agreement.

Section 7.18. Preferential Collection of Claims. The Trustee shall comply with Section 311(a) of the Trust Indenture Act, excluding any creditor relationship listed in Section 311(b) of the Trust Indenture Act. If the Trustee shall resign or be removed as Trustee, it shall be subject to Section 311(a) of the Trust Indenture Act to the extent provided therein.

ARTICLE VIII

CERTIFICATEHOLDERS' LISTS AND REPORTS BY TRUSTEE

Section 8.01. The Company to Furnish Trustee with Names and Addresses of Certificateholders. The Company will furnish to the Trustee within 15 days after each Record Date with respect to a Scheduled Payment, and at such other times as the Trustee may request in writing within 30 days after receipt by the Company of any such request, a list, in such form as the Trustee may reasonably require, of all information in the possession or control of the Company as to the names and addresses of the Certificateholders of each series, in each case as of a date not more than 15 days prior to the time such list is furnished; provided, however, that so long as the Trustee is the sole Registrar for such series, no such list need be furnished; and provided further, however, that no such list need be furnished for so long as a copy of the Register is being furnished to the Trustee pursuant to Section 7.12.

Section 8.02. Preservation of Information; Communications to Certificateholders. The Trustee shall preserve, in as current a form as is reasonably practicable, the names and addresses of Certificateholders of each series contained in the most recent list furnished to the Trustee as provided in Section 7.12 or Section 8.01, as the case may be, and the names and addresses of Certificateholders of each series received by the Trustee in its capacity as Registrar, if so acting. The Trustee may destroy any list furnished to it as provided in Section 7.12 or Section 8.01, as the case may be, upon receipt of a new list so furnished.

Section 8.03. Reports by Trustee. Within 60 days after May 15 of each year commencing with the first full year following the issuance of any series of Certificates, the Trustee shall transmit to the Certificateholders of such series, as provided in Section 313(c) of the Trust Indenture Act, a brief report dated as of such May 15, if required by Section 313(a) of the Trust Indenture Act.

Section 8.04. Reports by the Company. The Company shall:

(a) file with the Trustee, within 30 days after the Company is required to file the same with the SEC, copies of the annual reports and of the information, documents and other reports (or copies of such portions of any of the foregoing as the SEC may from time to time by rules and regulations prescribe) which the Company is required to file with the SEC pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934, as amended; or, if the Company is not required to file information, documents or reports pursuant to either of such sections, then to file with the Trustee and the SEC, in accordance with rules and regulations prescribed by the SEC, such of the supplementary and periodic information, documents and reports which may be required pursuant to Section 13 of the Securities Exchange Act of 1934, as amended, in respect of a security listed and registered on a national securities exchange as may be prescribed in such rules and regulations;

(b) file with the Trustee and the SEC, in accordance with the rules and regulations prescribed by the SEC, such additional information, documents and reports with respect to compliance by the Company with the conditions and covenants of the Company provided for in this Agreement, as may be required by such rules and regulations, including, in the case of annual reports, if required by such rules and regulations, certificates or opinions of independent public accountants, conforming to the requirements of Section 1.02;

(c) transmit to all Certificateholders, in the manner and to the extent provided in Section 313(c) of the Trust Indenture Act such summaries of any information, documents and reports required to be filed by the Company pursuant to subsections (a) and (b) of this Section 8.04 as may be required by rules and regulations prescribed by the SEC; and

(d) furnish to the Trustee, not less often than annually, a brief certificate from the principal executive officer, principal financial officer or principal accounting officer

as to his knowledge of the Company's compliance with all conditions and covenants under this Agreement (it being understood that for purposes of this paragraph (d), such compliance shall be determined without regard to any period of grace or requirement of notice provided under this Agreement).

ARTICLE IX
SUPPLEMENTAL AGREEMENTS

Section 9.01. Supplemental Agreements Without Consent of Certificateholders. Without the consent of the Certificateholders, the Company may (but will not be required to), and the Trustee (subject to Section 9.03) shall, at the Company's request, at any time and from time to time, enter into one or more agreements supplemental hereto or, if applicable, to an Intercreditor Agreement or a Liquidity Facility, in form satisfactory to the Trustee, for any of the following purposes:

- (1) to provide for the formation of a Trust, the issuance of a series of Certificates and other matters contemplated by Section 2.01(b); or
- (2) to evidence the succession of another corporation to the Company and the assumption by any such successor of the covenants of the Company herein contained or of the Company's obligations under any Intercreditor Agreement or any Liquidity Facility; or
- (3) to add to the covenants of the Company for the benefit of the Certificateholders of any series, or to surrender any right or power conferred upon the Company in this Agreement, any Intercreditor Agreement or any Liquidity Facility; or
- (4) to correct or supplement any provision in this Agreement, any Intercreditor Agreement or any Liquidity Facility which may be defective or inconsistent with any other provision herein or therein or to cure any ambiguity or to modify any other provision with respect to matters or questions arising under this Agreement, any Intercreditor Agreement or any Liquidity Facility, provided, however, that any such action shall not materially adversely affect the interests of the Certificateholders of any series; to correct any mistake in this Agreement, any Intercreditor Agreement or any Liquidity Facility; or, as provided in any Intercreditor Agreement, to give effect to or provide for a Replacement Liquidity Facility (as defined in such Intercreditor Agreement); or
- (5) to comply with any requirement of the SEC, any applicable law, rules or regulations of any exchange or quotation system on which the Certificates of any series are listed or of any regulatory body; or
- (6) to modify, eliminate or add to the provisions of this Agreement, any Intercreditor Agreement or any Liquidity Facility to such extent as shall be necessary to

continue the qualification of this Agreement, any Intercreditor Agreement or any Liquidity Facility (including any supplemental agreement) under the Trust Indenture Act or under any similar Federal statute hereafter enacted, and to add to this Agreement, any Intercreditor Agreement or any Liquidity Facility such other provisions as may be expressly permitted by the Trust Indenture Act, excluding, however, the provisions referred to in Section 316(a)(2) of the Trust Indenture Act as in effect at the date as of which this Basic Agreement was executed or any corresponding provision in any similar Federal statute hereafter enacted; or

(7) to evidence and provide for the acceptance of appointment under this Agreement, any Intercreditor Agreement or any Liquidity Facility by a successor Trustee with respect to one or more Trusts and to add to or change any of the provisions of this Agreement, any Intercreditor Agreement or any Liquidity Facility as shall be necessary to provide for or facilitate the administration of the Trust, pursuant to the requirements of Section 7.10; or

(8) to provide the information required under Section 7.12 and Section 12.04 as to the Trustee; or

(9) to make any other amendments or modifications hereto, provided, however, that such amendments or modifications shall apply to Certificates of any series to be thereafter issued;

provided, however, that no such supplemental agreement shall 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 Internal Revenue Code of 1986, as amended, for U.S. federal income tax purposes.

Section 9.02. Supplemental Agreements with Consent of Certificateholders. With respect to each separate Trust and the series of Certificates relating thereto, with the consent of the Certificateholders holding Certificates of such series (including consents obtained in connection with a tender offer or exchange offer for the Certificates) evidencing Fractional Undivided Interests aggregating not less than a majority in interest in such Trust, by Direction of said Certificateholders delivered to the Company and the Trustee, the Company may (with the consent of the Owner Trustees, if any, relating to such Certificates, which consent shall not be unreasonably withheld), but shall not be obligated to, and the Trustee (subject to Section 9.03) shall, enter into an agreement or agreements supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Agreement, any Intercreditor Agreement or any Liquidity Facility to the extent applicable to such Certificateholders or of modifying in any manner the rights and obligations of such Certificateholders under this Agreement, any Intercreditor Agreement or any Liquidity Facility; provided, however, that no such agreement shall, without the consent of the Certificateholder of each Outstanding Certificate affected thereby:

(1) reduce in any manner the amount of, or delay the timing of, any receipt by the Trustee of payments on the Equipment Notes held in such Trust or distributions that are required to be made herein on any Certificate of such series, or change any date of

payment on any Certificate of such series, or change the place of payment where, or the coin or currency in which, any Certificate of such series is payable, or impair the right to institute suit for the enforcement of any such payment or distribution on or after the Regular Distribution Date or Special Distribution Date applicable thereto; or

(2) permit the disposition of any Equipment Note included in the Trust Property of such Trust except as permitted by this Agreement, or otherwise deprive such Certificateholder of the benefit of the ownership of the Equipment Notes in such Trust; or

(3) alter the priority of distributions specified in the Intercreditor Agreement in a manner materially adverse to the interests of the Certificateholders of any series; or

(4) reduce the specified percentage of the aggregate Fractional Undivided Interests of such Trust that is required for any such supplemental agreement, or reduce such specified percentage required for any waiver (of compliance with certain provisions of this Agreement or certain defaults hereunder and their consequences) provided for in this Agreement; or

(5) modify any of the provisions of this Section 9.02 or Section 6.05, except to increase any such percentage or to provide that certain other provisions of this Agreement cannot be modified or waived without the consent of the Certificateholder of each Certificate of such series affected thereby; or

(6) 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 Internal Revenue Code of 1986, as amended, for U.S. federal income tax purposes.

It shall not be necessary for any Direction of such Certificateholders under this Section 9.02 to approve the particular form of any proposed supplemental agreement, but it shall be sufficient if such Direction shall approve the substance thereof.

Section 9.03. Documents Affecting Immunity or Indemnity. If in the opinion of the Trustee any document required to be executed by it pursuant to the terms of Section 9.01 or 9.02 affects any interest, right, duty, immunity or indemnity in favor of the Trustee under this Basic Agreement or any Trust Supplement, the Trustee may in its discretion decline to execute such document.

Section 9.04. Execution of Supplemental Agreements. In executing, or accepting the additional trusts created by, any supplemental agreement permitted by this Article or the modifications thereby of the trusts created by this Agreement, the Trustee shall be entitled to receive, and shall be fully protected in relying upon, an Opinion of Counsel stating that the execution of such supplemental agreement is authorized or permitted by this Agreement.

Section 9.05. Effect of Supplemental Agreements. Upon the execution of any agreement supplemental to this Agreement under this Article, this Basic Agreement shall be modified in accordance

therewith, and such supplemental agreement shall form a part of this Basic Agreement for all purposes; and every Certificateholder of each series theretofore or thereafter authenticated and delivered hereunder shall be bound thereby to the extent applicable to such series.

Section 9.06. Conformity with Trust Indenture Act. Every supplemental agreement executed pursuant to this Article shall conform to the requirements of the Trust Indenture Act as then in effect.

Section 9.07. Reference in Certificates to Supplemental Agreements. Certificates of each series authenticated and delivered after the execution of any supplemental agreement applicable to such series pursuant to this Article may bear a notation in form approved by the Trustee as to any matter provided for in such supplemental agreement; and, in such case, suitable notation may be made upon Outstanding Certificates of such series after proper presentation and demand.

ARTICLE X

AMENDMENTS TO INDENTURE AND NOTE DOCUMENTS

Section 10.01. Amendments and Supplements to Indenture and Other Note Documents. In the event that the Trustee, as holder (or beneficial owner through the Subordination Agent) of any Equipment Notes (or as a prospective purchaser of any Postponed Notes) in trust for the benefit of the Certificateholders of any series or as Controlling Party under an 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, other Note Document or any other related document, the Trustee shall forthwith send a notice of such proposed amendment, modification, waiver or supplement to each Certificateholder of such series registered on the Register as of the date of such notice. The Trustee shall request from the Certificateholders of such series a Direction as to (a) 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 (or, with respect to Postponed Notes, a prospective purchaser of) such Equipment Note or a Controlling Party has the option to direct, (b) 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 (or, with respect to Postponed Notes, a prospective purchaser of) such Equipment Note or as Controlling Party and (c) how to vote (or direct the Subordination Agent to vote) any Equipment Note (or, with respect to a Postponed Note, its commitment to acquire such Postponed 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), (i) other than as Controlling Party, the Trustee shall vote for or give consent to any such action with respect to such Equipment Note (or Postponed Note) in the same proportion as that of (A) the aggregate face amounts of all Certificates actually voted in favor of or for giving consent to such action by

such Direction of Certificateholders to (B) the aggregate face amount of all Outstanding Certificates and (ii) as Controlling Party, the Trustee shall vote as directed in such Certificateholder Direction by the Certificateholders of such series evidencing a Fractional Undivided Interest aggregating not less than a majority in interest in the Trust. For purposes of the immediately preceding sentence, a Certificate shall have been "actually voted" if the Holder of such Certificate has delivered to the Trustee an instrument evidencing such Holder's consent to such Direction prior to one Business Day before the Trustee directs such action or casts such vote or gives such consent. Notwithstanding the foregoing, but subject to Section 6.04 and any Intercreditor Agreement, the Trustee may, with respect to the Certificates of any series, 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 Loan Trustee of such consent) to any amendment, modification, waiver or supplement under any related Indenture or any other related Note Document if an Event of Default hereunder shall have occurred and be continuing or if such amendment, modification, waiver or supplement will not materially adversely affect the interests of the Certificateholders of such series.

ARTICLE XI
TERMINATION OF TRUSTS

Section 11.01. Termination of the Trusts. In respect of each Trust created by this Basic Agreement as supplemented by a related Trust Supplement, the respective obligations and responsibilities of the Company and the Trustee with respect to such Trust shall terminate upon the distribution to all Holders of Certificates of the series of such Trust and the Trustee of all amounts required to be distributed to them pursuant to this Agreement and the disposition of all property held as part of the Trust Property of such Trust; provided, however, that in no event shall such Trust continue beyond one hundred ten (110) years following the date of the execution of the Trust Supplement with respect to such Trust (or such other final expiration date as may be specified in such Trust Supplement).

Notice of any termination of a Trust, specifying the applicable Regular Distribution Date (or applicable Special Distribution Date, as the case may be) upon which the Certificateholders of any series may surrender their Certificates to the Trustee for payment of the final distribution and cancellation, shall be mailed promptly by the Trustee to Certificateholders of such series not earlier than the minimum number of days and not later than the maximum number of days specified therefor in the related Trust Supplement preceding such final distribution specifying (A) the Regular Distribution Date (or Special Distribution Date, as the case may be) upon which the proposed final payment of the Certificates of such series will be made upon presentation and surrender of Certificates of such series at the office or agency of the Trustee therein specified, (B) the amount of any such proposed final payment, and (C) that the Record Date otherwise applicable to such Regular Distribution Date (or Special Distribution Date, as the case may be) is not applicable, payments being made only upon presentation and surrender of the Certificates of such series at the office or agency of the Trustee therein specified. The Trustee shall give such notice to the Registrar at the time such notice is given to Certificateholders of such series. Upon presentation and surrender of the Certificates of such

series in accordance with such notice, the Trustee shall cause to be distributed to Certificateholders of such series amounts distributable on such Regular Distribution Date (or Special Distribution Date, as the case may be) pursuant to Section 4.02.

In the event that all of the Certificateholders of such series shall not surrender their Certificates for cancellation within six months after the date specified in the above-mentioned written notice, the Trustee shall give a second written notice to the remaining Certificateholders of such series to surrender their Certificates for cancellation and receive the final distribution with respect thereto. No additional interest shall accrue on the Certificates of such series after any Regular Distribution Date (or Special Distribution Date, as the case may be) of such series, as specified in the first written notice. In the event that any money held by the Trustee for the payment of distributions on the Certificates of such series shall remain unclaimed for two years (or such lesser time as the Trustee shall be satisfied, after 60 days' notice from the Company, is one month prior to the escheat period provided under applicable law) after the final distribution date with respect thereto, the Trustee shall pay to each Loan Trustee the appropriate amount of money relating to such Loan Trustee and shall give written notice thereof to the related Owner Trustees and the Company.

ARTICLE XII
MISCELLANEOUS PROVISIONS

Section 12.01. Limitation on Rights of Certificateholders. The death or incapacity of any Certificateholder of any series shall not operate to terminate this Agreement or the related Trust, nor entitle such Certificateholder's legal representatives or heirs to claim an accounting or to take any action or commence any proceeding in any court for a partition or winding up of the Trust, nor otherwise affect the rights, obligations, and liabilities of the parties hereto or any of them.

Section 12.02. Liabilities of Certificateholders. Neither the existence of the Trust nor any provision in this Agreement is intended to or shall limit the liability the Certificateholders would otherwise incur if the Certificateholders owned Trust Property as co-owners, or incurred any obligations of the Trust, directly rather than through the Trust.

Section 12.03. Registration of Equipment Notes in Name of Subordination Agent. If a Trust is party to an Intercreditor Agreement, the Trustee agrees that all Equipment Notes to be purchased by such Trust shall be issued in the name of the Subordination Agent under such Intercreditor Agreement or its nominee and held by such Subordination Agent in trust for the benefit of the Certificateholders, or, if not so held, such Subordination Agent or its nominee shall be reflected as the owner of such Equipment Notes in the register of the issuer of such Equipment Notes.

Section 12.04. Notices. (a) Unless otherwise specifically provided herein or in the applicable Trust Supplement with respect to any

Trust, all notices required under the terms and provisions of this Basic Agreement or such Trust Supplement with respect to such Trust shall be in English and in writing, and any such notice may be given by United States mail, courier service or telecopy, and any such notice shall be effective when delivered or received or, if mailed, three days after deposit in the United States mail with proper postage for ordinary mail prepaid,

if to the Company:

Continental Airlines, Inc.
77 W. Wacker Drive
Chicago, Illinois 60601
Attention: Treasurer
Facsimile: (312) 997-8333

if to the Trustee:

Wilmington Trust, National Association
1100 North Market Street
Wilmington, DE 19890-1605
Attention: Corporate Trust Administration
Facsimile: (302) 636-4140
Telephone: (302) 636-6294

(b) The Company or the Trustee, by notice to the other, may designate additional or different addresses for subsequent notices or communications.

(c) Any notice or communication to Certificateholders of any series shall be mailed by first-class mail to the addresses for Certificateholders of such series shown on the Register kept by the Registrar and to addresses filed with the Trustee for Certificate Owners of such series. Failure so to mail a notice or communication or any defect in such notice or communication shall not affect its sufficiency with respect to other Certificateholders or Certificate Owners of such series.

(d) If a notice or communication is mailed in the manner provided above within the time prescribed, it is conclusively presumed to have been duly given, whether or not the addressee receives it.

(e) If the Company mails a notice or communication to the Certificateholders of such series, it shall mail a copy to the Trustee and to each Paying Agent for such series at the same time.

(f) Notwithstanding the foregoing, all communications or notices to the Trustee shall be deemed to be given only when received by a Responsible Officer of the Trustee.

(g) The Trustee shall promptly furnish the Company with a copy of any demand, notice or written communication received by the Trustee hereunder from any Certificateholder, Owner Trustee or Loan Trustee.

Section 12.05. Governing Law. THIS BASIC AGREEMENT HAS BEEN DELIVERED IN THE STATE OF NEW YORK AND, TOGETHER WITH ALL TRUST SUPPLEMENTS AND CERTIFICATES, SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.

Section 12.06. Severability of Provisions. If any one or more of the covenants, agreements, provisions or terms of this Agreement shall be for any reason whatsoever held invalid, then such covenants, agreements, provisions, or terms shall be deemed severable from the remaining covenants, agreements, provisions or terms of this Agreement and shall in no way affect the validity or enforceability of the other provisions of this Agreement or the related Trust, or of the Certificates of such series or the rights of the Certificateholders thereof.

Section 12.07. Trust Indenture Act Controls. This Agreement is subject to the provisions of the Trust Indenture Act and shall, to the extent applicable, be governed by such provisions. If any provision of this Agreement limits, qualifies or conflicts with another provision which is required to be included in this Agreement by the Trust Indenture Act, the required provision shall control.

Section 12.08. Effect of Headings and Table of Contents. The Article and Section headings herein and the Table of Contents are for convenience only and shall not affect the construction hereof.

Section 12.09. Successors and Assigns. All covenants, agreements, representations and warranties in this Agreement by the Trustee and the Company shall bind and, to the extent permitted hereby, shall inure to the benefit of and be enforceable by their respective successors and assigns, whether so expressed or not.

Section 12.10. Benefits of Agreement. Nothing in this Agreement or in the Certificates of any series, express or implied, shall give to any Person, other than the parties hereto and their successors hereunder, and the Certificateholders of each series, any benefit or any legal or equitable right, remedy or claim under this Agreement.

Section 12.11. Legal Holidays. In any case where any Regular Distribution Date or Special Distribution Date relating to any Certificate of any series shall not be a Business Day with respect to such series, then (notwithstanding any other provision of this Agreement) payment need not be made on such date, but may be made on the next succeeding Business Day with the same force and effect as if made on such Regular Distribution Date or Special Distribution Date, and no interest shall accrue during the intervening period.

Section 12.12. Counterparts. For the purpose of facilitating the execution of this Agreement and for other purposes, this Agreement may be executed simultaneously in any number of counterparts, each of which counterparts shall be deemed to be an original, and all of which counterparts shall constitute but one and the same instrument.

Section 12.13. Communication by Certificateholders with Other Certificateholders. Certificateholders of any series may communicate with other Certificateholders of such series with respect to their rights under this Basic Agreement, the related Trust Supplement or the Certificates of such series pursuant to Section 312(b) of the Trust Indenture Act. The Company, the Trustee and any and all other persons benefitted by this Agreement shall have the protection afforded by Section 312(c) of the Trust Indenture Act.

Section 12.14. Intention of Parties. The parties hereto intend that each Trust be classified for U.S. federal income tax purposes as a grantor trust under Subpart E, Part I of Subchapter J of the Internal Revenue Code of 1986, as amended, and not as a trust or association taxable as a corporation or as a partnership. The powers granted and obligations undertaken pursuant to this Agreement shall be so construed so as to further such intent.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed by their respective officers thereunto duly authorized as of the day and year first written above.

CONTINENTAL AIRLINES, INC.

By: _____
Name:
Title:

WILMINGTON TRUST, NATIONAL ASSOCIATION,
as Trustee

By: _____
Name:
Title:

FORM OF CERTIFICATE

Certificate No. _____

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.¹

CONTINENTAL AIRLINES PASS THROUGH TRUST

Pass Through
Certificate, Series

Final Regular Distribution Date: _____,

evidencing a fractional undivided interest in a trust, the property of which includes certain equipment notes each secured by Aircraft owned by or leased to Continental Airlines, Inc.

\$ _____ Fractional Undivided Interest representing _____ % of the Trust per \$1,000 face amount

THIS CERTIFIES THAT _____, for value received, is the registered owner of a \$ _____ (_____ dollars) Fractional Undivided Interest in the Continental Airlines Pass Through Trust, Series [_____] (the "Trust") created by Wilmington Trust, National Association, as trustee (the "Trustee"), pursuant to a Pass Through Trust Agreement dated as of [_____] (the "Basic Agreement"), as supplemented by Trust Supplement No. _____ thereto dated [_____] (collectively, the "Agreement"), between the Trustee and Continental Airlines, Inc., a corporation incorporated under Delaware law (the "Company"), a summary of certain of the pertinent provisions of which is set forth below. To the extent not otherwise defined herein, the capitalized terms used herein have the meanings assigned to them in the Agreement. This Certificate is one of the duly authorized Certificates designated as " _____ % Continental Airlines Pass Through Certificate, Series _____" (herein called the "Certificates"). This Certificate is issued under and is subject to the terms, provisions and conditions of the Agreement. By virtue of its acceptance hereof, the Certificateholder of this Certificate assents to and agrees to be bound by the provisions of the Agreement and any related Intercreditor Agreement. The property of the Trust includes certain Equipment Notes and all

1. _____ This legend to appear on Book-Entry Certificates to be deposited with The Depository Trust Company.

rights of the Trust to receive any payments under any related Intercreditor Agreement or Liquidity Facility (the "Trust Property"). Each issue of the Equipment Notes is or will be secured by, among other things, a security interest in aircraft leased to or owned by the Company.

The Certificates represent fractional undivided interests in the Trust and the Trust Property, and have no rights, benefits or interest in respect of any other separate trust established pursuant to the terms of the Basic Agreement for any other series of certificates issued pursuant thereto.

Subject to and in accordance with the terms of the Agreement and any related Intercreditor Agreement, from funds then available to the Trustee, there will be distributed on each _____ and _____ (a "Regular Distribution Date") commencing on _____, to the Person in whose name this Certificate is registered at the close of business on the 15th day preceding the Regular Distribution Date, an amount in respect of the Scheduled Payments on the Equipment Notes due on such Regular Distribution Date, the receipt of which has been confirmed by the Trustee, equal to the product of the percentage interest in the Trust evidenced by this Certificate and an amount equal to the sum of such Scheduled Payments. Subject to and in accordance with the terms of the Agreement and any related Intercreditor Agreement, in the event that Special Payments on the Equipment Notes are received by the Trustee, from funds then available to the Trustee, there shall be distributed on the applicable Special Distribution Date, to the Person in whose name this Certificate is registered at the close of business on the 15th day preceding the Special Distribution Date, an amount in respect of such Special Payments on the Equipment Notes, the receipt of which has been confirmed by the Trustee, equal to the product of the percentage interest in the Trust evidenced by this Certificate and an amount equal to the sum of such Special Payments so received. If a Regular Distribution Date or Special Distribution Date is not a Business Day, distribution shall be made on the immediately following Business Day with the same force and effect as if made on such Regular Distribution Date or Special Distribution Date and no interest shall accrue during the intervening period. The Trustee shall mail notice of each Special Payment and the Special Distribution Date therefor to the Certificateholder of this Certificate.

Distributions on this Certificate will be made by the Trustee by check mailed to the Person entitled thereto, without the presentation or surrender of this Certificate or the making of any notation hereon, except with respect to Certificates registered on the Record Date in the name of Clearing Agency (or its nominee), in which case, such distribution shall be made by wire transfer. Except as otherwise provided in the Agreement and notwithstanding the above, the final distribution on this Certificate will be made after notice mailed by the Trustee of the pendency of such distribution and only upon presentation and surrender of this Certificate at the office or agency of the Trustee specified in such notice.

The Certificates do not represent a direct obligation of, or an obligation guaranteed by, or an interest in, the Company or the Trustee or any affiliate thereof. The Certificates are limited in right of payment, all as more specifically set forth on the face hereof and in the Agreement. All payments or distributions made to Certificateholders under the Agreement shall be made only from the Trust Property and only to the extent that the Trustee shall have sufficient income or proceeds from the Trust Property to make such payments in

accordance with the terms of the Agreement. Each Certificateholder of this Certificate, by its acceptance hereof, agrees that it will look solely to the income and proceeds from the Trust Property to the extent available for distribution to such Certificateholder as provided in the Agreement. This Certificate does not purport to summarize the Agreement and reference is made to the Agreement for information with respect to the interests, rights, benefits, obligations, proceeds, and duties evidenced hereby. A copy of the Agreement may be examined during normal business hours at the principal office of the Trustee, and at such other places, if any, designated by the Trustee, by any Certificateholder upon request.

The Agreement permits, with certain exceptions therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Certificateholders under the Agreement at any time by the Company and the Trustee with the consent of the Certificateholders holding Certificates evidencing Fractional Undivided Interests aggregating not less than a majority in interest in the Trust. Any such consent by the Certificateholder of this Certificate shall be conclusive and binding on such Certificateholder and upon all future Certificateholders of this Certificate and of any Certificate issued upon the transfer hereof or in exchange hereof or in lieu hereof whether or not notation of such consent is made upon this Certificate. The Agreement also permits the amendment thereof, in certain limited circumstances, without the consent of the Certificateholders of any of the Certificates.

As provided in the Agreement and subject to certain limitations set forth therein, the transfer of this Certificate is registrable in the Register upon surrender of this Certificate for registration of transfer at the offices or agencies maintained by the Trustee in its capacity as Registrar, or by any successor Registrar duly endorsed or accompanied by a written instrument of transfer in form satisfactory to the Trustee and the Registrar, duly executed by the Certificateholder hereof or such Certificateholder's attorney duly authorized in writing, and thereupon one or more new Certificates of authorized denominations evidencing the same aggregate Fractional Undivided Interest in the Trust will be issued to the designated transferee or transferees.

The Certificates are issuable only as registered Certificates without coupons in minimum denominations of \$1,000 Fractional Undivided Interest and integral multiples thereof except that one Certificate may be issued in a different denomination. As provided in the Agreement and subject to certain limitations therein set forth, the Certificates are exchangeable for new Certificates of authorized denominations evidencing the same aggregate Fractional Undivided Interest in the Trust, as requested by the Certificateholder surrendering the same.

No service charge will be made for any such registration of transfer or exchange, but the Trustee shall require payment of a sum sufficient to cover any tax or governmental charge payable in connection therewith.

The Trustee, the Registrar, and any agent of the Trustee or the Registrar may treat the person in whose name this Certificate is registered as the owner hereof for all purposes, and neither the Trustee, the Registrar, nor any such agent shall be affected by any notice to the contrary.

The obligations and responsibilities created by the Agreement and the Trust created thereby shall terminate upon the distribution to Certificateholders of all amounts required to be distributed to them pursuant to the Agreement and the disposition of all property held as part of the Trust Property.

THIS CERTIFICATE AND THE AGREEMENT HAVE EACH BEEN DELIVERED IN THE STATE OF NEW YORK AND SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES AND CERTIFICATEHOLDERS HEREUNDER AND THEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.

Unless the certificate of authentication hereon has been executed by the Trustee, by manual signature, this Certificate shall not be entitled to any benefit under the Agreement or be valid for any purpose.

IN WITNESS WHEREOF, the Trustee has caused this Certificate to be duly executed.

CONTINENTAL AIRLINES PASS THROUGH TRUST

By: WILMINGTON TRUST, NATIONAL ASSOCIATION,
as Trustee

By: _____
Title: _____

Dated: _____

This is one of the Certificates referred to
in the within-mentioned Agreement.

WILMINGTON TRUST, NATIONAL ASSOCIATION,
as Trustee

By: _____
Authorized Officer

Hughes Hubbard & Reed LLP
One Battery Park Plaza
New York, New York 10004
212-837-6000

April 27, 2012

United Continental Holdings, Inc.
77 W. Wacker Drive
Chicago, IL 60601

United Air Lines, Inc.
77 W. Wacker Drive
Chicago, IL 60601

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

Re: Registration Statement on Form S-3

Ladies and Gentlemen:

We have acted as counsel for United Continental Holdings, Inc., a Delaware corporation ("UAL"), United Air Lines, Inc., a Delaware corporation ("United"), and Continental Airlines, Inc., a Delaware corporation ("Continental" and, together with UAL and United, the "Companies"), in connection with the filing by the Companies with the Securities and Exchange Commission (the "Commission") of a registration statement (the "Registration Statement") on Form S-3 under the Securities Act of 1933, as amended (the "Act"), relating to the registration under the Act of the proposed issuance and sale from time to time pursuant to Rule 415 under the Act of (a) common stock of UAL (the "Common Stock"), (b) debt securities of UAL in one or more series (the "UAL Debt Securities") to be issued under an indenture among UAL, United, Continental and the trustee thereunder (the "Indenture Trustee") in the form attached to the Registration Statement as Exhibit 4.1 (the "Indenture"), (c) debt securities of United in one or more series (the "United Debt Securities") to be issued under the Indenture, (d) debt securities of Continental in one or more series (the "Continental Debt Securities" and, together with the UAL Debt Securities and the United Debt Securities, the "Debt Securities") to be issued under the Indenture, (e) preferred stock of UAL (the "Preferred Stock"), (f) depository shares of UAL (the "Depository Shares") representing a fractional interest in a share of Preferred Stock, (g) full and unconditional guarantees by UAL (the "UAL Debt Guarantees") of the United

Debt Securities and the Continental Debt Securities to be issued under the Indenture, (h) full and unconditional guarantees by United (the "United Guarantees") of the UAL Debt Securities and the Continental Debt Securities to be issued under the Indenture, (i) full and unconditional guarantees by Continental (the "Continental Guarantees" and, together with the UAL Debt Guarantees and the United Guarantees, the "Debt Guarantees") of the UAL Debt Securities and the United Debt Securities to be issued under the Indenture, (j) contracts to purchase shares of Common Stock or other securities of UAL at a future date or dates ("Stock Purchase Contracts"), (k) stock purchase units of UAL consisting of a Stock Purchase Contract and UAL Debt Securities, Preferred Stock, Warrants (as defined below) or debt obligations of third parties ("Stock Purchase Units"), (l) subscription rights of UAL to purchase Common Stock, Preferred Stock, Depositary Shares or Warrants ("Subscription Rights"), (m) warrants of UAL to purchase UAL Debt Securities, Preferred Stock or Common Stock (the "Warrants"), (n) pass through certificates (the "United Pass Through Certificates") issued by one or more trusts (each, a "Trust") to be formed by United, (o) pass through certificates (the "Continental Pass Through Certificates" and, together with the United Pass Through Certificates, the "Pass Through Certificates") issued by one or more Trusts to be formed by Continental, (p) full and unconditional guarantees by UAL (the "UAL PTC Guarantees") of certain obligations of United or Continental relating to property owned by a Trust that issues Pass Through Certificates, (q) full and unconditional guarantees by United (the "United PTC Guarantees") of certain obligations of Continental relating to property owned by a Trust that issues Pass Through Certificates and (r) full and unconditional guarantees by Continental (the "Continental PTC Guarantees" and, together with the UAL PTC Guarantees and the United PTC Guarantees, the "PTC Guarantees"; and together with the other securities specified in clauses (a) through (q) above, the "Securities") of certain obligations of United relating to property owned by a Trust that issues Pass Through Certificates.

The United Pass Through Certificates will be issued in one or more series under a Pass Through Trust Agreement (the "United Pass Through Trust Agreement") between United and the trustee thereunder (the "United Trustee") in the form filed as Exhibit 4.12 to the Registration Statement, and the Continental Pass Through Certificates will be issued in one or more series under a Pass Through Trust Agreement (together with the United Pass Through Trust Agreement, the "Basic Pass Through Trust Agreements") between Continental and the trustee thereunder (together with the United Trustee, the "Trustees"), in the form filed as Exhibit 4.13 to the Registration Statement, in each case, as supplemented by a separate trust supplement (each, a "Trust Supplement") relating to each such series.

We have examined, and have relied as to matters of fact upon, originals or copies, certified or otherwise identified to our satisfaction, of such corporate records, agreements, documents and other instruments and such certificates or comparable documents of public officials and of officers and representatives of each Company, and have made such other and further investigations as we have deemed relevant and necessary as a basis for the purposes of this opinion. In rendering our opinion, we have assumed the genuineness of all signatures, the legal capacity of all natural persons, the authenticity of all documents submitted to us as originals, the conformity to original documents of all documents submitted to us as certified, conformed or photostatic copies, the authenticity of the originals of such latter documents. As to all statements of fact material to this opinion that have not been independently established, we have relied upon certificates or comparable documents of officers and representatives of the Companies and documents furnished to us by the Companies without independent verification of their accuracy.

The opinions set forth below that certain Securities constitute valid and binding obligations are subject to (i) limitations on enforceability arising from applicable bankruptcy, insolvency, reorganization, moratorium, receivership, fraudulent conveyance, fraudulent transfer, preferential transfer and similar laws relating to or affecting the rights and remedies of creditors generally and the effect of general principles of equity, including, without limitation, laches and estoppel as equitable defenses and concepts of materiality, reasonableness, good faith and fair dealing (regardless of whether such enforceability is considered or applied in a proceeding in equity or at law) and considerations of impracticability or impossibility of performance, and defenses based upon unconscionability of otherwise enforceable obligations in the context of the factual circumstances under which enforcement thereof is sought and (ii) the qualification that the remedy of specific performance and injunctive and other forms of equitable relief may be subject to equitable defenses and to the discretion of the court before which any proceeding therefor may be brought.

Based upon and subject to the foregoing, and assuming that: (i) the Registration Statement and any amendments thereto (including post-effective amendments) will be effective and will comply with all applicable laws at the time the Securities are offered or issued as contemplated by the Registration Statement; (ii) a prospectus supplement, pricing supplement or term sheet will have been prepared and filed with the Commission in compliance with the Act and the applicable rules and regulations thereunder describing the Securities offered thereby and will comply with all applicable laws (including the applicable provisions of such "blue sky" or state securities laws as may be applicable); (iii) at all relevant times UAL, United and Continental, as applicable, are validly existing corporations under the laws of the State of Delaware, and have the corporate power and authority to issue, execute and deliver the Securities, (iv) all Securities will be issued and sold in compliance with applicable federal and state securities laws and in the manner stated in the Registration Statement and the appropriate prospectus supplement; (v) none of the terms of any Security to be established subsequent to the date hereof, nor the issuance and delivery of such Security, nor the compliance by UAL, United or Continental, as applicable, with the terms of such Security will violate any applicable law, the certificate of incorporation or bylaws of UAL, United or Continental, as applicable, any provision of any instrument or agreement then binding upon UAL, United or Continental, as applicable, or any restriction imposed by any court or governmental body having jurisdiction over UAL, United or Continental, as applicable; (vi) a definitive purchase, underwriting or similar agreement with respect to any Securities offered or issued will have been duly authorized and validly executed and delivered by UAL, United or Continental, as applicable, and the other parties thereto and (vii) any Securities issuable upon conversion, exchange or exercise of any Security being offered or issued will be duly authorized, created and, if appropriate, reserved for issuance upon such conversion, exchange or exercise, we are of the opinion that:

(1) With respect to shares of Common Stock, when both (A) the board of directors or a duly constituted and acting committee thereof (such board of directors or committee being hereinafter referred to as the "Board") of UAL has taken all necessary corporate action to approve the issuance of and the terms of the offering of the shares of Common Stock and related matters and (B) certificates in the form required under Delaware corporate law

representing the shares of Common Stock have been duly executed, countersigned, registered and delivered either (i) in accordance with the applicable definitive purchase, underwriting or similar agreement approved by the Board of UAL against payment of the consideration therefor (not less than the par value of the Common Stock) provided for therein or (ii) upon conversion or exercise of any other Security, in accordance with the terms of such Security or the instrument governing such Security providing for such conversion or exercise as approved by the Board of UAL, against the consideration approved by the Board of UAL (not less than the par value of the Common Stock), then the shares of Common Stock will be legally issued, fully paid and nonassessable;

(2) With respect to the Debt Securities and the Debt Guarantees to be issued under the Indenture, when (A) the Indenture Trustee is qualified to act as the trustee under the Indenture, (B) the Indenture Trustee has duly executed and delivered the Indenture and any supplemental indenture thereunder, (C) the Indenture and any supplemental indenture thereunder have been duly authorized and validly executed and delivered to the Indenture Trustee by UAL, United and Continental, as applicable, (D) the Indenture has been duly qualified under the Trust Indenture Act of 1939, as amended, (E) the Board of UAL, United and Continental, as applicable, has taken all necessary corporate action to approve the issuance and terms of such Debt Securities and Debt Guarantees, if any, the terms of the offering thereof and related matters and (F) such Debt Securities and Debt Guarantees have been duly executed, authenticated, issued and delivered in accordance with the provisions of the Indenture, any supplemental indenture and the applicable definitive purchase, underwriting or similar agreement approved by the Board of UAL, United and Continental, as applicable, against payment of the consideration therefor provided for therein, such Debt Securities and Debt Guarantees will be legally issued and will constitute valid and binding obligations of UAL, United or Continental, as applicable;

(3) With respect to the Depositary Shares, when (A) the Board of UAL has taken all necessary corporate action to approve the issuance and terms of the Depositary Shares, the terms of the offering thereof, and related matters, including the adoption of a Certificate of Designations (a "Certificate") relating to the Preferred Stock underlying such Depositary Shares and the filing of the Certificate with the Secretary of State of the State of Delaware, (B) the deposit agreement or agreements relating to the Depositary Shares and the related depositary receipts have been duly authorized and validly executed and delivered by UAL and the depositary appointed by UAL, (C) the shares of Preferred Stock underlying such Depositary Shares have been deposited with a bank or trust company (which meets the requirements for the Depositary set forth in the Registration Statement) under the applicable deposit agreement and (D) the depositary receipts representing the Depositary Shares have been duly executed, countersigned, registered and delivered in accordance with the appropriate deposit agreement and the applicable definitive purchase, underwriting or similar agreement approved by the Board of UAL against payment of the consideration therefor provided for therein, the Depositary Shares will be legally issued;

(4) With respect to shares of Preferred Stock, when both (A) the Board of UAL has taken all necessary corporate action to approve the issuance and terms of the shares of Preferred Stock, the terms of the offering thereof, and related matters, including the adoption of a Certificate and the filing of the Certificate with the Secretary of State of the State of Delaware and (B) certificates in the form required under Delaware corporate law representing the shares of

Preferred Stock have been duly executed, countersigned, registered and delivered either (i) in accordance with the applicable definitive purchase, underwriting or similar agreement approved by the Board of UAL against payment of the consideration therefor (not less than the par value of the Preferred Stock) provided for therein or (ii) upon conversion or exercise of any other Security or the instrument governing such Security providing for such conversion or exercise as approved by the Board of UAL, for the consideration approved by the Board of UAL (not less than the par value of the Preferred Stock), then the shares of Preferred Stock will be legally issued, fully paid and nonassessable;

(5) With respect to Stock Purchase Contracts, when (i) the purchase agreement establishing the terms of the Stock Purchase Contracts has been duly authorized and validly executed by the parties thereto; (ii) the Board of UAL has taken all necessary corporate action to approve and establish the terms of the Stock Purchase Contracts and to authorize and approve the issuance thereof, the terms of the offering and related matters and (iii) the Stock Purchase Contracts have been duly executed and delivered in accordance with the purchase agreement and the applicable definitive purchase, underwriting or similar agreement approved by or on behalf of the Board of UAL against payment of the consideration therefor provided for therein, the Stock Purchase Contracts will be legally issued and will constitute valid and binding obligations of UAL;

(6) With respect to Stock Purchase Units, when (i) the purchase agreement establishing the terms of the Stock Purchase Units has been duly authorized and validly executed by the parties thereto, (ii) the Board of UAL has taken all necessary corporate action to approve and establish the terms of the Stock Purchase Units and to authorize and approve the issuance thereof, the terms of the offering and related matters and (iii) the Stock Purchase Units have been duly executed and delivered in accordance with the purchase agreement and the applicable definitive purchase, underwriting or similar agreement approved by or on behalf of the Board of UAL against payment of the consideration therefor provided therein, the Stock Purchase Units will be legally issued and will constitute valid and binding obligations of UAL;

(7) With respect to Subscription Rights, when (i) the Board of UAL has taken all necessary corporate action to approve the issuance and terms of the offering thereof and related matters and (ii) certificates representing the Subscription Rights have been duly executed, countersigned, registered and delivered by UAL, the Subscription Rights will be legally issued and will constitute valid and binding obligations of UAL;

(8) With respect to the Warrants, when (A) the Board of UAL has taken all necessary corporate action to approve the creation of and the issuance and terms of the Warrants, the terms of the offering thereof, and related matters, (B) the warrant agreement or agreements relating to the Warrants have been duly authorized and validly executed and delivered by UAL and the warrant agent appointed by UAL and (C) the Warrants or certificates representing the Warrants have been duly executed, countersigned, registered and delivered in accordance with the appropriate warrant agreement or agreements and the applicable definitive purchase, underwriting or similar agreement approved by the Board of UAL against payment of the consideration therefor provided for therein, the Warrants will be legally issued and will constitute valid and binding obligations of UAL;

(9) With respect to each series of Pass Through Certificates and any related PTC Guarantees, when (A) the applicable Trustee is qualified to act as the trustee under the applicable Basic Pass Through Trust Agreement, (B) the applicable Trustee has duly executed and delivered the applicable Basic Pass Through Trust Agreement and Trust Supplement thereunder, (C) the applicable Basic Pass Through Trust Agreement, Trust Supplement thereunder and any applicable PTC Guarantee has been duly authorized and validly executed and delivered to the applicable Trustee by UAL, United or Continental, as applicable, (D) the applicable Basic Pass Through Trust Agreement has been duly qualified under the Trust Indenture Act of 1939, as amended, (E) the Board of UAL, United or Continental, as applicable, has taken all necessary corporate action to approve the issuance and terms of such Pass Through Certificates and PTC Guarantees, if any, the terms of the offering thereof and related matters and (F) such Pass Through Certificates and PTC Guarantees have been duly executed, authenticated, issued and delivered in accordance with the provisions of the applicable Basic Pass Through Trust Agreement, the applicable Trust Supplement and the applicable definitive purchase, underwriting or similar agreement approved by the Board of UAL, United and Continental, as applicable, against payment of the consideration therefor provided for therein, such Pass Through Certificates and PTC Guarantees will be legally issued and will constitute valid and binding obligations of the Trustee, in the case of the applicable Pass Through Certificates, or UAL, United or Continental, as applicable, in the case of any applicable PTC Guarantee.

We are members of the Bar of the State of New York, and we do not express any opinion herein concerning any law other than the law of the State of New York, the federal law of the United States and the Delaware General Corporation Law. We have assumed that each agreement constituting the Securities (other than Common Stock and Preferred Stock) will be governed by the laws of the State of New York.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement and we further consent to the use of our name under the caption "Legal Matters" in the forms of prospectus included in the Registration Statement. In giving this consent, we do not hereby admit that we are in the category of persons whose consent is required under Section 7 of the Act or the rules and regulations of the Commission thereunder.

Very truly yours,

/s/ Hughes Hubbard & Reed LLP

Consent of Independent Registered Public Accounting Firm

We consent to the reference to our firm under the caption "Experts" in this Registration Statement (Form S-3) and related Prospectus of United Continental Holdings, Inc. for the registration of Common Stock, Debt Securities, Depositary Shares, Guarantees of Debt Securities, Preferred Stock, Stock Purchase Contracts, Stock Purchase Rights, Subscription Rights, and Warrants, and of United Air Lines, Inc. and Continental Airlines, Inc. for the registration of Debt Securities and Guarantees of Debt Securities, and to the incorporation by reference therein of our reports dated February 22, 2012, with respect to the consolidated financial statements and schedule of United Continental Holdings, Inc., United Air Lines, Inc., and Continental Airlines, Inc., and on United Continental Holdings, Inc.'s effectiveness of internal control over financial reporting as of December 31, 2011, included in their Annual Report (Form 10-K) for the year ended December 31, 2011, filed with the Securities and Exchange Commission.

/s/ Ernst & Young LLP

Chicago, IL
April 26, 2012

Consent of Independent Registered Public Accounting Firm

We consent to the reference to our firm under the caption "Experts" in this Registration Statement (Form S-3) and related Prospectus of United Air Lines, Inc. and Continental Airlines, Inc. for the registration of Pass Through Certificates and to the incorporation by reference therein of our reports dated February 22, 2012, with respect to the consolidated financial statements and schedule of United Continental Holdings, Inc., United Air Lines, Inc., and Continental Airlines, Inc., and on United Continental Holdings, Inc.'s effectiveness of internal control over financial reporting, included in their Annual Report (Form 10-K) for the year ended December 31, 2011, filed with the Securities and Exchange Commission.

/s/ Ernst & Young LLP

Chicago, IL
April 26, 2012

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in this Registration Statement on Form S-3 of our report dated February 25, 2010, except for Note 2 (Reclassifications) and Note 10, as to which the date is February 22, 2011, relating to the consolidated financial statements and financial statement schedule of United Continental Holdings, Inc. (which report expresses an unqualified opinion and includes an explanatory paragraph relating to retrospective reclassifications of revenue and expenses in its statements of consolidated operations and an explanatory paragraph relating to a change in reportable segments) appearing in the Annual Report on Form 10-K of United Continental Holdings, Inc. for the year ended December 31, 2011, and to the reference to us under the heading "Experts" in each Prospectus, which is part of this Registration Statement.

/s/ Deloitte & Touche LLP
Chicago, Illinois
April 26, 2012

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in this Registration Statement on Form S-3 of our report dated February 25, 2010, except for Note 2 (Reclassifications) and Note 10, as to which the date is February 22, 2011, relating to the consolidated financial statements and financial statement schedule of United Air Lines, Inc. (which report expresses an unqualified opinion and includes an explanatory paragraph relating to retrospective reclassifications of revenue and expenses in its statements of consolidated operations and an explanatory paragraph relating to a change in reportable segments) appearing in the Annual Report on Form 10-K of United Air Lines, Inc. for the year ended December 31, 2011, and to the reference to us under the heading "Experts" in each Prospectus, which is part of this Registration Statement.

/s/ Deloitte & Touche LLP
Chicago, Illinois
April 26, 2012

UNITED CONTINENTAL HOLDINGS, INC.
UNITED AIR LINES, INC.
CONTINENTAL AIRLINES, INC.

Power of Attorney

FORM S-3
Registration Statement
Under
The Securities Act of 1933

The undersigned officers and/or directors of United Continental Holdings, Inc. ("UAL"), United Air Lines, Inc. ("United"), and/or Continental Airlines, Inc. ("Continental") do hereby constitute and appoint Jeffery A. Smisek, John D. Rainey, Brett J. Hart, and Chris Kenny, or any of them, as the undersigned's true and lawful attorneys in fact and agents to do any and all acts and things in the undersigned's name and behalf in the undersigned's capacities as officer and/or director, and to execute any and all instruments for the undersigned and in the undersigned's name in the capacities as officer and/or director which such person or persons may deem necessary or advisable to enable UAL, United and/or Continental to comply with the Securities Act of 1933 and any rules, regulations and requirements of the Securities and Exchange Commission (the "Commission") in connection with a universal automatic shelf Registration Statement on Form S-3 relating to the offering of debt securities, equity securities and other securities specified therein, including but not limited to guarantees of debt securities, shares of preferred stock, shares of common stock, warrants for the purchase of the foregoing securities, stock purchase contracts, stock purchase units, pass through certificates and enhanced equipment trust certificates, and subscription rights to purchase the foregoing securities (the "Registration Statement"). Such appointment to act specifically includes, but is not limited to, the power and authority to sign for the undersigned in the capacity as a director and/or officer of UAL, United and/or Continental the Registration Statement, and any and all amendments (including post-effective amendments) thereto, and to file the same, with all supplements and exhibits thereto, and all other documents in connection therewith, with the Commission, granting unto said attorneys-in-fact and agents and each of them, full power and authority to do and perform in the name of on behalf of the undersigned, in any and all capacities, each and every act and thing necessary or desirable to be done in and about the premises, to all intents and purposes and as fully as they might or could do in person, hereby ratifying, approving and confirming all that said attorney-in-fact and agents or their substitutes may lawfully do or cause to be done by virtue hereof.

Executed as of the 23rd day of April, 2012.

By: /s/ Glenn F. Tilton

Name: Glenn F. Tilton

Title: Chairman of the Board of Directors of United Continental Holdings, Inc.

UNITED CONTINENTAL HOLDINGS, INC.
UNITED AIR LINES, INC.
CONTINENTAL AIRLINES, INC.

Power of Attorney

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Executed as of the 25th day of April, 2012.

By: /s/ Stephen R. Canale

Name: Stephen R. Canale
Title: Director of United Continental Holdings, Inc.

UNITED CONTINENTAL HOLDINGS, INC.
UNITED AIR LINES, INC.
CONTINENTAL AIRLINES, INC.

Power of Attorney

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Executed as of the 21st day of April, 2012.

By: /s/ Carolyn Corvi

Name: Carolyn Corvi
Title: Director of United Continental Holdings, Inc.

UNITED CONTINENTAL HOLDINGS, INC.
UNITED AIR LINES, INC.
CONTINENTAL AIRLINES, INC.

Power of Attorney

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Executed as of the 25th day of April, 2012.

By: /s/ W. James Farrell

Name: W. James Farrell
Title: Director of United Continental Holdings, Inc.

UNITED CONTINENTAL HOLDINGS, INC.
UNITED AIR LINES, INC.
CONTINENTAL AIRLINES, INC.

Power of Attorney

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Executed as of the 25th day of April, 2012.

By: /s/ Jane C. Garvey

Name: Jane C. Garvey
Title: Director of United Continental Holdings, Inc.

UNITED CONTINENTAL HOLDINGS, INC.
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Power of Attorney

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Executed as of the 25th day of April, 2012.

By: /s/ James J. Heppner

Name: James J. Heppner
Title: Director of United Continental Holdings, Inc.

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Executed as of the 23rd day of April, 2012.

By: /s/ Walter Isaacson

Name: Walter Isaacson
Title: Director of United Continental Holdings, Inc.

UNITED CONTINENTAL HOLDINGS, INC.
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CONTINENTAL AIRLINES, INC.

Power of Attorney

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Executed as of the 25th day of April, 2012.

By: /s/ Henry L. Meyer III

Name: Henry L. Meyer III
Title: Director of United Continental Holdings, Inc.

UNITED CONTINENTAL HOLDINGS, INC.
UNITED AIR LINES, INC.
CONTINENTAL AIRLINES, INC.

Power of Attorney

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Executed as of the 25th day of April, 2012.

By: /s/ Oscar Munoz

Name: Oscar Munoz
Title: Director of United Continental Holdings, Inc.

UNITED CONTINENTAL HOLDINGS, INC.
UNITED AIR LINES, INC.
CONTINENTAL AIRLINES, INC.

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Under
The Securities Act of 1933

The undersigned officers and/or directors of United Continental Holdings, Inc. ("UAL"), United Air Lines, Inc. ("United"), and/or Continental Airlines, Inc. ("Continental") do hereby constitute and appoint Jeffery A. Smisek, John D. Rainey, Brett J. Hart, and Chris Kenny, or any of them, as the undersigned's true and lawful attorneys in fact and agents to do any and all acts and things in the undersigned's name and behalf in the undersigned's capacities as officer and/or director, and to execute any and all instruments for the undersigned and in the undersigned's name in the capacities as officer and/or director which such person or persons may deem necessary or advisable to enable UAL, United and/or Continental to comply with the Securities Act of 1933 and any rules, regulations and requirements of the Securities and Exchange Commission (the "Commission") in connection with a universal automatic shelf Registration Statement on Form S-3 relating to the offering of debt securities, equity securities and other securities specified therein, including but not limited to guarantees of debt securities, shares of preferred stock, shares of common stock, warrants for the purchase of the foregoing securities, stock purchase contracts, stock purchase units, pass through certificates and enhanced equipment trust certificates, and subscription rights to purchase the foregoing securities (the "Registration Statement"). Such appointment to act specifically includes, but is not limited to, the power and authority to sign for the undersigned in the capacity as a director and/or officer of UAL, United and/or Continental the Registration Statement, and any and all amendments (including post-effective amendments) thereto, and to file the same, with all supplements and exhibits thereto, and all other documents in connection therewith, with the Commission, granting unto said attorneys-in-fact and agents and each of them, full power and authority to do and perform in the name of on behalf of the undersigned, in any and all capacities, each and every act and thing necessary or desirable to be done in and about the premises, to all intents and purposes and as fully as they might or could do in person, hereby ratifying, approving and confirming all that said attorney-in-fact and agents or their substitutes may lawfully do or cause to be done by virtue hereof.

Executed as of the 25th day of April, 2012.

By: /s/ James J. O'Connor

Name: James J. O'Connor
Title: Director of United Continental Holdings, Inc.

UNITED CONTINENTAL HOLDINGS, INC.
UNITED AIR LINES, INC.
CONTINENTAL AIRLINES, INC.

Power of Attorney

FORM S-3
Registration Statement
Under
The Securities Act of 1933

The undersigned officers and/or directors of United Continental Holdings, Inc. ("UAL"), United Air Lines, Inc. ("United"), and/or Continental Airlines, Inc. ("Continental") do hereby constitute and appoint Jeffery A. Smisek, John D. Rainey, Brett J. Hart, and Chris Kenny, or any of them, as the undersigned's true and lawful attorneys in fact and agents to do any and all acts and things in the undersigned's name and behalf in the undersigned's capacities as officer and/or director, and to execute any and all instruments for the undersigned and in the undersigned's name in the capacities as officer and/or director which such person or persons may deem necessary or advisable to enable UAL, United and/or Continental to comply with the Securities Act of 1933 and any rules, regulations and requirements of the Securities and Exchange Commission (the "Commission") in connection with a universal automatic shelf Registration Statement on Form S-3 relating to the offering of debt securities, equity securities and other securities specified therein, including but not limited to guarantees of debt securities, shares of preferred stock, shares of common stock, warrants for the purchase of the foregoing securities, stock purchase contracts, stock purchase units, pass through certificates and enhanced equipment trust certificates, and subscription rights to purchase the foregoing securities (the "Registration Statement"). Such appointment to act specifically includes, but is not limited to, the power and authority to sign for the undersigned in the capacity as a director and/or officer of UAL, United and/or Continental the Registration Statement, and any and all amendments (including post-effective amendments) thereto, and to file the same, with all supplements and exhibits thereto, and all other documents in connection therewith, with the Commission, granting unto said attorneys-in-fact and agents and each of them, full power and authority to do and perform in the name of on behalf of the undersigned, in any and all capacities, each and every act and thing necessary or desirable to be done in and about the premises, to all intents and purposes and as fully as they might or could do in person, hereby ratifying, approving and confirming all that said attorney-in-fact and agents or their substitutes may lawfully do or cause to be done by virtue hereof.

Executed as of the 23rd day of April, 2012.

By: /s/ Laurence E. Simmons

Name: Laurence E. Simmons
Title: Director of United Continental Holdings, Inc.

UNITED CONTINENTAL HOLDINGS, INC.
UNITED AIR LINES, INC.
CONTINENTAL AIRLINES, INC.

Power of Attorney

FORM S-3
Registration Statement
Under
The Securities Act of 1933

The undersigned officers and/or directors of United Continental Holdings, Inc. ("UAL"), United Air Lines, Inc. ("United"), and/or Continental Airlines, Inc. ("Continental") do hereby constitute and appoint Jeffery A. Smisek, John D. Rainey, Brett J. Hart, and Chris Kenny, or any of them, as the undersigned's true and lawful attorneys in fact and agents to do any and all acts and things in the undersigned's name and behalf in the undersigned's capacities as officer and/or director, and to execute any and all instruments for the undersigned and in the undersigned's name in the capacities as officer and/or director which such person or persons may deem necessary or advisable to enable UAL, United and/or Continental to comply with the Securities Act of 1933 and any rules, regulations and requirements of the Securities and Exchange Commission (the "Commission") in connection with a universal automatic shelf Registration Statement on Form S-3 relating to the offering of debt securities, equity securities and other securities specified therein, including but not limited to guarantees of debt securities, shares of preferred stock, shares of common stock, warrants for the purchase of the foregoing securities, stock purchase contracts, stock purchase units, pass through certificates and enhanced equipment trust certificates, and subscription rights to purchase the foregoing securities (the "Registration Statement"). Such appointment to act specifically includes, but is not limited to, the power and authority to sign for the undersigned in the capacity as a director and/or officer of UAL, United and/or Continental the Registration Statement, and any and all amendments (including post-effective amendments) thereto, and to file the same, with all supplements and exhibits thereto, and all other documents in connection therewith, with the Commission, granting unto said attorneys-in-fact and agents and each of them, full power and authority to do and perform in the name of on behalf of the undersigned, in any and all capacities, each and every act and thing necessary or desirable to be done in and about the premises, to all intents and purposes and as fully as they might or could do in person, hereby ratifying, approving and confirming all that said attorney-in-fact and agents or their substitutes may lawfully do or cause to be done by virtue hereof.

Executed as of the 25th day of April, 2012.

By: /s/ David J. Vitale

Name: David J. Vitale
Title: Director of United Continental Holdings, Inc.

UNITED CONTINENTAL HOLDINGS, INC.
UNITED AIR LINES, INC.
CONTINENTAL AIRLINES, INC.

Power of Attorney

FORM S-3
Registration Statement
Under
The Securities Act of 1933

The undersigned officers and/or directors of United Continental Holdings, Inc. ("UAL"), United Air Lines, Inc. ("United"), and/or Continental Airlines, Inc. ("Continental") do hereby constitute and appoint Jeffery A. Smisek, John D. Rainey, Brett J. Hart, and Chris Kenny, or any of them, as the undersigned's true and lawful attorneys in fact and agents to do any and all acts and things in the undersigned's name and behalf in the undersigned's capacities as officer and/or director, and to execute any and all instruments for the undersigned and in the undersigned's name in the capacities as officer and/or director which such person or persons may deem necessary or advisable to enable UAL, United and/or Continental to comply with the Securities Act of 1933 and any rules, regulations and requirements of the Securities and Exchange Commission (the "Commission") in connection with a universal automatic shelf Registration Statement on Form S-3 relating to the offering of debt securities, equity securities and other securities specified therein, including but not limited to guarantees of debt securities, shares of preferred stock, shares of common stock, warrants for the purchase of the foregoing securities, stock purchase contracts, stock purchase units, pass through certificates and enhanced equipment trust certificates, and subscription rights to purchase the foregoing securities (the "Registration Statement"). Such appointment to act specifically includes, but is not limited to, the power and authority to sign for the undersigned in the capacity as a director and/or officer of UAL, United and/or Continental the Registration Statement, and any and all amendments (including post-effective amendments) thereto, and to file the same, with all supplements and exhibits thereto, and all other documents in connection therewith, with the Commission, granting unto said attorneys-in-fact and agents and each of them, full power and authority to do and perform in the name of on behalf of the undersigned, in any and all capacities, each and every act and thing necessary or desirable to be done in and about the premises, to all intents and purposes and as fully as they might or could do in person, hereby ratifying, approving and confirming all that said attorney-in-fact and agents or their substitutes may lawfully do or cause to be done by virtue hereof.

Executed as of the 21st day of April, 2012.

By: /s/ John H. Walker

Name: John H. Walker
Title: Director of United Continental Holdings, Inc.

UNITED CONTINENTAL HOLDINGS, INC.
UNITED AIR LINES, INC.
CONTINENTAL AIRLINES, INC.

Power of Attorney

FORM S-3
Registration Statement
Under
The Securities Act of 1933

The undersigned officers and/or directors of United Continental Holdings, Inc. ("UAL"), United Air Lines, Inc. ("United"), and/or Continental Airlines, Inc. ("Continental") do hereby constitute and appoint Jeffery A. Smisek, John D. Rainey, Brett J. Hart, and Chris Kenny, or any of them, as the undersigned's true and lawful attorneys in fact and agents to do any and all acts and things in the undersigned's name and behalf in the undersigned's capacities as officer and/or director, and to execute any and all instruments for the undersigned and in the undersigned's name in the capacities as officer and/or director which such person or persons may deem necessary or advisable to enable UAL, United and/or Continental to comply with the Securities Act of 1933 and any rules, regulations and requirements of the Securities and Exchange Commission (the "Commission") in connection with a universal automatic shelf Registration Statement on Form S-3 relating to the offering of debt securities, equity securities and other securities specified therein, including but not limited to guarantees of debt securities, shares of preferred stock, shares of common stock, warrants for the purchase of the foregoing securities, stock purchase contracts, stock purchase units, pass through certificates and enhanced equipment trust certificates, and subscription rights to purchase the foregoing securities (the "Registration Statement"). Such appointment to act specifically includes, but is not limited to, the power and authority to sign for the undersigned in the capacity as a director and/or officer of UAL, United and/or Continental the Registration Statement, and any and all amendments (including post-effective amendments) thereto, and to file the same, with all supplements and exhibits thereto, and all other documents in connection therewith, with the Commission, granting unto said attorneys-in-fact and agents and each of them, full power and authority to do and perform in the name of on behalf of the undersigned, in any and all capacities, each and every act and thing necessary or desirable to be done in and about the premises, to all intents and purposes and as fully as they might or could do in person, hereby ratifying, approving and confirming all that said attorney-in-fact and agents or their substitutes may lawfully do or cause to be done by virtue hereof.

Executed as of the 25th day of April, 2012.

By: /s/ Charles A. Yamarone

Name: Charles A. Yamarone
Title: Director of United Continental Holdings, Inc.

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

FORM T-1

**STATEMENT OF ELIGIBILITY
UNDER THE TRUST INDENTURE ACT OF 1939 OF A
CORPORATION DESIGNATED TO ACT AS TRUSTEE**

CHECK IF AN APPLICATION TO DETERMINE ELIGIBILITY OF A TRUSTEE PURSUANT TO SECTION 305(b)(2)

THE BANK OF NEW YORK MELLON TRUST COMPANY, NATIONAL ASSOCIATION

(Exact name of trustee as specified in its charter)

(Jurisdiction of incorporation
if not a U.S. national bank)
**400 South Hope Street,
Suite 400
Los Angeles, CA**
(Address of principal executive offices)

95-3571558
(I.R.S. Employer
Identification No.)

90071
(Zip code)

**Rhea L. Murphy, Legal Department
The Bank of New York Mellon Trust Company, National Association
700 South Flower Street, Suite 500
Los Angeles, California 90017
(213) 630-6476**

(Name, address and telephone number of agent for service)

United Continental Holdings, Inc.
(Exact name of obligor as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)
**77 W. Wacker Drive
Chicago, Illinois**
(Address of principal executive offices)

36-2675207
(I.R.S. Employer
Identification No.)

60601
(Zip code)

United Air Lines, Inc.
(Exact name of obligor as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)
**77 W. Wacker Drive
Chicago, Illinois**
(Address of principal executive offices)

36-2675206
(I.R.S. Employer
Identification No.)

60601
(Zip code)

Continental Airlines, Inc.
(Exact name of obligor as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)
**1600 Smith Street
Houston, Texas**
(Address of principal executive offices)

74-2099724
(I.R.S. Employer
Identification No.)

77002
(Zip code)

**Debt Securities and
Guarantees of Debt Securities**
(Title of the indenture securities)

Item 1. General Information.

Furnish the following information as to the Trustee:

- (a) Name and address of each examining or supervising authority to which it is subject.
- Comptroller of the Currency – United States Department of the Treasury, Washington, D.C. 20219
Federal Reserve Bank, San Francisco, California 94105
Federal Deposit Insurance Corporation, Washington, D.C. 20429
- (b) Whether it is authorized to exercise corporate trust powers.
Yes.

Item 2. Affiliations with Obligor.

If the obligor is an affiliate of the trustee, describe each such affiliation.

None.

Pursuant to General Instruction B of the Form T-1, no responses are included for Items 3-15 of this Form T-1 because the Obligor is not in default as provided under Item 13.

Item 16. List of Exhibits.

Exhibits identified in parentheses below, on file with the Commission, are incorporated herein by reference as an exhibit hereto, pursuant to Rule 7a-29 under the Trust Indenture Act of 1939 (the "Act") and 17 C.F.R. 229.10(d).

1. A copy of the articles of association of The Bank of New York Mellon Trust Company, National Association. (Exhibit 1 to Form T-1 filed on September 8, 2008 in connection with Registration Statement No. 333-135006).
2. A copy of certificate of authority of the trustee to commence business. (Exhibit 2 to Form T-1 filed January 11, 2005 in connection with Registration Statement No. 333-121948).
3. A copy of the authorization of the trustee to exercise corporate trust powers. (Exhibit 3 to Form T-1 filed on September 8, 2008 in connection with Registration Statement No. 333-135006).
4. A copy of the existing by-laws of the trustee. (Exhibit 4 to Form T-1 filed on October 28, 2009 in connection with Registration Statement No. 333-162713).
6. The consent of the trustee required by Section 321(b) of the Act.
7. A copy of the latest report of condition of the Trustee published pursuant to law or to the requirements of its supervising or examining authority.

SIGNATURE

Pursuant to the requirements of the Trust Indenture Act of 1939, as amended, the trustee, The Bank of New York Mellon Trust Company, National Association, a banking association organized and existing under the laws of the United States of America, has duly caused this statement of eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in The City of Chicago, and State of Illinois on the 27th day of April, 2012.

**THE BANK OF NEW YORK MELLON TRUST COMPANY,
NATIONAL ASSOCIATION**

By: /s/ Lawrence M. Kusch

Name: Lawrence M. Kusch
Title: Vice President

EXHIBIT 6

The consent of the Trustee required by Section 321 (b) of the Act

April 27, 2012

Securities and Exchange Commission
Washington, D.C. 20549

Ladies and Gentlemen:

In connection with the qualification of an indenture between United Continental Holdings, Inc., United Air Lines, Inc. and Continental Airlines, Inc. and The Bank of New York Mellon Trust Company, National Association, as trustee, the undersigned, in accordance with Section 321(b) of the Trust Indenture Act of 1939, as amended, hereby consents that the reports of examinations of the undersigned, made by Federal, State, Territorial, or District authorities authorized to make such examinations, may be furnished by such authorities to the Securities and Exchange Commission upon its request therefor.

The Bank of New York Mellon Trust Company,
National Association

By: /s/ Lawrence M. Kusch
Name: Lawrence M. Kusch
Title: Vice President

EXHIBIT 7

Consolidated Report of Condition of
THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.
of 700 South Flower Street, Suite 200, Los Angeles, CA 90017

At the close of business December 31, 2011, published in accordance with Federal regulatory authority instructions.

Dollar Amounts
in Thousands

ASSETS

Cash and balances due from depository institutions:		
Noninterest-bearing balances and currency and coin		648
Interest-bearing balances		396
Securities:		
Held-to-maturity securities		0
Available-for-sale securities		808,707
Federal funds sold and securities purchased under agreements to resell:		
Federal funds sold		95,500
Securities purchased under agreements to resell		0
Loans and lease financing receivables:		
Loans and leases held for sale		0
Loans and leases, net of unearned income		0
LESS: Allowance for loan and lease losses		0
Loans and leases, net of unearned income and allowance		0
Trading assets		0
Premises and fixed assets (including capitalized leases)		7,620
Other real estate owned		0
Investments in unconsolidated subsidiaries and associated companies		1
Direct and indirect investments in real estate ventures		0
Intangible assets:		
Goodwill		856,313
Other intangible assets		187,688
Other assets		175,314
Total assets		<u>\$ 2,132,187</u>

LIABILITIES

Deposits:		
In domestic offices		506
Noninterest-bearing		506
Interest-bearing		0
Not applicable		
Federal funds purchased and securities sold under agreements to repurchase:		
Federal funds purchased		0
Securities sold under agreements to repurchase		0
Trading liabilities		0
Other borrowed money:		
(includes mortgage indebtedness and obligations under capitalized leases)		268,691
Not applicable		
Not applicable		
Subordinated notes and debentures		0
Other liabilities		228,471
Total liabilities		497,668
Not applicable		

EQUITY CAPITAL

Perpetual preferred stock and related surplus		0
Common stock		1,000
Surplus (exclude all surplus related to preferred stock)		1,121,520
Not available		
Retained earnings		506,347
Accumulated other comprehensive income		5,652
Other equity capital components		0
Not available		
Total bank equity capital		1,634,519
Noncontrolling (minority) interests in consolidated subsidiaries		0
Total equity capital		<u>1,634,519</u>
Total liabilities and equity capital		<u><u>2,132,187</u></u>

I, Karen Bayz, CFO and Managing Director of the above-named bank do hereby declare that the Reports of Condition and Income (including the supporting schedules) for this report date have been prepared in conformance with the instructions issued by the appropriate Federal regulatory authority and are true to the best of my knowledge and belief.

Karen Bayz) CFO and Managing Director

We, the undersigned directors (trustees), attest to the correctness of the Report of Condition (including the supporting schedules) for this report date and declare that it has been examined by us and to the best of our knowledge and belief has been prepared in conformance with the instructions issued by the appropriate Federal regulatory authority and is true and correct.

Timothy Vara, President)
Frank P. Sulzberger, MD) Directors (Trustees)
William D. Lindelof, MD)

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM T-1

**STATEMENT OF ELIGIBILITY
UNDER THE TRUST INDENTURE ACT OF 1939 OF A
CORPORATION DESIGNATED TO ACT AS TRUSTEE**

CHECK IF AN APPLICATION TO DETERMINE ELIGIBILITY OF A TRUSTEE PURSUANT TO SECTION 305(b)(2)

WILMINGTON TRUST, NATIONAL ASSOCIATION

(Exact name of trustee as specified in its charter)

16-1486454

(I.R.S. employer identification no.)

1100 North Market Street
Wilmington, DE 19890
(Address of principal executive offices)

Robert C. Fiedler
Vice President and Counsel
1100 North Market Street
Wilmington, Delaware 19890
(302) 651-8541
(Name, address and telephone number of agent for service)

UNITED AIR LINES, INC.

(Exact name of obligor as specified in its charter)

Delaware
(State of incorporation)

36-2675206
(I.R.S. employer identification no.)

77 W. Wacker Drive
Chicago, Illinois 60601
312-997-8000
(Address of principal executive offices) (Zip Code)

Pass Through Certificates
(Title of the indenture securities)

Item 1. GENERAL INFORMATION. Furnish the following information as to the trustee:

(a) *Name and address of each examining or supervising authority to which it is subject.*

Comptroller of Currency, Administrator of National Banks, 250 E. Street, SW,
Washington, D.C. 20219
Federal Deposit Insurance Corporation, 550 17th Street NW, Washington,
DC 20429-9990

(b) *Whether it is authorized to exercise corporate trust powers.*

Yes.

Item 2. AFFILIATIONS WITH THE OBLIGOR. *If the obligor is an affiliate of the trustee, describe each affiliation:*

Based upon an examination of the books and records of the trustee and upon information furnished by the obligor, the obligor is not an affiliate of the trustee.

Item 16. LIST OF EXHIBITS. Listed below are all exhibits filed as part of this Statement of Eligibility and Qualification.

1. A copy of the Charter for Wilmington Trust, National Association.*
2. The authority of Wilmington Trust, National Association to commence business was granted under the Charter for Wilmington Trust, National Association.*
3. The authorization to exercise corporate trust powers was granted under the Charter for Wilmington Trust, National Association.*
4. A copy of the existing By-Laws of Trustee, as now in effect.*
5. Not applicable.
6. The consent of Trustee as required by Section 321(b) of the Trust Indenture Act of 1939, attached as Exhibit 6 of Form T-1.
7. Current Report of the Condition of Trustee, published pursuant to law or the requirements of its supervising or examining authority, attached as Exhibit 7 of Form T-1.
8. Not applicable.
9. Not applicable.

* Exhibits 1 through 4 are incorporated herein by reference to Exhibits 1 through 4, respectively, to Form T-1 as presented in Exhibit 25.1 to registration statement on Form S-4 Registration No. 333-180774 as filed with the Securities and Exchange Commission.

EXHIBIT 6

Section 321(b) Consent

Pursuant to Section 321(b) of the Trust Indenture Act of 1939, as amended, Wilmington Trust, National Association hereby consents that reports of examinations by Federal, State, Territorial or District authorities may be furnished by such authorities to the Securities and Exchange Commission upon requests therefor.

**WILMINGTON TRUST,
NATIONAL ASSOCIATION**

Dated: April 27, 2012

By: /s/ Tira L. Johnson
Name: Tira L. Johnson
Title: Vice President

EXHIBIT 7

REPORT OF CONDITION

WILMINGTON TRUST, NATIONAL ASSOCIATION

As of the close of business on December 31, 2011:

	Thousands of Dollars
ASSETS	
Cash and balances due from depository institutions:	346,964
Securities:	25,961
Federal funds sold and securities purchased under agreement to resell:	0
Loans and leases held for sale:	0
Loans and leases net of unearned income, allowance:	637,423
Premises and fixed assets:	15,199
Other real estate owned:	96
Investments in unconsolidated subsidiaries and associated companies:	0
Direct and indirect investments in real estate ventures:	0
Intangible assets:	11,906
Other assets:	70,654
Total Assets:	1,108,203
LIABILITIES	
Deposits	410,436
Federal funds purchased and securities sold under agreements to repurchase	174,000
Other borrowed money:	0
Other Liabilities:	134,488
Total Liabilities	718,924
EQUITY CAPITAL	
Common Stock	1,000
Surplus	380,538
Retained Earnings	19,055
Accumulated other comprehensive income	(11,314)
Total Equity Capital	389,279
Total Liabilities and Equity Capital	1,108,203

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM T-1**STATEMENT OF ELIGIBILITY
UNDER THE TRUST INDENTURE ACT OF 1939 OF A
CORPORATION DESIGNATED TO ACT AS TRUSTEE** **CHECK IF AN APPLICATION TO DETERMINE ELIGIBILITY OF A TRUSTEE PURSUANT TO SECTION 305(b)(2)****WILMINGTON TRUST, NATIONAL ASSOCIATION**

(Exact name of trustee as specified in its charter)

16-1486454

(I.R.S. employer identification no.)

1100 North Market Street
Wilmington, DE 19890
(Address of principal executive offices)Robert C. Fiedler
Vice President and Counsel
1100 North Market Street
Wilmington, Delaware 19890
(302) 651-8541

(Name, address and telephone number of agent for service)

CONTINENTAL AIRLINES, INC.

(Exact name of obligor as specified in its charter)

Delaware
(State of incorporation)74-2099724
(I.R.S. employer identification no.)1600 Smith Street
Houston, Texas 77002
713-324-2950
(Address of principal executive offices) (Zip Code)Pass Through Certificates
(Title of the indenture securities)

- Item 1. GENERAL INFORMATION.** Furnish the following information as to the trustee:
- (a) *Name and address of each examining or supervising authority to which it is subject.*
Comptroller of Currency, Administrator of National Banks, 250 E. Street, SW,
Washington, D.C. 20219
Federal Deposit Insurance Corporation, 550 17th Street NW, Washington,
DC 20429-9990
- (b) *Whether it is authorized to exercise corporate trust powers.*
Yes.

Item 2. AFFILIATIONS WITH THE OBLIGOR. *If the obligor is an affiliate of the trustee, describe each affiliation:*
Based upon an examination of the books and records of the trustee and upon information furnished by the obligor, the obligor is not an affiliate of the trustee.

Item 16. LIST OF EXHIBITS. Listed below are all exhibits filed as part of this Statement of Eligibility and Qualification.

1. A copy of the Charter for Wilmington Trust, National Association.*
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3. The authorization to exercise corporate trust powers was granted under the Charter for Wilmington Trust, National Association.*
4. A copy of the existing By-Laws of Trustee, as now in effect.*
5. Not applicable.
6. The consent of Trustee as required by Section 321(b) of the Trust Indenture Act of 1939, attached as Exhibit 6 of Form T-1.
7. Current Report of the Condition of Trustee, published pursuant to law or the requirements of its supervising or examining authority, attached as Exhibit 7 of Form T-1.
8. Not applicable.
9. Not applicable.

* Exhibits 1 through 4 are incorporated herein by reference to Exhibits 1 through 4, respectively, to Form T-1 as presented in Exhibit 25.1 to registration statement on Form S-4 Registration No. 333-180774 as filed with the Securities and Exchange Commission.

EXHIBIT 6

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Pursuant to Section 321(b) of the Trust Indenture Act of 1939, as amended, Wilmington Trust, National Association hereby consents that reports of examinations by Federal, State, Territorial or District authorities may be furnished by such authorities to the Securities and Exchange Commission upon requests therefor.

**WILMINGTON TRUST,
NATIONAL ASSOCIATION**

Dated: April 27, 2012

By: /s/ Tira L. Johnson
Name: Tira L. Johnson
Title: Vice President

EXHIBIT 7

REPORT OF CONDITION

WILMINGTON TRUST, NATIONAL ASSOCIATION

As of the close of business on December 31, 2011:

	Thousands of Dollars
ASSETS	
Cash and balances due from depository institutions:	346,964
Securities:	25,961
Federal funds sold and securities purchased under agreement to resell:	0
Loans and leases held for sale:	0
Loans and leases net of unearned income, allowance:	637,423
Premises and fixed assets:	15,199
Other real estate owned:	96
Investments in unconsolidated subsidiaries and associated companies:	0
Direct and indirect investments in real estate ventures:	0
Intangible assets:	11,906
Other assets:	70,654
Total Assets:	1,108,203
LIABILITIES	
Deposits	410,436
Federal funds purchased and securities sold under agreements to repurchase	174,000
Other borrowed money:	0
Other Liabilities:	134,488
Total Liabilities	718,924
EQUITY CAPITAL	
Common Stock	1,000
Surplus	380,538
Retained Earnings	19,055
Accumulated other comprehensive income	(11,314)
Total Equity Capital	389,279
Total Liabilities and Equity Capital	1,108,203