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**UAL Corporation and Subsidiary Companies and  
United Air Lines, Inc. and Subsidiary Companies**

**Report on Form 10-Q**

**For the Quarter Ended March 31, 2010**

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## PART I. FINANCIAL INFORMATION

## ITEM 1. FINANCIAL STATEMENTS

**UAL Corporation and Subsidiary Companies**  
*Condensed Statements of Consolidated Operations (Unaudited)*  
(In millions, except per share amounts)

	Three Months Ended	
	March 31,	
	2010	2009
Operating revenues:		
Passenger — United Airlines	\$ 3,026	\$ 2,701
Passenger — Regional Affiliates	840	659
Cargo	157	124
Other operating revenues	218	207
	<u>4,241</u>	<u>3,691</u>
Operating expenses:		
Aircraft fuel	958	799
Salaries and related costs	948	921
Regional Affiliates	815	671
Purchased services	287	287
Landing fees and other rent	228	221
Aircraft maintenance materials and outside repairs	222	225
Depreciation and amortization	213	233
Distribution expenses	137	118
Aircraft rent	81	88
Cost of third party sales	57	53
Impairments and special items (Note 13)	18	119
Other operating expenses	208	238
	<u>4,172</u>	<u>3,973</u>
Earnings (loss) from operations	69	(282)
Other income (expense):		
Interest expense	(178)	(134)
Interest income	1	7
Interest capitalized	2	3
Miscellaneous, net	24	(6)
	<u>(151)</u>	<u>(130)</u>
Loss before income taxes and equity in earnings of affiliates	(82)	(412)
Income tax expense (benefit)	1	(29)
Loss before equity in earnings of affiliates	(83)	(383)
Equity in earnings of affiliates, net of tax	1	1
Net loss	<u>\$ (82)</u>	<u>\$ (382)</u>
Loss per share, basic and diluted	<u>\$ (0.49)</u>	<u>\$ (2.64)</u>

See accompanying *Combined Notes to Condensed Consolidated Financial Statements (Unaudited)*.

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**UAL Corporation and Subsidiary Companies**  
**Condensed Statements of Consolidated Financial Position (Unaudited)**  
**(In millions, except shares)**

	March 31, 2010	December 31, 2009
<b>Assets</b>		
<b>Current assets:</b>		
Cash and cash equivalents	\$ 3,516	\$ 3,042
Restricted cash	83	128
Receivables, less allowance for doubtful accounts (2010 — \$7; 2009 — \$14)	968	743
Senior Notes proceeds receivable (Note 12)	672	—
Aircraft lease deposits maturing within one year	302	293
Aircraft fuel, spare parts and supplies, less obsolescence allowance (2010 — \$60; 2009 — \$61)	188	197
Deferred income taxes	51	63
Prepaid fuel	307	275
Prepaid expenses and other	433	364
	<u>6,520</u>	<u>5,105</u>
<b>Operating property and equipment:</b>		
Owned —		
Flight equipment	8,307	8,303
Advances on flight equipment	51	—
Other property and equipment	1,752	1,745
	<u>10,110</u>	<u>10,048</u>
Less — accumulated depreciation and amortization	(2,160)	(2,010)
	<u>7,950</u>	<u>8,038</u>
Capital leases:		
Flight equipment	2,094	2,096
Other property and equipment	51	51
	<u>2,145</u>	<u>2,147</u>
Less — accumulated amortization	(381)	(345)
	<u>1,764</u>	<u>1,802</u>
	<u>9,714</u>	<u>9,840</u>
<b>Other assets:</b>		
Intangibles, less accumulated amortization (2010 — \$424; 2009 — \$408)	2,439	2,455
Restricted cash	210	213
Investments	95	88
Aircraft lease deposits	10	33
Other, net	964	950
	<u>3,718</u>	<u>3,739</u>
	<u>\$ 19,952</u>	<u>\$ 18,684</u>

See accompanying *Combined Notes to Condensed Consolidated Financial Statements (Unaudited)*.

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**UAL Corporation and Subsidiary Companies**  
**Condensed Statements of Consolidated Financial Position (Unaudited)**  
**(In millions, except shares)**

	March 31, 2010	December 31, 2009
<b>Liabilities and Stockholders' Deficit</b>		
Current liabilities:		
Advance ticket sales	\$ 2,003	\$ 1,492
Mileage Plus deferred revenue	1,834	1,515
Accounts payable	887	803
Accrued salaries, wages and benefits	717	701
Long-term debt maturing within one year	579	545
Current obligations under capital leases	493	426
Fuel purchase commitments	307	275
Other	719	716
	<u>7,539</u>	<u>6,473</u>
Long-term debt	7,153	6,378
Long-term obligations under capital leases	1,079	1,194
Other liabilities and deferred credits:		
Mileage Plus deferred revenue	2,339	2,720
Postretirement benefit liability	1,937	1,928
Advanced purchase of miles	1,157	1,157
Deferred income taxes	539	551
Other	1,096	1,094
	<u>7,068</u>	<u>7,450</u>
Commitments and contingent liabilities (Note 11)		
Stockholders' deficit:		
Preferred stock	—	—
Common stock at par, \$0.01 par value; authorized 1,000,000,000 shares; outstanding 167,479,464 and 167,610,620 shares at March 31, 2010 and December 31, 2009, respectively	2	2
Additional capital invested	3,139	3,136
Retained deficit	(6,038)	(5,956)
Stock held in treasury, at cost	(30)	(28)
Accumulated other comprehensive income	40	35
	<u>(2,887)</u>	<u>(2,811)</u>
	<u>\$ 19,952</u>	<u>\$ 18,684</u>

See accompanying *Combined Notes to Condensed Consolidated Financial Statements (Unaudited)*.

**UAL Corporation and Subsidiary Companies**  
**Condensed Statements of Consolidated Cash Flows (Unaudited)**  
**(In millions)**

	Three Months Ended	
	March 31,	
	2010	2009
<b>Cash flows provided (used) by operating activities:</b>		
Net loss	\$ (82)	\$ (382)
Adjustments to reconcile to net cash provided (used) by operating activities —		
Increase in advance ticket sales	511	238
Depreciation and amortization	213	233
Net change in fuel derivative instruments and related pending settlements	(50)	(286)
Asset impairments and special items	18	119
Increase (decrease) in Mileage Plus deferred revenue and advanced purchase of miles	(17)	92
Decrease in fuel hedge collateral	7	395
Proceeds from lease amendment	—	160
Other, net	(118)	(143)
	<u>482</u>	<u>426</u>
<b>Cash flows provided (used) by investing activities:</b>		
Additions to property, equipment and deferred software	(51)	(79)
Advance deposits on aircraft	(42)	—
Decrease in restricted cash	10	17
Proceeds from asset dispositions	4	33
Proceeds from asset sale-leasebacks	—	94
Other, net	3	—
	<u>(76)</u>	<u>65</u>
<b>Cash flows provided (used) by financing activities:</b>		
Proceeds from issuance of long-term debt	1,309	134
Repayment of debt	(1,204)	(238)
Principal payments under capital leases	(27)	(48)
Increase in deferred financing costs	(7)	(3)
Proceeds from issuance of common stock	—	63
Decrease in lease deposits	—	22
Other, net	(3)	(3)
	<u>68</u>	<u>(73)</u>
Increase in cash and cash equivalents during the period	474	418
Cash and cash equivalents at beginning of the year	3,042	2,039
Cash and cash equivalents at end of the period	<u>\$ 3,516</u>	<u>\$ 2,457</u>

See accompanying *Combined Notes to Condensed Consolidated Financial Statements (Unaudited)*.

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**United Air Lines, Inc. and Subsidiary Companies**  
**Condensed Statements of Consolidated Operations (Unaudited)**  
**(In millions)**

	Three Months Ended	
	March 31,	
	2010	2009
Operating revenues:		
Passenger — United Airlines	\$ 3,026	\$ 2,701
Passenger — Regional Affiliates	840	659
Cargo	157	124
Other operating revenues	220	210
	<u>4,243</u>	<u>3,694</u>
Operating expenses:		
Aircraft fuel	958	799
Salaries and related costs	948	921
Regional Affiliates	815	671
Purchased services	287	287
Landing fees and other rent	228	221
Aircraft maintenance materials and outside repairs	222	225
Depreciation and amortization	213	233
Distribution expenses	137	118
Aircraft rent	81	90
Cost of third party sales	57	53
Impairments and special items (Note 13)	18	119
Other operating expenses	207	238
	<u>4,171</u>	<u>3,975</u>
Earnings (loss) from operations	72	(281)
Other income (expense):		
Interest expense	(173)	(134)
Interest income	1	7
Interest capitalized	2	3
Miscellaneous, net	24	(6)
	<u>(146)</u>	<u>(130)</u>
Loss before income taxes and equity in earnings of affiliates	(74)	(411)
Income tax expense (benefit)	1	(29)
Loss before equity in earnings of affiliates	(75)	(382)
Equity in earnings of affiliates, net of tax	1	1
Net loss	<u>\$ (74)</u>	<u>\$ (381)</u>

See accompanying *Combined Notes to Condensed Consolidated Financial Statements (Unaudited)*.



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**United Air Lines, Inc. and Subsidiary Companies**  
**Condensed Statements of Consolidated Financial Position (Unaudited)**  
**(In millions, except shares)**

	March 31, 2010	December 31, 2009
<b>Assets</b>		
<b>Current assets:</b>		
Cash and cash equivalents	\$ 3,510	\$ 3,036
Restricted cash	83	128
Receivables, less allowance for doubtful accounts (2010 — \$7; 2009 — \$14)	968	743
Senior Notes proceeds receivable (Note 12)	672	—
Aircraft lease deposits maturing within one year	302	293
Aircraft fuel, spare parts and supplies, less obsolescence allowance (2010 — \$60; 2009 — \$61)	188	197
Receivables from related parties	100	73
Deferred income taxes	46	57
Prepaid fuel	307	275
Prepaid expenses and other	422	352
	<u>6,598</u>	<u>5,154</u>
<b>Operating property and equipment:</b>		
<b>Owned —</b>		
Flight equipment	8,307	8,303
Advances on flight equipment	51	—
Other property and equipment	1,752	1,745
	<u>10,110</u>	<u>10,048</u>
Less — accumulated depreciation and amortization	(2,160)	(2,010)
	<u>7,950</u>	<u>8,038</u>
<b>Capital leases:</b>		
Flight equipment	2,094	2,096
Other property and equipment	51	51
	<u>2,145</u>	<u>2,147</u>
Less — accumulated amortization	(381)	(345)
	<u>1,764</u>	<u>1,802</u>
	<u>9,714</u>	<u>9,840</u>
<b>Other assets:</b>		
Intangibles, less accumulated amortization (2010 — \$424; 2009 — \$408)	2,439	2,455
Restricted cash	209	212
Investments	95	88
Aircraft lease deposits	10	33
Other, net	960	943
	<u>3,713</u>	<u>3,731</u>
	<u>\$ 20,025</u>	<u>\$ 18,725</u>

See accompanying *Combined Notes to Condensed Consolidated Financial Statements (Unaudited)*.

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**United Air Lines, Inc. and Subsidiary Companies**  
**Condensed Statements of Consolidated Financial Position (Unaudited)**  
**(In millions, except shares)**

	March 31, 2010	December 31, 2009
<b>Liabilities and Stockholder's Deficit</b>		
Current liabilities:		
Advance ticket sales	\$ 2,003	\$ 1,492
Mileage Plus deferred revenue	1,834	1,515
Accounts payable	891	806
Accrued salaries, wages and benefits	717	701
Long-term debt maturing within one year	579	544
Current obligations under capital leases	493	426
Fuel purchase commitments	307	275
Other	845	821
	<u>7,669</u>	<u>6,580</u>
Long-term debt	6,808	6,033
Long-term obligations under capital leases	1,079	1,194
Other liabilities and deferred credits:		
Mileage Plus deferred revenue	2,339	2,720
Postretirement benefit liability	1,937	1,928
Advanced purchase of miles	1,157	1,157
Deferred income taxes	458	469
Other	1,095	1,096
	<u>6,986</u>	<u>7,370</u>
Commitments and contingent liabilities (Note 11)		
Stockholder's deficit:		
Common stock at par, \$5 par value; authorized 1,000 shares; outstanding 205 at both March 31, 2010 and December 31, 2009	—	—
Additional capital invested	3,403	3,401
Retained deficit	(5,961)	(5,888)
Accumulated other comprehensive income	41	35
	<u>(2,517)</u>	<u>(2,452)</u>
	<u>\$ 20,025</u>	<u>\$ 18,725</u>

See accompanying *Combined Notes to Condensed Consolidated Financial Statements (Unaudited)*.

**United Air Lines, Inc. and Subsidiary Companies**  
**Condensed Statements of Consolidated Cash Flows (Unaudited)**  
**(In millions)**

	Three Months Ended	
	March 31,	
	2010	2009
Cash flows provided (used) by operating activities:		
Net loss	\$ (74)	\$ (381)
Adjustments to reconcile to net cash provided (used) by operating activities—		
Increase in advance ticket sales	511	238
Depreciation and amortization	213	233
Net change in fuel derivative instruments and related pending settlements	(50)	(286)
Asset impairments and special items	18	119
Increase (decrease) in Mileage Plus deferred revenue and advanced purchase of miles	(17)	92
Decrease in fuel hedge collateral	7	395
Proceeds from lease amendment	—	160
Other, net	(129)	(146)
	<u>479</u>	<u>424</u>
Cash flows provided (used) by investing activities:		
Additions to property, equipment and deferred software	(51)	(79)
Advance deposits on aircraft	(42)	—
Decrease in restricted cash	10	17
Proceeds from asset dispositions	4	33
Proceeds from asset sale-leasebacks	—	94
Other, net	3	(1)
	<u>(76)</u>	<u>64</u>
Cash flows provided (used) by financing activities:		
Proceeds from issuance of long-term debt	1,309	134
Repayment of debt	(1,203)	(237)
Principal payments under capital leases	(27)	(48)
Increase in deferred financing costs	(7)	(3)
Capital contribution from parent	—	62
Decrease in lease deposits	—	22
Other, net	(1)	—
	<u>71</u>	<u>(70)</u>
Increase in cash and cash equivalents during the period	474	418
Cash and cash equivalents at beginning of the year	3,036	2,033
Cash and cash equivalents at end of the period	<u>\$ 3,510</u>	<u>\$ 2,451</u>

See accompanying *Combined Notes to Condensed Consolidated Financial Statements (Unaudited)*.

**UAL Corporation and Subsidiary Companies and  
United Air Lines, Inc. and Subsidiary Companies**  
*Combined Notes to Condensed Consolidated Financial Statements (Unaudited)*

**(1) Basis of Presentation**

UAL Corporation (together with its consolidated subsidiaries, "UAL") is a holding company and its principal, wholly-owned subsidiary is United Air Lines, Inc. (together with its consolidated subsidiaries, "United"). We sometimes use the words "we," "our," "us," and the "Company" in this Form 10-Q for disclosures that relate to both UAL and United.

This Quarterly Report on Form 10-Q is a combined report of UAL and United. Therefore, these *Combined Notes to Condensed Consolidated Financial Statements (Unaudited)* (the "Footnotes") apply to both UAL and United, unless otherwise noted. As UAL consolidates United for financial statement purposes, disclosures that relate to activities of United also apply to UAL.

**Interim Financial Statements.** The UAL and United unaudited condensed consolidated financial statements (the "Financial Statements") shown here have been prepared as required by the U.S. Securities and Exchange Commission (the "SEC"). Some information and footnote disclosures normally included in financial statements that comply with accounting principles generally accepted in the United States ("GAAP") have been condensed or omitted as permitted by the SEC. The Company believes that the disclosures presented here are not misleading. The Financial Statements include all adjustments, including asset impairments, severance and normal recurring adjustments, which are considered necessary for a fair presentation of the Company's financial position and results of operations. Certain historical amounts have been reclassified to conform to the current year's presentation. These Financial Statements should be read together with the information included in the combined UAL and United Annual Report on Form 10-K for the year ended December 31, 2009 (the "2009 Annual Report").

**Restricted Cash.** Restricted cash primarily includes cash collateral associated with workers' compensation obligations, reserves for institutions that process credit card ticket sales and cash collateral received from fuel hedge counterparties. Industry practice includes classification of restricted cash flows as investing cash flows by some airlines and as operating cash flows by others. Cash flows related to restricted cash activity are classified as investing activities in the Financial Statements because the Company considers restricted cash arising from these activities similar to an investment. The Company's cash flows associated with its restricted cash balances for the three months ended March 31, 2010 and 2009 were \$10 million and \$17 million, respectively.

**(2) New Accounting Pronouncements, Changes in Estimate and Change in Accounting**

In December 2009, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2009-17, *Improvements to Financial Reporting by Enterprises Involved with Variable Interest Entities*, which amends certain concepts related to consolidation of variable interest entities. Among other accounting and disclosure requirements, this guidance replaces the quantitative-based risks and rewards calculation for determining which enterprise has a controlling financial interest in a variable interest entity with an approach focused on identifying which enterprise has the power to direct the activities of a variable interest entity and the obligation to absorb losses of the entity or the right to receive benefits from the entity. The Company's adoption of this guidance effective January 1, 2010 did not change its conclusions with regard to variable interest entities and did not have an impact on its Financial Statements.

In October 2009, the FASB issued ASU 2009-13, *Multiple Deliverable Revenue Arrangements – A Consensus of the FASB Emerging Issues Task Force.* This update provides application guidance on whether multiple deliverables exist, how the deliverables should be separated and how the consideration should be allocated to one or more units of accounting. This update establishes a selling price hierarchy for determining the selling price of a deliverable. The selling price used for each deliverable will be based on vendor-specific objective evidence, if available, third-party evidence if vendor-specific objective evidence is not available, or estimated selling price if neither vendor-specific or third-party evidence is available. The Company has not determined the impact of adoption of this guidance on its Financial Statements. This guidance becomes effective January 1, 2011; however, early adoption is permitted.

During the first quarter of 2010, the Company evaluated the impact of its new aircraft purchase commitments on the remaining useful lives and residual values of its B747 and B767 aircraft, which are expected to be replaced by the new aircraft. Based on this evaluation, the Company prospectively adjusted aircraft retirement dates and residual values, resulting in an increase in depreciation expense of approximately \$2 million, or \$0.01 per share, in the three months ended March 31, 2010. The Company expects an increase in depreciation expense of \$24 million, or \$0.14 per share, for the year ended December 31, 2010.

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The Company follows a deferred revenue accounting policy to record the fair value of its Mileage Plus frequent flyer obligation. The Company defers the portion of the sales proceeds of ticketed revenue on United and our alliance partners, as well as revenue associated with mileage sales to third parties, that represents the estimated air transportation fair value of the miles awarded. This deferred revenue is then recognized when the miles are redeemed. Some of these miles will never be redeemed by Mileage Plus members, and the Company historically recognized an estimate of revenue from the expected expired miles, which is referred to as breakage, over an estimated redemption period. The Company reviews its breakage estimates annually based upon the latest available information regarding mileage redemption and expiration patterns.

During the first quarter of 2010 the Company obtained additional historical data, previously unavailable, which has enabled the Company to refine its estimate of the amount of breakage in the mileage population. This new data enables us to better identify historical differences between certain of our mileage breakage estimates and the amounts that have actually been experienced. As a result, the Company increased its estimate of the number of frequent flyer miles expected to expire. In conjunction with this change in estimate, the Company also adopted a change to the accounting methodology used to recognize Mileage Plus breakage. Both the change in estimate and methodology have been applied prospectively effective January 1, 2010. The new accounting method recognizes breakage as a component of the weighted average redemption rate on actual redemptions as compared to our prior method which recognized a pool of breakage dollars over an estimated redemption period. We believe that this is a preferable change to the accounting methodology for breakage because breakage will be recognized as a component of the rate at which actual miles are redeemed.

This change in accounting resulted in approximately \$64 million, or \$0.38 per share, of additional passenger revenue recorded in the period ended March 31, 2010. The Company expects similar amounts will continue to be recognized in each of the remaining quarters of 2010.

### (3) Company Operational Plans

The Company reduced the size of its workforce and permanently removed 100 aircraft from its Mainline fleet, including its entire B737 fleet and six B747 aircraft. This activity is related to the Company's Mainline segment. The tables below summarize the accrual activity related to the Company's implementation of its operational plans.

<u>(In millions)</u>	<u>Severance</u>		<u>Leased Aircraft</u>	
	<u>March 31,</u>	<u>March 31,</u>	<u>March 31,</u>	<u>March 31,</u>
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
Balance at beginning of period	\$ 45	\$ 81	\$ 83	\$ 16
Payments	(14)	(16)	(18)	9
Accruals	(2)	(5)	2	(3)
Balance at end of period	<u>\$ 29</u>	<u>\$ 60</u>	<u>\$ 67</u>	<u>\$ 22</u>

The total expected future payments for leased aircraft that were removed from service are \$73 million, payable through 2013. Actual lease payments may be less if the Company is able to negotiate early termination of any of its leases. The remaining severance obligations are expected to be paid through the first quarter of 2012.

### (4) Per Share Amounts (UAL Only)

UAL basic per share amounts were computed by dividing loss available to common stockholders by the weighted-average number of shares of common stock outstanding. The table below represents the computation of UAL basic and diluted per share amounts and the number of securities that have been excluded from the computation of diluted per share amounts.

<u>(In millions, except per share)</u>	<u>Three Months Ended</u>	
	<u>March 31,</u>	<u>March 31,</u>
	<u>2010</u>	<u>2009</u>
<b>Basic loss per share:</b>		
Loss available to common stockholders (a)	<u>\$ (82)</u>	<u>\$ (382)</u>
Basic weighted average shares outstanding	<u>167.4</u>	<u>144.7</u>
Loss per basic share	<u>\$ (0.49)</u>	<u>\$ (2.64)</u>
<b>Diluted loss per share:</b>		
Loss available to common stockholders	<u>\$ (82)</u>	<u>\$ (382)</u>
Diluted weighted average shares outstanding	<u>167.4</u>	<u>144.7</u>
Loss per share, diluted	<u>\$ (0.49)</u>	<u>\$ (2.64)</u>

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<i>Potentially dilutive shares excluded from diluted per share amounts:</i>		
Stock options	6.2	4.3
Restricted shares (a)	0.4	0.8
4.5% Senior Limited-Subordination Convertible Notes due 2021	22.2	22.2
5% Senior Convertible Notes due 2021	3.4	3.4
6% Senior Convertible Notes due 2029	39.7	—
	<u>71.9</u>	<u>30.7</u>

(a) Losses are not allocated to participating securities in the computation of loss per common share.

### (5) Share-Based Compensation

On April 1, 2010, the Company made a general grant of 1,274,700 restricted stock units to certain of its management employees pursuant to the UAL 2008 Incentive Compensation Plan. These awards vest pro-rata over three years on the anniversary of the grant date. The terms of the awards do not provide for the acceleration of vesting upon retirement. The awards may be settled in cash or common shares at the discretion of the Human Resources Subcommittee of the UAL Board of Directors (the "Board of Directors"). The Company's intent is to settle the restricted stock units granted on April 1, 2010 in shares.

### (6) Income Taxes

For the three months ended March 31, 2010, UAL and United each recorded \$1 million of tax expense related to other comprehensive income activity. In the 2010 and 2009 periods, the Company had an insignificant effective tax rate, as compared to the U.S. federal statutory rate of 35%, principally because the tax benefits of the Company's net operating losses for the periods were almost completely offset by a valuation allowance. As of March 31, 2010 and December 31, 2009, UAL had a valuation allowance of \$2,968 million and \$3,060 million, respectively. As of March 31, 2010 and December 31, 2009, United had a valuation allowance of \$2,882 million and \$2,977 million, respectively. The Company's valuation allowance decreased primarily due to a decrease of approximately \$133 million in the deferred tax asset related to postretirement benefits resulting from the March 2010 enactment of the Patient Protection and Affordable Care Act ("HR 3590") and the Health Care Education and Affordability Reconciliation Act ("HR 4872") (collectively, the "Acts").

The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income, including the reversals of deferred tax liabilities during the periods in which those temporary differences will become deductible. The Company's management assesses the realizability of its deferred tax assets and records a valuation allowance for the deferred tax assets when it is more likely than not that a portion, or all, of the deferred tax assets will not be realized. As a result, the Company has a valuation allowance against its deferred tax assets as of March 31, 2010 and December 31, 2009, to reflect management's assessment regarding the realizability of those assets. The Company expects to continue to maintain a valuation allowance on deferred tax assets until there is sufficient positive evidence of future realization.

The Company's ability to utilize its net operating loss ("NOL") carry forward tax benefit may be impaired if the Company were to have a change of ownership within the meaning of Section 382 of the Internal Revenue Code of 1986, as amended. To reduce the possibility of a potential adverse effect on the Company's ability to utilize its NOL carry forward for federal income tax purposes, the Company's restated certificate of incorporation contains a 5% ownership limitation ("5% Ownership Limitation") applicable to all stockholders except the Pension Benefit Guaranty Corporation ("PBGC"). The 5% Ownership Limitation remains effective until February 1, 2011. The Board of Directors has approved an amendment to the UAL restated certificate of incorporation to extend the 5% Ownership Limitation through February 1, 2014. This amendment will be submitted to the Company's stockholders for approval at the 2010 annual meeting of stockholders. The 5% Ownership Limitation prohibits (i) the acquisition by a single stockholder of shares representing 5% or more of the common stock of UAL and (ii) any acquisition or disposition of common stock by a stockholder that already owns 5% or more of UAL's common stock, unless prior written approval is granted by the Board of Directors.

### (7) Postretirement Plans

The Company provides certain health care benefits, primarily in the U.S., to retirees and eligible dependents, as well as certain life insurance benefits to certain retirees, as shown in the table below. The Company has reserved the right, subject to collective bargaining and other agreements, to modify or terminate the health care and life insurance benefits for both current and future retirees. The curtailment gain in the three month period ended March 31, 2009 is attributed to a reduction in future service for certain of the Company's postretirement plans due to reductions in workforce. See Note 11, "Commitments, Contingent Liabilities and Uncertainties," for information regarding contingencies related to the potential impact of the Acts on the Company's Financial Statements.

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The Company's net periodic benefit cost includes the following components:

<u>(In millions)</u>	<u>Three Months Ended</u>	
	<u>March 31,</u>	
	<u>2010</u>	<u>2009</u>
Service cost	\$ 8	\$ 7
Interest cost	29	29
Expected return on plan assets	(1)	(1)
Gain due to curtailment	—	(6)
Amortization of unrecognized gain and prior service cost	(3)	(5)
Net periodic benefit costs	<u>\$ 33</u>	<u>\$ 24</u>

### **(8) Segment Information**

The Company manages its business by two reportable segments: Mainline and Regional Affiliates (United Express operations). The table below includes segment information for UAL and United for the three months ended March 31, 2010 and 2009.

<u>(In millions)</u>	<u>Three Months Ended</u>	
	<u>March 31,</u>	
	<u>2010</u>	<u>2009</u>
<b>UAL segment information</b>		
Revenue:		
Mainline	\$ 3,401	\$ 3,032
Regional Affiliates	840	659
Total	<u>\$ 4,241</u>	<u>\$ 3,691</u>
Segment earnings (loss):		
Mainline	\$ (88)	\$ (280)
Regional Affiliates	25	(12)
Impairments and special items (a)	(18)	(119)
Less: equity earnings (b)	(1)	(1)
Consolidated loss before income taxes and equity in earnings of affiliates	<u>\$ (82)</u>	<u>\$ (412)</u>
<b>United segment information</b>		
Revenue:		
Mainline	\$ 3,403	\$ 3,035
Regional Affiliates	840	659
Total	<u>\$ 4,243</u>	<u>\$ 3,694</u>
Segment earnings (loss):		
Mainline	\$ (80)	\$ (279)
Regional Affiliates	25	(12)
Impairments and special items (a)	(18)	(119)
Less: equity earnings (b)	(1)	(1)
Consolidated loss before income taxes and equity in earnings of affiliates	<u>\$ (74)</u>	<u>\$ (411)</u>

(a) Asset impairment and special items are only applicable to the Mainline segment.

(b) Equity earnings are part of the Mainline segment.

### **(9) Comprehensive Loss**

For the three months ended March 31, 2010 and 2009, UAL's total comprehensive loss was \$77 million and \$384 million, respectively. For the three months ended March 31, 2010 and 2009, United's total comprehensive loss was \$68 million and \$383 million, respectively. Comprehensive loss in the 2010 and 2009 periods primarily includes the amortization of deferred net periodic pension and other postretirement benefit gains that were recorded as a component of accumulated other comprehensive income and changes in the fair value of the Company's available-for-sale Enhanced Equipment Trust Certificate ("EETC") investments.

**(10) Fair Value Measurements and Derivative Instruments**

**Fair Value Information.** A fair value hierarchy that prioritizes the inputs used to measure fair value has been established by GAAP. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurement). This hierarchy requires entities to maximize the use of observable inputs and minimize the use of unobservable inputs. The three levels of inputs used to measure fair value are as follows:

- Level 1      Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.
- Level 2      Observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; and other inputs that are observable or can be corroborated by observable market data.
- Level 3      Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The table below presents disclosures about fair value measurements of financial assets and financial liabilities recognized in the Company's Financial Statements.

<u>(In millions)</u>	<u>March 31, 2010</u>	<u>Fair Value Measurements at Reporting Date Using</u>		
		<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
<b>Assets and Liabilities Measured at Fair Value on a Recurring Basis:</b>				
<b>Financial assets:</b>				
Money market funds	\$ 3,474	\$ 3,474	\$ —	\$ —
Noncurrent EETC available-for-sale securities	58	—	—	58
Current fuel derivative purchased call options	117	—	117	—
Current fuel derivative swaps	62	—	62	—
Total financial assets	<u>\$ 3,711</u>	<u>\$ 3,474</u>	<u>\$ 179</u>	<u>\$ 58</u>
<b>Financial liabilities:</b>				
Current fuel derivative instruments	\$ 2	\$ —	\$ 2	\$ —
Total financial liabilities	<u>\$ 2</u>	<u>\$ —</u>	<u>\$ 2</u>	<u>\$ —</u>

<u>(In millions)</u>	<u>December 31, 2009</u>	<u>Fair Value Measurements at Reporting Date Using</u>		
		<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
<b>Assets and Liabilities Measured at Fair Value on a Recurring Basis:</b>				
<b>Financial assets:</b>				
Money market funds	\$ 3,061	\$ 3,061	\$ —	\$ —
Noncurrent EETC available-for-sale securities	51	—	—	51
Current fuel derivative purchased call options	94	—	94	—
Current fuel derivative swaps	44	—	44	—
Total financial assets	<u>\$ 3,250</u>	<u>\$ 3,061</u>	<u>\$ 138</u>	<u>\$ 51</u>
<b>Financial liabilities:</b>				
Current fuel derivative instruments	\$ 5	\$ —	\$ 5	\$ —
Total financial liabilities	<u>\$ 5</u>	<u>\$ —</u>	<u>\$ 5</u>	<u>\$ —</u>





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### *Enhanced Equipment Trust Certificates*

The EETCs are not actively traded on an exchange. Fair value is based on the trading prices of United's EETCs or similar EETC instruments issued by other airlines. The Company uses internal models and observable and unobservable inputs to corroborate third party quotes. Because certain inputs are unobservable, the Company categorized inputs to the EETC fair value valuation as Level 3. Significant inputs to the valuation models include contractual terms, risk-free interest rates and credit spreads.

### *Fuel Derivative Instruments*

Derivative contracts are privately negotiated contracts and are not exchange traded. Fair value measurements are estimated using option pricing models that employ observable and unobservable inputs. Inputs to the valuation models include contractual terms, market prices, yield curves, fuel price curves and measures of volatility, among others.

### *Long-Term Debt*

The fair value is based on the quoted market prices for the same or similar issues, discounted cash flow models using appropriate market rates and a pricing model to value conversion rights in UAL's convertible debt instruments. The Company's credit risk was considered in estimating fair value.

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

The Company is exposed to credit losses in the event of nonperformance by counterparties to its derivative instruments. The Company enters into master netting agreements with its derivative counterparties. While the Company records derivative instruments on a gross basis, the Company monitors its net derivative position with each counterparty to monitor credit risk. As of March 31, 2010, the Company had a net derivative asset of \$179 million with certain of its fuel derivative counterparties; therefore, this amount represents the potential credit-risk loss if these counterparties fail to perform. The Company had a net derivative payable of \$2 million with its remaining fuel counterparties at March 31, 2010.

Based on the fair value of the Company's fuel derivative instruments, our counterparties may require the Company to post collateral when the price of the underlying commodity decreases and we may require our counterparties to provide us with collateral when the price of the underlying commodity increases. The Company was required to post \$3 million of cash collateral with certain of its fuel derivative counterparties at March 31, 2010. The Company routinely reviews the credit risk associated with its counterparties which are holding the Company's collateral and believes its collateral is fully recoverable from its counterparties as of March 31, 2010. The collateral is classified as an Other current asset in the accompanying Financial Statements.

The Company reviews the credit risk associated with its derivative counterparties and may require collateral based on contract terms from its counterparties in the event the Company has a significant net derivative asset with the counterparties. As of March 31, 2010, the Company received \$12 million of cash collateral from certain of its fuel derivative counterparties, which the Company has classified as restricted cash.

The Company considered counterparty credit risk in determining the fair value of its financial instruments. The Company considered credit risk to have a minimal impact on fair value because varying amounts of collateral are either provided by or received from United's hedging counterparties based on current market exposure and the credit-worthiness of the counterparties.

### **Derivative Instruments**

The following section includes additional information regarding derivative instruments not already disclosed above.

**Aircraft Fuel Hedges.** The Company has a risk management strategy to hedge a portion of its price risk related to projected jet fuel requirements. Jet fuel is one of the Company's most significant operating expenses. Jet fuel is a commodity with significant price volatility. Prices fluctuate based on market expectations of supply and demand, among other factors. Increases in fuel prices may adversely impact the Company's financial performance, operating cash flows and financial position as greater amounts of cash may be required to obtain jet fuel for operations. The Company periodically enters into derivative contracts to mitigate the adverse financial impact of potential increases in the price of jet fuel. The Company does not enter into derivative instruments for non-risk management purposes. The Company's fuel hedges were not accounted for as fair value or cash flow hedges under accounting principles related to hedge accounting during the three months ended March 31, 2010 or 2009. Effective April 1, 2010, the Company designated substantially all of its outstanding fuel derivative contracts, which settle in periods subsequent to June 30, 2010, as cash flow hedges under ASC Topic 815, *Derivatives and Hedging*.

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The following table presents the fuel hedge gains (losses) recognized during the periods presented and their classification in the Financial Statements.

(In millions)	Mainline Fuel		Nonoperating Income (Expense)		Total	
	Three Months Ended March 31,		Three Months Ended March 31,		Three Months Ended March 31,	
	2010	2009	2010	2009	2010	2009
Fuel hedges (a):						
Cash net gains (losses) on settled contracts	\$ (15)	\$ (242)	\$ —	\$ (81)	\$ (15)	\$ (323)
Non-cash net mark-to-market gains (losses)	31	191	—	72	31	263
Total fuel hedge gains (losses)	<u>\$ 16</u>	<u>\$ (51)</u>	<u>\$ —</u>	<u>\$ (9)</u>	<u>\$ 16</u>	<u>\$ (60)</u>

(a) Fuel hedge gains (losses) are not allocated to Regional Affiliates expense.

As of March 31, 2010, the Company had hedged approximately 3% and 49% of its 2011 and remaining 2010, respectively, expected consolidated fuel consumption with a combination of swaps and purchased call options. The Company's hedge position at March 31, 2010 consisted of a notional amount of 11 million barrels with purchased call options at a weighted-average crude oil equivalent strike price of \$78 per barrel and 11 million barrels with swaps at a crude oil equivalent average price of \$78 per barrel.

### Fair Value of Nonfinancial Assets

The table below presents disclosures about fair value measurements of nonfinancial assets that were performed during the three month period ended March 31, 2009. The fair values as of the measurement dates are as follows:

(In millions)	Significant Unobservable Inputs (Level 3)	Total Gains/ (Losses) (Level 3)
Nonfinancial Assets Measured at Fair Value on a Nonrecurring Basis:		
Tradenames	\$ 460	\$ (110)

The Company estimated the fair value of its tradenames using a discounted cash flow model. The key inputs to the discounted cash flow model were the Company's historical and estimated future revenues, an assumed royalty rate and discount rate among others. While certain of these inputs are observable, significant judgment was required to select certain inputs from observable and unobservable market data. This fair value measurement was considered a Level 3 measurement. The decrease in fair value of the tradenames was due to lower estimated revenues resulting from the weak economic environment and the Company's capacity reductions, among other factors. See Note 13, "Asset Impairments and Special Items," for additional information related to this asset impairment.

### (11) Commitments, Contingent Liabilities and Uncertainties

**General Guarantees and Indemnifications.** In the normal course of business, the Company enters into numerous real estate leasing and aircraft financing arrangements that have various guarantees included in the contracts. These guarantees are primarily in the form of indemnities. In both leasing and financing transactions, the Company typically indemnifies the lessors and any tax/financing parties against tort liabilities that arise out of the use, occupancy, operation or maintenance of the leased premises or financed aircraft. Currently, the Company believes that any future payments required under these guarantees or indemnities would be immaterial, as most tort liabilities and related indemnities are covered by insurance (subject to deductibles). Additionally, certain leased premises such as fueling stations or storage facilities include indemnities of such parties for any environmental liability that may arise out of or relate to the use of the leased premises.

**Labor Negotiations.** Approximately 82% of United's employees are represented by various U.S. labor organizations. During the second quarter of 2009, the Company began negotiations with its labor groups as all of United's domestic labor contracts became amendable during January 2010. Consistent with its contractual commitments, United served "Section 6" notices to all six of its labor unions during April 2009 to commence the collective bargaining process. United has filed for mediation assistance in conjunction with four of its six unions, the Air Line Pilots Association, the Association of Flight Attendants-Communication Workers of America, the International Association of Machinists and Aerospace Workers and the Professional Airline Flight Control Association. These filings were consistent with commitments contained in current labor contracts which provided that the parties would jointly invoke the

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mediation services of the National Mediation Board in the event agreements had not been reached by August 1, 2009. While the labor contract with the International Brotherhood of Teamsters also contemplates filing for mediation, the parties have agreed to continue in direct negotiations. The current contract with the International Federation of Professional and Technical Engineers does not contemplate filing for mediation. The outcome of these negotiations may materially impact the Company's future financial results. However, it is too early in the process to assess the timing or magnitude of the impact, if any.

**Legal and Environmental Contingencies.** The Company has certain contingencies resulting from litigation and claims incident to the ordinary course of business. Management believes, after considering a number of factors, including (but not limited to) the information currently available, the views of legal counsel, the nature of contingencies to which the Company is subject and prior experience, that the ultimate disposition of the litigation and claims will not materially affect the Company's consolidated financial position or results of operations. When appropriate, the Company accrues for these matters based on its assessments of the likely outcomes of their eventual disposition. The amounts of these liabilities could increase or decrease in the near term, based on revisions to estimates relating to the various claims.

The Company anticipates that if ultimately found liable, its damages from claims arising from the events of September 11, 2001, could be significant; however, the Company believes that, under the Air Transportation Safety and System Stabilization Act of 2001, its liability will be limited to its insurance coverage.

The Company continues to analyze whether any potential liability may result from air cargo/passenger surcharge cartel investigations following the receipt of a Statement of Objections that the European Commission (the "Commission") issued to 26 companies on December 18, 2007. The Statement of Objections sets out evidence related to the utilization of fuel and security surcharges and exchange of pricing information that the Commission views as supporting the conclusion that an illegal price-fixing cartel had been in operation in the air cargo transportation industry. United has provided written and oral responses vigorously disputing the Commission's allegations against the Company. Nevertheless, United will continue to cooperate with the Commission's ongoing investigation. Based on its evaluation of all information currently available, the Company has determined that no reserve for potential liability is required and will continue to defend itself against all allegations that it was aware of or participated in cartel activities. However, penalties for violation of European competition laws can be substantial and a finding that the Company engaged in improper activity could have a material adverse impact on its consolidated financial position and results of operations.

**Contingent Senior Unsecured Notes.** UAL is obligated to issue up to \$500 million aggregate principal amount of 8% Contingent Senior Notes (the "8% Notes") to the PBGC in up to eight equal tranches of \$62.5 million (with no more than two tranches issued as a result of each issuance trigger event) upon the occurrence of certain financial triggering events. An issuance trigger event occurs when, among other things, the Company's earning before income taxes, depreciation, amortization and rent ("EBITDAR") exceeds \$3.5 billion over the prior twelve months ending June 30 or December 31 of any applicable fiscal year, beginning with the fiscal year ended December 31, 2009 and ending with the fiscal year ended December 31, 2017. In certain circumstances, UAL common stock may be issued in lieu of issuance of the 8% Notes.

**Commitments.** During the first quarter of 2010, the Company executed definitive agreements to purchase 25 Boeing 787-8 Dreamliner aircraft and 25 Airbus A350 XWB aircraft, with future purchase rights for an additional 50 planes of each aircraft type, subject to availability of such aircraft at the time of exercise of the future purchase rights. The 25 Boeing 787-8 Dreamliner aircraft and 25 Airbus A350 XWB aircraft are expected to be delivered between 2016 and 2019. As of March 31, 2010, the Company had commitments of \$7.9 billion that would require the payment of an estimated \$192 million in the last nine months of 2010, \$211 million in 2011, \$90 million in 2012, \$71 million in 2013, \$99 million in 2014 and \$7.2 billion thereafter. These capital purchase commitments are primarily for the acquisition of the aforementioned aircraft, aircraft enhancements, information technology assets and the relocation of the Company's operations center.

The Company has secured considerable backstop financing commitments from its aircraft and engine manufacturers, subject to certain customary conditions. The backstop financing commitments, as well as the Company's deferral and substitution rights for the aircraft, will allow the Company to manage changing market conditions throughout the aircraft delivery cycle. There is no guarantee that we will be able to obtain any or all of the backstop financing for the aircraft and engines when necessary.

**Municipal Bond Guarantees.** The Company has guaranteed interest and principal payments on \$270 million of the Denver International Airport bonds, which are due in 2032 unless the Company elects not to extend its lease in which case the bonds are due in 2023. The bonds were issued in two tranches—approximately \$170 million aggregate principal amount of 5.25% discount bonds and \$100 million aggregate principal amount of 5.75% premium bonds. The outstanding bonds and related guarantee are not recorded in the Company's Financial Statements at March 31, 2010 or December 31, 2009. The related lease expense is recorded on a straight-line basis resulting in ratable accrual of the final \$270 million lease obligation over the expected lease term through 2032.

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### *Other Contingencies.*

The Company is party to a multiyear services agreement, and is currently in discussions with the counterparty to amend or restructure certain performance obligations. In the event that these discussions are not successful, the counterparty may assert claims for damages, and the Company could incur other costs, which in the aggregate could exceed \$100 million. The ultimate outcome of these discussions and the exact amount of the damages and costs, if any, to the Company cannot be predicted with certainty at this time.

In March 2010, the President signed into law comprehensive health care reform legislation under the Acts. The Acts contain provisions which could impact the Company's accounting for retiree medical benefits in future periods. Other than the reduction of deferred tax assets for postretirement benefits, which was recorded in the first quarter of 2010, the extent of that impact, if any, cannot be determined until regulations are promulgated under the Acts and additional interpretations of the Acts become available. The Company will continue to assess the accounting implications of the Acts as related regulations and interpretations of the Acts become available. Based on the analysis to date of the provisions in the Acts, a re-measurement of the Company's retiree plan liabilities is not required at this time. In addition, the Company may consider plan amendments in future periods that may have accounting implications.

### **(12) Debt Obligations and Other Financing Transactions**

As of March 31, 2010 and December 31, 2009, assets with a net carrying value of \$8.8 billion and \$8.0 billion, principally aircraft and related spare parts, route authorities and Mileage Plus intangible assets were pledged under various loan and other agreements.

#### ***Credit Facilities***

The Company has a \$255 million revolving loan commitment available under Tranche A of its Amended and Restated Revolving Credit, Term Loan and Guaranty Agreement, dated as of February 2, 2007 (the "Amended Credit Facility"). The Company used \$255 million and \$254 million of the Tranche A commitment capacity for letters of credit at March 31, 2010 and December 31, 2009, respectively. In addition, under a separate agreement, the Company had \$17 million and \$20 million of letters of credit issued as of March 31, 2010 and December 31, 2009, respectively. Through a separate arrangement, the Company has an additional \$150 million available under an unused credit facility.

#### ***Financing Arrangements***

Below is a summary of financing transactions that occurred during the three months ended March 31, 2010. These transactions are more fully described in the Company's 2009 Annual Report.

In January 2010, United issued the remaining \$612 million of equipment notes related to the Series 2009-1 EETCs of which \$568 million was used to complete the pre-payment of the remaining principal of the equipment notes issued in connection with the Series 2001-1 EETCs and the remaining proceeds of \$44 million, before expenses and accrued interest due on the equipment notes related to the Series 2001-1 EETCs, provided the Company with incremental liquidity. The Company also received \$21 million of proceeds from the recent distribution of the Series 2001-1 EETC trust assets upon repayment of the note obligations. During the three months ended March 31, 2010, the Company recorded a gain of \$21 million upon receipt of these proceeds.

In January 2010, United also issued the remaining \$696 million of equipment notes related to the Series 2009-2 EETCs of which \$493 million was used to pre-pay the remaining principal of the equipment notes issued in connection with the Series 2000-2 EETCs and the remaining proceeds of \$203 million, before expenses and accrued interest due on the equipment notes related to the Series 2000-2 EETCs, provided the Company with incremental liquidity.

The EETC repayments discussed above, combined with the portion of the Series 2009-1 and 2009-2 issued in 2009, reduced debt principal payments in 2010 and 2011 by approximately \$440 million and \$275 million, respectively. The equipment notes related to the Series 2009-1 and 2009-2 EETCs are secured by aircraft and have stated interest rates ranging from 9.75% to 12.0%.

In January 2010, the Company also issued \$500 million aggregate principal amount of 9.875% Senior Secured Notes due 2013 and \$200 million aggregate principal amount of 12.0% Senior Second Lien Notes due 2013 (together, the "Senior Notes"). The Senior Notes are secured by United's route authority to operate between the United States and Japan and beyond Japan to points in other countries, certain airport takeoff and landing slots and airport gate leaseholds utilized in connection with these routes. During the

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three months ended March 31, 2010, the Company pledged certain aircraft, engines, flight simulators and certain domestic slots to secure its obligations under the Amended Credit Facility and to allow the release of the collateral securing the Company's obligations under the Senior Notes. The Company recorded the Senior Notes proceeds as an other receivable pending perfection of the collateral to secure the Company's obligations under the Senior Notes. The receivable from the Senior Notes issuances, net of discounts and fees, is separately presented in the Company's Financial Statements as of March 31, 2010. During April 2010, the Company received \$728 million upon perfection of the collateral securing the Company's obligations under the Senior Notes and satisfaction of certain other customary conditions. These proceeds are net of \$28 million of issuance discount and fees and include the return of \$56 million that had been placed in escrow by the Company pending completion of the financing. The escrow deposit is included within Prepaid expenses and other in the Company's Financial Statements.

### ***Amended Credit Facility Covenants***

The Company's Amended Credit Facility requires compliance with certain covenants, including a fixed charge coverage ratio. The required fixed charge coverage ratio was 1.3 to 1.0 for the twelve month period ended March 31, 2010, increasing to 1.4 to 1.0 and 1.5 to 1.0 for the twelve months ending June 2010 and September 2010, respectively. The Company was in compliance with this ratio and all of its Amended Credit Facility covenants as of March 31, 2010.

Although the Company was in compliance with all required financial covenants under the Amended Credit Facility as of March 31, 2010, continued compliance depends on many factors, some of which are beyond the Company's control, including the overall industry revenue environment and the level of fuel costs. There are no assurances that the Company will continue to comply with its debt covenants under the Amended Credit Facility. Failure to comply with applicable covenants in any reporting period would result in a default under the Amended Credit Facility, which could have a material adverse impact on the Company depending on the Company's ability to obtain a waiver of, or otherwise mitigate, the impact of the default.

Additional details on the Company's Amended Credit Facility covenants are available in the 2009 Annual Report.

### ***Credit Card Processing Agreements***

The Company has agreements with financial institutions that process customer credit card transactions for the sale of air travel and other services. Under certain of the Company's credit card processing agreements, the financial institutions either require, or have the right to require, that United maintain a reserve ("reserve") equal to a portion of advance ticket sales that have been processed by that financial institution, but for which the Company has not yet provided the air transportation (referred to as "relevant advance ticket sales").

The Company's credit card processing agreement with Paymentech and JPMorgan Chase Bank, N.A. contains a cash reserve requirement. The amount of any such cash reserve will be determined based on the amount of unrestricted cash held by the Company as defined under the Amended Credit Facility. If the Company's unrestricted cash balance is at or more than \$2.5 billion as of any calendar month-end measurement date, its required reserve will remain at \$25 million. However, if the Company's unrestricted cash is less than \$2.5 billion, its required reserve will increase to a percentage of relevant advance ticket sales. Based on the Company's March 31, 2010 unrestricted cash balance, the Company was not required to provide cash collateral above the current \$25 million reserve balance.

Under the credit card processing agreement with American Express, the Company will be required to provide reserves based primarily on its unrestricted cash balance and net current exposure as of any calendar month-end measurement date. The agreement with American Express permits the Company to provide certain replacement collateral in lieu of cash collateral, as long as the Company's unrestricted cash is above \$1.35 billion. Based on the Company's unrestricted cash balance at March 31, 2010, the Company was not required to provide any reserves under this agreement.

Additional details on the Company's credit card processing agreements are available in the 2009 Annual Report.

### **(13) Asset Impairments and Special Items**

In the three months ended March 31, 2010, the Company recorded an asset impairment charge of \$17 million which relates to the decrease in value of aircraft related assets.

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As of February 28, 2009, the Company performed an interim impairment test of its tradenames due to events and changes in circumstances during the first quarter of 2009 that indicated an impairment might have occurred. The primary factor deemed by management to have constituted a potential impairment triggering event was a significant decline in unit revenues experienced in the first quarter of 2009.

The Company utilized appropriate valuation techniques, as described in Note 10, "Fair Value Measurements and Derivative Instruments," to estimate the fair value of tradenames as of February 28, 2009, and compared those estimates to related carrying values. During the three months ended March 31, 2009, the Company recorded an impairment charge of \$110 million to decrease the carrying value of the tradenames to estimated fair value.

Due to extreme fuel price volatility, the uncertain economic environment, including credit market conditions, as well as other uncertainties, the Company can provide no assurance that a material impairment of its tangible or intangible assets will not occur in a future period. The Company will continue to monitor circumstances and events in future periods to determine whether additional asset impairment testing is warranted.

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

### Overview

UAL Corporation (together with its consolidated subsidiaries, "UAL"), is a holding company and its principal, wholly-owned subsidiary is United Air Lines, Inc. (together with its consolidated subsidiaries, "United"). We sometimes use the words "we," "our," "us" and the "Company" in this Form 10-Q for disclosures that relate to both UAL and United. United's operations consist primarily of the transportation of persons, property and mail throughout the U.S. and abroad. United provides these services through full-sized jet aircraft (which we refer to as its "Mainline" operations), as well as smaller aircraft in its regional operations conducted under contract by "United Express<sup>®</sup>" carriers.

United is one of the largest passenger airlines in the world. The Company offers approximately 3,400 flights a day to more than 230 destinations through its Mainline and United Express services, based on its flight schedule from April 2010 to April 2011. United offers approximately 1,100 average daily Mainline departures to approximately 120 destinations in 30 countries and two U.S. territories. United provides regional service, connecting primarily via United's domestic hubs, through marketing relationships with United Express carriers, which provide approximately 2,300 average daily departures to approximately 180 destinations. United serves virtually every major market around the world, either directly or through its participation in the Star Alliance<sup>®</sup>, the world's largest airline network.

This Quarterly Report on Form 10-Q is a combined report of UAL and United including their respective unaudited condensed consolidated financial statements (the "Financial Statements"). As UAL consolidates United for financial statement purposes, disclosures that relate to activities of United also apply to UAL as included within the *Combined Notes to Condensed Consolidated Financial Statements (Unaudited)* (the "Footnotes"), unless otherwise noted. United's operating revenues and operating expenses comprise nearly 100% of UAL's revenues and operating expenses. In addition, United comprises approximately the entire balance of UAL's assets, liabilities and operating cash flows. Therefore, the following qualitative discussion is applicable to both UAL and United, unless otherwise noted. Any significant differences between UAL and United results are separately disclosed and explained. United meets the conditions set forth in General Instruction H(1)(a) and (b) of Form 10-Q and is therefore filing this Form 10-Q with the reduced disclosure format allowed under that General Instruction.

### Recent Developments.

- During the first quarter of 2010, the Company finalized its aircraft order with The Boeing Company and Airbus S.A.S. through the execution of definitive written agreements. The aircraft order for 25 Boeing 787-8 Dreamliner aircraft and 25 Airbus A350 XWB aircraft, with future purchase rights for an additional 50 planes of each aircraft type, are intended to replace the Company's international fleet of Boeing 747s and 767s; and
- During the first quarter of 2010, the Company commenced the reconfiguration of its international B777 fleet with new first and business class premium seats, entertainment systems and other product enhancements. This international premium travel experience features, among other improvements, 180-degree, lie flat beds in first and business class.

**Summary of Financial Results.** The air travel business is subject to seasonal fluctuations. Historically, the Company's results of operations are better in the second and third quarters as compared to the first and fourth quarters of each year, since our first and fourth quarter results normally reflect weaker travel demand. In addition, the Company's results of operations may be impacted by fuel price volatility, adverse weather, air traffic control delays, economic conditions and other factors in any period.

The table below highlights significant changes in the Company's results in the three months ended March 31, 2010 as compared to the year-ago period. See *Results of Operations*, below, for additional information regarding year-over-year changes in our financial results. Operating revenues improved in 2010 as compared to 2009 as the Company began to benefit from improved economic conditions, including an increase in business travel and premium service demand. In the 2010 period, consolidated yield increased 12% and consolidated traffic increased 3% despite a similar decrease in capacity, as compared to the year-ago period. The revenue benefit was partially offset by increased consolidated fuel expense, which was primarily due to an increase in market prices for fuel. Impairment charges were more significant in the 2009 period due to an impairment of the Company's tradenames.



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(In millions)	Three Months Ended March 31,			
	2010	2009	Favorable (unfavorable)	
			\$ Change	% Change
<b>UAL Information</b>				
Total revenues	\$4,241	\$3,691	\$ 550	14.9
Mainline fuel purchase cost	974	748	(226)	(30.2)
Operating non-cash fuel hedge gains	(31)	(191)	(160)	(83.8)
Operating cash fuel hedge losses	15	242	227	93.8
Regional Affiliates fuel expense (a)	249	164	(85)	(51.8)
Asset impairments, special items and other charges (see below)	20	104	84	80.8
Other operating expenses	2,945	2,906	(39)	(1.3)
Nonoperating non-cash fuel hedge gains	—	(72)	(72)	(100.0)
Nonoperating cash fuel hedge losses	—	81	81	100.0
Other nonoperating expense (b)	150	120	(30)	(25.0)
Income tax expense (benefit)	1	(29)	(30)	—
Net loss	<u>\$ (82)</u>	<u>\$ (382)</u>	<u>\$ 300</u>	<u>78.5</u>
United Net loss	<u>\$ (74)</u>	<u>\$ (381)</u>	<u>\$ 307</u>	<u>80.6</u>

- (a) Regional Affiliates' fuel expense is classified as part of Regional Affiliates expense in the Company's Financial Statements.  
(b) Includes equity in earnings of affiliates.

Details of significant items impacting the Company's results include:

(In millions)	Three Months Ended March 31,		Income statement classification
	2010	2009	
Intangible asset impairments	\$ —	\$ 110	
Aircraft and spare parts impairments	17	—	
	17	110	
Lease termination and other special items	1	9	
Total asset impairments and special items	18	119	Impairments and special items
Severance	(2)	(5)	Salaries and related costs
Employee benefit obligation adjustment	—	(32)	Salaries and related costs
Accelerated depreciation related to early asset retirement	4	22	Depreciation and amortization
Severance and other charges	2	(15)	
Total asset impairments, special items and other charges	20	104	
Net operating non-cash fuel hedge gains	(31)	(191)	Aircraft fuel
Net nonoperating non-cash fuel hedge gains	—	(72)	Miscellaneous, net
Total non-cash fuel hedge gains	(31)	(263)	
Income tax expense (benefit) on impairments and other charges	1	(30)	Income tax expense (benefit)
Impairments and other charges (net of tax) and non-cash fuel hedge gains/losses	<u>\$ (10)</u>	<u>\$ (189)</u>	

The table below shows Mainline fuel and non-fuel unit costs in the first quarter of 2010 as compared to the year-ago period. Fuel costs are mostly uncontrollable by the Company.

(In millions, except unit costs)	Three Months Ended March 31,		2010 expense per ASM (in cents)	2009 expense per ASM (in cents)	% change per ASM
	2010	2009			
Mainline ASMs	28,161	29,991			
Mainline fuel expense	\$ 958	\$ 799	3.40	2.66	27.8
Asset impairments, special items and other charges (see above)	20	104	0.07	0.35	(80.0)
Other operating expenses	2,379	2,399	8.45	8.00	5.6
Total Mainline operating expense	3,357	3,302	11.92	11.01	8.3
Regional Affiliates expense	815	671			
Consolidated operating expense	<u>\$ 4,172</u>	<u>\$ 3,973</u>			

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**Liquidity.** The following table provides a summary of UAL's total cash and cash equivalents and restricted cash at March 31, 2010 and December 31, 2009 and net cash provided (used) by operating, financing and investing activities for the three months ended March 31, 2010 and 2009. In April 2010, the Company received net cash of \$728 million from the Senior Notes financing discussed below under *Liquidity and Capital Resources*.

<u>(In millions)</u>	As of	As of
	March 31, 2010	December 31, 2009
Cash and cash equivalents	\$ 3,516	\$ 3,042
Restricted cash	293	341
Total cash	<u>\$ 3,809</u>	<u>\$ 3,383</u>

  

	Three Months Ended	
	March 31, 2010	2009
Net cash provided by operating activities	\$ 482	\$ 426
Net cash provided (used) by investing activities	(76)	65
Net cash provided (used) by financing activities	68	(73)

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UAL's variation in cash flows from operations in the 2010 period as compared to the prior year was relatively consistent with its results of operations, as further described below under *Results of Operations*. The improvement in operating cash flows was primarily due to a year-over-year increase in cash from increased passenger and cargo services. Cash operating expenses, including combined cash expenditures for fuel purchases and hedge settlements, were relatively consistent on a year-over-year basis. The 2009 operating cash flows included the receipt of \$160 million in 2009 related to the future relocation of its Chicago O'Hare International Airport ("O'Hare") cargo operations. This cash receipt was classified as an operating cash inflow.

The Company expects its cash flows from operations and its available capital to be sufficient to meet its operating expenses, lease obligations and debt service requirements for the near term; however, the Company's future liquidity could be impacted by changes in fuel prices, fuel hedge collateral requirements, inability to adequately increase revenues to offset high fuel prices, declines in revenue from reduced demand, failure to meet future debt covenants and other factors. See *Liquidity and Capital Resources* and *Item 3. Quantitative and Qualitative Disclosures about Market Risk*, below, for a discussion of these factors and the Company's significant operating, investing and financing cash flows.

**Capital Commitments.** During the first quarter of 2010, the Company executed definitive agreements to purchase 25 Boeing 787-8 Dreamliner aircraft and 25 Airbus A350 XWB aircraft, with future purchase rights for an additional 50 planes of each aircraft type, subject to availability of such aircraft at the time of exercise of the future purchase rights. The 25 Boeing 787-8 Dreamliner aircraft and 25 Airbus A350 XWB aircraft are expected to be delivered between 2016 and 2019. As of March 31, 2010, the Company had commitments of \$7.9 billion that would require the payment of an estimated \$192 million in the last nine months of 2010, \$211 million in 2011, \$90 million in 2012, \$71 million in 2013, \$99 million in 2014 and \$7.2 billion thereafter. These capital purchase commitments are primarily for the acquisition of the aforementioned aircraft, aircraft enhancements, information technology assets and the relocation of the Company's operations center.

The Company has secured considerable backstop financing commitments from its aircraft and engine manufacturers, subject to certain customary conditions. The backstop financing commitments, as well as the Company's deferral and substitution rights for the aircraft, will allow the Company to manage changing market conditions throughout the aircraft delivery cycle. There is no guarantee that we will be able to obtain any or all of the backstop financing for the aircraft and engines on acceptable terms when necessary.

**Contingencies.** The following discussion provides an overview of the status of contingencies identified by the Company. For further details on these matters, see Note 11, "Commitments, Contingent Liabilities and Uncertainties," in the Footnotes.

**Labor Negotiations.** Approximately 82% of United's employees are represented by various U.S. labor organizations. During the second quarter of 2009, the Company began negotiations with its labor groups as all of United's domestic labor contracts became amendable during January 2010. Consistent with its contractual commitments, United served "Section 6" notices to all six of its labor unions during April 2009 to commence the collective bargaining process. United has filed for mediation assistance in conjunction with four of its six unions: the Air Line Pilots Association, the Association of Flight Attendants-Communication Workers of America, the International Association of Machinists and Aerospace Workers and the Professional Airline Flight Control Association. These filings were consistent with commitments contained in current labor contracts which provided that the parties would jointly invoke the mediation services of the National Mediation Board in the event agreements had not been reached by August 1, 2009. While the labor contract with the International Brotherhood of Teamsters also contemplates filing for mediation, the parties have agreed to continue in direct negotiations. The current contract with the International Federation of Professional and Technical Engineers does not contemplate filing for mediation. The outcome of these negotiations may materially impact the Company's future financial results. However, it is too early in the process to assess the timing or magnitude of the impact, if any.

**Municipal Bond Obligations and Off-Balance Sheet Financing.** United has guaranteed \$270 million of the City and County of Denver, Colorado Special Facilities Airport Revenue Bonds (United Air Lines Project) Series 2007A. These bonds are callable by United. The outstanding bonds and related guarantee are not recorded in the Company's Financial Statements. However, the related lease agreement is accounted for on a straight-line basis resulting in a ratable accrual of the final \$270 million payment over the expected lease term through 2032.

### *Other Contingencies.*

The Company is party to a multiyear services agreement, and is currently in discussions with the counterparty to amend or restructure certain performance obligations. In the event that these discussions are not successful, the counterparty may assert claims for damages, and the Company could incur other costs, which in the aggregate could exceed \$100 million. The ultimate outcome of these discussions and the exact amount of the damages and costs, if any, to the Company cannot be predicted with certainty at this time.

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In March 2010, the President signed into law comprehensive health care reform legislation under the Patient Protection and Affordable Care Act (“HR 3590”) and the Health Care Education and Affordability Reconciliation Act (“HR 4872”), (collectively, the “Acts”). The Acts contain provisions which could impact the Company’s accounting for retiree medical benefits in future periods. Other than the reduction of deferred tax assets for postretirement benefits, which was recorded in the first quarter of 2010, the extent of that impact, if any, cannot be determined until regulations are promulgated under the Acts and additional interpretations of the Acts become available. The Company will continue to assess the accounting implications of the Acts as related regulations and interpretations of the Acts become available. Based on the analysis to date of the provisions in the Acts, a re-measurement of the Company’s retiree plan liabilities is not required at this time. In addition, the Company may consider plan amendments in future periods that may have accounting implications.

*Legal and Environmental.* The Company has certain contingencies resulting from litigation and claims incident to the ordinary course of business. Management believes, after considering a number of factors, including (but not limited to) the information currently available, the views of legal counsel, the nature of contingencies to which the Company is subject and prior experience, that the ultimate disposition of the litigation and claims will not materially affect the Company’s consolidated financial position or results of operations. When appropriate, the Company accrues for these matters based on its assessments of the likely outcomes of their eventual disposition. The amounts of these liabilities could increase or decrease in the near term, based on revisions to estimates relating to the various claims.

The Company anticipates that if ultimately found liable, its damages from claims arising from the events of September 11, 2001, could be significant; however, the Company believes that, under the Air Transportation Safety and System Stabilization Act of 2001, its liability will be limited to its insurance coverage.

The Company continues to analyze whether any potential liability may result from air cargo/passenger surcharge cartel investigations following the receipt of a Statement of Objections that the Commission issued to 26 companies on December 18, 2007. The Statement of Objections sets out evidence related to the utilization of fuel and security surcharges and exchange of pricing information that the Commission views as supporting the conclusion that an illegal price-fixing cartel had been in operation in the air cargo transportation industry. United has provided written and oral responses vigorously disputing the Commission’s allegations against the Company. Nevertheless, United will continue to cooperate with the Commission’s ongoing investigation. Based on its evaluation of all information currently available, the Company has determined that no reserve for potential liability is required and will continue to defend itself against all allegations that it was aware of or participated in cartel activities. However, penalties for violation of European competition laws can be substantial and a finding that the Company engaged in improper activity could have a material adverse impact on its consolidated financial position and results of operations.

Many aspects of United’s operations are subject to increasingly stringent federal, state and local laws protecting the environment. Future environmental regulatory developments, such as in regard to climate change in the U.S. and abroad, could adversely affect operations and increase operating costs in the airline industry. Some climate change laws and regulations that have gone into effect apply to United, including environmental taxes for certain international flights (including the United Kingdom’s Air Passenger Duty), limited greenhouse gas reporting requirements and land-based planning laws which could apply to airports and could affect airlines in certain circumstances. Other areas of developing regulations include the State of California rule-makings regarding air emissions from ground support equipment and federal rule-makings concerning the discharge of deicing fluid and the regulation of aircraft drinking water supplies. In addition, a 2009 EU Directive required EU member countries to enact legislation that would include aviation within the EU’s existing carbon emissions trading scheme, effective in 2012. The legality of applying such a scheme to non-EU airlines has been widely questioned. In December 2009, the Air Transportation Association, joined by United, Continental and American Airlines, filed a lawsuit in the United Kingdom challenging regulations that transpose into UK law the EU emissions trading scheme as applied to U.S. carriers. In addition, non-EU countries are considering filing a formal challenge before the United Nations’ International Civil Aviation Organization with respect to the EU’s inclusion of non-EU carriers. It is not clear whether the emissions trading scheme will withstand such challenges. If the scheme is found to be valid, however, it could significantly increase the costs of carriers operating in the EU (by requiring the purchase of carbon credits), although the precise cost to United is difficult to calculate with any certainty due to a number of variables, and will depend, among other things, on United’s carbon emissions from flights to and from the EU and the price of carbon credits. Actions may be taken in the future by the U.S. government, state governments within the U.S., foreign governments, the International Civil Aviation Organization or by signatory countries through a new global climate change treaty to regulate the emission of greenhouse gases by the aviation industry. The precise nature of any such requirements and their applicability to United are difficult to predict, but the impact to the Company and the aviation industry would likely be adverse and could be significant, including the potential for increased fuel costs, carbon taxes or fees, or a requirement to purchase carbon credits.

**Results of Operations**

United's operating revenues and operating expenses comprise nearly 100% of UAL's revenues and operating expenses. Therefore, the following discussion is applicable to both UAL and United, unless otherwise noted. There were no significant differences between UAL and United results in the 2010 or 2009 periods presented herein.

**First Quarter 2010 Compared to First Quarter 2009**

As highlighted in the summary of financial results table in *Overview* above, UAL's net loss of \$82 million for the three months ended March 31, 2010 was a significant improvement as compared to a net loss of \$382 million in the year-ago period. The most significant changes were higher revenues in the first quarter of 2010 due to an improvement in the global economy and lower impairment charges in the 2010 period as compared to the year-ago period.

*Operating Revenues.* The table below illustrates the year-over-year change in UAL and United operating revenues.

(In millions)	Three Months Ended March 31,		\$ Change	% Change
	2010	2009		
Passenger—United Airlines	\$ 3,026	\$ 2,701	\$ 325	12.0
Passenger—Regional Affiliates	840	659	181	27.5
Cargo	157	124	33	26.6
Other operating revenues	218	207	11	5.3
UAL total	<u>\$ 4,241</u>	<u>\$ 3,691</u>	<u>\$ 550</u>	<u>14.9</u>
United total	<u>\$ 4,243</u>	<u>\$ 3,694</u>	<u>\$ 549</u>	<u>14.9</u>

The table below presents selected UAL and United passenger revenues and operating data from our Mainline segment, broken out by geographic region and from our Regional Affiliates segment (United Express operations), expressed as first quarter period-to-period changes.

	Domestic	Pacific	Atlantic	Latin	Total Mainline	Regional Affiliates	Consolidated
Increase (decrease) from 2009:							
Passenger revenues (in millions) (a)	\$ 108	\$ 97	\$ 107	\$ 13	\$ 325	\$ 181	\$ 506
Passenger revenues	6.7%	17.9%	24.5%	12.6%	12.0%	27.5%	15.1%
Available seat miles ("ASMs") (b)	(5.5)%	(9.9)%	(1.2)%	(13.0)%	(6.1)%	17.3%	(3.3)%
Revenue passenger miles ("RPMs") (c)	(2.6)%	4.1%	6.4%	(5.9)%	0.1%	22.2%	2.6%
Passenger revenues per ASM ("PRASM")	12.9%	30.8%	25.9%	29.4%	19.3%	8.7%	19.0%
Yield (d)	9.5%	13.5%	17.0%	19.5%	11.9%	4.3%	12.2%
Passenger load factor (points) (e)	2.4 pts.	11.4 pts.	5.5 pts.	6.2 pts.	5.0 pts.	3.0 pts.	4.7 pts.

- (a) Amounts include \$52 million and \$12 million of additional revenue within the Mainline and Regional Affiliates segments, respectively, related to the impact of the Company's change in estimate of the number of frequent flier miles expected to expire. Within the Mainline segment, the \$52 million benefit from the change in estimate was allocated to the four geographic regions based on revenue.
- (b) ASMs are the number of seats available for passengers multiplied by the number of miles those seats are flown.
- (c) RPMs are the number of scheduled miles flown by revenue passengers.
- (d) Yield is a measure of the average price paid per passenger mile, which is calculated by dividing passenger revenues by RPMs.
- (e) Passenger load factor is derived by dividing RPMs by ASMs.

Consolidated passenger revenues in the first quarter of 2010 increased \$506 million compared to the prior year driven by a 3% increase in traffic on a 3% decrease in capacity as a result of strengthening economic conditions. The traffic increase was driven by the return of business and premium cabin travelers whose higher ticket prices increased average yields by 12%. The international

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regions in particular had the largest increases in demand with unit revenues increasing 29% compared to the year-ago period on a 7% decrease in capacity. Premium cabin passengers account for a large share of international revenues and the increase in their volumes has a highly leveraged benefit on the international regions. China and London were two geographic areas with a large increase in unit revenues. In addition, the Company recorded \$64 million of additional revenue due to changes in its estimate and methodology related to frequent flyer program accounting as noted in the table, above, and in *Critical Accounting Policies*, below.

Regional Affiliates revenues increased 28% on 17% higher capacity as some Mainline domestic capacity was moved to United Express during 2009 to better match capacity with market demand. Consolidated domestic revenues increased 13% on a 1% decrease in capacity, resulting in a passenger unit revenue increase of 14%. Consolidated domestic passenger unit revenues also benefited from the return of corporate customers.

Cargo revenues increased by \$33 million, or 27%, in the first quarter of 2010 as compared to 2009. The key driver was a rebound in traffic and demand as the economy improved compared to the year-ago period. The Company's freight ton miles have improved by 45% as compared to the first quarter of 2009, while mail ton miles dropped approximately 8%, for a composite cargo traffic gain of 37%. Strong freight demand coupled with reduced industry capacity has enabled the Company to make numerous tactical rate increases and yield improvements from 2009. However, freight yields for the first quarter of 2010 were 2% below the prior year, partly due to lower fuel surcharges in the current year. The mail yield decline, driven by U.S. international mail deregulation, is more significant at approximately 24% below the first quarter 2009. On a composite basis, cargo yield in the first quarter of 2010 decreased approximately 7% as compared to the prior year.

*Operating Expenses.* As discussed in *Operating Revenues* above, Mainline capacity decreased 6% and Regional Affiliates capacity increased 17% in the first quarter of 2010 as compared to the year-ago period. The Mainline capacity reductions had a favorable impact on certain of the Company's Mainline operating expenses, as further described below. Other significant fluctuations in the Company's operating expenses are also discussed below. The table below includes data related to UAL and United operating expenses.

<u>(In millions)</u>	<u>Three Months Ended</u>		<u>\$</u>	<u>%</u>
	<u>March 31,</u>			
	<u>2010</u>	<u>2009</u>	<u>Change</u>	<u>Change</u>
Aircraft fuel	\$ 958	\$ 799	\$ 159	19.9
Salaries and related costs	948	921	27	2.9
Regional Affiliates	815	671	144	21.5
Purchased services	287	287	—	—
Landing fees and other rent	228	221	7	3.2
Aircraft maintenance materials and outside repairs	222	225	(3)	(1.3)
Depreciation and amortization	213	233	(20)	(8.6)
Distribution expenses	137	118	19	16.1
Aircraft rent	81	88	(7)	(8.0)
Cost of third party sales	57	53	4	7.5
Impairments and special items	18	119	(101)	(84.9)
Other operating expenses	208	238	(30)	(12.6)
UAL total	<u>\$ 4,172</u>	<u>\$ 3,973</u>	<u>\$ 199</u>	<u>5.0</u>
United total	<u>\$ 4,171</u>	<u>\$ 3,975</u>	<u>\$ 196</u>	<u>4.9</u>

Mainline aircraft fuel expense was relatively consistent year-over-year as lower fuel hedge settlements and consumption in 2010 were offset by increased market prices for jet fuel. However, Regional Affiliates fuel expense increased approximately 52% due to a 13% increase in consumption and a 34% increase in the average fuel price. The table below presents the significant changes in Mainline and Regional Affiliates aircraft fuel cost per gallon in the three months ended March 31, 2010 as compared to the year-ago period. See Note 10, "Fair Value Measurements and Derivative Instruments," in the Footnotes for additional details regarding gains/losses from settled and open positions and unrealized gains and losses as of March 31, 2010. Derivative gains/losses are not allocated to Regional Affiliates fuel expense.

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(In millions, except per gallon)	Three Months Ended March 31,					
	Average price per gallon (in cents)					
	2010	2009	% Change	2010	2009	% Change
Mainline fuel purchase cost	\$ 974	\$ 748	30.2	219.4	159.1	37.9
Non-cash fuel hedge gains in Mainline fuel (a)	(31)	(191)	(83.8)	(7.0)	(40.6)	(82.8)
Cash fuel hedge losses in Mainline fuel (a)	15	242	(93.8)	3.4	51.5	(93.4)
Total Mainline fuel expense	958	799	19.9	215.8	170.0	26.9
Regional Affiliates fuel expense (b)	249	164	51.8	239.4	178.3	34.3
UAL system operating fuel expense	<u>\$1,207</u>	<u>\$ 963</u>	25.3	220.3	171.4	28.5
Mainline fuel consumption (gallons)	444	470	(5.5)			
Regional Affiliates fuel consumption (gallons)	104	92	13.0			
Total fuel consumption (gallons)	<u>548</u>	<u>562</u>	(2.5)			

(a) In 2009, the Company incurred additional fuel hedge gains/losses which are classified in nonoperating expense as described below.

(b) Regional Affiliates fuel costs are classified as part of Regional Affiliates expense.

Salaries and related costs increased \$27 million, or 3%, in the first quarter of 2010 as compared to the year-ago period. The Company recorded a \$2 million reversal of severance expense during the first quarter of 2010 which related to the Company's workforce reduction plans and a total decrease to salaries of \$37 million from severance and employee benefit adjustments in the first quarter of 2009. In addition, the Company incurred expense of \$18 million in 2010 due to on-time performance bonuses for operations employee groups and estimated annual incentive plan expense as compared to \$11 million for on-time bonuses recognized in 2009. Salaries also increased due to the impact of annual wage increases. Partially offsetting these increases was the impact of the Company's reduced workforce in 2010 compared to 2009. The Company had approximately 43,000 average full-time equivalent employees for the three months ended March 31, 2010 as compared to approximately 45,000 average full-time equivalent employees in the year-ago period.

Regional Affiliates expense increased \$144 million, or 22%, during the first quarter of 2010 as compared to the same period last year. Regional Affiliates expense increased primarily due to an \$85 million increase in Regional Affiliates fuel cost that was driven by a higher average price per gallon of Regional Affiliates jet fuel in 2010 as well as higher jet fuel consumption due to increased traffic, as presented in the fuel table above. Other Regional Affiliates operating expenses also increased due to the addition of Regional Affiliates capacity as compared to the year-ago period. Regional Affiliates operating income was \$25 million in the 2010 period, as compared to an operating loss of \$12 million in the 2009 period. Regional Affiliates operating results were relatively consistent on a year-over-year basis as the benefits of increased traffic and yield were offset by higher fuel and other operating costs.

Depreciation and amortization decreased \$20 million, or 9%, in the first quarter of 2010 primarily due to the removal of spare parts and aircraft from the Company's fleet throughout 2009.

Distribution expenses increased \$19 million, or 16%, in the first quarter of 2010 as compared to the prior year primarily due to increased commissions, credit card fees and global distribution services ("GDS") fees driven by higher passenger revenues.

In the first quarter of 2010, the Company recorded Impairment and special items of \$18 million which primarily relates to the decrease in value of aircraft related assets. In the first quarter of 2009, the Company recorded intangible asset impairment adjustments of \$110 million and other special charges of \$9 million. The special charges and impairments relate to the Mainline segment and are classified within Impairments and special items in the Company's Financial Statements. See Note 10, "Fair Value Measurements and Derivative Instruments" and Note 13, "Asset Impairments and Special Items," in the Footnotes for additional information.

In the first quarter of 2010, other operating expenses decreased by \$30 million, or 13%, as compared to the 2009 period, due to better operational performance driving reduced interrupted trip expense and less capacity reducing other variable costs.

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*Other income (expense).* The following table illustrates the year-over-year dollar and percentage changes in UAL and United other income (expense).

(In millions)	Three Months Ended		Favorable/(Unfavorable)	
	March 31,		Change	
	2010	2009	\$	%
Interest expense	\$ (178)	\$ (134)	\$ (44)	32.8
Interest income	1	7	(6)	(85.7)
Interest capitalized	2	3	(1)	(33.3)
Miscellaneous, net:				
Non-cash fuel hedge gains (losses)	—	72	(72)	(100.0)
Cash fuel hedge losses	—	(81)	81	(100.0)
Other miscellaneous, net	24	3	21	—
UAL total	<u>\$ (151)</u>	<u>\$ (130)</u>	<u>\$ (21)</u>	<u>(16.2)</u>
United total	<u>\$ (131)</u>	<u>\$ (130)</u>	<u>\$ (1)</u>	<u>(0.8)</u>

Interest expense increased \$44 million, or 33%, compared to the year-ago period primarily due to an increase in debt outstanding during the first quarter of 2010 as compared to debt outstanding during the year-ago period and amortization of debt issuance costs associated with 2009 and 2010 financings. The increase in debt outstanding in 2010 occurred because the Company completed several financings during the year ended December 31, 2009 to enhance its liquidity position due to the weak economy.

Miscellaneous, net increased \$21 million from the year-ago period due to the Company's recognition of a gain related to the repayment of certain of its EETC debt instruments. See Note 12, "Debt Obligations and Other Financing Transactions," in the Footnotes for additional information.

### Liquidity and Capital Resources

As of the date of this Form 10-Q, the Company believes it has sufficient liquidity to fund its operations for the near-term, including liquidity for scheduled repayments of debt and capital lease obligations, capital expenditures, cash deposits required under fuel hedge contracts and other contractual obligations. We expect to meet our near-term liquidity needs from cash flows from operations, cash and cash equivalents on hand, proceeds from financing arrangements using unencumbered assets and proceeds from aircraft sales and sales of other assets, among other sources. While the Company expects to meet its near-term cash requirements, our ability to do so could be impacted by many factors including, but not limited to, the following:

- Higher jet fuel prices, and the cost and effectiveness of hedging jet fuel prices, may require the use of significant liquidity in future periods. Fuel prices are extremely volatile and unpredictable. As of March 31, 2010, the Company was hedged using purchased call options and swaps. The Company has been, and may in the future be, required to make significant payments at the settlement dates of the hedge contracts if the settlement price is below the fixed swap price. Additionally, the Company has been, and may in the future be, required to provide counterparties with additional cash collateral prior to derivative settlement dates. While the Company's results of operations benefit from lower fuel prices on its unhedged fuel consumption, the Company may not realize the full benefit of lower fuel prices due to unfavorable fuel hedge cash settlements. In addition, the Company may not be able to increase its revenues in response to higher fuel prices. See Item 3, *Quantitative and Qualitative Disclosures About Market Risk*, and Note 11, "Fair Value Measurements and Derivative Instruments," in the Footnotes for further information regarding the Company's fuel derivative instruments;
- The Company has limited remaining assets available as collateral for loans and other indebtedness, which may make it difficult to raise additional capital, if necessary. Our level of indebtedness, non-investment grade credit rating and credit market conditions may also make it difficult for us to raise capital to meet liquidity needs and may increase our cost of borrowing. A higher cost of capital could negatively impact our results of operations, financial position and liquidity;
- Due to the factors above, and other factors, the Company may be unable to comply with its Amended Credit Facility covenants that currently require the Company to maintain an unrestricted cash balance of \$1.0 billion and a minimum ratio of EBITDAR to fixed charges. If the Company does not comply with these covenants, the lenders may accelerate repayment of these debt obligations, which would have a material adverse impact on the Company's financial position and liquidity; and



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- If a default occurs under our Amended Credit Facility or other debt obligations, the cost to cure any such default may materially and adversely impact our financial position and liquidity, and no assurance can be provided that such a default will be mitigated or cured.

UAL's unrestricted and restricted cash balances were \$3.5 billion and \$293 million, respectively, at March 31, 2010. In April 2010, the Company received \$728 million from the 9.875% Secured Notes due 2013 and the 12.0% Senior Second Lien Notes due 2013 (together, the "Senior Notes") financing as discussed below. In addition, the Company significantly reduced its 2010 and 2011 contractual commitments from the refinancing of its EETC securities, as described below.

**Cash Position and Liquidity.** As of March 31, 2010, approximately 25% of the Company's cash and cash equivalents were invested in money market funds, which primarily invest in U.S. treasury securities, and the remainder was invested in AAA-rated money market funds. There are no withdrawal restrictions at the present time on any of the money market funds in which the Company has invested. We believe credit risk is limited with respect to our money market fund investments. The following table provides a summary of UAL's net cash provided (used) by operating, investing and financing activities for the three months ended March 31, 2010 and 2009 and total cash position as of March 31, 2010 and December 31, 2009. In April 2010, the Company received net cash of \$728 million from a financing which is discussed below.

<u>(In millions)</u>	<u>Three Months Ended</u>	
	<u>March 31,</u>	
	<u>2010</u>	<u>2009</u>
Net cash provided by operating activities	\$ 482	\$ 426
Net cash provided (used) by investing activities	(76)	65
Net cash provided (used) by financing activities	68	(73)
	<u>As of</u>	<u>As of</u>
	<u>March 31,</u>	<u>December 31,</u>
	<u>2010</u>	<u>2009</u>
Cash and cash equivalents	\$ 3,516	\$ 3,042
Restricted cash	293	341
Total cash	<u>\$ 3,809</u>	<u>\$ 3,383</u>

### **2010 and 2009 Sources and Uses of Cash**

**Operating Activities.** UAL's cash from operations increased by \$56 million in the three months ended March 31, 2010, as compared to the year-ago period. This year-over-year increase was primarily due to increased cash from passenger and cargo services. Cash operating expenses were relatively consistent on a year-over-year basis. Net cash required for fuel in the 2010 period was relatively consistent with the year-ago period because an increase in cash expenditures for Mainline and Regional Affiliates jet fuel purchases was offset by a decrease in operating and nonoperating fuel hedge settlements as shown in the fuel expense table in *Results of Operations*, above. Operating cash flows in the 2009 period included the receipt of \$160 million related to the future relocation of its O'Hare cargo facility.

**Investing Activities.** UAL's capital expenditures were \$51 million and \$79 million in 2010 and 2009, respectively. Capital expenditures in both periods were limited as the Company reduced its spending in 2010 and 2009 by focusing its capital resources only on its highest-value projects due to economic conditions.

In 2009, the Company received investing cash flows of \$94 million from a sale-leaseback agreement for nine aircraft. This transaction was accounted for as a capital lease, resulting in non-cash increases to capital lease assets and capital lease obligations during the first quarter of 2009. Other asset sales generated proceeds of \$4 million and \$33 million during the three months ended March 31, 2010 and 2009, respectively.

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*Financing Activities.* The following are significant financing activities by the Company in the three months ended March 31, 2010 and 2009:

### *2010 Activity*

During the first three months of 2010, the Company generated gross proceeds of approximately \$1.3 billion from financing transactions as follows:

In January 2010, United issued the remaining \$612 million of equipment notes related to the Series 2009-1 EETCs of which \$568 million was used to complete the pre-payment of the remaining principal of the equipment notes issued in connection with the Series 2001-1 EETCs and the remaining proceeds of \$44 million, before expenses and accrued interest due on the equipment notes related to the Series 2001-1 EETCs, provided the Company with incremental liquidity. The Company also received \$21 million of proceeds from the distribution of the Series 2001-1 EETC trust assets upon repayment of the note obligations.

In January 2010, United also issued the remaining \$696 million of equipment notes related to the Series 2009-2 EETCs of which \$493 million was used to pre-pay the remaining principal of the equipment notes issued in connection with the Series 2000-2 EETCs and the remaining proceeds of \$203 million, before expenses and accrued interest due on the equipment notes related to the Series 2000-2 EETCs, provided the Company with incremental liquidity.

The EETC repayments, combined with the portion of Series 2009-1 and 2009-2 issued in 2009, reduced the Company's 2010 and 2011 debt principal payments by approximately \$440 million and \$275 million, respectively.

In addition to the early retirement of debt, discussed above, UAL used cash of \$170 million for scheduled long-term debt and capital lease payments.

See Note 12, "Debt Obligations and Other Financing Transactions," in the Footnotes for additional information related to the above transactions.

### *2009 Activity*

In March 2009, the Company generated proceeds of \$134 million from a mortgage financing secured by certain of the Company's spare engines. The Company used cash of \$286 million during the three months ended March 31, 2009 for scheduled long-term debt and capital lease payments.

In the first quarter of 2009, the Company received net proceeds of \$62 million from the issuance of 5.4 million shares of common stock, of which 4.0 million shares were sold during the first quarter of 2009. UAL contributed \$62 million to United during the three months ended March 31, 2009.

### *Other Financing Matters*

*Secured Notes Issuance.* In April 2010, the Company received \$672 million, net of the issuance discount and fees, from the January 2010 issuance of \$700 million aggregate principal amount of the Senior Notes upon release of the collateral from the Amended Credit Facility securing the Company's obligations under the Senior Notes and the satisfaction of certain other customary conditions. The Senior Notes are secured by United's route authorities to operate between the United States and Japan and beyond Japan to points in other countries, certain airport takeoff and landing slots and airport gate leaseholds utilized in connection with these routes. As a part of the offering, these assets, which were previously pledged to secure the Company's obligations under the Amended Credit Facility, were released and substituted by replacement collateral which consists of aircraft, spare engines, flight simulators and certain domestic slots. The Company received an additional \$56 million in April 2010 from the return of cash that had been placed in escrow by the Company pending issuance of the Secured Notes. See Note 12, "Debt Obligations and Other Financing Transactions," in the Footnotes for additional information.

*Encumbered Assets.* As of March 31, 2010 and 2009, a substantial portion of the Company's assets, principally aircraft, spare engines, aircraft spare parts, route authorities and Mileage Plus intangible assets were pledged under various loan and other agreements. After the assets pledged under the Senior Notes issuance, discussed above, were released from the Amended Credit Facility in April 2010, a balance of approximately \$200 million in unencumbered assets remains. See Note 12, "Debt Obligations and Other Financing Transactions," in the Footnotes for additional information on assets provided as collateral by the Company.

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*Credit Ratings.* As of March 31, 2010, the Company had a corporate credit rating of B- (outlook negative) from S&P, a corporate family rating of “Caa1” from Moody’s Investor Services and an issuer default rating of “CCC” from Fitch. These credit ratings are below investment grade levels. Downgrades from these rating levels, among other things, could restrict the availability and/or increase the cost of future financing for the Company.

*Other Matters.* The Company may, from time to time, make open market purchases of certain of its debt securities or other financing instruments depending on, among other factors, favorable market conditions and the Company’s liquidity position.

The Company has a \$255 million revolving loan commitment available under Tranche A of its Amended Credit Facility. As of March 31, 2010 and December 31, 2009, the Company had used \$255 million and \$254 million, respectively, of the Tranche A commitment capacity for letters of credit. In addition, under a separate agreement, the Company had \$17 million and \$20 million of letters of credit issued as of March 31, 2010 and December 31, 2009, respectively. Through a separate arrangement, the Company has an additional \$150 million available under an unused credit facility.

*Amended Credit Facility Covenants.* The Company’s Amended Credit Facility requires compliance with certain covenants, including a fixed charge coverage ratio. The required fixed charge coverage ratio was 1.3 to 1.0 for the twelve month period ended March 31, 2010, increasing to 1.4 to 1.0 and 1.5 to 1.0 for the twelve months ending June 2010 and September 2010, respectively. The Company was in compliance with this ratio and all of its Amended Credit Facility covenants as of March 31, 2010.

Although the Company was in compliance with all required financial covenants under the Amended Credit Facility as of March 31, 2010, continued compliance depends on many factors, some of which are beyond the Company’s control, including the overall industry revenue environment and the level of fuel costs. There are no assurances that the Company will continue to comply with its debt covenants under the Amended Credit Facility. Failure to comply with applicable covenants in any reporting period would result in a default under the Amended Credit Facility, which could have a material adverse impact on the Company depending on the Company’s ability to obtain a waiver of, or otherwise mitigate, the impact of the default.

Additional details on the Company’s Amended Credit Facility covenants are available in the 2009 Annual Report.

*Credit Card Processing Agreements.* The Company has agreements with financial institutions that process customer credit card transactions for the sale of air travel and other services. Under certain of the Company’s credit card processing agreements, the financial institutions either require, or have the right to require, that United maintain a reserve (“reserve”) equal to a portion of advance ticket sales that have been processed by that financial institution, but for which the Company has not yet provided the air transportation (referred to as “relevant advance ticket sales”).

The Company’s credit card processing agreement with Paymentech and JPMorgan Chase Bank, N.A. contains a cash reserve requirement. The amount of any such cash reserve will be determined based on the amount of unrestricted cash held by the Company as defined under the Amended Credit Facility. If the Company’s unrestricted cash balance is at or more than \$2.5 billion as of any calendar month-end measurement date, its required reserve will remain at \$25 million. However, if the Company’s unrestricted cash is less than \$2.5 billion, its required reserve will increase to a percentage of relevant advance ticket sales. Based on the Company’s March 31, 2010 unrestricted cash balance, the Company was not required to provide cash collateral above the current \$25 million reserve balance.

Under the credit card processing agreement with American Express, the Company will be required to provide reserves based primarily on its unrestricted cash balance and net current exposure as of any calendar month-end measurement date. The agreement with American Express permits the Company to provide certain replacement collateral in lieu of cash collateral, as long as the Company’s unrestricted cash is above \$1.35 billion. Based on the Company’s unrestricted cash balance at March 31, 2010, the Company was not required to provide any reserves under this agreement.

Additional details on the Company’s credit card processing agreements are available in the 2009 Annual Report.

## Critical Accounting Policies

See “Critical Accounting Policies” in Management’s Discussion and Analysis of Financial Condition and Results of Operations in the 2009 Annual Report for a detailed discussion of the Company’s critical accounting policies.

*Derivative instruments used for aircraft fuel.* The Company utilizes derivative instruments to manage the risk of potential increases in the price of aircraft fuel. As of March 31, 2010 and December 31, 2009, the Company had a net derivative asset of \$177 million and \$133 million, respectively, related to the net fair value of these derivative instruments. Prior to April 1, 2010, the Company did not designate any of these instruments as cash flow hedges under GAAP. Therefore, any increase or decrease in the market value of these instruments was immediately recognized in earnings each period until the contracts settle.

Effective April 1, 2010, the Company designated its existing fuel derivative instrument portfolio as cash flow hedges and intends to designate new contracts as cash flow hedges for accounting purposes, when possible under ASC 815, *Derivatives and Hedging*. Classification of these instruments as cash flow hedges permits the deferral of the effective portions of gains or losses until contract settlement.

ASC 815 is a complex accounting standard and requires the Company to develop and maintain a significant amount of documentation related to (1) the Company’s fuel hedging program and strategy, (2) statistical analysis supporting a highly correlated relationship between the underlying commodity in the derivative financial instrument and the risk being hedged (i.e., aircraft fuel) on both a historical and prospective basis, and (3) cash flow designation for each hedging transaction executed, to be developed concurrently with the hedging transaction.

Historically, our hedges have settled within approximately one year; therefore, any future deferred gains and losses will be recognized into earnings over a relatively short period of time.

*Change in Accounting for Frequent Flyer Program.* The Company follows a deferred revenue accounting policy to record the fair value of its Mileage Plus frequent flyer obligation. The Company defers the portion of the sales proceeds of ticketed revenue on United and our alliance partners, as well as revenue associated with mileage sales to third parties, that represents the estimated air transportation fair value of the miles awarded. This deferred revenue is then recognized when the miles are redeemed. Some of these miles will never be redeemed by Mileage Plus members, and the Company historically recognized an estimate of revenue from the expected expired miles, which is referred to as breakage, over an estimated redemption period. The Company reviews its breakage estimates annually based upon the latest available information regarding mileage redemption and expiration patterns.

During the first quarter of 2010 the Company obtained additional historical data, previously unavailable, which has enabled the Company to refine its estimate of the amount of breakage in the mileage population. This new data enables us to better identify historical differences between certain of our mileage breakage estimates and the amounts that have actually been experienced. As a result, the Company increased its estimate of the number of frequent flyer miles expected to expire. In conjunction with this change in estimate, the Company also adopted a change to the accounting methodology used to recognize Mileage Plus breakage. Both the change in estimate and methodology have been applied prospectively effective January 1, 2010. The new accounting method recognizes breakage as a component of the weighted average redemption rate on actual redemptions as compared to our prior method which recognized a pool of breakage dollars over an estimated redemption period. We believe that this is a preferable change to the accounting methodology for breakage because breakage will be recognized as a component of the rate at which actual miles are redeemed.

This change in accounting resulted in approximately \$64 million, or \$0.38 per share, of additional passenger revenue recorded in the period ended March 31, 2010. The Company expects similar amounts will continue to be recognized in each of the remaining quarters of 2010.

## Forward-Looking Information

Certain statements throughout *Management’s Discussion and Analysis of Financial Condition and Results of Operations* and elsewhere in this report are forward-looking and thus reflect our current expectations and beliefs with respect to certain current and future events and financial performance. Such forward-looking statements are and will be subject to many risks and uncertainties relating to our operations and business environment that may cause actual results to differ materially from any future results expressed or implied in such forward-looking statements. Words such as “expects,” “will,” “plans,” “anticipates,” “indicates,” “believes,” “forecast,” “guidance,” “outlook” and similar expressions are intended to identify forward-looking statements.

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Additionally, forward-looking statements include statements that do not relate solely to historical facts, such as statements which identify uncertainties or trends, discuss the possible future effects of current known trends or uncertainties, or which indicate that the future effects of known trends or uncertainties cannot be predicted, guaranteed or assured. All forward-looking statements in this report are based upon information available to us on the date of this report. We undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, changed circumstances or otherwise.

The Company's actual results could differ materially from these forward-looking statements due to numerous factors including, without limitation, the following: its ability to comply with the terms of its Amended Credit Facility and other financing arrangements; the costs and availability of financing; its ability to maintain adequate liquidity; its ability to execute its operational plans; its ability to control its costs, including realizing benefits from its resource optimization efforts, cost reduction initiatives and fleet replacement programs; its ability to utilize its net operating losses; its ability to attract and retain customers; demand for transportation in the markets in which it operates; an outbreak of a disease that affects travel demand or travel behavior; demand for travel and the impact the economic recession has on customer travel patterns; the increasing reliance on enhanced video-conferencing and other technology as a means of conducting virtual meetings; general economic conditions (including interest rates, foreign currency exchange rates, investment or credit market conditions, crude oil prices, costs of aviation fuel and energy refining capacity in relevant markets); its ability to cost-effectively hedge against increases in the price of aviation fuel; any potential realized or unrealized gains or losses related to fuel or currency hedging programs; the effects of any hostilities, act of war or terrorist attack; the ability of other air carriers with whom the Company has alliances or partnerships to provide the services contemplated by the respective arrangements with such carriers; the costs and availability of aircraft insurance; the costs associated with security measures and practices; industry consolidation; competitive pressures on pricing and on demand; capacity decisions of United and/or its competitors; U.S. or foreign governmental legislation, regulation and other actions (including open skies agreements); labor costs; its ability to maintain satisfactory labor relations and the results of the collective bargaining agreement process with its union groups; any disruptions to operations due to any potential actions by its labor groups; weather conditions; and other risks and uncertainties set forth under Item 1A., *Risk Factors* of the 2009 Annual Report, as well as other risks and uncertainties set forth from time to time in the reports the Company files with the SEC. Consequently, forward-looking statements should not be regarded as representations or warranties by the Company that such matters will be realized.

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

The discussion below describes changes in our market risks since December 31, 2009. For additional information regarding our exposure to certain market risks, see *Item 7A. Quantitative and Qualitative Disclosures About Market Risk* in the 2009 Annual Report. See Note 10, "Fair Value Measurements and Derivative Instruments," in the Footnotes for further information related to the Company's fuel and foreign currency hedge positions.

*Commodity Price Risk (Jet Fuel)*—Our results of operations and liquidity may be materially impacted by changes in the price of aircraft fuel and other oil-related commodities and related derivative instruments. When market conditions indicate risk reduction is achievable, United may use commodity option contracts or other derivative instruments to reduce its price risk exposure to jet fuel. The Company's derivative positions are typically comprised of crude oil, heating oil and jet fuel derivatives. The derivative instruments are designed to provide protection against increases in the price of aircraft fuel. Some derivative instruments may result in hedging losses if the underlying commodity prices drop below specified floors; however, the negative impact of these losses may be offset by the benefit of lower jet fuel acquisition cost. United may adjust its hedging program based on changes in market conditions. At March 31, 2010, the fair value of United's fuel derivative instruments was a net receivable of \$177 million, as compared to a net receivable of \$133 million at December 31, 2009.

As of March 31, 2010, the Company had hedged approximately 3% and 49% of its 2011 and remaining 2010, respectively, expected consolidated fuel consumption primarily with a combination of swaps and purchased call options. The Company's hedge position at March 31, 2010 consisted of a notional amount of 11 million barrels with purchased call options at a weighted-average crude oil equivalent strike price of \$78 per barrel and 11 million barrels with swaps at a crude oil equivalent average price of \$78 per barrel. All of these derivative instruments mature within 12 months of March 31, 2010. As of December 31, 2009, the Company had hedged 36% of its 2010 consolidated fuel consumption.

The above derivative positions are subject to potential counterparty cash collateral requirements in some circumstances. The Company provided counterparties with cash collateral of \$3 million as of March 31, 2010.

**ITEM 4. CONTROLS AND PROCEDURES.**

UAL and United each maintain controls and procedures that are designed to ensure that information required to be disclosed in the reports UAL and United each file with the SEC is recorded, processed, summarized and reported, within the time periods specified by the SEC's rules and forms, and is accumulated and communicated to management including the Chief Executive Officer and Chief Financial Officer as appropriate to allow timely decisions regarding required disclosure. The management of UAL and United, including the Chief Executive Officer and Chief Financial Officer of both UAL and United, performed an evaluation to conclude with reasonable assurance that its disclosure controls and procedures were designed and operating effectively to report the information each company is required to disclose in the reports they file with the SEC on a timely basis. Based on that evaluation, the Chief Executive Officer and Chief Financial Officer of both UAL and United have concluded that as of March 31, 2010, the disclosure controls and procedures of both UAL and United were effective.

There were no changes in UAL's or United's internal control over financial reporting during their most recent fiscal quarter that materially affected, or are reasonably likely to materially affect, their internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934).

**PART II. OTHER INFORMATION****ITEM 1. LEGAL PROCEEDINGS.**

UAL and United are parties to the legal proceedings described in the 2009 Annual Report.

**ITEM 1A. RISK FACTORS.**

See Part I, Item 1A., "Risk Factors," of the 2009 Annual Report for a detailed discussion of the risk factors affecting UAL and United.

**ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS.**

The following table presents repurchases of UAL common stock made in the first quarter of fiscal year 2010.

<u>Period</u>	<u>Total number of shares purchased(a)</u>	<u>Average price paid per share</u>	<u>Total number of shares purchased as part of publicly announced plans or programs</u>	<u>Maximum number of shares (or approximate dollar value) of shares that may yet be purchased under the plans or programs</u>
01/01/10 – 01/31/10	798	\$ 12.45	—	(b)
02/01/10 – 02/28/10	182,242	12.47	—	(b)
03/01/10 – 03/31/10	—	—	—	(b)
Total	<u>183,040</u>	12.47	—	(b)

(a) Shares withheld from employees to satisfy certain tax obligations due upon the vesting of restricted stock.

(b) The UAL Corporation 2008 Incentive Compensation Plan provides for the withholding of shares to satisfy tax obligations due upon the vesting of restricted stock or restricted stock units. However, this plan does not specify a maximum number of shares that may be repurchased.

**ITEM 6. EXHIBITS.**

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

**SIGNATURES**

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

UAL CORPORATION  
(Registrant)

Date: April 27, 2010

By: /s/ Kathryn A. Mikells  
Kathryn A. Mikells  
Executive Vice President and Chief Financial Officer  
(principal financial and accounting officer)

UNITED AIR LINES, INC.  
(Registrant)

Date: April 27, 2010

By: /s/ Kathryn A. Mikells  
Kathryn A. Mikells  
Executive Vice President and Chief Financial Officer  
(principal financial officer)

Date: April 27, 2010

By: /s/ David M. Wing  
David M. Wing  
Vice President and Controller  
(principal accounting officer)



**EXHIBIT INDEX**

The documents listed below are being filed on behalf of UAL and United as indicated.

- \*4.1 Priority Lien Security Agreement, dated as of April 19, 2010, between United Air Lines, Inc. and Wilmington Trust FSB, as collateral trustee (filed as exhibit 4.1. to UAL's Form 8-K dated April 19, 2010, Commission file number 1-6033, and incorporated herein by reference)
- \*4.2 Junior Lien Security Agreement, dated as of April 19, 2010, between United Air Lines, Inc. and Wilmington Trust FSB, as collateral trustee (filed as exhibit 4.2 to UAL's Form 8-K dated April 19, 2010, Commission file number 1-6033, and incorporated herein by reference)
- ^10.1 Purchase Agreement Number 3427, dated February 19, 2010, between The Boeing Company and United Air Lines, Inc.
- ^10.2 Letter Agreement No. 3427-02 to Purchase Agreement No. 3427, dated February 19, 2010, between The Boeing Company and United Air Lines, Inc.
- 10.3 Letter Agreement No. 3427-05 to Purchase Agreement No. 3427, dated February 19, 2010, between The Boeing Company and United Air Lines, Inc.
- ^10.4 Letter Agreement No. 3427-07 to Purchase Agreement No. 3427, dated February 19, 2010, between The Boeing Company and United Air Lines, Inc.
- ^10.5 Letter Agreement No. 6-1162-ELP-0759 to Purchase Agreement No. 3427, dated February 19, 2010, between The Boeing Company and United Air Lines, Inc.
- ^10.6 Letter Agreement No. 6-1162-ELP-0760 to Purchase Agreement No. 3427, dated February 19, 2010, between The Boeing Company and United Air Lines, Inc.
- ^10.7 Letter Agreement No. 6-1162-ELP-0762 to Purchase Agreement No. 3427, dated February 19, 2010, between The Boeing Company and United Air Lines, Inc.
- ^10.8 Letter Agreement No. 6-1162-ELP-0777 to Purchase Agreement No. 3427, dated February 19, 2010, between The Boeing Company and United Air Lines, Inc.
- ^10.9 Letter Agreement No. 6-1162-ELP-0778 to Purchase Agreement No. 3427, dated February 19, 2010, between The Boeing Company and United Air Lines, Inc.
- ^10.10 Letter Agreement No. 6-1162-ELP-0779 to Purchase Agreement No. 3427, dated February 19, 2010, between The Boeing Company and United Air Lines, Inc.
- ^10.11 Letter Agreement No. 6-1162-ELP-0780 to Purchase Agreement No. 3427, dated February 19, 2010, between The Boeing Company and United Air Lines, Inc.
- ^10.12 Letter Agreement No. 6-1162-ELP-0781 to Purchase Agreement No. 3427, dated February 19, 2010, between The Boeing Company and United Air Lines, Inc.
- ^10.13 Letter Agreement No. 6-1162-ELP-0783 to Purchase Agreement No. 3427, dated February 19, 2010, between The Boeing Company and United Air Lines, Inc.
- ^10.14 Letter Agreement No. 6-1162-ELP-0784 to Purchase Agreement No. 3427, dated February 19, 2010, between The Boeing Company and United Air Lines, Inc.
- ^10.15 Letter Agreement No. 6-1162-ELP-0785 to Purchase Agreement No. 3427, dated February 19, 2010, between The Boeing Company and United Air Lines, Inc.

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- ^10.16 Letter Agreement No. 6-1162-ELP-0786 to Purchase Agreement No. 3427, dated February 19, 2010, between The Boeing Company and United Air Lines, Inc.
- ^10.17 Letter Agreement No. 6-1162-ELP-0787 to Purchase Agreement No. 3427, dated February 19, 2010, between The Boeing Company and United Air Lines, Inc.
- ^10.18 Letter Agreement No. 6-1162-ELP-0788 to Purchase Agreement No. 3427, dated February 19, 2010, between The Boeing Company and United Air Lines, Inc.
- ^10.19 Letter Agreement No. 6-1162-ELP-0790 to Purchase Agreement No. 3427, dated February 19, 2010, between The Boeing Company and United Air Lines, Inc.
- ^10.20 Letter Agreement No. 6-1162-ELP-0792 to Purchase Agreement No. 3427, dated February 19, 2010, between The Boeing Company and United Air Lines, Inc.
- ^10.21 Letter Agreement No. 6-1162-ELP-0794 to Purchase Agreement No. 3427, dated February 19, 2010, between The Boeing Company and United Air Lines, Inc.
- ^10.22 Letter Agreement No. 6-1162-ELP-0795 to Purchase Agreement No. 3427, dated February 19, 2010, between The Boeing Company and United Air Lines, Inc.
- 10.23 Letter Agreement No. 6-1162-IRS-0182 to Purchase Agreement No. 3427, dated February 19, 2010, between The Boeing Company and United Air Lines, Inc.
- ^10.24 Letter Agreement No. 6-1162-IRS-0183 to Purchase Agreement No. 3427, dated February 19, 2010, between The Boeing Company and United Air Lines, Inc.
- ^10.25 Letter Agreement No. 6-1162-IRS-0185 to Purchase Agreement No. 3427, dated February 19, 2010, between The Boeing Company and United Air Lines, Inc.
- ^10.26 Letter Agreement No. 6-1162-NIW-2015 to Purchase Agreement No. 3427, dated February 19, 2010, between The Boeing Company and United Air Lines, Inc.
- ^10.27 Airbus A350-900XWB Purchase Agreement, dated March 5, 2010, between Airbus S.A.S and United Air Lines. Inc.
- ^10.28 Letter Agreement No. 1 to the Airbus A350-900XWB Purchase Agreement, dated March 5, 2010, between Airbus S.A.S and United Air Lines. Inc.
- ^10.29 Letter Agreement No. 2 to the Airbus A350-900XWB Purchase Agreement, dated March 5, 2010, between Airbus S.A.S and United Air Lines. Inc.
- ^10.30 Letter Agreement No. 3 to the Airbus A350-900XWB Purchase Agreement, dated March 5, 2010, between Airbus S.A.S and United Air Lines. Inc.
- ^10.31 Letter Agreement No. 4 to the Airbus A350-900XWB Purchase Agreement, dated March 5, 2010, between Airbus S.A.S and United Air Lines. Inc.
- ^10.32 Letter Agreement No. 5 to the Airbus A350-900XWB Purchase Agreement, dated March 5, 2010, between Airbus S.A.S and United Air Lines. Inc.

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^10.33	Letter Agreement No. 6 to the Airbus A350-900XWB Purchase Agreement, dated March 5, 2010, between Airbus S.A.S and United Air Lines. Inc.
^10.34	Letter Agreement No. 7 to the Airbus A350-900XWB Purchase Agreement, dated March 5, 2010, between Airbus S.A.S and United Air Lines. Inc.
^10.35	Letter Agreement No. 8 to the Airbus A350-900XWB Purchase Agreement, dated March 5, 2010, between Airbus S.A.S and United Air Lines. Inc.
^10.36	Letter Agreement No. 9 to the Airbus A350-900XWB Purchase Agreement, dated March 5, 2010, between Airbus S.A.S and United Air Lines. Inc.
^10.37	Letter Agreement No. 10 to the Airbus A350-900XWB Purchase Agreement, dated March 5, 2010, between Airbus S.A.S and United Air Lines. Inc.
^10.38	Letter Agreement No. 11 to the Airbus A350-900XWB Purchase Agreement, dated March 5, 2010, between Airbus S.A.S and United Air Lines. Inc.
^10.39	Letter Agreement No. 12 to the Airbus A350-900XWB Purchase Agreement, dated March 5, 2010, between Airbus S.A.S and United Air Lines. Inc.
^10.40	Letter Agreement No. 13 to the Airbus A350-900XWB Purchase Agreement, dated March 5, 2010, between Airbus S.A.S and United Air Lines. Inc.
12.1	UAL Corporation Computation of Ratio of Earnings to Fixed Charges
12.2	United Air Lines, Inc. Computation of Ratio of Earnings to Fixed Charges
18	Letter from Ernst & Young LLP, dated April 27, 2010, regarding the change in accounting principle
31.1	Certification of the Principal Executive Officer of UAL Pursuant to 15 U.S.C. 78m(a) or 78o(d) (Section 302 of the Sarbanes-Oxley Act of 2002)
31.2	Certification of the Principal Financial Officer of UAL Pursuant to 15 U.S.C. 78m(a) or 78o(d) (Section 302 of the Sarbanes-Oxley Act of 2002)
31.3	Certification of the Principal Executive Officer of United Pursuant to 15 U.S.C. 78m(a) or 78o(d) (Section 302 of the Sarbanes-Oxley Act of 2002)
31.4	Certification of the Principal Financial Officer of United Pursuant to 15 U.S.C. 78m(a) or 78o(d) (Section 302 of the Sarbanes-Oxley Act of 2002)
32.1	Certification of the Chief Executive Officer and Chief Financial Officer of UAL Pursuant to 18 U.S.C. 1350 (Section 906 of the Sarbanes-Oxley Act of 2002)
32.2	Certification of the Chief Executive Officer and Chief Financial Officer of United Pursuant to 18 U.S.C. 1350 (Section 906 of the Sarbanes-Oxley Act of 2002)

\* Previously filed

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

PURCHASE AGREEMENT NUMBER 3427

between

THE BOEING COMPANY

and

UNITED AIR LINES, INC.

Relating to Boeing Model 787-8 Aircraft

P.A. No. 3427

**BOEING / UNITED PROPRIETARY**

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between

The Boeing Company

and

United Air Lines, Inc.

This Purchase Agreement No. 3427 between The Boeing Company, a Delaware corporation, (hereinafter referred to as “Boeing”) and United Air Lines, Inc., a Delaware corporation, (hereinafter referred to as “Customer”) (collectively, the “Parties”), relating to the purchase and sale of Model 787-8 aircraft together with all tables, exhibits, supplemental exhibits, letter agreements and other attachments thereto, if any, (Purchase Agreement) incorporates and amends the terms and conditions of the Aircraft General Terms Agreement dated as of February 19, 2010 between the parties, identified as AGTA-UAL (AGTA).

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

Article 2. Delivery Schedule. The scheduled months of delivery of the Aircraft are listed in the attached Table 1. Exhibit B describes certain responsibilities for both Customer and Boeing in order to accomplish the delivery of the Aircraft.

Article 3. Price.

3.1 Aircraft Basic Price. The Aircraft Basic Price is listed in Table 1 and is subject to escalation in accordance with the terms of this Purchase Agreement.

3.2 Advance Payment Base Prices. The Advance Payment Base Prices listed in Table 1 were **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

Article 4. Payment.

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

4.2 The standard advance payment schedule for the Model 787-8 aircraft requires Customer to make certain advance payments, **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** on the effective date of the Purchase Agreement for the Aircraft. Additional advance payments for each Aircraft are due as specified in and on the first business day of the months listed in the attached Table 1.

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

4.4 Customer will pay the balance of the Aircraft Price of each Aircraft at delivery.

Article 5. Additional Terms.

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

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

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

5.3 Customer Support Variables. Information, training, services and other things furnished by Boeing in support of introduction of the Aircraft into Customer's fleet are described in Supplemental Exhibit CS1. Supplemental Exhibit CS1 supersedes in its entirety Exhibit B to the AGTA, and, for clarity, all references to Exhibit B to the AGTA shall be deemed to refer to Supplemental Exhibit CS1 to the Purchase Agreement. The level of support to be provided under Supplemental Exhibit CS1 (Entitlements) assumes that at the time of delivery of Customer's first Aircraft under the

Purchase Agreement, Customer has not taken possession of a 787-8 aircraft whether such 787-8 aircraft was purchased, leased or otherwise obtained by Customer from Boeing or another party. If prior to the delivery of Customer's first Aircraft, Customer has taken possession of a 787-8 aircraft, Boeing will revise the Entitlements to reflect the level of support normally provided by Boeing to operators already operating such aircraft. Under no circumstances under the Purchase Agreement or any other agreement will Boeing provide the Entitlements more than once to support Customer's operation of 787-8 aircraft.

5.4 Engine Escalation Variables. Supplemental Exhibit EE1 contains the applicable engine escalation formula, the engine warranty and the engine patent indemnity for the Aircraft.

5.5 Service Life Policy Component Variables. Supplemental Exhibit SLP1 lists the SLP Components covered by the Service Life Policy for the Aircraft. In addition, Part 3 of Exhibit C to the AGTA, entitled, "Service Life Policy," is superseded in its entirety by Part 3 of Exhibit C to the AGTA, "Service Life Policy," attached as Exhibit C to this Purchase Agreement.

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

*[The remainder of this page intentionally left blank]*



5.7 Negotiated Agreement; Entire Agreement. This Purchase Agreement, including the provisions of Article 8.2 of the AGTA relating to insurance, and Article 11 of Part 2 of Exhibit C of the AGTA relating to DISCLAIMER AND RELEASE and EXCLUSION OF CONSEQUENTIAL AND OTHER DAMAGES, has been the subject of discussion and negotiation and is understood by the parties; the Aircraft Price and other agreements of the parties stated in this Purchase Agreement were arrived at in consideration of such provisions. This Purchase Agreement, including the AGTA, contains the entire agreement between the parties and supersedes all previous proposals, understandings, commitments or representations whatsoever, oral or written, and may be changed only in writing signed by authorized representatives of the parties.

DATED AS OF February 19, 2010

UNITED AIR LINES, INC.

THE BOEING COMPANY

BY /s/ Kathryn A. Mikells  
ITS Executive Vice President and Chief Financial Officer

BY /s/ Nobuko Wiles  
ITS Attorney-in-fact

Table 1 - [\*\*\*]

P. A. 3427

Aircraft Delivery, Description, Price and Advance Payments

<b>Airframe Model/MTOW:</b>	787-8	502500 pounds	<b>Detail Specification:</b>	[***]
<b>Engine Model/Thrust:</b>	[***]	[***] pounds	<b>Airframe Price Base Year/Escalation Formula:</b>	Jul-08 [***]
<b>Airframe Price:</b>	[***]		<b>Engine Price Base Year/Escalation Formula:</b>	Jul-08 [***]
<b>Optional Features:</b>	[***]			
<b>Sub-Total of Airframe and Features:</b>	[***]		<b><u>Airframe Escalation Data:</u></b>	
<b>Engine Price (Per Aircraft):</b>	[***]		<b>Base Year Index (ECI):</b>	[***]
<b>Aircraft Basic Price (Excluding BFE/SPE):</b>	[***]		<b>Base Year Index (CPI):</b>	[***]
<b>Buyer Furnished Equipment (BFE) Estimate:</b>	[***]	[***]	<b><u>Engine Escalation Data:</u></b>	
<b>Seller Purchased Equipment (SPE) Estimate:</b>	[***]	[***]	<b>Base Year Index (ECI):</b>	[***]
<b>Estimated IFE Price at Delivery:</b>	[***]		<b>Base Year Index (CPI):</b>	[***]
<b>[***] Deposit/Aircraft at Proposal Accept:</b>	[***]			

[\*\*\*] represents [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

**Table 1 - [\*\*\*]**

**P. A. 3427**

**Aircraft Delivery, Description, Price and Advance Payments**

<b>Airframe Model/MTOW:</b>	787-8	502500 pounds	<b>Detail Specification:</b>	[***]
<b>Engine Model/Thrust:</b>	[***]	[***] pounds	<b>Airframe Price Base Year/Escalation Formula:</b>	Jul-08 [***]
<b>Airframe Price:</b>	[***]		<b>Engine Price Base Year/Escalation Formula:</b>	Jul-08 [***]
<b>Optional Features:</b>	[***]			
<b>Sub-Total of Airframe and Features:</b>	[***]		<b><u>Airframe Escalation Data:</u></b>	
<b>Engine Price (Per Aircraft):</b>	[***]		<b>Base Year Index (ECI):</b>	[***]
<b>Aircraft Basic Price (Excluding BFE/SPE):</b>	[***]		<b>Base Year Index (CPI):</b>	[***]
<b>Buyer Furnished Equipment (BFE) Estimate:</b>		[***]	<b><u>Engine Escalation Data:</u></b>	
<b>Seller Purchased Equipment (SPE) Estimate:</b>		[***]	<b>Base Year Index (ECI):</b>	[***]
<b>Estimated IFE Price at Delivery:</b>	[***]		<b>Base Year Index (CPI):</b>	[***]
<b>[***] Deposit/Aircraft at Proposal Accept:</b>		[***]		

[\*\*\*] represents [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

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AIRCRAFT CONFIGURATION

between

THE BOEING COMPANY

and

UNITED AIR LINES, INC.

Exhibit A to Purchase Agreement Number 3427

AIRCRAFT CONFIGURATION

Dated February 19, 2010

relating to

BOEING MODEL 787 AIRCRAFT

The Detail Specification is Boeing document number **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**-TBD, dated as of TBD. Such Detail Specification will be comprised of (i) Boeing 787 Airplane Configuration Specification, 787-4102 Rev B, dated July 9, 2007 as it pertains to model 787- 8 aircraft, (ii) changes to such Detail Specification pursuant to Article 4 of the AGTA and (iii) optional features therein selected by Customer **(Options)** including the effects on Manufacturer's Empty Weight (MEW) and Operating Empty Weight (OEW). Such Options are set forth in Boeing Customer Specified Option Selection Log and Option Data Pages, configuration file number **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** (to be supplied by Boeing Customer Integration group), as of TBD date approximately **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** month prior to delivery of the first Aircraft). As soon as practicable, Boeing will furnish to Customer copies of the Detail Specification, which will reflect such selected Options. The Aircraft Basic Price reflects and includes all effects of such Options. A copy of the Detail Specification will be attached to the Exhibit A. Customer may request changes to Detail Specification any time and Boeing may offer such changes subject to Boeing's pricing and offerability process. **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** The Aircraft Basic Price does not include the price effects of any Buyer Furnished Equipment or equipment purchase on behalf of Customer by Boeing at Customer's request (the "**Seller Purchased Equipment**").

**787-8**  
**BASELINE INTERIOR CONFIGURATION**

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH  
THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

BOEING/UNITED PROPRIETARY

**787-9**  
**BASELINE INTERIOR CONFIGURATION**

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A  
REQUEST FOR CONFIDENTIAL TREATMENT]**

BOEING/UNITED PROPRIETARY

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AIRCRAFT DELIVERY REQUIREMENTS AND RESPONSIBILITIES

between

THE BOEING COMPANY

and

UNITED AIR LINES, INC.

Exhibit B to Purchase Agreement Number 3427

B



AIRCRAFT DELIVERY REQUIREMENTS AND RESPONSIBILITIES

relating to

BOEING MODEL 787-8 AIRCRAFT

Both Boeing and Customer have certain documentation and approval responsibilities at various times during the construction cycle of Customer's Aircraft that are critical to making the delivery of each Aircraft a positive experience for both parties. This Exhibit B documents those responsibilities and indicates recommended completion deadlines for the actions to be accomplished.

1. GOVERNMENT DOCUMENTATION REQUIREMENTS.

Certain actions are required to be taken by Customer in advance of the scheduled delivery month of each Aircraft with respect to obtaining certain government issued documentation.

1.1 Airworthiness and Registration Documents.

Not later than **6 months prior to delivery** of each Aircraft, Customer will notify Boeing of the registration number to be painted on the side of the Aircraft. In addition, and not later than **3 months prior to delivery** of each Aircraft, Customer will, by letter to the regulatory authority having jurisdiction, authorize the temporary use of such registration numbers by Boeing during the pre-delivery testing of the Aircraft.

Customer is responsible for furnishing any Temporary or Permanent Registration Certificates required by any governmental authority having jurisdiction to be displayed aboard the Aircraft after delivery.

1.2 Certificate of Sanitary Construction.

1.2.1 U.S. Registered Aircraft. Boeing will obtain from the United States Public Health Service, a United States Certificate of Sanitary Construction to be displayed aboard each Aircraft after delivery to Customer.

1.2.2 Non-U.S. Registered Aircraft. If Customer requires a United States Certificate of Sanitary Construction at the time of delivery of the Aircraft, Customer will give written notice thereof to Boeing at least **3 months prior to delivery**. Boeing will then use its reasonable best efforts to obtain the Certificate from the United States Public Health Service and present it to Customer at the time of Aircraft delivery.

1.3 Customs Documentation.

1.3.1 Import Documentation. If the Aircraft is intended to be exported from the United States, Customer must notify Boeing not later than **3 months prior to delivery** of each Aircraft of any documentation required by the customs authorities or by any other agency of the country of import.

1.3.2 General Declaration - U.S. If the Aircraft is intended to be exported from the United States, Boeing will prepare Customs Form 7507, General Declaration, for execution by U.S. Customs immediately prior to the ferry flight of the Aircraft. For this purpose, Customer will furnish to Boeing not later than **20 days prior to delivery** all information required by U.S. Customs and Border Protection, including without limitation (i) a complete crew and passenger list identifying the names, birth dates, passport numbers and passport expiration dates of all crew and passengers and (ii) a complete ferry flight itinerary, including point of exit from the United States for the Aircraft.

If Customer intends, during the ferry flight of an Aircraft, to land at a U.S. airport after clearing Customs at delivery, Customer must notify Boeing not later than **20 days prior to delivery** of such intention. If Boeing receives such notification, Boeing will provide to Customer the documents constituting a Customs permit to proceed, allowing such Aircraft to depart after any such landing. Sufficient copies of completed Form 7507, along with passenger manifest, will be furnished to Customer to cover U.S. stops scheduled for the ferry flight.

1.3.3 Export Declaration - U.S. If the Aircraft is intended to be exported from the United States following delivery, and (i) Customer is a non-U.S. customer, Boeing will file an export declaration electronically with U.S. Customs and Border Protection (CBP), or (ii) Customer is a U.S. customer, it is the responsibility of the U.S. customer, as the exporter of record, to file the export declaration with CBP.

2. INSURANCE CERTIFICATES.

Unless provided earlier, Customer will provide to Boeing not later than **30 days prior to delivery** of the first Aircraft, a copy of the requisite annual insurance certificate in accordance with the requirements of Article 8 of the AGTA.

3. NOTICE OF FLYAWAY CONFIGURATION.

Not later than **20 days prior to delivery** of the Aircraft, Customer will provide to Boeing a configuration letter stating the requested "flyaway configuration" of the Aircraft for its ferry flight. This configuration letter should include:

- (i) the name of the company which is to furnish fuel for the ferry flight and any scheduled post-delivery flight training, the method of payment for such fuel, and fuel load for the ferry flight;
- (ii) the cargo to be loaded and where it is to be stowed on board the Aircraft, the address where cargo is to be shipped after flyaway and notification of any hazardous materials requiring special handling;
- (iii) any BFE equipment to be removed prior to flyaway and returned to Boeing BFE stores for installation on Customer's subsequent Aircraft;
- (iv) a complete list of names and citizenship of each crew member and non-revenue passenger who will be aboard the ferry flight; and
- (v) a complete ferry flight itinerary.

4. DELIVERY ACTIONS BY BOEING.

4.1 Schedule of Inspections. All FAA, Boeing, Customer and, if required, U.S. Customs Bureau inspections will be scheduled by Boeing for completion prior to delivery or departure of the Aircraft. Customer will be informed of such schedules.

4.2 Schedule of Demonstration Flights. All FAA and Customer demonstration flights will be scheduled by Boeing for completion prior to delivery of the Aircraft.

4.3 Schedule for Customer's Flight Crew. Boeing will inform Customer of the date that a flight crew is required for acceptance routines associated with delivery of the Aircraft.

4.4 Fuel Provided by Boeing. Boeing will provide to Customer, without charge, the amount of fuel shown in U.S. gallons in the table below for the model of Aircraft being delivered and full capacity of engine oil at the time of delivery or prior to the ferry flight of the Aircraft.

<u>Aircraft Model</u>	<u>Fuel Provided</u>
737	1,000
747	4,000
757	1,600
767	2,000
777	3,000
787	2,000

4.5 Flight Crew and Passenger Consumables. Boeing will provide reasonable quantities of food, coat hangers, towels, toilet tissue, drinking cups and soap for the first segment of the ferry flight for the Aircraft.

4.6 Delivery Papers, Documents and Data. Boeing will have available at the time of delivery of the Aircraft certain delivery papers, documents and data for execution and delivery. If title for the Aircraft will be transferred to Customer through a Boeing sales subsidiary and if the Aircraft will be registered with the FAA, Boeing will pre-position in Oklahoma City, Oklahoma, for filing with the FAA at the time of delivery of the Aircraft an executed original Form 8050-2, Aircraft Bill of Sale, indicating transfer of title to the Aircraft from Boeing's sales subsidiary to Customer.

4.7 Delegation of Authority. If specifically requested in advance by Customer, Boeing will present a certified copy of a Resolution of Boeing's Board of Directors, designating and authorizing certain persons to act on its behalf in connection with delivery of the Aircraft.

#### 5. DELIVERY ACTIONS BY CUSTOMER.

5.1 Aircraft Radio Station License. At delivery Customer will provide its aircraft radio station license to be placed on board the Aircraft following delivery.

5.2. Aircraft Flight Log. At delivery Customer will provide the aircraft flight log for the Aircraft.

5.3 Delegation of Authority. Customer will present to Boeing at delivery of the Aircraft an original or certified copy of Customer's Delegation of Authority designating and authorizing certain persons to act on its behalf in connection with delivery of the specified Aircraft.

5.4 TSA Waiver Approval. Should the Aircraft be exported, a TSA waiver approval is required for the ferry flight, unless Customer has a TSA approved program. Customer is responsible for submittal of TSA waiver to the TSA and following up with the TSA for the approval. A copy of the TSA waiver approval is to be provided by Customer to Boeing upon arrival of Customer's acceptance team at the Boeing delivery center.

ESCALATION ADJUSTMENT

AIRFRAME AND OPTIONAL FEATURES

between

THE BOEING COMPANY

and

UNITED AIR LINES, INC.

Supplemental Exhibit AE1 to Purchase Agreement Number 3427

P.A. No. 3427

AE1

**BOEING / UNITED PROPRIETARY**

1. Formula.

Airframe and Optional Features [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] at the signing of this Purchase Agreement and to [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] will be determined at [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] in accordance with the following formula:

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

2. Values to be Utilized in the Event of Unavailability.

2.1 If the Bureau of Labor Statistics substantially revises the methodology used for the determination of the values to be used to determine [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] or for any reason has not released values [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] from other Bureau of Labor Statistics data or similar data reported by non-governmental organizations. Such substitute will result in the same adjustment, insofar as possible, as would have been calculated utilizing the original values adjusted for fluctuation during the applicable time period. However, [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT], the Bureau of Labor Statistics should resume releasing values for the months needed to determine [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

2.2 Notwithstanding Article 2.1 above, if prior to the scheduled delivery month of an Aircraft the Bureau of Labor Statistics changes the [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

2.3 In the event escalation provisions are made non-enforceable or otherwise rendered void by any agency of the United States Government, the parties agree, to the extent they may lawfully do so, [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

2.4 If within [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT], the published index values are revised due to an acknowledged error by the Bureau of Labor Statistics, [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

BUYER FURNISHED EQUIPMENT VARIABLES

between

THE BOEING COMPANY

and

UNITED AIR LINES, INC.

787-8

Supplemental Exhibit BFE1 to Purchase Agreement Number 3427

BFE1



BUYER FURNISHED EQUIPMENT VARIABLES

relating to

BOEING MODEL 787 AIRCRAFT

This Supplemental Exhibit BFE1 contains vendor selection dates, on-dock dates and other requirements applicable to the Aircraft. Such Dates shall be updated pursuant any revisions to the delivery schedule set forth in Table 1 to the Purchase Agreement.

1. Supplier Selection.

Customer will select and notify Boeing of the suppliers of the following items by the following dates:

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

2. Certification Document.

Customer will deliver to Boeing a copy of the FAA Technical Standard Order (TSO) 127a authorization letter or equivalent evidence of certification for Buyer Furnished Equipment **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** no later than **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

3. Import

Customer will insure that Customer's BFE suppliers provide sufficient information to enable Boeing, when acting as Importer of Record for Customer's BFE, to comply with all applicable provisions of the U.S. Customs Service.

4. Delivery Dates and Other Information

On or before 3Q20 [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT], Boeing will provide to Customer a BFE Requirements On-Dock/Inventory Document (BFE Document) or an electronically transmitted BFE Report which may be periodically revised, setting forth the items, quantities, on-dock dates, shipping instructions relating to the in-sequence installation of BFE. For planning purposes, preliminary BFE on-dock dates are set forth below:

<u>Item</u>	<u>Preliminary On-Dock Dates</u> <u>[Month of Delivery:]</u>
-------------	---

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

BFE1-2

between

THE BOEING COMPANY

And

UNITED AIR LINES, INC.

Supplemental Exhibit CS1 to Purchase Agreement Number 3427

This document contains:

- Part 1: Boeing Maintenance and Flight Training Programs;  
Operations Engineering Support
- Part 2: Field and Engineering Support Services
- Part 3: Technical Information and Materials
- Part 4: Alleviation or Cessation of Performance
- Part 5: Protection of Proprietary Information and  
Proprietary Materials

CS1

PART 1: BOEING MAINTENANCE AND FLIGHT TRAINING  
PROGRAMS; OPERATIONS ENGINEERING SUPPORT1. Boeing Training Programs.

Boeing will provide maintenance training, cabin attendant training, and flight training programs to support the introduction of the Aircraft into service as provided in this Supplemental Exhibit CS1.

1.1 Customer is awarded **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** (Training Points) for its purchase of twenty-five (25) firm Aircraft. **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** At any time before twenty-four (24) months after delivery of Customer's last Aircraft (Training Program Period) Customer may exchange Training Points for any of the training courses described on Attachment A at the point values described on Attachment A or for other training Boeing may identify at specified point values. At the end of the Training Program Period any unused Training Points will expire.

1.2 In addition to the training provided in Article 1.1, Boeing will provide to Customer the following training and services:

- 1.2.1 Flight dispatcher model specific instruction; two (2) classes of six (6) students;
- 1.2.2 Performance engineer model specific instruction in Boeing's regularly scheduled courses; schedules are published yearly.
- 1.2.3 Additional Flight Operations Services:
  - a. Boeing flight crew personnel to assist in ferrying the first Aircraft to Customer's main base;
  - b. Instructor pilots for ninety (90) Man Days (as defined in Article 5.4, below) for revenue service training assistance;
  - c. An instructor pilot to visit Customer six (6) months after revenue service training to review Customer's flight crew operations for a two (2) week period.

If any part of the training described in this Article 1.2 is not completed by Customer within twenty-four (24) months after the delivery of the last Aircraft, Boeing will have no obligation to provide such training./

## 2. Training Schedule and Curricula.

2.1 Customer and Boeing will together conduct planning conferences approximately twelve (12) months before the scheduled delivery month of the first Aircraft of a model to define and schedule the maintenance, flight training and cabin attendant training programs. At the conclusion of each planning conference the parties will document Customer's course selection, training schedule, and, if applicable, Training Point application and remaining Training Point balance.

2.2 Customer may also request training by written notice to Boeing identifying desired courses, dates and locations. Within fifteen (15) days of Boeing's receipt of such request Boeing will provide written response to Customer confirming whether the requested courses are available at the times and locations requested by Customer.

## 3. Location of Training.

3.1 Boeing will conduct all training at any of its or its wholly-owned subsidiaries' training facilities equipped for the model of Aircraft. Customer shall decide on the location or mix of locations for training, subject to space being available in the desired courses at the selected training facility on the dates desired.

3.2 If requested by Customer, Boeing will conduct the classroom portions of the maintenance and flight training (except for the Performance Engineer training courses) at a mutually acceptable alternate training site, subject to the following conditions:

3.2.1 Customer will provide acceptable classroom space, simulators (as necessary for flight training) and training equipment required to present the courses;

3.2.2 Customer will pay Boeing's portal to portal actual expenses for lodging, ground transportation, laundry, baggage handling, communication costs and per diem meal charge for each Boeing instructor for each day, or fraction thereof, that the instructor is away from his home location, including travel time;

3.2.3 Customer will reimburse Boeing for the actual costs of round-trip transportation for Boeing's instructors and the shipping costs of training Materials which must be shipped to the alternate training site;

3.2.4 Customer will be responsible for all taxes, fees, duties, licenses, permits and similar expenses incurred by Boeing and its employees as a result of Boeing's providing training at the alternate site or incurred as a result of Boeing providing revenue service training; and

3.2.5 Those portions of training that require the use of training devices not available at the alternate site will be conducted at Boeing's facility or at some other alternate site. Customer will be responsible for additional expenses, if any, which result from the use of such alternate site.

#### 4. Training Materials.

Training Materials will be provided for each student. Training Materials may be used only for either (i) the individual student's reference during Boeing provided training and for review thereafter or (ii) Customer's provision of training to individuals directly employed by the Customer.

#### 5. Additional Terms and Conditions.

5.1 All training will reflect an airplane configuration defined by (i) Boeing's standard configuration specification for 787 aircraft, (ii) Boeing's standard configuration specification for the minor model of 787 aircraft selected by Customer, and (iii) any Optional Features selected by Customer from Boeing's standard catalog of Optional Features. Upon Customer's request, Boeing may provide training customized to reflect other elements of Customer's Aircraft configuration subject to a mutually acceptable price, schedule, scope of work and other applicable terms and conditions.

5.2 All training will be provided in the English language. If translation is required, Customer will provide interpreters.

5.3 Customer will be responsible for all expenses of Customer's personnel except that in the Puget Sound region of Washington State Boeing will transport Customer's personnel between their local lodgings and Boeing's training facility.

5.4 Boeing flight instructor personnel will not be required to work more than five (5) days per week, or more than eight (8) hours in any one twenty-four (24) hour period (Man Day), of which not more than five (5) hours per eight (8) hour workday will be spent in actual flying. These foregoing restrictions will not apply to ferry assistance or revenue service training services, which will be governed by FAA rules and regulations.

5.5 Normal Line Maintenance is defined as line maintenance that Boeing might reasonably be expected to furnish for flight crew training at Boeing's facility, and will include ground support and Aircraft storage in the open, but will not include provision of spare parts. Boeing will provide Normal Line Maintenance services for any

Aircraft while the Aircraft is used for flight crew training at Boeing's facility in accordance with the Boeing Maintenance Plan (Boeing document D6-82076) and the Repair Station Operation and Inspection Manual (Boeing document D6-25470). Customer will provide such services if flight crew training is conducted elsewhere. Regardless of the location of such training, Customer will be responsible for providing all maintenance items (other than those included in Normal Line Maintenance) required during the training, including, but not limited to, fuel, oil, landing fees and spare parts.

5.6 If the training is based at Boeing's facility and the Aircraft is damaged during such training, Boeing will make all necessary repairs to the Aircraft as promptly as possible. Customer will pay Boeing's reasonable charge, including the price of parts and materials, for making the repairs. If Boeing's estimated labor charge for the repair exceeds Twenty-Five Thousand U.S. Dollars (\$25,000), Boeing and Customer will enter into an agreement for additional services before beginning the repair work.

5.7 If the flight training is based at Boeing's facility, several airports in the surrounding area may be used, at Boeing's option. Unless otherwise agreed in the flight training planning conference, it will be Customer's responsibility to make arrangements for the use of such airports.

5.8 If Boeing agrees to make arrangements on behalf of Customer for the use of airports for flight training, Boeing will pay on Customer's behalf any landing fees charged by any airport used in conjunction with the flight training. At least thirty (30) days before flight training, Customer will provide Boeing an open purchase order against which Boeing will invoice Customer for any landing fees Boeing paid on Customer's behalf. The invoice will be submitted to Customer approximately sixty (60) days after flight training is completed, when all landing fee charges have been received and verified. Customer will pay the invoiced amount to Boeing within thirty (30) days of the date of the invoice.

5.9 If requested by Boeing, in order to provide the flight training or ferry flight assistance, Customer will make available to Boeing an Aircraft after delivery to familiarize Boeing instructor or ferry flight crew personnel with such Aircraft. If flight of the Aircraft is required for any Boeing instructor or ferry flight crew member to maintain an FAA license for flight proficiency or landing currency, Boeing will be responsible for the costs of fuel, oil, landing fees and spare parts attributable to that portion of the flight.

PART 2: FIELD AND ENGINEERING SUPPORT SERVICES

1. Field Service Representation.

Boeing will furnish field service representation to advise Customer with respect to the maintenance and operation of the Aircraft (Field Service Representatives).

1.1 Field Service representation will be available at or near Customer's main maintenance or engineering facility beginning before the scheduled delivery month of the first Aircraft and ending twelve (12) months after delivery of the last Aircraft covered by a specific purchase agreement.

1.2 When a Field Service Representative is positioned at Customer's facility, Customer will provide, at no charge to Boeing, suitable furnished office space and office equipment, including internet capability for electronic access of data, at the location where Boeing is providing Field Service Representatives. As required, Customer will assist each Field Service Representative with visas, work permits, customs, mail handling, identification passes and formal introduction to local airport authorities.

1.3 Boeing's Field Service Representatives are assigned to various airports and other locations around the world. Whenever Customer's Aircraft are operating through any such airport, the services of Boeing's Field Service Representatives are available to Customer.

2. Engineering Support Services.

2.1 Boeing will, if requested by Customer, provide technical advisory assistance from the Seattle area or at a base designated by Customer as appropriate for any Aircraft or Boeing Product (as defined in Part 1 of Exhibit C of the AGTA). Technical advisory assistance, provided, will include:

2.1.1 Analysis of the information provided by Customer to determine the probable nature and cause of operational problems and suggestion of possible solutions.

2.1.2 Analysis of the information provided by Customer to determine the nature and cause of unsatisfactory schedule reliability and the suggestion of possible solutions.

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2.1.3 Analysis of the information provided by Customer to determine the nature and cause of unsatisfactory maintenance costs and the suggestion of possible solutions.

2.1.4 Analysis and commentary on Customer's engineering releases relating to structural repairs not covered by Boeing's Structural Repair Manual including those repairs requiring advanced composite structure design.

2.1.5 Analysis and commentary on Customer's engineering proposals for changes in, or replacement of, systems, parts, accessories or equipment manufactured to Boeing's detailed design. Boeing will not analyze or comment on any major structural change unless Customer's request for such analysis and comment includes complete detailed drawings, substantiating information (including any information required by applicable government agencies), all stress or other appropriate analyses, and a specific statement from Customer of the substance of the review and the response requested.

2.1.6 One (1) evaluation of Customer's technical facilities, tools and equipment for servicing and maintaining 787 aircraft, recommendation of changes where necessary and assistance in the formulation of an initial maintenance plan for the introduction of the first Aircraft into service.

2.1.7 Assistance with the analysis and preparation of performance data to be used in establishing operating practices and policies for Customer's operation of Aircraft.

2.1.8 Assistance with interpretation of the minimum equipment list, the definition of the configuration deviation list and the analysis of individual Aircraft performance.

2.1.9 Assistance with solving operational problems associated with delivery and route-proving flights.

2.1.10 Information regarding significant service items relating to Aircraft performance or flight operations.

2.1.11 Operations engineering support during the ferry flight of an Aircraft.

2.1.12 Assistance in developing an Extended Twin Operations (ETOPs) plan for regulatory approval.

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2.2 Boeing will, if requested by Customer, perform work on an Aircraft after delivery but prior to the initial departure flight or upon the return of the Aircraft to Boeing's facility prior to completion of that flight. The following conditions will apply to Boeing's performance:

2.2.1 Boeing may rely upon the commitment authority of the Customer's personnel requesting the work.

2.2.2 As title and risk of loss has passed to Customer, the insurance provisions of Article 8.2 of the AGTA apply.

2.2.3 The provisions of the Boeing warranty in Part 2 of Exhibit C of the AGTA apply.

2.2.4 Customer will pay Boeing for requested work not covered by the Boeing warranty, if any.

2.2.5 The DISCLAIMER AND RELEASE and EXCLUSION OF CONSEQUENTIAL AND OTHER DAMAGES provisions in Article 11 of Part 2 of Exhibit C of the AGTA apply.

2.3 Boeing may, at Customer's request, provide services other than those described in Articles 2.1 and 2.2 of this Supplemental Exhibit CS1 for an Aircraft after delivery, which may include, but not be limited to, retrofit kit changes (kits and/or information), training, flight services, maintenance and repair of Aircraft (Additional Services). Such Additional Services will be subject to a mutually acceptable price, schedule, scope of work and other applicable terms and conditions. The DISCLAIMER AND RELEASE and the EXCLUSION OF CONSEQUENTIAL AND OTHER DAMAGES provisions in Article 11 of Part 2 of Exhibit C of the AGTA and the insurance provisions in Article 8.2 of the AGTA will apply to any such work. Title to and risk of loss of any such Aircraft will always remain with Customer.

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## PART 3: TECHNICAL INFORMATION AND MATERIALS

1. General.

Materials are defined as any and all items that are created by Boeing or a third party, which are provided directly or indirectly from Boeing and serve primarily to contain, convey or embody information. Materials may include either tangible embodiments (for example, documents or drawings), or intangible embodiments (for example, software and other electronic forms) of information but excludes Aircraft Software. Aircraft Software is defined as software that is installed on and used in the operation of the Aircraft.

Customer Information is defined as that data provided by Customer to Boeing which falls into one of the following categories: (i) aircraft operational information (including, but not limited to, flight hours, departures, schedule reliability, engine hours, number of aircraft, aircraft registries, landings, and daily utilization and schedule interruptions for Boeing model aircraft); (ii) summary and detailed shop findings data; (iii) aircraft readiness log data; (iv) non-conformance reports; (v) line maintenance data; (vi) airplane message data, (vii) scheduled maintenance data; and (viii) service bulletin incorporation.

Upon execution by Customer of Boeing's standard form Customer Services General Terms Agreement and Supplemental Agreement for Electronic Access Boeing will provide to Customer through electronic access certain Materials to support the maintenance and operation of the Aircraft. Such Materials will, if applicable, be prepared generally in accordance with Air Transport Association of America (ATA) iSpec 2200, entitled "Information Standards for Aviation Maintenance." Materials not covered by Spec 2200 will be provided in a structure suitable for the Material's intended use. Materials will be in English and in the units of measure used by Boeing to manufacture an Aircraft.

2. Materials Planning Conferences.

Customer and Boeing will conduct planning conferences approximately twelve (12) months before the scheduled delivery month of the first Aircraft in order to mutually determine (i) the Materials to be furnished to Customer in support of the Aircraft, (ii) the Customer Information to be furnished by Customer to Boeing, (iii) the update cycles of the Materials to be furnished to Customer, (iv) the update cycles of the Customer Information to be furnished to Boeing, (v) any Customer preparations necessary for Customer's transmittal of Customer Information to Boeing, and (vi) any Customer preparations necessary for Customer's electronic access to the Materials.

### 3. Technical Data and Maintenance Information.

Boeing will provide technical data and maintenance information equivalent to that traditionally provided in the following manuals and documents. The format for this data and information is not yet determined in all cases. Whenever possible Boeing will provide such data and information through electronic access.

a) Flight Operations Information.

Airplane Flight Manual  
Operations Manual and Checklist  
Weight and Balance Manual  
Dispatch Deviation Procedures Guide and Master Minimum Equipment List  
Flight Crew Training Manual  
Fault Reporting Manual  
Performance Engineer's Manual  
Jet Transport Performance Methods  
FMC Supplemental Data Document  
Operational Performance Software  
ETOPS Guide Vol. III  
Flight Planning and Performance Manual

b) Maintenance Information.

Maintenance Manual  
Wiring Diagram Manual  
Systems Schematics Manual  
Structural Repair Manual  
Component Maintenance Manual  
Standard Overhaul Practices Manual  
Standard Wiring Practices Manual  
Non-Destructive Test Manual  
Service Bulletins and Index  
Corrosion Prevention Manual  
Fault Isolation Manual  
Power Plant Buildup Manual (except **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**)  
All Operators Letters  
Service Letters  
Structural Item Interim Advisory  
Combined Index

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Maintenance Tips  
Configuration Data Base Generator User Guide  
Production Management Data Base  
Baggage/Cargo Loading Manual

- c) Maintenance Planning.
  - Maintenance Review Board Report
  - Maintenance Planning Data Document
  - Maintenance Task Cards and Index
  - Maintenance Inspection Intervals Report
  - ETOPS Guide Vol. II
  - Configuration Maintenance and Procedures for Extended Range Operations
  
- d) Spares Information.
  - Illustrated Parts Catalog
  - Standards Books
  
- e) Airplane & Airport Information.
  - Facilities and Equipment Planning Document
  - Special Tool & Ground Handling Equipment Drawings & Index
  - Supplementary Tooling Documentation
  - Illustrated Tool and Equipment List/Manual
  - Aircraft Recovery Document
  - Airplane Characteristics for Airport Planning Document
  - Airplane Rescue and Fire Fighting Document
  - Engine Ground Handling Document
  - ETOPS Guide Vol. I
  
- f) Shop Maintenance.
  - Service Bulletins
  - Component Maintenance Manuals and Index
  - Publications Index
  - Product Support Supplier Directory
  - Supplier Product Support and Assurance Agreements
  
- g) Fleet Statistical Data and Reporting.
  - Fleet Message and Fault Data views, charts, and reports

#### 4. Advance Representative Materials.

Boeing will select all advance representative Materials from available sources and whenever possible will provide them through electronic access. Such advance Materials will be for advance planning purposes only.

5. Customized Materials.

All customized Materials will reflect the configuration of each Aircraft as delivered.

6. Revisions.

6.1 The schedule for updating certain Materials will be identified in the planning conference. Such updates will reflect changes to Materials developed by Boeing.

6.2 If Boeing receives written notice that Customer intends to incorporate, or has incorporated, any Boeing service bulletin in an Aircraft, Boeing will update Materials reflecting the effects of such incorporation into such Aircraft.

7. Supplier Technical Data.

7.1 For supplier-manufactured programmed airborne avionics components and equipment classified as Seller Furnished Equipment (SFE) which contain computer software designed and developed in accordance with Radio Technical Commission for Aeronautics Document No. RTCA/DO-178B dated December 1, 1992 (with an errata issued on March 26, 1999), or later as available, Boeing will request that each supplier of the components and equipment make software documentation available to Customer.

7.2 The provisions of this Article will not be applicable to items of BFE.

7.3 Boeing will furnish to Customer a document identifying the terms and conditions of the product support agreements between Boeing and its suppliers requiring the suppliers to fulfill Customer's requirements for information and services in support of the Aircraft.

8. Buyer Furnished Equipment Data.

Boeing will incorporate BFE maintenance information into the customized Materials providing Customer makes the information available to Boeing at least six (6) months prior to the scheduled delivery month of each Aircraft. Boeing will incorporate such BFE maintenance information into the Materials prior to delivery of each Aircraft reflecting the configuration of that Aircraft as delivered. Upon Customer's request, Boeing may provide update service after delivery to such information subject to the terms of Part 2, Article 2.3 relating to Additional Services. Customer agrees to furnish all BFE maintenance information in Boeing's standard digital format.

9. Customer's Shipping Address.

From time to time Boeing may furnish certain Materials or updates to Materials by means other than electronic access. Customer will specify a single address and Customer shall promptly notify Boeing of any change to that address. Boeing will pay the reasonable shipping costs of the Materials. Customer is responsible for any customs clearance charges, duties, and taxes.

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PART 4: ALLEVIATION OR CESSATION OF PERFORMANCE

Boeing will not be required to provide any services, training or other things at a facility designated by Customer if any of the following conditions exist:

1. a labor stoppage or dispute in progress involving Customer;
2. wars or warlike operations, riots or insurrections in the country where the facility is located;
3. any condition at the facility which, in the opinion of Boeing, is detrimental to the general health, welfare or safety of its personnel or their families;
4. the United States Government refuses permission to Boeing personnel or their families to enter into the country where the facility is located, or recommends that Boeing personnel or their families leave the country; or

After the location of Boeing personnel at the facility, Boeing further reserves the right, upon the occurrence of any of such events, to immediately and without prior notice to Customer relocate its personnel and their families.

Boeing will not be required to provide any Materials at a facility designated by Customer if the United States Government refuses permission to Boeing to deliver Materials to the country where the facility is located.



PART 5: PROTECTION OF PROPRIETARY INFORMATION  
AND PROPRIETARY MATERIALS1. General.

All Materials provided by Boeing to Customer and not covered by a Boeing CSGTA or other agreement between Boeing and Customer defining Customer's right to use and disclose the Materials and included information will be covered by and subject to the terms of the AGTA as amended by the terms of the Purchase Agreement. Title to all Materials containing, conveying or embodying confidential, proprietary or trade secret information (Proprietary Information) belonging to Boeing or a third party (Proprietary Materials), will at all times remain with Boeing or such third party. Customer will treat all Proprietary Materials and all Proprietary Information in confidence and use and disclose the same only as specifically authorized in the AGTA as amended by the terms of the Purchase Agreement.

2. License Grant.

2.1 Boeing grants to Customer a worldwide, non-exclusive, non-transferable license to use and disclose Proprietary Materials in accordance with the terms and conditions of the AGTA as amended by the terms of the Purchase Agreement. Customer is authorized to make copies of Materials (except for Materials bearing the copyright legend of a third party), and all copies of Proprietary Materials will belong to Boeing and be treated as Proprietary Materials under the AGTA as amended by the terms of the Purchase Agreement. Customer will preserve all proprietary legends, and all copyright notices on all Materials and insure the inclusion of those legends and notices on all copies.

2.2 Customer grants to Boeing a perpetual, world-wide, non-exclusive license to use and disclose Customer Information or derivative works thereof in Boeing data and information products and services provided indicia identifying Customer Information as originating from Customer is removed from such Customer Information.

3. Use of Proprietary Materials and Proprietary Information.

Customer is authorized to use Proprietary Materials and Proprietary Information for the purpose of: (a) operation, maintenance, repair, or modification of Customer's Aircraft for which the Proprietary Materials and Proprietary Information have been specified by Boeing and (b) development and manufacture of training devices and maintenance tools for use by Customer.

#### 4. Providing of Proprietary Materials to Contractors.

Customer is authorized to provide Proprietary Materials to Customer's contractors for the sole purpose of maintenance, repair, or modification of Customer's Aircraft for which the Proprietary Materials have been specified by Boeing. In addition, Customer may provide Proprietary Materials to Customer's contractors for the sole purpose of developing and manufacturing training devices and maintenance tools for Customer's use. Before providing Proprietary Materials to its contractor, Customer will first obtain a written agreement from the contractor by which the contractor agrees (a) to use the Proprietary Materials only on behalf of Customer, (b) to be bound by all of the restrictions and limitations of this Part 5, and (c) that Boeing is a third party beneficiary under the written agreement. Customer agrees to provide copies of all such written agreements to Boeing upon request and be liable to Boeing for any breach of those agreements by a contractor. A sample agreement acceptable to Boeing is attached as Appendix VII to the AGTA.

#### 5. Providing of Proprietary Materials and Proprietary Information to Regulatory Agencies.

5.1 When and to the extent required by a government regulatory agency having jurisdiction over Customer or an Aircraft, Customer is authorized to provide Proprietary Materials and to disclose Proprietary Information to the agency for use in connection with Customer's operation, maintenance, repair, or modification of such Aircraft. Customer agrees to take all reasonable steps to prevent the agency from making any distribution, disclosure, or additional use of the Proprietary Materials and Proprietary Information provided or disclosed. Customer further agrees to notify Boeing immediately upon learning of any (a) distribution, disclosure, or additional use by the agency, (b) request to the agency for distribution, disclosure, or additional use, or (c) intention on the part of the agency to distribute, disclose, or make additional use of Proprietary Materials or Proprietary Information.

5.2 In the event of an Aircraft or Aircraft systems-related incident, the Customer may suspend, or block access to Customer Information pertaining to its Aircraft or fleet. Such suspension may be for an indefinite period of time.

## 787 TRAINING POINTS MENU

	Per Class Student Maximum	Total Points Per ClassUAL
<b>787 Training Courses</b>		
<b>Flight</b>		
787 Pilot Transition Course	2	[***]
787 Pilot Transition Course during Non-social Sessions UAL	2	[***]
787 Pilot Shortened Transition Course (STAR)	2	[***]
787 Pilot Shortened Transition Course (STAR) during Non-social Sessions UAL	2	[***]
787 Pilot Recurrent Course	2	[***]
787 Pilot Recurrent Course during Non-social Sessions UAL	2	[***]
Additional 787 Four Hour Simulator Session with Alteon Instructor	2	[***]
Additional 787 Ground School Training Day	2	[***]
<b>Cabin Crew</b>		
787 Transition + Exits/Doors Courses	12	[***]
<b>Maintenance</b>		
787 General Familiarization Maintenance Course	24	[***]
787 Airframe/Powerplant/Electrical/ Avionics Systems Line & Base Maintenance Course	15	[***]
787 Airframe/Powerplant Systems Line & Base Maintenance Course	15	[***]
787 Electrical Systems Line & Base Maintenance Course	15	[***]
787 Avionics Systems Line & Base Maintenance Course	15	[***]
787 JAR 147 Approved B1 Airframe/Powerplant/Electrical Line & Base Maintenance with Avionics Ramp and Transit Maintenance Course	15	[***]
787 JAR 147 Approved B2 Electrical/Avionics Line & Base Maintenance Course	15	[***]

[\*\*\*] represents [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

**787 TRAINING POINTS MENU**

787 Engine Run-Up & Taxi Course Maintenance (Continued)	3	***]
787 Corrosion Prevention & Control Course	10	***]
787 Aircraft Rigging Course	6	***]
787 Composite Repair for Technicians Course	8	***]
787 Composite Repair for Engineers	8	***]
787 Composite Repair for Inspectors	8	***]
787 Troubleshooting	6	***]
<b>Generic Training Courses</b>		
Composite/Metal Bond Part I - Introduction to Advanced Composite Materials and Metal Bond Repair	12	***]
Composite/Metal Bond Part II - Basic Composite Repair for Technicians	12	***]
Composite/Metal Bond Part III - Advanced Composite Component Repair	12	***]
Composite/Metal Bond Part IV—Advanced Composite Repair for Technicians	12	***]
Composite/Metal Bond Part V—Metal Bond Repair for Technicians	12	***]
Repair of Advanced Composite Structures for Engineers	20	***]
Composite Repair Design with Practical Application	12	***]

UAL Points per Class are based upon training conducted according to the standard Boeing training course. Extended or modified courses will require point adjustment to reflect altered work statement or duration.

UAL Non-social Sessions are those in which any part of the session falls between midnight and 06:00 A.M. local time. To qualify for this discount all simulator sessions for a given course must be scheduled as Non-social Sessions.

**\*\*\*] represents [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

**787 TRAINING POINTS MENU**

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

ENGINE ESCALATION AND  
ENGINE WARRANTY

between

THE BOEING COMPANY

and

UNITED AIR LINES, INC.

Supplemental Exhibit EE1 – [CONFIDENTIAL MATERIAL OMITTED AND FILED  
SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL  
TREATMENT] to Purchase Agreement Number 3427

[\*\*\*] represents [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR  
CONFIDENTIAL TREATMENT]

PA\_Supp\_EX\_EE1\_[\*\*\*]\_ECI-MFG\_CPI\_2008\_

1. ENGINE ESCALATION.

The Aircraft Basic Price of each Aircraft set forth in Table 1 of the Purchase Agreement includes **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** in accordance with the following formula:

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

2. Values to be Utilized in the Event of Unavailability.

2.1 If the Bureau of Labor Statistics substantially revises the methodology used for the determination of the values to be used to determine **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** or for any reason has not released values **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** from other Bureau of Labor Statistics data or similar data reported by non-governmental organizations. Such substitute will result in the same adjustment, insofar as possible, as would have been calculated utilizing the original values adjusted for fluctuation during the applicable time period. However, **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**, the Bureau of Labor Statistics should resume releasing values for the months needed to determine **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

2.2 Notwithstanding Article 2.1 above, if prior to the scheduled delivery month of an Aircraft the Bureau of Labor Statistics changes the **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

2.3 In the event escalation provisions are made non-enforceable or otherwise rendered void by any agency of the United States Government, the parties agree, to the extent they may lawfully do so, **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

2.4 If within **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**, the published index values are revised due to an acknowledged error by the Bureau of Labor Statistics, **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

3. Engine Warranty.

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

P.A. No. 3427

PA\_Supp\_EX\_EE1\_[\*\*\*]\_ECI-MFG\_CPI\_2008\_

BOEING / UNITED PROPRIETARY

ENGINE ESCALATION AND  
ENGINE WARRANTY

between

THE BOEING COMPANY

and

UNITED AIR LINES, INC.

Supplemental Exhibit EE1-**[\*\*\*]** to Purchase Agreement Number 3427

**[\*\*\*] represents [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

P.A. No. 3427

PA\_Supp\_EX\_EE1\_**[\*\*\*]**\_ECI-MRG\_CPI\_2008

**BOEING / UNITED PROPRIETARY**



1. ENGINE ESCALATION.

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2. Values to be Utilized in the Event of Unavailability.

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United Air Lines, Inc.  
[\*\*\*] Engines

3. Engine Warranty.

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

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EE1-[\*\*\*] - 3

**BOEING / UNITED PROPRIETARY**

SERVICE LIFE POLICY COMPONENTS

between

THE BOEING COMPANY

and

UNITED AIR LINES, INC.

Supplemental Exhibit SLP1 to Purchase Agreement Number 3427

**BOEING / UNITED PROPRIETARY**

SERVICE LIFE POLICY COMPONENTS

relating to

BOEING MODEL 787 AIRCRAFT

This is the listing of SLP Components for the Aircraft which relate to Part 3, Boeing Service Life Policy of Exhibit C, Product Assurance Document to the AGTA and is a part of Purchase Agreement No. 3427.

1. Wing.
  - (a) Upper and lower wing skins and stiffeners between the forward and rear wing spars.
  - (b) Wing spar webs, chords and stiffeners.
  - (c) Inspar wing ribs.
  - (d) Inspar splice plates and fittings.
  - (e) Main landing gear support structure.
  - (f) End ribs removable outboard wingbox, including spars and skins.
  - (g) Wing center section lower beams, spanwise beams and floor beams, but not the seat tracks attached to floor beams.
  - (h) Wing-to-body structural attachments.
  - (i) Engine pylon support fittings attached directly to wing primary structure.
  - (j) Support structure in the wing for spoilers and spoiler actuators; for aileron hinges and reaction links; and for leading edge devices and trailing edge flaps/flapperon.
  - (k) Leading edge device and trailing edge flap support system.
  - (l) Aileron leading edge device and trailing edge flap internal, fixed attachment and actuator support structure.
  - (m) Winglets (787-3).

**BOEING / UNITED PROPRIETARY**

2. Body.
- (a) External surface skins and doublers, longitudinal stiffeners, longerons and circumferential rings and frames between the forward pressure bulkhead and the vertical stabilizer rear spar bulkhead and structural support and enclosure for the APU but excluding all system components and related installation and connecting devices, insulation, lining, and decorative panels and related installation and connecting devices.
  - (b) Window and windshield structure but excluding the windows and windshields.
  - (c) Fixed attachment structure of the passenger doors, cargo doors and emergency exits, excluding door mechanisms and movable hinge components. Sills and frames around the body openings for the passenger doors, cargo doors and emergency exits, excluding scuff plates and pressure seals.
  - (d) Nose wheel well structure, including the wheel well walls, pressure deck, forward and aft bulkheads, and the gear support structure.
  - (e) Main gear wheel well pressure deck, bulkheads and landing gear beam structure.
  - (f) Floor beams and support posts in the control cab and passenger cabin area, but excluding seat tracks.
  - (g) Forward and aft pressure bulkheads.
  - (h) Keel structure between the wing front spar bulkhead and the main gear wheel well aft bulkhead, including splices.
  - (i) Wing front and rear spar support bulkheads, and vertical and horizontal stabilizer front and rear spar support bulkheads including terminal fittings but excluding all system components and related installation and connecting devices, insulation, lining, and decorative panels and related installation and connecting devices.
  - (j) Support structure in the body for the stabilizer pivot and stabilizer screw.

**BOEING / UNITED PROPRIETARY**

3. Vertical Stabilizer.
  - (a) External skins between front and rear spars.
  - (b) Front, rear and auxiliary spars including stiffeners.
  - (c) Attachment fittings between vertical stabilizer and body.
  - (d) Inspar ribs.
  - (e) Rudder hinges and supporting ribs, excluding bearings.
  - (f) Support structure in the vertical stabilizer for rudder hinges, reaction links and actuators.
  - (g) Rudder internal, fixed attachment and actuator support structure.
  
4. Horizontal Stabilizer.
  - (a) External skins between front and rear spars.
  - (b) Horizontal stabilizer main torque box spars.
  - (c) Stabilizer splice fittings, rib, pivot and screw support structure.
  - (d) Support structure in the horizontal stabilizer for the elevator hinges, reaction links and actuators.
  - (e) Elevator internal, fixed attachment and actuator support structure.
  - (f) Elevator hinges and supporting ribs, excluding bearings.
  
5. Engine Pylon.
  - (a) Pylon skins, webs, doublers and stiffeners.
  - (b) Internal pylon chords, frames and bulkheads.
  - (c) Pylon to wing fittings, diagonal brace and links.
  - (d) Engine mount support attached directly to pylon structure.
  - (e) Fuse pins.

**BOEING / UNITED PROPRIETARY**

6. Main Landing Gear.
  - (a) Outer cylinder.
  - (b) Inner cylinder.
  - (c) Upper and lower side brace, including spindles
  - (d) Upper and lower drag brace, including spindles and shackle.
  - (e) Downlock links including spindles.
  - (f) Torsion links.
  - (g) Truck beam.
  - (h) Axles.

7. Nose Landing Gear.
  - (a) Outer cylinder.
  - (b) Inner cylinder, including axle.
  - (c) Upper and lower drag brace.
  - (d) Downlock links.
  - (e) Steering support plates, tube and collar.
  - (f) Torsion links.

NOTE: The Service Life Policy does not cover any bearings, bolts, bushings, clamps, brackets, actuating mechanisms or latching mechanisms used in or on the SLP Components.

**BOEING / UNITED PROPRIETARY**

3427-02

United Air Lines, Inc.  
PO Box 60100  
Chicago, IL 60601-0100

Subject: Model 787 Open Configuration Matters

Reference: Purchase Agreement No. 3427 (Purchase Agreement) between The Boeing Company (Boeing) and United Air Lines, Inc. (Customer) relating to Model 787-8 aircraft (Aircraft)

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

1. Aircraft Configuration.

1.1 Initial Configuration. The initial configuration of Customer's Model 787-8/9 Aircraft has been defined by Boeing Model 787 Airplane **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** as described in Article 1, Table 1 and Exhibit A of the Purchase Agreement. Given the long period of time between Purchase Agreement signing and delivery of the first Aircraft, the final configuration of the Customer's Aircraft has not yet been defined.

1.2 Final Configuration Schedule. Customer and Boeing hereby agree to complete the configuration of the Aircraft using the then current Model 787 Airplane Configuration Specification document and selections from the then current 787 Airplane Descriptions and Selections document (Final Configuration) in accordance with the following schedule:

1.2.1 Subject to the provisions of Article 1.2.2, below, Final Configuration shall be completed no later than **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** months prior to delivery of the first Aircraft. Customer may request changes to the Final Configuration anytime after the completion of such Final Configuration and Boeing may agree to incorporate such requested changes, subject to Boeing's pricing and offerability process.

P.A. No. 3427  
787\_Open\_Configuration\_Matters

**BOEING / UNITED PROPRIETARY**



1.2.2 If Customer wishes to include installation of Customer's BFE premium class seats in the configuration of the Aircraft, Customer shall give written notice to Boeing of its intent to install BFE premium class seats no later than 27 months prior to delivery of the first Aircraft. No later than 24 months prior to delivery of the first Aircraft, **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

## 2. Amendment of the Purchase Agreement.

Within thirty (30) days following Final Configuration Boeing and Customer will execute a written amendment to the Purchase Agreement which will reflect the following:

2.1 Changes applicable to the basic Model 787 aircraft which are developed by Boeing between the date of signing of the Purchase Agreement and date of Final Configuration (Baseline Changes);

2.2 Incorporation into Exhibit A of the Purchase Agreement those Optional Features as defined in Exhibit C to the Purchase Agreement which have been agreed to by Customer and Boeing (Customer Configuration Changes);

2.3 Revisions to the **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** to reflect the effects, if any, on Aircraft performance of the incorporation of the Customer Configuration Changes;

2.4 Changes to the Optional Features Price, and its corresponding changes to the Aircraft Basic Price and the Advance Payment Base Price of the Aircraft to adjust for (i) the difference, if any, between the **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** included in the Aircraft Basic Price for seats, lavatories, galleys, partitions and closets (Interior Items) and the price of the Interior Items (quantity, design and supplier) reflected in the Customer Configuration Changes; and (ii) the difference, between the estimated amount of **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** reflected in the Aircraft Basic Price and the actual prices of the optional features reflected in the Customer Configuration Changes; and

2.5 Changes to the Advance Payment Base Price of the Aircraft to adjust for the difference between the estimated amount of **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** for In-Flight Entertainment (IFE) and the price of the IFE reflected in the Customer Configuration Changes.

## 3. Confidential Treatment.

Customer and Boeing understand that certain commercial and financial information contained in this Letter Agreement are considered by Boeing and Customer as confidential and are subject to the terms and conditions set forth in Letter Agreement No. 6-1162-IRS-0182.

**BOEING / UNITED PROPRIETARY**

Very truly yours,

THE BOEING COMPANY

By /s/ Nobuko Wiles

Its Attorney-In-Fact

ACCEPTED AND AGREED TO this

Date: February 19, 2010

UNITED AIR LINES, INC.

By /s/ Kathryn A. Mikells

Its Executive Vice President and Chief Financial Officer

**BOEING / UNITED PROPRIETARY**

3427-05

United Air Lines, Inc.  
PO Box 60100  
Chicago, IL 60666-0100

Subject: Special Terms - Seats and In-flight Entertainment

Reference: Purchase Agreement No. 3427 (Purchase Agreement) between The Boeing Company (**Boeing**) and United Air Lines, Inc. (**Customer**) relating to Model 787 aircraft (Aircraft)

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

1. Definitions.

1.1 "**Covered Seats**" shall mean those seats which are not otherwise identified in Exhibit A to the Purchase Agreement as Buyer Furnished Equipment.

1.2 "**In-flight Entertainment (IFE) System**" shall mean the IFE identified in the Detail Specification of the Aircraft, inclusive of the IFE software which is required to test and certify the IFE system on the Aircraft, but exclusive of IFE Customer Software.

1.3 "**IFE Customer Software**" shall mean any software which is obtained by the Customer from a source other than Boeing for installation in the IFE System.

2. Applicability of Supplemental Exhibit CS1 to the Purchase Agreement.

2.1 Boeing did not enter into product support agreements with the suppliers of the Covered Seats and the IFE System. Customer is responsible to enter into such product support agreements directly with the suppliers of such Covered Seats and IFE System and such provisions will apply in lieu of the provisions of Supplemental Exhibit CS1 to the Purchase Agreement.

2.2 Boeing will incorporate the Covered Seats and IFE System line maintenance information, received from the suppliers of such Covered Seats and IFE System, into Customer's customized Materials prior to delivery of each Aircraft reflecting the configuration of that Aircraft as delivered. Upon Customer's request, Boeing may provide update service after delivery to such information subject to the terms of the Purchase Agreement, Supplemental Exhibit CS1 (**787 Customer Support Document**), Part 2, Article 2.3 relating to Additional Services.

P.A. No. 3427  
Special Terms - Seats and In-flight Entertainment

**BOEING / UNITED PROPRIETARY**

Rev: 02/09/09

3. Applicability of the Provisions of Exhibit C to the AGTA.

In lieu of the provisions of Part 4 of Exhibit C to the AGTA, the following warranty and patent and copyright indemnities will apply to Covered Seats and the IFE System:

“Boeing will obtain warranties and indemnities against patent and copyright infringement enforceable by Customer from the suppliers of the Covered Seats and IFE System installed on the Aircraft at the time of delivery. If requested by Customer, Boeing will provide copies of such warranties and indemnities to Customer upon request.”

4. IFE Customer Software.

Customer is responsible for and assumes all liability with respect to IFE Customer Software.

Very truly yours,

THE BOEING COMPANY

By /s/ Nobuko Wiles

Its Attorney-In-Fact

ACCEPTED AND AGREED TO this

Date: February 19, 2010

UNITED AIR LINES, INC.

By /s/ Kathryn A. Mikells

Its Executive Vice President and Chief Financial Officer

P.A. No. 3427

Special Terms - Seats and In-flight Entertainment

**BOEING / UNITED PROPRIETARY**

3427-07

United Air Lines, Inc.  
PO Box 60100  
Chicago, IL 60601-0100

Subject: Spare Parts Initial Provisioning

Reference: a) Purchase Agreement No. 3427 (Purchase Agreement) between The Boeing Company (Boeing) and United Air Lines, Inc. (Customer) relating to Model 787-8 aircraft (Aircraft)

b) Spare Parts General Terms Agreement No. 22 (Spares GTA) between Boeing and Customer

This letter agreement (Letter Agreement) is entered into on the date below and amends and supplements the Spares GTA. All capitalized terms used but not defined in this Letter Agreement have the same meaning as in the Spares GTA, except for "Aircraft" which will have the meaning as defined in the Purchase Agreement.

In order to define the process by which Boeing and Customer will (i) identify those Spare Parts and Standards critical to Customer's successful introduction of the Aircraft into service and its continued operation, (ii) place Orders under the provisions of the Spares GTA as supplemented by the provisions of this Letter Agreement for those Spare Parts and Standards, and (iii) manage the return of certain of those Spare Parts which Customer does not use, the parties agree as follows.

1. Definitions.

"Bulk Material" means composites, tapes, sealants, oil, compounds, and miscellaneous materials as specified in the Maintenance Manual.

"Provisioning Data" means the documentation provided by Boeing to Customer, including but not limited to the Recommended Spare Parts List (RSPL), identifying all Boeing initial provisioning requirements for the Aircraft.

"Provisioning Items" means the Spare Parts and Standards identified by Boeing as initial provisioning requirements in support of the Aircraft, excluding special tools, ground support equipment (GSE) quick engine change (QEC) kits, engines and engine parts.

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Spare\_Parts\_Initial\_Provisioning

**BOEING / UNITED PROPRIETARY**

“Provisioning Products Guide” means the Boeing Manual D6-81834 entitled “Spares Provisioning Products Guide”.

“QEC Kit” means the necessary contained parts to build up a spare engine as supplied by the engine manufacturer to a line replaceable unit.

“Raw Material” means items such as miscellaneous extrusions, aluminum sheeting, rubber sheeting, tubing, honeycomb, wire, etc. that are likely to be consumed during general repair and line maintenance of the aircraft

“Standard Part” means expendable hardware items having a relatively high usage and application and is normally available from industrial supply outlets, includes such items as nuts, bolts, screws, fasteners, rivets, resistors, capacitors, diodes, etc.

## 2. Phased Provisioning.

2.1 Provisioning Products Guide. Prior to the initial provisioning meeting Boeing will furnish to Customer a copy of the Provisioning Products Guide.

2.2 Initial Provisioning Meeting. On or about **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** prior to delivery of the first Aircraft the parties will conduct an initial provisioning meeting, where the procedures, schedules, and requirements for training will be established to accomplish phased provisioning of Spare Parts and Standards for the Aircraft in accordance with the Provisioning Products Guide. If the lead time from execution of the Purchase Agreement until delivery of the first Aircraft is less than **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**, the initial provisioning meeting will be established as soon as reasonably possible after execution of the Purchase Agreement.

2.3 Provisioning Data. During the initial provisioning meeting Customer will provide to Boeing the operational parameter information described in Chapter 6 of the Provisioning Products Guide. After review and acceptance by Boeing of such Customer information, Boeing will prepare the Provisioning Data. Such Provisioning Data will be furnished to Customer on or about ninety (90) days after Boeing finalizes the engineering drawings for the Aircraft. The Provisioning Data will be as complete as possible and will cover Provisioning

P.A. No. 3427  
Spare\_Parts\_Initial\_Provisioning

**BOEING / UNITED PROPRIETARY**

Items selected by Boeing for review by Customer for initial provisioning of Spare Parts and Standards for the Aircraft. Boeing will furnish to Customer revisions to the Provisioning Data [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] until approximately ninety (90) days following delivery of the last Aircraft or until the delivery configuration of each of the Aircraft is reflected in the Provisioning Data, whichever is later. Upon mutual agreement during the initial provisioning meeting, Boeing will make its representative available to support Customer's Spare Provisioning activities related to major milestone events, starting with the initial implementation through the first heavy maintenance check for the first Aircraft. This will be accomplished by a combination of on site support at the Customer and/or dedicated focal at Boeing base upon the requirements and statement of work associated with the activity.

2.4 Buyer Furnished Equipment (BFE) Provisioning Data. Customer will provide or cause its BFE suppliers to provide to Boeing the BFE provisioning data in scope and format acceptable to Boeing, in accordance with the schedule established during the initial provisioning meeting. Boeing will [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

2.5 [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

3. Purchase from Boeing of Spare Parts and Standards as Initial Provisioning for the Aircraft.

3.1 Schedule. In accordance with schedules established during the initial provisioning meeting, Customer may place Orders for Provisioning Items and any GSE, special tools, QEC kits, or engine spare parts which Customer determines it will initially require for maintenance, overhaul and servicing of the Aircraft and/or engines.

3.2 Prices of Initial Provisioning Spare Parts.

3.2.1 Boeing Spare Parts. The Provisioning Data will set forth the prices for those Provisioning Items, that are Boeing Spare Parts, and such prices will be firm and remain in effect for ninety (90) days from the date the firm price is first quoted to Customer in the Provisioning Data. [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

3.2.2 Supplier Spare Parts. Boeing will provide supplier catalog prices in the Provisioning Data for Provisioning Items that are Supplier Spare Parts. **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** The price to Customer for any Supplier Spare Parts that are Provisioning Items or for any items ordered for initial provisioning of GSE, special tools manufactured by suppliers QEC kits, or engine spare parts will be one hundred twelve percent (112%) of the supplier's list price for such items.

4. Delivery.

For Spare Parts and Standards ordered by Customer in accordance with Article 3 of this Letter Agreement, Boeing will, insofar as reasonably possible, deliver to Customer such Spare Parts and Standards on dates reasonably calculated to conform to Customer's anticipated needs in view of the scheduled deliveries of the Aircraft. Customer and Boeing will agree upon the date to begin delivery of the provisioning Spare Parts and Standards ordered in accordance with this Letter Agreement. Where appropriate, Boeing will arrange for shipment of such Spare Parts and Standards which are manufactured by suppliers directly to Customer from the applicable supplier's facility. The routing and method of shipment for initial deliveries and all subsequent deliveries of such Spare Parts and Standards will be as established at the initial provisioning meeting and thereafter by mutual agreement.

5. Substitution for Obsolete Spare Parts.

5.1 Obligation to Substitute Pre-Delivery. In the event that, prior to delivery of the first Aircraft, any Spare Part purchased by Customer from Boeing in accordance with this Letter Agreement as initial provisioning for the Aircraft, is rendered obsolete or unusable due to the redesign (i) of the Aircraft, (ii) of any accessory, equipment or part thereof (other than a redesign at Customer's request) **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**. Boeing will deliver to Customer at no charge new and usable Spare Parts in substitution for such obsolete or unusable Spare Parts and, upon such delivery, Customer will return the obsolete or unusable Spare Parts to Boeing.

5.2 Delivery of Obsolete Spare Parts and Substitutes. Obsolete or unusable Spare Parts returned by Customer pursuant to this Article 5 will be delivered to Boeing at its Seattle Distribution Center or such other destination as Boeing may reasonably designate. Spare Parts substituted for such returned obsolete or unusable Spare Parts will be delivered to Customer in accordance with the Spares GTA. Boeing will pay the freight charges for the shipment from Customer to Boeing of any such obsolete or unusable Spare Part and for the shipment from Boeing to Customer of any such substitute Spare Part.

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Spare\_Parts\_Initial\_Provisioning

**BOEING / UNITED PROPRIETARY**



6. Repurchase of Provisioning Items.

6.1 Obligation to Repurchase. During a period commencing one (1) year after delivery of the first Aircraft, and ending five (5) years after such delivery, Boeing will, upon receipt of Customer's written request and subject to the exceptions in Article 6.2, repurchase unused and undamaged Provisioning Items which (i) were recommended by Boeing in the Provisioning Data as initial provisioning for the Aircraft, (ii) were purchased by Customer from Boeing, and (iii) are surplus to Customer's needs. **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

6.2 Exceptions. Boeing will not be obligated under Article 6.1 to repurchase any of the following: (i) quantities of Provisioning Items which Customer purchased in excess of those quantities recommended by Boeing in the initial Provisioning Data for the Aircraft, (ii) QEC kits, bulk material kits, raw material kits, service bulletin kits, Standards kits and components thereof (except those components listed separately in the Provisioning Data), (iii) Provisioning Items for which an Order was received by Boeing more than five (5) months after delivery of the last Aircraft, (iv) Provisioning Items which have become obsolete or have been replaced by other Provisioning Items as a result of Customer's modification of the Aircraft, and (v) Provisioning Items which become excess as a result of a Customer originated change in Customer's operating parameters, as provided to Boeing pursuant to the initial provisioning meeting and which were the basis of Boeing's initial provisioning recommendations for the Aircraft.

6.3 Notification and Format. Customer will notify Boeing, in writing when Customer desires to return Provisioning Items under the provisions of this Article 6. Customer's notification will include a detailed summary, in part number sequence, of the Provisioning Items Customer desires to return. Such summary will be in the form of listings, data files or other media as may be mutually agreed between Boeing and Customer and will include part number, nomenclature, purchase order number, purchase order date and quantity to be returned. Within five (5) business days after receipt of Customer's notification, Boeing will advise Customer in writing when Boeing's review of such summary will be completed. **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

6.4 Review and Acceptance by Boeing. Upon completion of Boeing's thirty (30) business day review of any detailed summary submitted by Customer pursuant to Article 6.3, Boeing will issue to Customer a Material

Return Authorization (MRA) for those Provisioning Items Boeing agrees are eligible for repurchase in accordance with this Article 6. Boeing will advise Customer of the reason that any Provisioning Item included in Customer's detailed summary is not eligible for return. Boeing's MRA will state the date and shipping provisions by which Provisioning Items listed in the MRA must be redelivered to Boeing, and Customer will arrange for shipment of such Provisioning Items accordingly.

6.5 Price and Payment. The price of each Provisioning Item repurchased by Boeing pursuant to this Article 6 will be an amount equal to 100% of the original invoice price thereof except that the repurchase price of Provisioning Items purchased pursuant to Article 3.2.2 will not include Boeing's 12% handling charge. Boeing will pay the repurchase price by issuing a credit memorandum in favor of Customer which may be applied against amounts due Boeing for the purchase of Spare Parts or Standards.

6.6 Delivery of Repurchased Provisioning Items. Provisioning Items repurchased by Boeing pursuant to this Article 6 will be delivered to Boeing F.O.B. at its Seattle Distribution Center or such other destination as Boeing may reasonably designate.

7. Title and Risk of Loss.

Title and risk of loss of any Spare Parts or Standards delivered to Customer by Boeing in accordance with this Letter Agreement will pass from Boeing to Customer in accordance with the applicable provisions of the Spares GTA. Title to and risk of loss of any Spare Parts or Standards returned to Boeing by Customer in accordance with this Letter Agreement will pass to Boeing upon delivery of such Spare Parts or Standards to Boeing in accordance with the provisions of Article 5.2 or Article 6.6, herein, as appropriate.

8. Termination for Excusable Delay.

In the event of termination of the Purchase Agreement pursuant to Article 7 of the AGTA with respect to any Aircraft, such termination will, if Customer so requests by written notice received by Boeing within fifteen (15) days after such termination, also discharge and terminate all obligations and liabilities of the parties as to any Spare Parts or Standards which Customer had ordered pursuant to the provisions of this Letter Agreement as initial provisioning for such Aircraft and which are undelivered on the date Boeing receives such written notice.

P.A. No. 3427  
Spare\_Parts\_Initial\_Provisioning

**BOEING / UNITED PROPRIETARY**

United Air Lines, Inc.  
3427-07

9. Order of Precedence.

In the event of any inconsistency between the terms of this Letter Agreement and the terms of any other provisions of the Spares GTA, the terms of this Letter Agreement will control.

10. Customer Support General Terms Agreement

Boeing and Customer will make reasonable effort to execute the Customer Services General Terms Agreement (CSGTA) no later than December 31, 2010.

*[The remainder of this page intentionally left blank]*

P.A. No. 3427  
Spare\_Parts\_Initial\_Provisioning

**BOEING / UNITED PROPRIETARY**

United Air Lines, Inc.  
3427-07

Very truly yours,

THE BOEING COMPANY

By /s/ Nobuko Wiles

Its Attorney-In-Fact

ACCEPTED AND AGREED TO this

Date: February 19, 2010

UNITED AIR LINES, INC.

By /s/ Kathryn A. Mikells

Its Executive Vice President and Chief Financial Officer

P.A. No. 3427  
Spare\_Parts\_Initial\_Provisioning

**BOEING / UNITED PROPRIETARY**

1. [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

2. [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

P.A. No. 3427

Spare\_Parts\_Initial\_Provisioning

**BOEING / UNITED PROPRIETARY**

6-1162-ELP-0759

United Air Lines, Inc.  
PO Box 60100  
Chicago, IL 60666-0100

Subject: Delivery **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

Reference: Purchase Agreement No. 3427 (Purchase Agreement) between The Boeing Company (Boeing) and United Air Lines, Inc. (Customer) relating to Model 787-8 aircraft (Aircraft)

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

In order to provide Customer with **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

1. Customer must provide Boeing **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

2. Customer may exercise **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**. For the avoidance of doubt, **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

3. **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**. Boeing will confirm **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**. Customer must confirm **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

4. **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

P.A. No. 3427

Delivery **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

**BOEING / UNITED PROPRIETARY**

5. **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

6. Assignment.

The rights and obligations described in this Letter Agreement are provided to Customer in consideration of Customer becoming the operator of the Aircraft and can only be assigned, in whole or in part, pursuant to Article 9 of the AGTA as amended by Letter Agreement No. 6-1162-IRS-0184.

7. Confidential Treatment.

Customer and Boeing understand that certain commercial and financial information contained in this Letter Agreement are considered by Boeing and Customer as confidential and are subject to the terms and conditions set forth in Letter Agreement No. 6-1162-IRS-0182.

Very truly yours,

THE BOEING COMPANY

By /s/ Nobuko Wiles

Its Attorney-In-Fact

ACCEPTED AND AGREED TO this

Date: February 19, 2010

UNITED AIR LINES, INC.

By /s/ Kathryn A. Mikells

Its Executive Vice President and Chief Financial Officer

P.A. No. 3427

Delivery\_**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

**BOEING / UNITED PROPRIETARY**

6-1162-ELP-0760

United Air Lines, Inc.  
P. O. Box 66100  
Chicago, IL 60601-0100

Subject: **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** Guarantee

Reference: Purchase Agreement No. 3427 (Purchase Agreement) between The Boeing Company (Boeing) and United Air Lines, Inc. (Customer) relating to Model 787-8 aircraft (Aircraft)

This letter agreement including without limitation all attachments and amendments hereto (Letter Agreement) amends and supplements the Purchase Agreement. All terms used but not defined in this Letter Agreement have the same meaning as in the Purchase Agreement.

Recitals

A. Customer has requested **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

B. In response to Customer's request Boeing offers the following **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

Agreement

1. **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

2. **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

3. **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

P.A. No. 3427

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** \_Guarantee

**BOEING / UNITED PROPRIETARY**



4. [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

5. Calculation of Target [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

6. Reporting of [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] Data.

6.1 Within 90 days after the last day of each Reporting Period Customer will complete and return to Boeing Attachment D to provide to Boeing the data specified therein for that Reporting Period. Customer will report [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

6.2 Failure to provide the data specified in Article 6.1 to Boeing within the specified 90 day period shall constitute Customer's acknowledgment that the [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] complies with the [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]. If [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] subsequently should fail to perform in a manner consistent with the [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT], however, Customer will, within 90 days after the last day of the Reporting Period in which such Noncompliance occurs, report to Boeing the data specified on Attachment D for all then-completed Reporting Periods of the [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

7. Calculation of Actual [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] and Compliance with the [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

7.1 Subject to the limitations described in Article 9, within 30 days after receiving Customer's report pursuant to Article 6.0 for each Reporting Period, Boeing will use the data provided by the Customer in such report and the methodology in Attachment B to calculate the Cumulative Actual [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC

P.A. No. 3427

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] \_Guarantee

BOEING / UNITED PROPRIETARY

**PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** for the **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** as of the end of such Reporting Period and will provide to Customer a report in content and form as shown in Attachment E. Boeing will convert values expressed in **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** as described in Attachment B in order to perform the computations and comparisons contemplated by this Letter Agreement. Monetary amounts determined and reported by Boeing will be expressed in **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

7.2 If the data determined pursuant to Article 7.1 indicates that the performance of the **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** for the applicable Reporting Periods does not comply with the **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**, Customer will, upon request, submit to Boeing sufficient information to allow Boeing to verify:

- 7.2.1 the data reported by Customer pursuant to Article 6,
- 7.2.2 the data does not reflect assumptions other than those relied upon in developing the **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**; and
- 7.2.3 the data is consistent with all provisions of this Letter Agreement.

7.3 If after completing the verification and analysis described in Article 7.2, the data indicates that the performance of the **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** for the applicable Reporting Periods does not comply with the **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**; provided that **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**, Customer, upon request, submits to Boeing such information as is necessary for Boeing to:

7.3.1 **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**, and

P.A. No. 3427

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** \_Guarantee

**BOEING / UNITED PROPRIETARY**

**7.3.2 [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

7.4 At Customer's request Boeing will provide Customer **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

**8. [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

8.1 Should **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** pursuant to Article 7.3 be appropriate:

8.1.1 Boeing will investigate **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

8.1.2. Boeing will provide **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

8.1.3 If necessary, Boeing will initiate **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

8.1.4. **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

8.1.5. If at the end of the **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

8.2 At Boeing's request, Customer will **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** provided by Boeing hereunder.

**9. Conditions and Limitations.**

9.1 If, with the intent of reducing **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

P.A. No. 3427

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] \_Guarantee**

**BOEING / UNITED PROPRIETARY**

9.2 Customer will promptly notify Boeing [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

9.3 Upon reasonable notice to Customer, Boeing will have the right to [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

9.4 Upon reasonable notice to Customer, Boeing may inspect [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

9.5 [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] will not include any of the following [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

9.6 [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

10. Notice

10.1 All reports submitted to Boeing will be addressed to the attention of:

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

Boeing Commercial Airplanes

P.O. Box 3707 [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

Fax: 206-237-1706

Seattle, Washington 98124-2207

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[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] \_Guarantee

BOEING / UNITED PROPRIETARY

10.2 All reports submitted to Customer will be addressed to the attention of:

United Air Lines, Inc.  
P. O. Box 66100  
Chicago, IL 60601-0100

11. Confidential Treatment.

Customer and Boeing understand that certain commercial and financial information contained in this Letter Agreement are considered by Boeing and Customer as confidential and are subject to the terms and conditions set forth in Letter Agreement No. 6-1162-IRS-0182.

12. Exclusive Remedy.

The remedies provided in Article 8 of this Letter Agreement are Customer's exclusive remedies in the event of Noncompliance and are in lieu of all other damages, claims, and remedies of Customer arising at law or otherwise for Noncompliance, Customer hereby waives and renounces all other claims and remedies arising at law or otherwise for any such Noncompliance.

13. Assignment.

The rights and obligations described in this Letter Agreement are provided to Customer in consideration of Customer becoming the operator of the Aircraft and can only be assigned, in whole or in part, pursuant to Article 9 of the AGTA as amended by Letter Agreement No. 6-1162-IRS-0184.

14. DISCLAIMER, RELEASE AND EXCLUSION.

THIS LETTER AGREEMENT AND THE RIGHTS AND REMEDIES OF CUSTOMER AND OBLIGATIONS OF BOEING HEREIN ARE SUBJECT TO THE DISCLAIMER AND RELEASE, AND EXCLUSION OF CONSEQUENTIAL AND OTHER DAMAGES PROVISIONS OF EXHIBIT C, PRODUCT ASSURANCE DOCUMENT, OF THE AGTA.

If the foregoing correctly sets forth your understanding of our agreement with respect to the matters treated above, please indicate your acceptance and approval below.

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**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC  
PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] \_Guarantee  
BOEING / UNITED PROPRIETARY**

United Air Lines, Inc.  
6-1162-ELP-0760

Very truly yours,

THE BOEING COMPANY

By /s/ Nobuko Wiles

Its Attorney-In-Fact

ACCEPTED AND AGREED TO this

Date: February 19, 2010

UNITED AIR LINES, INC.

By /s/ Kathryn A. Mikells

Its Executive Vice President and Chief Financial Officer

P.A. No. 3427

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC  
PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] \_Guarantee  
BOEING / UNITED PROPRIETARY**

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC  
PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

P.A. No. 3427

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC  
PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] \_Guarantee  
BOEING / UNITED PROPRIETARY**

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] – Attachment B

Attachment-B - [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

Boeing will [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] as described in this Attachment B [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] submitted in Attachment A, [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] reported in Attachment C and [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] reported in Attachment D.

1. [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] Rate.

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

2. [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] Indices.

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

3. Benchmark Method for Determining [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

3.1 [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

3.2 [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

3.3 The methodology and the applicable factors will be used as set forth in paragraph 5.6 of this Attachment B to convert the [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

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[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]\_Guarantee

BOEING / UNITED PROPRIETARY



3.4 Next Boeing will [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

3.5 [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

**Table 1:** [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

3.6 [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

3.7 Then the methodology and the applicable factors set forth in paragraph 5.6 of this Attachment B will be applied to the [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

4. Reporting Period [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

5. Recalculation of [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

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[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]\_Guarantee

**BOEING / UNITED PROPRIETARY**

**Attachment C – [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH  
THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

To: United Air Lines, Inc.

Reference: Letter Agreement No. 6-1162-ELP-0760 to Purchase Agreement No. 3427

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL  
TREATMENT] Guarantee**

Subject: **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR  
CONFIDENTIAL TREATMENT]** reported pursuant to Article 5.2 of the referenced Letter Agreement.

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC  
PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

P.A. No. 3427

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC  
PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] \_Guarantee**

**BOEING / UNITED PROPRIETARY**

To: **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**  
Boeing Commercial Airplanes  
P.O. Box 3707 Mail Code 2L-46  
Fax: 425-237-1706  
Seattle, Washington 98124-2207

Reference: Letter Agreement No. 6-1162-ELP-0760 to Purchase Agreement No. 3427  
**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

Subject: Data reported pursuant to Article 6.0 of the referenced Letter Agreement.

Reporting Period No. \_\_\_\_\_  
Beginning date \_\_\_\_\_ ending date \_\_\_\_\_

Currency of the costs shown below: \_\_\_\_\_

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

United Air Lines, Inc.

By \_\_\_\_\_

Date \_\_\_\_\_

Its \_\_\_\_\_

P.A. No. 3427

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** \_Guarantee

**BOEING / UNITED PROPRIETARY**

Attachment E to  
6-1162-ELP-0760

To: United Air Lines, Inc.

Reference: Letter Agreement No. 6-1162-ELP-0760 to Purchase Agreement No. 3427

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY  
WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**  
Guarantee

Subject: Data reported pursuant to Article 7.0 of the referenced Letter Agreement.

Reporting Period No. \_\_\_\_\_

Beginning date \_\_\_\_\_ ending date \_\_\_\_\_

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

Very truly yours,

THE BOEING COMPANY

Reported by \_\_\_\_\_

Its \_\_\_\_\_

Date \_\_\_\_\_

P.A. No. 3427

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC  
PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] \_Guarantee**

**BOEING / UNITED PROPRIETARY**

Attachment F – [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH  
THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

To: United Air Lines, Inc.

Reference: Letter Agreement No. 6-1162-ELP-0760 to Purchase Agreement No. 3427

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE  
SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL  
TREATMENT] Guarantee

Subject: Data reported pursuant to Article 5.3 of the referenced Letter Agreement.

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL  
TREATMENT]

P.A. No. 3427

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC  
PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] \_Guarantee

**BOEING / UNITED PROPRIETARY**

6-1162-ELP-0762

United Air Lines, Inc.  
P. O. Box 60100  
Chicago, IL 60601-0100

Subject: **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** Guarantees

Reference: Purchase Agreement No. 3427 (Purchase Agreement) between The Boeing Company (Boeing) and United Air Lines, Inc. (Customer) relating to Model 787 aircraft (Aircraft)

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

Boeing agrees to provide Customer with the **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** guarantees in the Attachments. These guarantees are exclusive and expire upon delivery of the Aircraft to Customer. **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

If, at the time of delivery of the Aircraft or if Boeing so notifies Customer, such notice to be reasonably prompt, in writing at any time prior to delivery of the Aircraft, **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

Assignment.

The rights and obligations described in this Letter Agreement are provided to Customer in consideration of Customer becoming the operator of the Aircraft and can only be assigned, in whole or in part, pursuant to Article 9 of the AGTA as amended by Letter Agreement No. 6-1162-IRS-0184.

Confidential Treatment.

Customer and Boeing understand that certain commercial and financial information contained in this Letter Agreement are considered by Boeing and Customer as confidential and are subject to the terms and conditions set forth in Letter Agreement No. 6-1162-IRS-0182.

P.A. No. 3427

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** \_Guarantees

**BOEING / UNITED PROPRIETARY**

UNITED AIR LINES, INC.  
6-1162-ELP-0762

Very truly yours,

THE BOEING COMPANY

By /s/ Nobuko Wiles

Its Attorney-In-Fact

ACCEPTED AND AGREED TO this

Date: February 19, 2010

UNITED AIR LINES, INC.

By /s/ Kathryn A. Mikells

Its Executive Vice President and Chief Financial Officer

P.A. No. 3427

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC  
PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] \_Guarantees  
BOEING / UNITED PROPRIETARY**

**CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

**[CONFIDENTIAL MATERIAL IN ATTACHMENT A1 PAGES 1 TO 24 OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

P.A. No. 3427

**CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]  
BOEING / UNITED PROPRIETARY**



Attachment A2  
No. 6-1162-ELP-0762

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

**[CONFIDENTIAL MATERIAL FROM ATTACHMENT A2 PAGES 1 TO 23 OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

P.A. No. 3427

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]  
BOEING / UNITED PROPRIETARY**

Attachment A3  
No. 6-1162-ELP-0762

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

**[CONFIDENTIAL MATERIAL FROM ATTACHMENT A3 PAGES 1 TO 24 OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

P.A. No. 3427

**BOEING / UNITED PROPRIETARY**

Attachment A4  
No. 6-1162-ELP-0762

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

**[CONFIDENTIAL MATERIAL FROM ATTACHMENT A4 PAGES 1 TO 24 OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

P.A. No. 3427

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]  
BOEING / UNITED PROPRIETARY**

6-1162-ELP-0777

United Air Lines, Inc.  
PO Box 60100  
Chicago, IL 60601-0100

Subject: Aircraft Model [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

Reference: Purchase Agreement No. 3427 (Purchase Agreement) between The Boeing Company (Boeing) and United Air Lines, Inc. (Customer) relating to Model 787-8 aircraft (Aircraft)

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

Customer may [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT], subject to the following terms and conditions:

(a) [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] is only applicable to the Firm Aircraft. [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

(b) [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] is applicable to (i) the Firm Aircraft and (ii) the exercised Purchase Right Aircraft. [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

1. Customer's Written Notice.

Should Customer elect to [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] then, Customer shall provide written notice of its [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

(a) no later than the first day of the month that is [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC

**PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** prior to the scheduled month of delivery of the Aircraft **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** has been previously certified and delivered to Customer, or;

(b) no later than the first day of the month that is **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** prior to the scheduled month of delivery of the Aircraft **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** has not been previously certified and delivered to Customer.

2. Boeing's Production Capability.

2.1 The Customer's **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

2.2 If Boeing is **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

3. Price and Advance Payments.

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

4. Applicability of Certain Terms and Conditions.

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

5. Assignment.

The rights and obligations described in this Letter Agreement are provided to Customer in consideration of Customer becoming the operator of the Aircraft and can only be assigned, in whole or in part, pursuant to Article 9 of the AGTA as amended by Letter Agreement No. 6-1162-IRS-0184.

6. Definitive Agreement.

Customer's [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] right and Boeing's obligation in this Letter Agreement are further conditioned upon Customer's and Boeing's executing (i) a supplemental agreement to the Purchase Agreement for [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] days of Customer's [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] notice to Boeing or of Customer's acceptance of an [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] in accordance with paragraph 1 above. A supplemental agreement to the Purchase Agreement is not intended to change or modify the terms and conditions of the Purchase Agreement and will incorporate the following update to the Purchase Agreement

7. Confidential Treatment.

Customer and Boeing understand that certain commercial and financial information contained in this Letter Agreement are considered by Boeing and Customer as confidential and are subject to the terms and conditions set forth in Letter Agreement No. 6-1162-IRS-0182.

Very truly yours,

THE BOEING COMPANY

By /s/ Nobuko Wiles

Its Attorney-In-Fact

ACCEPTED AND AGREED TO this

Date: February 19, 2010

UNITED AIR LINES, INC.

By /s/ Kathryn A. Mikells

Its Executive Vice President and Chief Financial Officer

6-1162-ELP-0778

United Air Lines, Inc.  
PO Box 60100  
Chicago, IL 60601-0100

Subject: Special Matters

Reference: Purchase Agreement No. 3427 (Purchase Agreement) between The Boeing Company (Boeing) and United Air Lines, Inc. (Customer) relating to Model 787-8 aircraft (Aircraft)

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

1. **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** for Firm Aircraft. At the time of delivery of each Aircraft, as set forth in Table 1 as of signing of the Purchase Agreement (Firm Aircraft), unless otherwise noted, **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

1.1 **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

1.2 **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

Customer intends to operate the Aircraft as part of its business. **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

1.3 **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

P.A. No. 3427  
Special\_Matters

**BOEING / UNITED PROPRIETARY**



**1.4 [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

Upon execution of the Purchase Agreement, Boeing will offer Customer a **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

Notwithstanding the commitment above and the commitment in Letter Agreement No. 6-1162-ELP-0794, **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

**2. [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] Purchase Right Aircraft.** At the time of delivery of each exercised Purchase Right Aircraft, as defined in Letter Agreement 6-1162-ELP-0780, Boeing will provide to Customer **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

**2.1 [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

**2.2 [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

Customer intends to operate the Aircraft as part of its business. **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

**3. [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

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Special\_Matters

**BOEING / UNITED PROPRIETARY**

**3.2 [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

Customer intends to operate the Aircraft as part of its business. [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

**3.3 [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

**4. Business Considerations [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

**5. Additional Conditions [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].**

**6. [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

**7. [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

P.A. No. 3427  
Special\_Matters

**BOEING / UNITED PROPRIETARY**

Boeing agrees to maintain [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

8. [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

9. [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

10. [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

11. [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

12. [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

The Parties agree to work towards a mutually agreeable solution and incorporate such solution into the Purchase Agreement. Notwithstanding the foregoing sentence, Boeing agrees to [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

13. [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

14. [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

The parties agree that unless otherwise expressly stated herein, [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

15. Assignment.

The rights and obligations described in this Letter Agreement are provided to Customer in consideration of Customer becoming the operator of the Aircraft and can only be assigned, in whole or in part, pursuant to Article 9 of the AGTA as amended by Letter Agreement No. 6-1162-IRS-0184.

P.A. No. 3427  
Special\_Matters

**BOEING / UNITED PROPRIETARY**

16. Confidentiality

Customer and Boeing understand that certain commercial and financial information contained in this Letter Agreement are considered by Boeing and Customer as confidential and are subject to the terms and conditions set forth in Letter Agreement No. 6-1162-IRS-0182.

Very truly yours,

THE BOEING COMPANY

By /s/ Nobuko Wiles

Its Attorney-In-Fact

ACCEPTED AND AGREED TO this

Date: February 19, 2010

UNITED AIR LINES, INC.

By /s/ Kathryn A. Mikells

Its Executive Vice President and Chief Financial Officer

P.A. No. 3427  
Special\_Matters

**BOEING / UNITED PROPRIETARY**

6-1162-ELP-0779

United Air Lines, Inc.  
P. O. Box 60100  
Chicago, IL 60601-0100

Subject: Aircraft [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] Program

Reference: Purchase Agreement No. 3427 (Purchase Agreement) between The Boeing Company (Boeing) and United Air Lines, Inc. (Customer) relating to Model 787-8 aircraft (Aircraft)

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

1. Definition of Terms:

1.1 “Achieved Technical [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]” shall mean a number calculated pursuant to the following formula:

$100 \times (1 - [\text{CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT}])$

where: [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] occurring during an Analysis Period for the fleet of [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] equals the number of [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] occurring during the same Analysis Period for the fleet of [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

P.A. No. 3427

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

BOEING / UNITED PROPRIETARY

1.2 "Analysis Period" shall mean [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] consecutive calendar months of [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] commencing at the start of the Program Term and running in a series until the end of the Program Term. For the avoidance of doubt, no Analysis Period shall overlap with another Analysis Period.

1.3 "Average Flight Length" shall mean the flight hours for the fleet of [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] during an Analysis Period divided by the number of [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] for the fleet of [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] during the same Analysis Period.

1.4 "[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] Interruption" or "Interruption" shall mean a cancellation, turn-back, diverted landing or delayed departure of any [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] which is greater than fifteen (15) minutes, other than as provided in Section 4, below, and results directly from a Technical Malfunction of such Covered Aircraft.

1.5 [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

1.6 "Program" shall mean the rights and obligations defined in this Letter Agreement.

1.7 "Program Term" shall mean five (5) consecutive years commencing on the delivery date of the first [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

1.8 "[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]" shall mean any departure of a Covered Aircraft for a [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT], including, but not limited to (i) any departure of [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

1.9 [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

P.A. No. 3427

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

BOEING / UNITED PROPRIETARY

2. Program Description.

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

3. **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

4. **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

5. Administrative Requirements.

5.1 Customer will provide status reports every month (Reporting Period).

5.2 The Customer's status reports shall include the data required to calculate **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** for each month of the Reporting Period using the formulas described in Section 1, above, and a list of the **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** for the Reporting Period. Customer shall submit such data to Boeing electronically in accordance with the provisions of Boeing Document D6-81692.

All data submitted pursuant to Subsection 5.2 will be addressed to the attention of:

MANAGER – IN-SERVICE DATA GROUP  
Boeing Commercial Airplanes  
P.O. Box 3707, Mail Code 67-LT  
Seattle, Washington 98124-2207

5.3 Customer **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** reports will include the data described in Subsection 5.2 above and sufficient data to substantiate **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**. Customer will submit to Boeing reasonable proof that any **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**. In addition, Customer will maintain and submit to Boeing such data as may reasonably be required to:

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

P.A. No. 3427

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

**BOEING / UNITED PROPRIETARY**



5.4 Failure to file the status reports or provide the information as specified in Subsections 5.1 through 5.3, above, will constitute an acknowledgment by Customer that the **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

5.5 All **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** reports submitted to Boeing will be addressed to the attention of:

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** Contracts

Boeing Commercial Airplanes  
P.O. Box 3707, Mail Code 2L-46  
Seattle, Washington 98124-2207  
Fax 425-237-1706

6. Conditions and Limitations.

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

7. **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

8. **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

9. Assignment.

The rights and obligations described in this Letter Agreement are provided to Customer in consideration of Customer becoming the operator of the Aircraft and can only be assigned, in whole or in part, pursuant to Article 9 of the AGTA as amended by Letter Agreement No. 6-1162-IRS-0184.

10. Confidential Treatment.

Customer and Boeing understand that certain commercial and financial information contained in this Letter Agreement are considered by Boeing and Customer as confidential and are subject to the terms and conditions set forth in Letter Agreement No. 6-1162-IRS-0182.

*[The remainder of this page intentionally left blank]*

P.A. No. 3427

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

**BOEING / UNITED PROPRIETARY**

United Air Lines, Inc.  
6-1162-ELP-0779

If the foregoing correctly sets forth your understanding of our agreement with respect to the matters treated above, please indicate your acceptance and approval below.

Very truly yours,

THE BOEING COMPANY

By: /s/ Nobuko Wiles

Its Attorney-In-Fact

ACCEPTED AND AGREED TO this

Date: February 19, 2010

UNITED AIR LINES, INC.

By: /s/ Kathryn A. Mikells

Its Executive Vice President and Chief Financial Officer

P.A. No. 3427

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

**BOEING / UNITED PROPRIETARY**

Appendix A:

Procedure to [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY  
WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC  
PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

P.A. No. 3427

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL  
TREATMENT]

**BOEING / UNITED PROPRIETARY**

6-1162-ELP-0780

United Air Lines, Inc.  
PO Box 60100  
Chicago, IL 60601-0100

Subject: Right to Purchase Additional Aircraft

Reference: Purchase Agreement No. 3427 (Purchase Agreement) between The Boeing Company (Boeing) and United Air Lines, Inc. (Customer or United) (collectively, Parties) relating to Model 787-8 aircraft.

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

1 Right to Purchase Incremental Aircraft

Subject to the terms and conditions contained herein, in addition to the Aircraft described in Table 1 to the Purchase Agreement as of the date of execution of this Letter Agreement, Customer will have the right to purchase (Purchase Right) Fifty (50) additional Boeing Model 787-822 (Purchase Right Aircraft) aircraft on the terms and conditions described in this Letter Agreement.

2 Delivery.

The Purchase Right Aircraft are offered subject to available position for delivery during the period **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** (Purchase Right Time Period). **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**, subject to Customer's compliance with the requirements for exercising such Purchase Right per paragraph 3 of this Letter Agreement. In order for the Parties to keep each other informed as to Customer's fleet plans and Boeing's production plans, commencing on the first day of the calendar quarter following the execution of the Purchase Agreement between the Parties, Boeing and Customer will have a **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

P.A. No. 3427  
Purchase Rights

BOEING / UNITED PROPRIETARY

3 Notice of Exercise and Payment of Deposit

3.1 Should Customer elect to exercise its right to a Purchase Right Aircraft, then Customer shall give written notice to Boeing of its desire to exercise a Purchase Right no less than **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** months prior to the desired month of delivery of the Purchase Right Aircraft (Notice of Exercise). **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

3.2 If Boeing must make production decisions which could affect the availability of any or all Purchase Right Aircraft or Customer's ability to exercise a Purchase Right (Impact) during the Purchase Right Time Period set forth in Article 2, above, Boeing shall provide written notification to Customer including information related to the Impact and the availability of delivery positions in the delivery month(s) (Special Notice). Any such Special Notice shall be provided to **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** Upon Boeing's receipt of the Notice of Exercise, the terms of paragraph 3.1 above shall apply. The expiration of the Purchase Right as set forth in paragraph 8 of this Letter Agreement and Customer's election to not exercise its Purchase Right upon receipt of the Special Notice will not cause expiration of the Purchase Right except (i) if the Special Notice is provided to Customer for Boeing to make decision on discontinuation of production of Model 787 aircraft and (ii) if Boeing actually discontinues production of the Model 787 aircraft.

4 Configuration

Boeing reserves the right to configure the Purchase Right Aircraft starting from a different configuration specification which is the then current version. The configuration for the Purchase Right Aircraft will be the Detail Specification for the model 787-822 aircraft at the revision level in effect at the time of execution of the Purchase Right Supplement.

5. Applicability of Certain Terms and Conditions.

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

6 Price

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** Engine Price for the Purchase Right Aircraft will be Engine Manufacturer's then current prices as of the date of signing of the definitive agreement for the Purchase Right

Aircraft. Advance payments are required for each Purchase Right Aircraft, and the escalation indices and methodology used to estimate the Advance Payment Base Prices will be adjusted to Boeing's then current provisions for such elements as of the date of signing of such definitive agreement. The remainder of the Aircraft Price will be due at delivery of each Purchase Right Aircraft.

7. Definitive Purchase Agreement.

The Purchase Right Supplement described in paragraph 3.1 above will include the provisions then contained in the Purchase Agreement as modified to reflect the provisions of this Letter Agreement and any additional mutually agreed terms and conditions. For the avoidance of doubt, the Purchase Right Supplement [**CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT**]. Should Boeing and Customer fail to agree upon the Purchase Right Supplement, then Boeing's obligation to provide such Purchase Right Aircraft will terminate.

8. General Expiration of Rights.

Each Purchase Right shall expire at the time of execution of the purchase agreement for the applicable Purchase Right Aircraft, or, if no such purchase agreement is executed, on [**CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT**].

9. Assignment.

The rights and obligations described in this Letter Agreement are provided to Customer in consideration of Customer becoming the operator of the Aircraft and can only be assigned, in whole or in part, pursuant to Article 9 of the AGTA as amended by Letter Agreement No. 6-1162-IRS-0184.

10. Confidential Treatment.

Customer and Boeing understand that certain commercial and financial information contained in this Letter Agreement are considered by Boeing and Customer as confidential and are subject to the terms and conditions set forth in Letter Agreement No. 6-1162-IRS-0182.

P.A. No. 3427  
Purchase Rights

BOEING / UNITED PROPRIETARY

Very truly yours,

THE BOEING COMPANY

By /s/ Nobuko Wiles

Its Attorney-In-Fact

ACCEPTED AND AGREED TO this

Date: February 19, 2010

UNITED AIR LINES, INC.

By /s/ Kathryn A. Mikells

Its Executive Vice President and Chief Financial Officer

P.A. No. 3427

Purchase Rights

BOEING / UNITED PROPRIETARY

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC  
PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

P.A. No. 3427  
Purchase Rights

BOEING / UNITED PROPRIETARY



6-1162-ELP-0781

United Air Lines, Inc.  
P. O. Box 66100  
Chicago, IL 60601-0100

Subject: Additional Special Matters

Reference: Purchase Agreement No. 3427 (Purchase Agreement) between The Boeing Company (Boeing) and United Air Lines, Inc. (Customer) relating to Model 787-8 aircraft.

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

1. [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

2. [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

3. Notice of [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

3.1 Should Customer elect to [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

4. [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

5. [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

6. Alternative to [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

P.A. No.  
Additional Special Matters

**BOEING / UNITED PROPRIETARY**

As an alternative to **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** in accordance with terms and conditions described in paragraph 3, in conjunction with the **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

7. Applicability of Certain Terms and Conditions.

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

8 **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

9 **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

10. Assignment.

The rights and obligations described in this Letter Agreement are provided to Customer in consideration of Customer becoming the operator of the Aircraft and can only be assigned, in whole or in part, pursuant to Article 9 of the AGTA as amended by Letter Agreement No. 6-1162-IRS-0184.

11. **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

P.A. No. 3427  
Additional Special Matters

**BOEING / UNITED PROPRIETARY**

United Air Lines, Inc.  
6-1162-ELP-0781

12 Confidential Treatment.

Customer and Boeing understand that certain commercial and financial information contained in this Letter Agreement are considered by Boeing and Customer as confidential and are subject to the terms and conditions set forth in Letter Agreement No. 6-1162-IRS-0182.

Very truly yours,

THE BOEING COMPANY

By /s/ Nobuko Wiles

Its Attorney-In-Fact

ACCEPTED AND AGREED TO this

Date: February 19, 2010

UNITED AIR LINES, INC.

By /s/ Kathryn A. Mikells

Its Executive Vice President and Chief Financial Officer

P.A. No. 3427  
Additional Special Matters

**BOEING / UNITED PROPRIETARY**

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC  
PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

P.A. No.  
Additional Special Matters

**BOEING / UNITED PROPRIETARY**

6-1162-ELP-0783

United Air Lines, Inc.  
P. O. Box 66100  
Chicago, IL 60601-0100

Subject: **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** Escalation **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

Reference: Purchase Agreement No. 3427 (Purchase Agreement) between The Boeing Company (Boeing) and United Air Lines, Inc. (Customer) relating to Model 787-8 aircraft (Aircraft)

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

1. Definitions.

**“[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]”** means the written communication provided by Boeing to Customer in accordance with the requirements of Article 4.1, below.

**“Program Aircraft”** means each Aircraft specified in Table 1 to the Purchase Agreement as originally executed, **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

**“Forecast Escalation Factor”** means the escalation factor compounded annually from July of the Base Year 2008 up to and including the month and year of the scheduled delivery of each Program Aircraft calculated in accordance with Supplemental Exhibit AE1 to the Purchase Agreement, but based on the escalation forecast as described in Article 3, below.

**“Actual Escalation Factor”** means the escalation factor from July of the Base Year 2008 up to and including the month and year of the scheduled delivery of each Program Aircraft calculated pursuant to Supplemental Exhibit AE1 to the Purchase Agreement.

P.A. No. 3427  
Escalation Matters

**BOEING / UNITED PROPRIETARY**

2. Applicability.

Notwithstanding any other provision of the Purchase Agreement to the contrary, the parties agree that the Escalation Adjustment for the Airframe Price and Optional Features Prices for each Program Aircraft shall be determined in accordance with this Letter Agreement.

3. Escalation Forecast.

Boeing will release an escalation forecast in February (February Forecast) and August (August Forecast) of each year in accordance with Supplemental Exhibit AE1 to the Purchase Agreement. Only one escalation forecast shall be used to conduct the escalation analysis performed in accordance with Article 4, 5 and 6 below, for a given Program Aircraft. The escalation forecast applicable to a given Program Aircraft is set forth in Attachment A.

4. Forecast Escalation [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

5. Forecast Escalation [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

6. Forecast Escalation [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

6.1.2 provide Customer with the option of [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

6.1.3 provide Customer the option of [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

6.1.4 In the event Boeing elects either option 7.1.2 or 7.1.3 and [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

6.2 If Boeing provides Customer the option described in Article 7.1.2 or 7.1.3 above, then Customer shall notify Boeing in writing of its election to exercise the option contained in Article 7.1.2 or 7.1.3 above [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

7. Applicability to Other [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

8. Assignment.

The rights and obligations described in this Letter Agreement are provided to Customer in consideration of Customer becoming the operator of the Aircraft and can only be assigned, in whole or in part, pursuant to Article 9 of the AGTA as amended by Letter Agreement No. 6-1162-IRS-0184.

9. Confidential Treatment.

Customer and Boeing understand that certain commercial and financial information contained in this Letter Agreement are considered by Boeing and Customer as confidential and are subject to the terms and conditions set forth in Letter Agreement No. 6-1162-IRS-0182.

Very truly yours,

THE BOEING COMPANY

By /s/ Nobuko Wiles

Its Attorney-In-Fact

ACCEPTED AND AGREED TO this

Date: February 19, 2010

UNITED AIR LINES, INC.

By /s/ Kathryn A. Mikells

Its Executive Vice President and Chief Financial Officer

P.A. No. 3427  
Escalation Matters

**BOEING / UNITED PROPRIETARY**

ATTACHMENT A

Escalation Forecast [**CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY  
WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT**]

[**CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC  
PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT**]

P.A. No. 3427  
Escalation Matters

**BOEING / UNITED PROPRIETARY**



ATTACHMENT B  
Escalation Factors – July 2008 Base Year

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC  
PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

P.A. No. 3427  
Escalation Matters

**BOEING / UNITED PROPRIETARY**

6-1162-ELP-0784

United Air Lines, Inc.  
P. O. Box 66100  
Chicago, IL 60601-0100

Subject: **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** Matters

Reference: Purchase Agreement No. 3427 (Purchase Agreement) between The Boeing Company (Boeing) and United Air Lines, Inc. (Customer) relating to Model 787-8 aircraft (Aircraft)

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

Definition of Terms:

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

1. Notification.

Boeing will give written notice to Customer as soon as Boeing concludes that **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

2. **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

3. **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

4. **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

5. **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

6. **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** Matters

**BOEING / UNITED PROPRIETARY**

UNITED AIR LINES, INC.  
6-1162-ELP-0784

**7. [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].**

8. Assignment.

The rights and obligations described in this Letter Agreement are provided to Customer in consideration of Customer becoming the operator of the Aircraft and can only be assigned, in whole or in part, pursuant to Article 9 of the AGTA as amended by Letter Agreement No. 6-1162-IRS-0184.



9. Confidential Treatment.

Customer and Boeing agree and understand that this Letter Agreement is strictly confidential and only be shared with employees of Boeing and Customer but not with consultants or any other professional advisors who are not employees of the either party without prior consent of the other party. Customer and Boeing understand that certain commercial and financial information contained in this Letter Agreement are considered by Boeing and Customer as confidential and are subject to the terms and conditions set forth in Letter Agreement No. 6-1162-IRS-0182.

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] Matters**

**BOEING / UNITED PROPRIETARY**

UNITED AIR LINES, INC.  
6-1162-ELP-0784

Notwithstanding above, Customer and Boeing agree and understand that this Letter Agreement is strictly confidential and only be shared with employees of Boeing and Customer but not with consultants or any other professional advisors who are not employees of the either party without prior consent of the other party.

Very truly yours,

THE BOEING COMPANY

By /s/ Nobuko Wiles

Its Attorney-In-Fact



ACCEPTED AND AGREED TO this

Date: February 19, 2010

UNITED AIR LINES, INC.

By /s/ Kathryn A. Mikells

Its Executive Vice President and Chief Financial Officer

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] Matters**

**BOEING / UNITED PROPRIETARY**

6-1162-ELP-0785

United Air Lines, Inc.  
P. O. Box 66100  
Chicago, IL 60601-0100

Subject: Promotional Support

Reference: Purchase Agreement No. 3427 (Purchase Agreement) between The Boeing Company (Boeing) and United Air Lines, Inc. (Customer) relating to Model 787-8 aircraft (Aircraft)

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

Boeing and Customer wish to enter into an agreement pursuant to which each party will contribute equally to promotional programs in support of the entry into service of the Aircraft as more specifically provided below.

1. Definitions.

1.1 Commitment Limit shall have the meaning set forth in Article 2, below.

1.2 Covered Aircraft shall mean those Aircraft identified on Table 1 to the Purchase Agreement as of the date of signing of this Letter Agreement.

1.3 Performance Period shall mean the period beginning one (1) year before and ending one (1) year after the scheduled delivery month of the first Covered Aircraft.

1.4 Promotional Support shall mean marketing and promotion programs in support of the entry into service of the Covered Aircraft such as marketing research, tourism development, corporate identity, direct marketing, videotape or still photography, planning, design and production of collateral materials, management of promotion programs, advertising campaigns or such other marketing and promotional activities as the parties may mutually agree.

1.5 Qualifying Third Party Fees shall mean fees paid by Customer to third party providers for Promotional Support provided to Customer during the Performance Period.

2. Commitment.

As more particularly set forth in this Letter Agreement, Boeing agrees to provide Promotional Support to Customer during the Performance Period in a value not to exceed **[CONFIDENTIAL MATERIAL OMITTED AND FILED]**

P.A. No. 3427  
Promotional Support

**BOEING / UNITED PROPRIETARY**

**SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** for the first Covered Aircraft delivered to Customer and not to exceed **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** per Covered Aircraft for each Covered Aircraft delivered to Customer thereafter for a total of **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

3. Methods of Performance

3.1 Subject to the Commitment Limit, Boeing will reimburse **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** of Customer's payments of Qualifying Third Party Fees provided that Customer provides Boeing copies of paid invoices for such Qualifying Third Party Fees no later than twenty-four months after the delivery of the first Covered Aircraft.

3.2 Notwithstanding the above, at Customer's request and subject to a mutually agreed project, Boeing will provide certain Promotional Support during the Performance Period directly to Customer. The full value of such Boeing provided Promotional Support will be accounted for as part of the Commitment Limit and will correspondingly reduce the amount of Qualifying Third Party Fees that are subject to reimbursement pursuant to Article 3.1 above.

3.3 In the event Customer does not (i) utilize the full amount of the Commitment Limit within the Performance Period or (ii) submit its paid invoices for Qualifying Third Party Fees within the required time, as set forth in Article 3.1, Boeing shall have no further obligation to Customer for such unused Commitment Limit or to reimburse Customer for such Qualifying Third Party Fees, respectively.

4. Project Approval

Following the execution of this Letter Agreement, a Boeing Airline Marketing Services representative will meet with Customer's designated representative to review and approve the extent, selection, scheduling, and funds disbursement process for the Promotional Support to be provided pursuant to this Letter Agreement.

5. Assignment

The rights and obligations described in this Letter Agreement are provided to Customer in consideration of Customer becoming the operator of the Aircraft and can only be assigned, in whole or in part, pursuant to Article 9 of the AGTA as amended by Letter Agreement No. 6-1162-IRS-0184.

P.A. No. 3427  
Promotional Support

**BOEING / UNITED PROPRIETARY**

6. Confidential Treatment.

Customer and Boeing understand that certain commercial and financial information contained in this Letter Agreement are considered by Boeing and Customer as confidential and are subject to the terms and conditions set forth in Letter Agreement No. 6-1162-IRS-0182.

Very truly yours,

THE BOEING COMPANY

By: /s/ Nobuko Wiles

Its Attorney-In-Fact

ACCEPTED AND AGREED TO this

Date: February 19, 2010

UNITED AIR LINES, INC.

By: /s/ Kathryn A. Mikells

Its Executive Vice President and Chief Financial Officer

P.A. No. 3427  
Promotional Support

**BOEING / UNITED PROPRIETARY**

6-1162-ELP-0786

United Air Lines, Inc.  
P. O. Box 60100  
Chicago, IL 60601-0100

Subject: **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** Guarantee for 787-8

Reference: Purchase Agreement No. 3427 (Purchase Agreement) between The Boeing Company (Boeing) and United Air Lines, Inc. (Customer) relating to Model 787-8 aircraft (Aircraft)

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

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

1. **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

2. **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

3. **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

4. **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

5. Assignment.

The rights and obligations described in this Letter Agreement are provided to Customer in consideration of Customer becoming the operator of the Aircraft and can only be assigned, in whole or in part, pursuant to Article 9 of the AGTA as amended by Letter Agreement No. 6-1162-IRS-0184.

6. **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

P.A. No. 3427

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**\_Guarantee\_787-8

**BOEING / UNITED PROPRIETARY**



7. Confidential Treatment.

Customer and Boeing understand that certain commercial and financial information contained in this Letter Agreement are considered by Boeing and Customer as confidential and are subject to the terms and conditions set forth in Letter Agreement No. 6-1162-IRS-0182.

If the foregoing correctly sets forth your understanding of our agreement with respect to the matters treated above, please indicate your acceptance and approval below.

Very truly yours,

THE BOEING COMPANY

By /s/ Nobuko Wiles

Its Attorney-In-Fact

ACCEPTED AND AGREED TO this

Date: February 19, 2010

UNITED AIR LINES, INC.

By /s/ Kathryn A. Mikells

Its Executive Vice President and Chief Financial Officer

P.A. No. 3427

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]\_Guarantee\_787-8**

**BOEING / UNITED PROPRIETARY**

6-1162-ELP-0787

United Air Lines, Inc.  
P. O. Box 60100  
Chicago, IL 60601-0100

Subject: **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** Guarantee for 787-9

Reference: Purchase Agreement No. 3427 (Purchase Agreement) between The Boeing Company (Boeing) and United Air Lines, Inc. (Customer) relating to Model 787-9 aircraft (Aircraft)

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

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

1. **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

2. **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

3. **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

4. **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

5. Assignment.

The rights and obligations described in this Letter Agreement are provided to Customer in consideration of Customer becoming the operator of the Aircraft and can only be assigned, in whole or in part, pursuant to Article 9 of the AGTA as amended by Letter Agreement No. 6-1162-IRS-0184.

6. **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

P.A. No. 3427

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** \_Guarantee\_787-9

**BOEING / UNITED PROPRIETARY**

7. Confidential Treatment.

Customer and Boeing understand that certain commercial and financial information contained in this Letter Agreement are considered by Boeing and Customer as confidential and are subject to the terms and conditions set forth in Letter Agreement No. 6-1162-IRS-0182.

If the foregoing correctly sets forth your understanding of our agreement with respect to the matters treated above, please indicate your acceptance and approval below.

Very truly yours,

THE BOEING COMPANY

By /s/ Nobuko Wiles

Its Attorney-In-Fact

ACCEPTED AND AGREED TO this

Date: February 19, 2010

UNITED AIR LINES, INC.

By /s/ Kathryn A. Mikells

Its Executive Vice President and Chief Financial Officer

P.A. No. 3427

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] \_Guarantee\_787-9**

**BOEING / UNITED PROPRIETARY**

6-1162-ELP-0788

United Air Lines, Inc.  
P. O. Box 66100  
Chicago, IL 60601-0100

Subject: **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** Participation Program

Reference: Purchase Agreement No. 3427 (Purchase Agreement) between The Boeing Company (Boeing) and United Air Lines, Inc. (Customer) relating to Model 787-8 aircraft (Aircraft)

This letter agreement (Letter Agreement) amends and supplements the Purchase Agreement. It grants to Customer the **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** Participation Program described herein (Program). All terms used but not defined in this Letter Agreement have the same meaning as in the Purchase Agreement.

1. **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

2. Term. The term of the Program is **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** consecutive years after delivery of each Aircraft.

3. Boeing Participation.

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

4. General Conditions and Limitations.

4.1 **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

4.2 THE DISCLAIMER AND RELEASE and EXCLUSION OF CONSEQUENTIAL AND OTHER DAMAGES provisions stated in Article 11 of Part 2 of Exhibit C of the AGTA apply to this Program.

P. A. No. 3427

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

BOEING / UNITED PROPRIETARY

5. Assignment. The rights and obligations described in this Letter Agreement are provided to Customer in consideration of Customer becoming the operator of the Aircraft and can only be assigned, in whole or in part, pursuant to Article 9 of the AGTA as amended by Letter Agreement No. 6-1162-IRS-0184.

6. Confidential Treatment. Customer and Boeing understand that certain commercial and financial information contained in this Letter Agreement are considered by Boeing and Customer as confidential and are subject to the terms and conditions set forth in Letter Agreement No. 6-1162-IRS-0182.

If the foregoing correctly sets forth your understanding of our agreement with respect to the matters treated above, please indicate your acceptance and approval below.

Very truly yours,

THE BOEING COMPANY

By: /s/ Nobuko Wiles

Its Attorney-In-Fact

ACCEPTED AND AGREED TO this

Date: February 19, 2010

UNITED AIR LINES, INC.

By: /s/ Kathryn A. Mikells

Its Executive Vice President and Chief Financial Officer

P. A. No. 3427

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

**BOEING / UNITED PROPRIETARY**

6-1162-ELP-0790

United Air Lines, Inc.  
P. O. Box 66100  
Chicago, IL 60601-0100

Subject: **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** Matters

Reference: Purchase Agreement No. 3427 (Purchase Agreement) between The Boeing Company (Boeing) and United Air Lines, Inc. (Customer) relating to Model 787-8 aircraft (Aircraft)

This letter agreement (Letter Agreement) amends and supplements the Purchase Agreement. Unless otherwise defined, all terms used but not defined in this Letter Agreement have the same meaning as in the Purchase Agreement. The terms of this Letter Agreement will prevail in the event of any conflict between this Letter Agreement and any provision in the Purchase Agreement.

1. In consideration of Customer's request for its ability to **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** Customer's Aircraft to **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**, Boeing consents to such **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** under the following terms and conditions:

1.1 **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

1.2 Customer must notify Boeing its intent to exercise its right to **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** in writing (the "Notice of Intent") no less than **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** months prior to the first day of the scheduled delivery month of **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** Aircraft.

1.3 **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

P.A. No. 3427

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** Matters

**BOEING / UNITED PROPRIETARY**

1.4 Within thirty (30) days of Boeing's receipt of the Notice of Intent, Boeing shall have the right **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** under the Purchase Agreement for **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

1.5 **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

1.6 Any and all actual incremental costs associated with the **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

1.7 **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

1.8 Boeing shall not be subject to any additional liability as a result of **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** under the terms and conditions of this Letter Agreement which Boeing would not otherwise be subject to under the Purchase Agreement.

2 **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** shall mean the occurrence of any one or more of the following events: (i) any party taking any action to foreclose or otherwise exercise any right such party may have to control or otherwise direct **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** pursuant to a material security agreement, pledge or otherwise; (ii) any **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** whether through sale, merger, consolidation or otherwise or whether through foreclosure, enforcement of a security interest, or otherwise resulting from the acts of any party; (iii) the creation of any material lien upon the material assets of **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** or any pledge of any ownership or other interest in **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** to any party, or (iv) the bankruptcy (whether voluntary, involuntary or otherwise) or insolvency of the **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

P.A. No. 3427

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** Matters

**BOEING / UNITED PROPRIETARY**

United Air Lines, Inc.  
6-1162-ELP-0790

3. Assignment.

The rights and obligations described in this Letter Agreement are provided to Customer in consideration of Customer becoming the operator of the Aircraft and can only be assigned, in whole or in part, pursuant to Article 9 of the AGTA as amended by Letter Agreement No. 6-1162-IRS-0184.

P.A. No. 3427

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** Matters

**BOEING / UNITED PROPRIETARY**



United Air Lines, Inc.  
6-1162-ELP-0790

4. Confidential Treatment.

Customer and Boeing understand that certain commercial and financial information contained in this Letter Agreement are considered by Boeing and Customer as confidential and are subject to the terms and conditions set forth in Letter Agreement No. 6-1162-IRS-0182.

Very truly yours,

THE BOEING COMPANY

By /s/ Nobuko Wiles

Its Attorney-In-Fact

ACCEPTED AND AGREED TO this

Date: February 19, 2010

UNITED AIR LINES, INC.

By /s/ Kathryn A. Mikells

Its Executive Vice President and Chief Financial Officer

P.A. No. 3427

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** Matters

**BOEING / UNITED PROPRIETARY**

6-1162-ELP-0792

United Air Lines, Inc.  
P. O. Box 66100  
Chicago, IL 60601

Subject: Alternate Engine Selection

Reference: Purchase Agreement No. 3427 (Purchase Agreement) between The Boeing Company (Boeing) and United Air Lines, Inc. (Customer) relating to Model 787-8 aircraft (Aircraft)

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

Customer has requested and Boeing has agreed that Customer may delay the selection of engines for the Aircraft beyond the signing date of the Purchase Agreement. The engine model and prices shown in Table 1 to the Purchase Agreement, Supplemental Exhibit EE1 to the Purchase Agreement will be revised **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**. The engine price and escalation in effect at the time of engine selection will apply to the engine model selected.

The Model 787-8 Aircraft is offered to Customer powered by **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**. Customer shall notify Boeing of Customer's final engine selection (Default Engine Type) on or before **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**, and Boeing and Customer shall execute a supplemental agreement to the Purchase Agreement conforming Table 1 to Customer's engine selection and incorporate an Attachment A to this Letter Agreement which includes Aircraft delivery, configuration, pricing and advance payments for the Aircraft equipped with **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

---

Assignment.

The rights and obligations described in this Letter Agreement are provided to Customer in consideration of Customer becoming the operator of the Aircraft and can only be assigned, in whole or in part, pursuant to Article 9 of the AGTA as amended by Letter Agreement No. 6-1162-IRS-0184.

Confidential Treatment.

Customer and Boeing understand that certain commercial and financial information contained in this Letter Agreement are considered by Boeing and Customer as confidential and are subject to the terms and conditions set forth in Letter Agreement No. 6-1162-IRS-0182.

Very truly yours,

THE BOEING COMPANY

By /s/ Nobuko Wiles

Its Attorney-In-Fact

ACCEPTED AND AGREED TO this

Date: February 19, 2010

UNITED AIR LINES, INC.

By /s/ Kathryn A. Mikells

Its Executive Vice President and Chief Financial Officer

6-1162-ELP-0794

United Air Lines, Inc.  
P. O. Box 66100  
Chicago, IL 60601-0100

Subject: **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** Program

Reference: Purchase Agreement No. 3427 (Purchase Agreement) between The Boeing Company (Boeing) and United Air Lines, Inc. (Customer) relating to Model 787-8 aircraft (Aircraft)

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

In consideration of Customer executing the Purchase Agreement and fully performing obligations under such Purchase Agreement including taking delivery of no less than twenty-five (25) Boeing model 787 aircraft, Boeing agrees to provide the special considerations set forth below for Customer's **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

1. **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**
2. Administration of the **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

2.1 Annual Confirmation. Customer shall annually confirm in writing that the **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

2.2. Annual Review. **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

3. Documentation [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

4. [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

5. Assignment.

The rights and obligations described in this Letter Agreement are provided to Customer in consideration of Customer becoming the operator of the Aircraft and can only be assigned, in whole or in part, pursuant to Article 9 of the AGTA as amended by Letter Agreement No. 6-1162-IRS-0184.

6. Confidential Treatment.

Customer and Boeing understand that certain commercial and financial information contained in this Letter Agreement are considered by Boeing and Customer as confidential and are subject to the terms and conditions set forth in Letter Agreement No. 6-1162-IRS-0182.

Very truly yours,

THE BOEING COMPANY

By /s/ Nobuko Wiles

Its Attorney-In-Fact

ACCEPTED AND AGREED TO this

Date: February 19, 2010

UNITED AIR LINES, INC.

By /s/ Kathryn A. Mikells

Its Executive Vice President and Chief Financial Officer

Attachment



**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC  
PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

6-1162-ELP-0795

United Air Lines, Inc.  
P. O. Box 66100  
Chicago, IL 60601

Subject: **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** Program

Reference: Purchase Agreement No. 3427 (Purchase Agreement) between The Boeing Company (Boeing) and United Air Lines, Inc. (Customer) relating to Model 787-8 aircraft (Aircraft)

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

In consideration of Customer executing the Purchase Agreement and fully performing obligations under such Purchase Agreement including taking delivery of no less than twenty-five (25) Boeing model 787 aircraft, Boeing agrees to provide the special considerations set forth below for Customer's **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

1. **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

1.2 Documentation. **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

2. Administration of the **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

2.1 Annual Confirmation. Customer shall annually confirms in writing that the **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

P.A. No. 3427

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** Program

**BOEING / UNITED PROPRIETARY**

2.2 Annual Review. [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

3 [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

4. [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

5. Assignment.

The rights and obligations described in this Letter Agreement are provided to Customer in consideration of Customer becoming the operator of the Aircraft and can only be assigned, in whole or in part, pursuant to Article 9 of the AGTA as amended by Letter Agreement No. 6-1162-IRS-0184.

6. Confidential Treatment.

Customer and Boeing understand that certain commercial and financial information contained in this Letter Agreement are considered by Boeing and Customer as confidential and are subject to the terms and conditions set forth in Letter Agreement No. 6-1162-IRS-0182.

P.A. No. 3427

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] Program

**BOEING / UNITED PROPRIETARY**

Very truly yours,

THE BOEING COMPANY

By /s/ Nobuko Wiles

Its Attorney-In-Fact

ACCEPTED AND AGREED TO this

Date: February 19, 2010

UNITED AIR LINES, INC.

By /s/ Kathryn A. Mikells

Its Executive Vice President and Chief Financial Officer

Attachment

P.A. No. 3427

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] Program**

**BOEING / UNITED PROPRIETARY**

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC  
PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

P.A. No. 3427

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL  
TREATMENT]** Program

**BOEING / UNITED PROPRIETARY**

6-1162-IRS-0182

United Air Lines, Inc.  
P. O. Box 66100  
Chicago, IL 60601

Subject: Privileged and Confidential Matters

Reference: Purchase Agreement No. 3427 (Purchase Agreement) between The Boeing Company (Boeing) and United Air Lines, Inc. (Customer) relating to Model 787-8 aircraft (Aircraft)

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

Boeing and Customer agree that certain commercial and financial information contained in or transmitted pursuant to the Purchase Agreement and the Aircraft General Terms Agreement (AGTA) (together the "Purchase Agreement") between Boeing and Customer and all letter agreements made a part of the Purchase Agreement, including exhibits or attachments thereto are considered by Boeing and Customer as privileged and confidential and the parties agree that the information contained therein or transmitted pursuant to (Information) represents confidential business information. Except as specified below, each of Boeing and Customer is prohibited from disclosing the Information to any person, entity, or government agency. Each party shall protect the confidentiality of such Information in the manner similar to how a party protects its own Information of a similar nature, but with no less than a reasonable standard of care. This provision shall not restrict a party from taking any steps necessary to protect and safeguard its interests relating to the Information, including obtaining a protective order or other injunctive relief, where appropriate.

- (a) *Employees.* A party may disclose the Information to its own employees who (i) have a need to know the Information for purposes of assisting said party in the evaluation or administration of the Purchase Agreement or such party's business operations and (ii) have been instructed to not disclose the Information except as provided by this Letter Agreement.
- (b) *Professional Advisors.* A party may disclose the Information to its auditors, insurers, financial advisors, consultants and attorneys ("Professional Advisors") who have a need to know the

P.A. No. 3427  
Privileged and Confidential Matters

**BOEING / UNITED PROPRIETARY**

Information in connection with providing services to said party only when said party has first obtained from the Professional Advisor a written obligation of confidentiality and restricted use that is no less restrictive than the terms of this Letter Agreement. Each party shall be fully responsible to the other party for the Professional Advisors' compliance with such obligations.

- (c) *Regulatory Requirements.* A party may disclose in a regulatory or other government filing that part of the Information which is required by applicable law or regulation to be disclosed in such regulatory or other governmental filings, including filings with the Securities and Exchange Commission ("SEC"), but only in accordance with the following requirements:
- (i) The disclosing party shall advise the other party in writing of such disclosure requirement prior to making such disclosure to enable the other party to take those steps it deems necessary to protect the Information; and
  - (ii) The disclosing party shall, as requested by the other party, seek redaction and/or confidential treatment for the Information or parts thereof from the SEC or other applicable regulators.

United Air Lines, Inc.  
6-1162-IRS-0182

Very truly yours,

THE BOEING COMPANY

By /s/ Nobuko Wiles

Its Attorney-In-Fact

ACCEPTED AND AGREED TO this

Date: February 19, 2010

UNITED AIR LINES, INC.

By /s/ Kathryn A. Mikells

Its Executive Vice President and Chief Financial Officer

P.A. No. 3427

Privileged and Confidential Matters

**BOEING / UNITED PROPRIETARY**



6-1162-IRS-0183

United Air Lines, Inc.  
P.O. Box 66100  
Chicago, IL 60601-0100

Subject: **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** to the Purchase Agreement

Reference: Purchase Agreement No. 3427 (Purchase Agreement) between The Boeing Company (Boeing) and United Air Lines, Inc. (Customer) relating to Model 787 aircraft (Aircraft)

This letter agreement (Letter Agreement) is entered into on the date below, and amends and supplements the Purchase Agreement. All capitalized terms used herein but not otherwise defined in this Letter Agreement have the same meaning as in the Purchase Agreement.

1. Purchase Agreement.

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

P.A. No. 3427

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** to the Purchase Agreement

**BOEING / UNITED PROPRIETARY**

2. **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**
3. **[CONFIDENTIAL MATERIAL FROM SECTION 3 IN PAGES 6 TO 16 OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**
4. Assignment.

The rights and obligations described in this Letter Agreement are provided to Customer in consideration of Customer becoming the operator of the Aircraft and can only be assigned, in whole or in part, pursuant to Article 9 of the AGTA as amended by Letter Agreement No. 6-1162-IRS-0184.

P.A. No. 3427

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** to the Purchase Agreement

**BOEING / UNITED PROPRIETARY**

United Air Lines, Inc.  
6-1162-IRS-0183

5. Confidential Treatment.

Customer and Boeing understand that certain commercial and financial information contained in this Letter Agreement are considered by Boeing and Customer as confidential and are subject to the terms and conditions set forth in Letter Agreement No. 6-1162-IRS-0182.

Very truly yours,

THE BOEING COMPANY

By /s/ Nobuko Wiles

Its Attorney-In-Fact

ACCEPTED AND AGREED TO this

Date: February 19, 2010

UNITED AIR LINES, INC.

By /s/ Kathryn A. Mikells

Its Executive Vice President and Chief Financial Officer

P.A. No. 3427

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** to the Purchase Agreement

**BOEING / UNITED PROPRIETARY**

6-1162-IRS-0185

United Air Lines, Inc.  
P. O. Box 60100  
Chicago, IL 60601

Subject: **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** the Inspection and Acceptance Process

Reference: Aircraft General Terms Agreement (AGTA) between The Boeing Company (Boeing) and United Air Lines, Inc. (Customer); and  
Purchase Agreement No. 3427 (Purchase Agreement) between Boeing and Customer relating to Model 787-8 aircraft (Aircraft)

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

The 787 customer inspection program is similar to other Boeing commercial customer inspection systems with modifications, which are required to support the shortened manufacturing cycle of the 787. The 787 inspection process is identified in the Customer Quality Support document D016Z010-01, Revision B, dated November 24, 2009. Notwithstanding the provisions in Article 5.2 of the AGTA, the following additional provisions below are provided to Customer with respect to the 787 inspection process. Representations, warranties, indemnities and agreements of Boeing made in the AGTA or the Purchase Agreement shall not be affected or deemed waived by reason of any investigation made by Customer pursuant to this Letter Agreement.

In accordance to the Customer Quality Support document in Attachment A hereto, Boeing's customer inspection process will reasonably accommodate Customer's inspection of the 787 Aircraft during the manufacturing process.

Promptly upon the completion of its manufacture in accordance with the Detail Specification and upon completion of the demonstration flights provided for in Article 5 of the AGTA, each Aircraft shall be submitted at Boeing's plant for final inspection and acceptance by Customer. Upon completion of Customer's final **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**, both parties reserve all rights under the Purchase Agreement and at law. If Boeing concurs with Customer's **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** then

P.A. No. 3427

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** the Inspection and Acceptance Process

**BOEING / UNITED PROPRIETARY**

Boeing will promptly proceed to correct the conditions which were specified [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] by Customer and with which Boeing concurred, unless otherwise mutually agreed. Upon correction of such conditions, [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

If during any flight or test as herein required, any of the Aircraft or any accessory, equipment or part hereon shall [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] comply with the Detail Specification or shall [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT], and the parties have not otherwise mutually agreed upon a solution, Boeing shall promptly [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

Until transfer of title to an aircraft to Customer, Boeing will indemnify and hold harmless Customer and [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] from and against all claims and liabilities, including all expenses [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] incident thereto or incident to establishing the right to indemnification, for injury to or death of any person(s), including employees of Boeing but not employees of Customer, or for loss of or damage to any property, including an aircraft, arising out of or in any way related to the operation of an aircraft [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] conducted under the provisions of the applicable purchase agreement, whether or not arising in tort or occasioned by the negligence of Customer or any of Customer's observers.

The rights and obligations described in this Letter Agreement are provided to Customer in consideration of Customer becoming the operator of the Aircraft and can only be assigned, in whole or in part, pursuant to Article 9 of the AGTA as amended by Letter Agreement No. 6-1162-IRS-0184.

Customer and Boeing understand that certain commercial and financial information contained in this Letter Agreement are considered by Boeing and Customer as confidential and are subject to the terms and conditions set forth in Letter Agreement No. 6-1162-IRS-0182.

P.A. No. 3427

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] the Inspection and Acceptance Process

**BOEING / UNITED PROPRIETARY**

United Air Lines, Inc.  
6-1162-IRS-0185

Very truly yours,

THE BOEING COMPANY

By /s/ Nobuko Wiles

Its Attorney-In-Fact

ACCEPTED AND AGREED TO this

Date: February 19, 2010

UNITED AIR LINES, INC.

By /s/ Kathryn A. Mikells

Its Executive Vice President and Chief Financial Officer

P.A. No. 3427

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** the Inspection and Acceptance Process

**BOEING / UNITED PROPRIETARY**

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC  
PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC  
PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

P.A. No. 3427

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL  
TREATMENT]** the Inspection and Acceptance Process

**BOEING / UNITED PROPRIETARY**



6-1162-NIW-2015

United Air Lines, Inc.  
P. O. Box 66100  
Chicago, IL 60601

Subject: **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** Technical Matters

Reference: Purchase Agreement No. 3427 (Purchase Agreement) between The Boeing Company (Boeing) and United Air Lines, Inc. (Customer) relating to Model 787-8 aircraft (Aircraft)

This letter agreement (Letter Agreement) amends and supplements the Purchase Agreement. Unless otherwise defined, all terms used but not defined in this Letter Agreement have the same meaning as in the Purchase Agreement. The terms of this Letter Agreement will prevail in the event of any conflict between this Letter Agreement and any provision in the Purchase Agreement.

1. **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

2. FAA Approved Data for Operation at Reduced Thrust.

In connection with the engine derate function required for the Aircraft, Boeing shall furnish to Customer, concurrently with Aircraft delivery, FAA approved data to allow take-off and climb operations with engine thrust reduced by the maximum extent allowed by the assumed temperature method, or any other method as may be mutually agreed upon, and as permitted by FAA policy at time of delivery of the Aircraft. Thrust reduction data based on the assumed temperature method shall be contained in the Airplane Flight Manual for the Aircraft.

3. **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

4. **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

P.A. No. 3427

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** Technical Matters

**BOEING / UNITED PROPRIETARY**

United Air Lines, Inc.  
6-1162-NIW-2015

5. [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

6. [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

7. Assignment.

The rights and obligations described in this Letter Agreement are provided to Customer in consideration of Customer becoming the operator of the Aircraft and can only be assigned, in whole or in part, pursuant to Article 9 of the AGTA as amended by Letter Agreement No. 6-1162-IRS-0184.

8. Confidential Treatment.

Customer and Boeing understand that certain commercial and financial information contained in this Letter Agreement are considered by Boeing and Customer as confidential and are subject to the terms and conditions set forth in Letter Agreement No. 6-1162-IRS-0182.

Very truly yours,

THE BOEING COMPANY

By /s/ Nobuko Wiles

Its Attorney-In-Fact

ACCEPTED AND AGREED TO this

Date: February 19, 2010

UNITED AIR LINES, INC.

By /s/ Kathryn A. Mikells

Its Executive Vice President and Chief Financial Officer

P.A. No. 3427

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] Technical Matters

**BOEING / UNITED PROPRIETARY**

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO  
A REQUEST FOR CONFIDENTIAL TREATMENT]**

P.A. No. 3427

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL  
TREATMENT]** Technical Matters

**BOEING / UNITED PROPRIETARY**

AIRBUS A350-900XWB PURCHASE AGREEMENT

Dated as of March 5, 2010

between

Airbus S.A.S.,  
Seller

and

United Air Lines, Inc  
Buyer

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**EXHIBITS**

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**PURCHASE AGREEMENT**

This agreement is made as of March 5, 2010

Between

AIRBUS S.A.S. organized and existing under the laws of the Republic of France, having its registered office located at

1, Rond-Point Maurice Bellonte  
31707 BLAGNAC Cedex  
FRANCE

(hereinafter referred to as the “**Seller**”)

and

UNITED AIR LINES, INC. a corporation organized and existing under the laws of the State of Delaware, United States of America, having its principal corporate offices located at 77 West Wacker Drive, Chicago, Illinois 60601 (hereinafter referred to as the “**Buyer**”)

WHEREAS the Buyer wishes to purchase and the Seller is willing to sell twenty-five (25) Airbus A350-900XWB aircraft, on the terms and conditions herein provided,

0 - DEFINITIONS

For all purposes of this Agreement (defined below), except as otherwise expressly provided, the following terms will have the following meanings:

A350-900XWB Aircraft - any or all of the twenty-five (25) firm A350-900XWB aircraft for which the delivery schedule is set forth in Clause 9.1 to be sold by the Seller and purchased by the Buyer pursuant to this Agreement, together with all components, equipment, parts and accessories installed in or on such aircraft and the A350-900XWB Propulsion Systems installed thereon upon delivery.

A350-900XWB Airframe or Airframe - any A350-900XWB Aircraft, excluding the Propulsion Systems thereof, but including the nacelles and thrust reversers.

A350-900XWB Propulsion Systems - as defined in Clause 2.3.

A350-900XWB Standard Specification - as defined in Clause 2.1.

A350-900XWB Specification - the A350-900XWB Standard Specification as amended by the SCNs set forth in Exhibit B-2 hereto and as may be further amended or modified in accordance with this Agreement.

ACS - as defined in Clause 2.1.

Basic ADD - the "A350-900 Aircraft Description Document, Basic Features", referenced as **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** for the A350-900XWB Aircraft, a copy of which is annexed as Exhibit A.

Affiliate - with respect to any person or entity, any other person or entity directly or indirectly controlling, controlled by or under common control with such person or entity.

Agreement - this Airbus A350-900XWB purchase agreement, including all exhibits and appendices attached hereto, as the same may be amended or modified and in effect from time to time.

Airbus Contracted Suppliers Equipment or ACS Equipment - as defined in Clause 2.1.

Airbus Contracted Suppliers or ACS Suppliers - the suppliers of Airbus Contracted Supplier Equipment selected by the Buyer.

Airbus World - as defined Clause 14.10.1.

Aircraft - any or all of the A350-900XWB Aircraft to be sold by the Seller and purchased by the Buyer pursuant to this Agreement.

Aircraft Training Services - all flight support services that are performed on an aircraft including but not limited to any and all training courses, flight training, flight assistance, line training, line assistance and more generally all flights of any kind performed by the Seller, its agents, employees or subcontractors, and maintenance support, maintenance training (including Practical Training) and training support of any kind provided to the Buyer pursuant to this Agreement.

AACS - Airbus Americas Customer Services, Inc., a corporation organized and existing under the laws of Delaware, having its registered office located at 198 Van Buren Street, Suite 300, Herndon, VA 20170, or any successor thereto.

ATA Specification - recommended specifications developed by the Air Transport Association of America reflecting consensus in the commercial aviation industry on accepted means of communicating information, conducting business, performing operations and adhering to accepted practices.

Aviation Authority - when used with respect to any jurisdiction, the government entity that, under the laws of such jurisdiction, has control over civil aviation or the registration, airworthiness or operation of civil aircraft in such jurisdiction.

Balance of the Final Price of the A350-900XWB Aircraft - the amount payable by the Buyer to the Seller on the Delivery Date for an Aircraft after deducting from the Final Price of the Aircraft the amount of all Predelivery Payments received by the Seller from the Buyer in respect of such Aircraft on or before the Delivery Date for such Aircraft, and not applied pursuant to Clause 5.4, to any other amount owed by the Buyer to the Seller.

Base Price - for any Aircraft, Airframe, SCNs or Propulsion Systems, as more completely described in Clause 3.1.

Business Day - with respect to any action to be taken hereunder, a day other than a Saturday, Sunday or other day designated as a holiday in the jurisdiction(s) in which such action is required to be taken.

Buyer Furnished Equipment (BFE) - as defined in Clause 18.1.1

Commitment Fee - the commitment fee amount described in Clause 5.3.

Contractual Definition Freeze or CDF - as defined in 2.4.2

Customization Milestones Chart - as defined in 2.4.1

Delivery - the transfer of title to the Aircraft from the Seller to the Buyer in accordance with Clause 9.

Delivery Date - the date on which Delivery occurs.

Delivery Location - the facilities of the Seller at the location of final assembly of the Aircraft, which is currently at Airbus Operations S.A.S. works in Toulouse, France.

Development Changes - as defined in Clause 2.2.2.

DGAC - the Direction Générale de l'Aviation Civile of France or any successor thereto.

EASA - European Aviation Safety Agency or any successor thereto.

Excusable Delay - as defined in Clause 10.1.

Export Certificate of Airworthiness - an export certificate of airworthiness issued by the Aviation Authority of the Delivery Location.

FAA - the U.S. Federal Aviation Administration, or any successor thereto.

Family ADD - the "A350XWB Family Aircraft Description Document", referenced as **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

Final Price of the A350-900XWB Aircraft - as defined in Clause 3.3.

Goods and Services - any goods, excluding Aircraft or aircraft, and services that may be purchased by the Buyer from the Seller or its designee.

Inexcusable Delay - as defined in Clause 11.1.

In-Flight Consulting - advisory services, provided at the Buyer's request that are performed on an Aircraft by a Seller Representative, or other designee of the Seller, at commercial terms to be agreed on a case by case basis.

LBA - Luftfahrt-Bundesamt of Germany or any successor thereto

Manufacture Facilities - means the various manufacture facilities of the Seller, its Affiliates or any subcontractor, where the Airframe or its parts are manufactured or assembled

Manufacturer Specification Change Notice (MSCN) - as defined in Clause 2.2.2.1

Predelivery Payment - any of the payments determined in accordance with Clause 5.2.

Predelivery Payment Reference Price - as defined in Clause 5.2.2.

Propulsion Systems Manufacturer - means the manufacturer of the Propulsion Systems defined in Clause 2.3.

Ready for Delivery - with respect to any Aircraft, when (i) the Technical Acceptance Process has been successfully completed for an Aircraft and (ii) the Export Certificate of Airworthiness has been issued for such Aircraft

Scheduled Delivery Month - as defined in Clause 9.1.1

Scheduled Delivery Quarter - the A350XWB Scheduled Delivery Quarter as defined in Clause 9.1.

Seller Price Revision Formula - the price revision formula set forth in Exhibit C

Seller's Representatives - the representatives of the Seller referred to in Clause 15

Service Life Policy - as defined in Clause 12.2.

Specification - the Standard Specification for the A350-900XWB Aircraft, as amended by all applicable SCNs.

Specification Change Notice (SCN) - as defined in Clause 2.2.1.

Standard Specification - as defined in Clause 2.1.

Supplier - any supplier of Supplier Parts.

Supplier Part - any component, equipment, accessory or part installed in an Aircraft at the time of Delivery thereof, not including the Propulsion Systems or Buyer Furnished Equipment, for which there exists a Supplier Product Support Agreement.

Supplier Product Support Agreement - an agreement between the Seller and a Supplier containing, among other things, enforceable and transferable warranties (and in the case of landing gear suppliers, service life policies for selected structural landing gear elements).

Technical Data - as defined in Clause 14.1

Termination Event - as defined in Clause 20.1

Total Loss - as defined in Clause 10.4

Training Conference - as defined in Clause 16.1.3

Type Certificate - as defined in Clause 7.1

Warranted Part - as defined in Clause 12.1.1

Warranty Claim - as defined in Clause 12.1.7(v)

Warranty Period - as defined in Clause 12.1.3

The terms “herein,” “hereof” and “hereunder” and other words of similar import refer to this Agreement, and not a particular Clause thereof. The definition of a singular in this Clause 0 will apply to plurals of the same words.

Except as provided in Clause 22.6.4, references in this Agreement to an exhibit, schedule, article, section, subsection or clause refer to the appropriate exhibit or schedule to, or article, section, subsection or clause in this Agreement.

Each agreement defined in this Clause 0 will include all appendixes, exhibits and schedules thereto. If the prior written consent of any person is required hereunder for an amendment, restatement, supplement or other modification to any such agreement and the consent of each such person is obtained, references in this Agreement to such agreement shall be to such agreement as so amended, restated, supplemented or modified.

References in this Agreement to any statute will be to such statute as amended or modified and in effect at the time any such reference is operative.

The term “including” when used in this Agreement means “including without limitation” except when used in the computation of time periods.

Technical and trade terms not otherwise defined herein will have the meanings assigned to them as generally accepted in the aircraft manufacturing industry.

1 -

**SALE AND PURCHASE**

The Seller will sell and deliver to the Buyer, and the Buyer will purchase and take delivery of the Aircraft from the Seller, subject to the terms and conditions in this Agreement.



2 - SPECIFICATION

2.1 Aircraft Specification

(a) The Aircraft will be manufactured in accordance with the Specification.

At the time of signature of this Agreement, the design development of the A350XWB Aircraft is under finalization and the aircraft definition corresponding to the Base Price of the A350-900XWB Aircraft fitted with Trent engines, set forth in Clause 3 of this Agreement, is contained in the Basic ADD.

The Basic ADD will be amended by an initial A350XWB Standard Specification and the A350XWB Aircraft will be manufactured in accordance with such A350XWB Standard Specification. It is understood that, subject to Seller's certification, industrial and commercial constraints, some equipment currently set out in the Basic ADD may be replaced by equipment with equivalent functions.

Notwithstanding the foregoing, if certain items that were BFE in the Basic ADD are converted into SFE and/or ACS items in the A350-900XWB Standard Specification, the price of such items and their incorporation into the A350-900XWB Standard Specification will be chargeable to the Buyer.

The Seller agrees to promptly inform the Buyer of any A350XWB Standard Specification evolutions that the Seller is contemplating offering to airlines for incorporation in the A350XWB Aircraft.

(b) In order to provide a comprehensive view of the available A350XWB family of aircraft, the Seller has also issued an A350XWB Family Aircraft Description Document - **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** (the "A350XWB Family ADD"). This A350XWB Family ADD includes, in addition to the basic aircraft features and functionalities set forth in the Basic ADD, sections identified as "Overview", which provide descriptions of design concepts, and sections marked "Customization", which detail the currently foreseen optional features available on the A350XWB Family ADD.

The Seller's contracted suppliers' equipment ("**ACS Equipment**") will be supplied by manufacturers currently being selected by the Seller. The conditions applicable to ACS Equipment will be indicated at the time of introduction of the items into the Seller's option catalogs.

## 2.2 Specification Amendment

The parties understand and agree that the Specification may be further amended following signature of this Agreement in accordance with the terms of this Clause 2.

### 2.2.1 Specification Change Notice

The Specification may be amended by written agreement between the parties in a Specification Change Notice (“**SCN**”). Each SCN will be substantially in the form set out in Exhibit B-1 and will set out the SCN’s Aircraft embodiment rank and will also set forth, in detail, the particular change to be made to the Specification and the effect, if any, of such change on design, performance, weight, Delivery Date of the Aircraft affected thereby and on the text of the Specification. An SCN may result in an adjustment of the Base Price of the Aircraft, which adjustment, if any, will be specified in the SCN.

### 2.2.2 Development Changes

The Specification may also be amended to incorporate changes deemed necessary by the Seller to improve the Aircraft, prevent delay or ensure compliance with this Agreement (“**Development Changes**”), as set forth in this Clause 2.

#### 2.2.2.1 Manufacturer Specification Changes Notices

The Specification may be amended by the Seller through a Manufacturer Specification Change Notice (“**MSCN**”), which will be substantially in the form set out in Exhibit B-3 hereto and will set out the MSCN’s Aircraft embodiment rank as well as, in detail, the particular change to be made to the Specification and the effect, if any, of such change on performance, weight, Base Price of the Aircraft, Delivery Date of the Aircraft affected thereby and on interchangeability or replaceability requirements under the Specification.

Except when the MSCN is necessitated by an Aviation Authority directive or by equipment obsolescence (in which case the MSCN will be accomplished without requiring the Buyer’s consent) if the MSCN adversely affects the performance, weight, Base Price, Delivery Date of the Aircraft affected thereby or the interchangeability or replaceability requirements under the Specification, the Seller will notify the Buyer of a reasonable period of time during which the Buyer must accept or reject such MSCN. If the Buyer does not notify the Seller of the rejection of the MSCN within such period, the MSCN will be deemed accepted by the Buyer and the corresponding modification will be accomplished.

2.2.2.2 If the Seller revises the Specification to incorporate Development Changes which have no adverse effect on any of the elements set forth in Clause 2.2.2.1 above, such revision will be performed by the Seller without the Buyer’s consent.

In such cases, the Seller will provide to the Buyer the details of all changes on a regular basis.

2.3 Propulsion Systems

The A350-900XWB Aircraft will be equipped with a set of Rolls-Royce Trent XWB-84 engines, including standard equipment.

2.4 Milestones

2.4.1 Customization Milestones Chart

Within a reasonable period following signature of the Agreement, the Seller will provide the Buyer with a customization milestones chart (the “**Customization Milestone Chart**”), setting out how far in advance of the Scheduled Delivery Month of the Aircraft an SCN must be executed in order to integrate into the Specification any items requested by the Buyer from the Seller’s catalogues of Specification change options (the “**Option Catalogues**”).

2.4.2 Contractual Definition Freeze

The Customization Milestone Chart will in particular define the date(s) by which the contractual definition of the Aircraft must be finalized and all SCNs selected by the Buyer must be executed by the Buyer (the “**Contractual Definition Freeze**” or “**CDF**”) in order to enable their incorporation into the manufacturing of the Aircraft and Delivery of the Aircraft in the Scheduled Delivery Month. Each such date will be referred to as a “**CDF Date**”.

3 - PRICE

3.1 Base Price of the A350-900XWB Aircraft

The Base Price of the Aircraft is the sum of:

- (i) the Base Price of the Aircraft as defined in the Standard Specification (excluding Buyer Furnished Equipment and Airbus Contracted Supplier equipment), which is:

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

and

- (ii) the sum of the base prices of all SCNs set forth in Exhibit B-2, which is:

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

The Base Price of the Aircraft has been established in accordance with the **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

3.2 Airbus Contracted Supplier (ACS) Equipment Price

The conditions of purchasing of ACS Equipment for the Aircraft will be the subject to an agreement among the Seller, ACS Suppliers and the Buyer at the time of the final selection of the ACS Equipment from the Option Catalogs.

Notwithstanding the foregoing, it is understood that ACS Equipment for the A350-900XWB Aircraft will be purchased by the Seller, in accordance with the agreed terms as set forth above, and invoiced to the Buyer in accordance with Clause 3.3.

The following reference amount (the “**ACS Reference Price**”) may be used **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** for the ACS Equipment for the Buyer’s Aircraft:

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

Nothing in this Clause 3.2 will be construed to prevent the Buyer from entering into direct negotiations with any ACS Supplier(s) with the view to negotiate more favorable terms and conditions than those as set forth in the Option Catalogs.

3.3 Final Price of the A350-900XWB Aircraft

The Final Price of the A350-900XWB Aircraft will be the sum of:

- (i) the A350-900XWB Aircraft Base Price, as adjusted to the applicable Delivery Date of such Aircraft in accordance with Clause 4;
- (ii) the aggregate of all increases or decreases to the Base Price of the A350-900XWB Aircraft as agreed in any Specification Change Notice for the A350-900XWB Aircraft or part thereof subsequent to the date of this Agreement as adjusted to the Delivery Date in accordance with Clause 4;
- (iii) the price of any and all ACS Equipment selected by the Buyer in the Seller's Option Catalogs and purchased by the Seller, either at the then applicable Option Catalog price or in accordance with the terms and conditions agreed between the Buyer and the ACS Suppliers and communicated to the Seller; and;
- (iv) any other amount resulting from any other provisions of this Agreement and/or any other written agreement between the Buyer and the Seller relating to the A350-900XWB Aircraft.

**PRICE REVISION**

The Base Price of the Aircraft and of the SCNs for the A350XWB-900 Aircraft are subject to revision up to and including the Delivery Date in accordance with the Seller Price Revision Formula.

5 - PAYMENT TERMS

5.1 Seller's Account

The Buyer will pay the Predelivery Payments, the Balance of the Final Price of the Aircraft and any other amount due hereunder in immediately available funds in United States dollars to: AIRBUS S.A.S., Account. No. **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**, 919 Third Avenue, New York, NY 10022, USA, or to such other account as may be designated by the Seller.

5.2 Predelivery Payments

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

5.3 **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

5.4 **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

5.5 Taxes

5.5.1 The amounts stated in this Agreement to be payable by the Buyer are exclusive of value added tax (“VAT”) chargeable under the laws of any jurisdiction and accordingly the Buyer shall pay any VAT chargeable with respect to any Aircraft, component, accessory, equipment or part delivered or furnished under this Agreement. **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

5.5.2 The Seller will pay all other Taxes (except for Taxes based on or measured by the income of the Buyer or any Taxes levied against the Buyer for the privilege of doing business in any jurisdiction), levied, assessed, charged or collected, on or prior to Delivery of any Aircraft, for or in connection with the manufacture, assembly, sale and delivery under this Agreement of such Aircraft or any parts, instructions or data installed thereon or incorporated therein (except Buyer Furnished Equipment referred to in Clause 18).

5.5.3 The Buyer will pay all Taxes not assumed by the Seller under Clause 5.5.2, except for Taxes based on or measured by the income of the Seller or any Taxes levied against the Seller for the privilege of doing business in any jurisdiction.

5.5.4 **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

“**Taxes**” means any present or future tax, stamp or other taxes, levies, imposts, duties, charges, fees, deductions or withholdings, now or hereafter imposed, levied, collected, withheld or assessed by any governmental authority or any political subdivision or taxing authority thereof or therein.



5.6 Application of Payments

Notwithstanding any other rights the Seller may have at contract or at law, the Buyer and the Seller hereby agree that should any amount (whether under this Agreement or under any other agreement between the Buyer and its Affiliates on the one hand and the Seller and its Affiliates on the other hand and whether at the stated maturity of such amount, by acceleration or otherwise) become due and payable by the Buyer or its Affiliates, and not be paid in full in immediately available funds on the date due, then the Seller will have the right to debit and apply, in whole or in part, the Predelivery Payments paid to the Seller by the Buyer against such unpaid amount. The Seller will promptly notify the Buyer in writing after such debiting and application, and the Buyer will immediately pay to the Seller the amount required to comply with Clause 5.2.3.

5.7 Setoff Payments

Notwithstanding anything to the contrary contained herein, before being required to make any payments to the Buyer, the Seller will have the right to deduct from any such payments an amount equal to any other amounts the Buyer or any of its Affiliates owes to the Seller or any Affiliate thereof under any agreement between them.

5.8 Overdue Payments

5.8.1 If any payment due the Seller is not received by the Seller on the date or dates due, the Seller will have the right to claim from the Buyer, and the Buyer will promptly pay to the Seller on receipt of such claim, interest at the rate of **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** on the amount of such overdue payment, to be calculated from and including the due date of such payment to (but excluding) the date such payment is received by the Seller. The Seller's right to receive such interest will be in addition to any other rights of the Seller hereunder or at law.

5.8.2 If any Predelivery Payment is not received **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**, the Seller, in addition to any other rights and remedies available to it, will be under no obligation to deliver any Aircraft remaining to be delivered under this Agreement within such Aircraft's Scheduled Delivery Month(s). Upon receipt of full payment of all such overdue Predelivery Payments, together with interest on such Predelivery Payments in accordance with Clause 5.8.1, the Seller will provide the Buyer with new Scheduled Delivery Months for the affected Aircraft, subject to the Seller's commercial and industrial constraints.

5.9 Proprietary Interest

Notwithstanding any provision of law to the contrary, the Buyer will not, by virtue of anything contained in this Agreement (including, without limitation, any Commitment Fee or Predelivery Payments hereunder, or any designation or identification by the Seller of a particular aircraft as an Aircraft to which any of the provisions of this Agreement refers) acquire any proprietary, insurable or other interest whatsoever in any Aircraft before Delivery of and payment for such Aircraft, as provided in this Agreement.

5.10 Payment in Full

The Buyer's obligation to make payments to the Seller hereunder will not be affected by and will be determined without regard to any setoff, counterclaim, recoupment, defense or other right that the Buyer may have against the Seller or any other person and all such payments will be made without deduction or withholding of any kind. The Buyer will ensure that the sums received by the Seller under this Agreement will be equal to the full amounts expressed to be due to the Seller hereunder, without deduction or withholding on account of and free from any and all taxes, levies, imposts, duties or charges of whatever nature, except that if the Buyer is compelled by law to make any such deduction or withholding the Buyer will pay such additional amounts to the Seller as may be necessary so that the net amount received by the Seller after such deduction or withholding will equal the amounts that would have been received in the absence of such deduction or withholding.

5.11 Other Charges

Unless expressly stipulated otherwise, any other charges due under this Agreement other than those set out in Clauses 5.2, 5.3 and 5.4 will be paid by the Buyer at the same time as payment of the Balance of the Final Price or, if invoiced after the Delivery Date, within ten (10) days after the invoice date.

6 - MANUFACTURE PROCEDURE - INSPECTION

6.1 Manufacture Procedures

The Airframe will be manufactured in accordance with the requirements of the laws of the jurisdiction of incorporation of the Seller or of its relevant Affiliate as enforced by the Aviation Authority of such jurisdiction.

6.2 Inspection

6.2.1 The Buyer or its duly authorized representatives (the “**Buyer’s Inspector(s)**”) will be entitled to inspect the manufacture of the Airframe and all materials and parts obtained by the Seller for the manufacture of the Airframe (the “**Inspection**”) on the following terms and conditions;

(i) any Inspection will be conducted pursuant to the Seller’s system of inspection and the relevant Airbus procedures, as developed under the supervision of the relevant Aviation Authority;

(ii) **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** the Buyer’s Inspector(s) will have access to such relevant technical documentation as is reasonably necessary for the purpose of the Inspection;

(iii) any Inspection and any related discussions with the Seller and other relevant personnel by the Buyer’s Inspector(s) will be at reasonable times during business hours and will take place in the presence of the relevant inspection department personnel of the Seller;

(iv) the Inspections will be performed in a manner not to unduly delay or hinder the manufacture or assembly of the Aircraft or the performance of this Agreement by the Seller or any other work in progress at the Manufacture Facilities.

6.2.2 Location of Inspections

The Buyer’s Inspector(s) will be entitled to conduct any such Inspection at the relevant Manufacture Facility of the Seller or its Affiliates and at the Manufacture Facilities of the sub-contractors provided that if access to any part of the Manufacture Facilities where the Airframe manufacture is in progress or materials or parts are stored are restricted for security or confidentiality reasons, the Seller will be allowed reasonable time to make the relevant items available elsewhere.

Seller's Service for Buyer's Inspector(s).

For the purpose of the Inspections, and starting from a mutually agreed date until the Delivery Date, the Seller will furnish without additional charge suitable space and office equipment in or conveniently located with respect to the Delivery Location for the use of a reasonable number of Buyer's Inspector(s).

7 - CERTIFICATION

Except as set forth in this Clause 7, the Seller will not be required to obtain any certificate or approval with respect to the Aircraft.

7.1 Type Certification

The Aircraft have been type certificated under EASA procedures for joint certification in the transport category. The Seller will obtain or cause to be obtained an FAA type certificate (the “**Type Certificate**”) to allow the issuance of the Export Certificate of Airworthiness.

7.2 Export Certificate of Airworthiness

Subject to the provisions of Clause 7.3, the Aircraft will be delivered to the Buyer with an Export Certificate of Airworthiness issued by the DGAC and in a condition enabling the Buyer (or an eligible person under then applicable law) to obtain at the time of Delivery a Standard Airworthiness Certificate issued pursuant to Part 21 of the US Federal Aviation Regulations and a Certificate of Sanitary Construction issued by the U.S. Public Health Service of the Food and Drug Administration. However, the Seller will have no obligation to make and will not be responsible for any costs of alterations or modifications to such Aircraft to enable such Aircraft to meet FAA or U.S. Department of Transportation requirements for specific operation on the Buyer’s routes, whether before, at or after Delivery of any Aircraft.

If the FAA requires additional or modified data before the issuance of the Export Certificate of Airworthiness, the Seller will provide such data or implement the required modification to the data, in either case, at the Buyer’s cost.

7.3 Specification Changes before Aircraft Ready for Delivery

7.3.1 If, any time before the date on which the Aircraft is Ready for Delivery, any law, rule or regulation is enacted, promulgated, becomes effective and/or an interpretation of any law, rule or regulation is issued by the EASA that requires any change to the Specification for the purposes of obtaining the Export Certificate of Airworthiness (a “**Change in Law**”), the Seller will make the required modification and the parties hereto will sign an SCN.

7.3.2 The Seller will as far as practicable, but at its sole discretion and without prejudice to Clause 7.3.3(ii), take into account the information available to it concerning any proposed law, rule or regulation or interpretation that could become a Change in Law, in order to minimize the costs of changes to the Specification as a result of such proposed law, regulation or interpretation becoming effective before the applicable Aircraft is Ready for Delivery.

- 7.3.3 The cost of implementing the required modifications referred to in Clause 7.3.1 will be:
- (i) **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**
  - (ii) **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**
- 7.3.4 Notwithstanding the provisions of Clause 7.3.3, if a Change in Law relates to an item of BFE or to the Propulsion Systems the costs related thereto will be borne in accordance with such arrangements as may be made separately between the Buyer and the manufacturer of the BFE or the Propulsion Systems, as applicable, and the Seller will have no obligation with respect thereto.
- 7.4 Specification Changes after Aircraft Ready For Delivery
- Nothing in Clause 7.3 will require the Seller to make any changes or modifications to, or to make any payments or take any other action with respect to, any Aircraft that is Ready for Delivery before the compliance date of any law or regulation referred to in Clause 7.3. Any such changes or modifications made to an Aircraft after it is Ready for Delivery will be at the **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

8 - TECHNICAL ACCEPTANCE

8.1 Technical Acceptance Process

8.1.1 Prior to Delivery, the Aircraft will undergo a technical acceptance process developed by the Seller (the “**Technical Acceptance Process**”). Completion of the Technical Acceptance Process will demonstrate the satisfactory functioning of the Aircraft and will be deemed to demonstrate compliance with the Specification. The Seller will without hindrance from the Buyer be entitled to carry out any necessary changes and, as soon as practicable thereafter, resubmit the Aircraft to such further Technical Acceptance Process as is necessary to demonstrate the elimination of any non-compliance.

8.1.2 The Technical Acceptance Process will:

- (i) commence on a date notified by the Seller to the Buyer by no less than **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** notice,
- (ii) take place at the Delivery Location,
- (iii) be carried out by the personnel of the Seller, and
- (iv) include a technical acceptance flight (the “Technical Acceptance Flight”) that will not exceed **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

8.2 Buyer’s Attendance

8.2.1 The Buyer is entitled to attend the Technical Acceptance Process.

8.2.2 If the Buyer elects to attend the Technical Acceptance Process, the Buyer:

- (i) will comply with the reasonable requirements of the Seller, with the intention of completing the Technical Acceptance Process within **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**, and
- (ii) may have a maximum of **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** of its representatives (no more than **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** of whom will have access to the cockpit at any one time) accompany the Seller’s representatives on the Technical Acceptance Flight, during which the Buyer’s representatives will comply with the instructions of the Seller’s representatives.

8.2.3 If the Buyer does not attend or fails to cooperate in the Technical Acceptance Process, the Seller will be entitled to complete the Technical Acceptance Process and the Buyer will be deemed to have accepted that the Technical Acceptance Process has been completed, in all respects.

8.3 Certificate of Acceptance

Upon successful completion of the Technical Acceptance Process, the Buyer will, on or before the Delivery Date, sign and deliver to the Seller a certificate of acceptance in respect of the Aircraft in the form of Exhibit D (the "**Certificate of Acceptance**").

8.4 Finality of Acceptance

The Buyer's signature of the Certificate of Acceptance for the Aircraft will constitute waiver by the Buyer of any right it may have, under the Uniform Commercial Code as adopted by the State of New York or otherwise, to revoke acceptance of the Aircraft for any reason, whether known or unknown to the Buyer at the time of acceptance.

8.5 Aircraft Utilization

The Seller will, without payment or other liability, be entitled to use the Aircraft before Delivery as may be necessary to obtain the certificates required under Clause 7. Such use will not limit the Buyer's obligation to accept Delivery hereunder.

The Seller will be authorized to use the Aircraft [**CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT**] for any other purpose without specific agreement of the Buyer.



9 - DELIVERY

9.1 Delivery Schedule

Subject to Clauses 2, 7, 8, 10 and 18, the Seller will have the Aircraft Ready for Delivery at the Delivery Location within the following months (each a “Scheduled Delivery [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]”):

<u>Year</u>	<u>Number</u>	<u>Aircraft</u>	<u>Scheduled Delivery [***]</u>
	1	A350-900XWB	[***]
	2	A350-900XWB	[***]
[***]	3	A350-900XWB	[***]
	4	A350-900XWB	[***]
	5	A350-900XWB	[***]
	6	A350-900XWB	[***]
	7	A350-900XWB	[***]
	8	A350-900XWB	[***]
[***]	9	A350-900XWB	[***]
	10	A350-900XWB	[***]
	11	A350-900XWB	[***]
	12	A350-900XWB	[***]
	13	A350-900XWB	[***]
	14	A350-900XWB	[***]
	15	A350-900XWB	[***]
	16	A350-900XWB	[***]
[***]	17	A350-900XWB	[***]
	18	A350-900XWB	[***]
	19	A350-900XWB	[***]
	20	A350-900XWB	[***]
	21	A350-900XWB	[***]
	22	A350-900XWB	[***]
[***]	23	A350-900XWB	[***]
	24	A350-900XWB	[***]
	25	A350-900XWB	[***]

[\*\*\*] represents [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

- 9.1.1 The Seller will communicate to the Buyer the scheduled delivery month of each Aircraft in a given calendar year (each a “**Scheduled Delivery Month**”) no later than [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] before the first day of such calendar year.
- 9.1.2 The Seller will give the Buyer (i) [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]. Thereafter the Seller will notify the Buyer of any change to such dates.
- 9.2 Delivery Process
- 9.2.1 The Buyer will send its representatives to the Delivery Location to take Delivery of the Aircraft at the date on which the Aircraft is Ready for Delivery
- 9.2.2 The Seller will deliver and transfer title to the Aircraft to the Buyer free and clear of all encumbrances (except for any liens or encumbrances created by or on behalf of the Buyer) provided that the Balance of the Final Price of the Aircraft has been paid by the Buyer pursuant to Clause 5.4 and that the Certificate of Acceptance has been signed and delivered to the Seller pursuant to Clause 8.3. The Seller will provide the Buyer with a bill of sale in the form of Exhibit E (the “**Bill of Sale**”) and/or such other documentation confirming transfer of title and receipt of the Final Price of the Aircraft as may reasonably be requested by the Buyer. Title to and risk of loss of or damage to the Aircraft will pass to the Buyer contemporaneously with the delivery by the Seller to the Buyer of such Bill of Sale.
- 9.2.3 Upon successful completion of the Technical Acceptance Process, if the Buyer fails to (i) deliver the signed Certificate of Acceptance to the Seller, or (ii) pay the Balance of the Final Price of the Aircraft for the Aircraft to the Seller, as set forth in Clause 9.2.1 above, then the Buyer will be deemed to have rejected Delivery wrongfully when the Aircraft was duly tendered to the Buyer hereunder. If such a deemed rejection arises, the Seller will retain title to the Aircraft and the Buyer will indemnify and hold the Seller harmless against any and all costs (including but not limited to any parking, storage, and insurance costs, [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]) and consequences resulting from the Buyer’s rejection, it being understood that the Seller will be under no duty to the Buyer to store, park, or otherwise protect the Aircraft. These rights of the Seller will be in addition to the Seller’s other rights and remedies in this Agreement.

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9.3 Flyaway.

9.3.1 The Buyer and the Seller will cooperate to obtain any licenses that may be required by the Aviation Authority of the Delivery Location for the purpose of exporting the Aircraft.

9.3.2 All expenses of, or connected with, flying the Aircraft from the Delivery Location after Delivery will be borne by the Buyer. The Buyer will make direct arrangements with the supplying companies for the fuel and oil required for all post-Delivery flights.

10 - EXCUSABLE DELAY AND TOTAL LOSS

10.1 Scope of Excusable Delay

Neither the Seller nor any Affiliate of the Seller, will be responsible for or be deemed to be in default on account of delays in delivery of the Aircraft or failure to deliver or otherwise in the performance of this Agreement or any part hereof due to causes beyond the Seller's, or any Affiliate's control or not occasioned by the Seller's, fault or negligence ("**Excusable Delay**"), including, but not limited to: (i) acts of God or the public enemy, natural disasters, fires, floods, storms beyond ordinary strength, explosions or earthquakes; epidemics or quarantine restrictions; serious accidents; any law, decision, regulation, directive or other act (whether or not having the force of law) of any government or of the Council of the European Community or the Commission of the European Community or of any national, Federal, State, municipal or other governmental department, commission, board, bureau, agency, court or instrumentality, domestic or foreign; governmental priorities, regulations or orders affecting allocation of materials, facilities or a completed Aircraft; war, civil war or warlike operations, terrorism, insurrection or riots; failure of transportation; strikes or labor troubles causing cessation, slow down or interruption of work; delay in obtaining any airworthiness or type certification; inability after due and timely diligence to procure materials, accessories, equipment or parts; general hindrance in transportation; or failure of a subcontractor or Supplier to furnish materials, components, accessories, equipment or parts; (ii) any delay caused directly or indirectly by the action or inaction of the Buyer; and (iii) delay in delivery or otherwise in the performance of this Agreement by the Seller due in whole or in part to any delay in or failure of the delivery of, or any other event or circumstance relating to, the Propulsion Systems or Buyer Furnished Equipment.

10.2 Consequences of Excusable Delay

10.2.1 If an Excusable Delay occurs the Seller will:

- (i) notify the Buyer of such Excusable Delay as soon as practicable after becoming aware of the same;
- (ii) not be deemed to be in default in the performance of its obligations hereunder as a result of such Excusable Delay;
- (iii) not be responsible for any damages arising from or in connection with such Excusable Delay suffered or incurred by the Buyer;
- (iv) as soon as practicable after the removal of the cause of such Excusable Delay resume performance of its obligations under this Agreement and in particular will notify the Buyer of the revised Scheduled Delivery Month.

10.3 Termination on Excusable Delay

10.3.1 If any Delivery is delayed as a result of an Excusable Delay for a period of more than [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

10.3.2 If the Seller advises the Buyer in its notice of a revised Scheduled Delivery Month pursuant to Clause 10.2.1(iv) that there will be a delay in Delivery of an Aircraft of more than [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

If this Agreement [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]. The Seller will notify the Buyer of the new Scheduled Delivery Month after the thirty (30) day period referred to in Clause 10.3.1 or 10.3.2, and this new Scheduled Delivery Month will be deemed to be an amendment to the applicable Scheduled Delivery Month in Clause 9.1.1.

10.4 Total Loss, Destruction or Damage

If, prior to Delivery, any Aircraft is lost, destroyed or in the reasonable opinion of the Seller is damaged beyond economic repair (“**Total Loss**”), the Seller will notify the Buyer to this effect [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]. The Seller will include in said notification (or as soon after the issue of the notice as such information becomes available to the Seller) the earliest date consistent with the Seller’s other commitments and production capabilities that an aircraft to replace the Aircraft may be delivered to the Buyer and the Scheduled Delivery Month will be extended as specified in the Seller’s notice to accommodate the delivery of the replacement aircraft; provided, however, that if the Scheduled Delivery Month [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]:

- (i) the Buyer notifies the Seller [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]; and
- (ii) the parties execute an amendment to this Agreement recording the change in the Scheduled Delivery Month.

Nothing herein will require the Seller to manufacture and deliver a replacement aircraft if such manufacture would require the reactivation of its production line for the model or series of aircraft that includes the Aircraft.

10.5 Termination Rights Exclusive

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**, such termination will discharge all obligations and liabilities of the parties hereunder with respect to such affected Aircraft and undelivered material, services, data or other items applicable thereto and to be furnished under the Agreement.

10.6 Remedies

THIS CLAUSE 10 SETS FORTH THE SOLE AND EXCLUSIVE REMEDY OF THE BUYER FOR DELAYS IN DELIVERY OR FAILURE TO DELIVER, OTHER THAN SUCH DELAYS AS ARE COVERED BY CLAUSE 11, AND THE BUYER HEREBY WAIVES ALL RIGHTS TO WHICH IT WOULD OTHERWISE BE ENTITLED IN RESPECT THEREOF, INCLUDING, WITHOUT LIMITATION, ANY RIGHTS TO INCIDENTAL AND CONSEQUENTIAL DAMAGES OR SPECIFIC PERFORMANCE. THE BUYER WILL NOT BE ENTITLED TO CLAIM THE REMEDIES AND RECEIVE THE BENEFITS PROVIDED IN THIS CLAUSE 10 WHERE THE DELAY REFERRED TO IN THIS CLAUSE 10 IS CAUSED BY THE NEGLIGENCE OR FAULT OF THE BUYER OR ITS REPRESENTATIVES.

11 - INEXCUSABLE DELAY

11.1 Liquidated Damages

Should an Aircraft not be Ready for Delivery [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] may be changed pursuant to Clauses 2, 7 or 10) (the “Delivery Period”) and such delay is not as a result of an Excusable Delay or Total Loss, then such delay will be termed an “Inexcusable Delay.”

In the event of an Inexcusable Delay, the Buyer will have the right to claim, and the Seller will pay the Buyer liquidated damages of [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

In no event will the amount of liquidated damages [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

The Buyer’s right to liquidated damages in respect of an Aircraft is conditioned on the Buyer’s submitting a written claim for liquidated damages to the Seller not later than [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

11.2 Renegotiation

If, as a result of an Inexcusable Delay, the Delivery does not occur [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] the Buyer will have the right, exercisable by written notice to the Seller given between [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT], to require from the Seller a renegotiation of the Scheduled Delivery Month for the affected Aircraft. Unless otherwise agreed between the Seller and the Buyer during such renegotiation, the said renegotiation will not prejudice the Buyer's right to receive liquidated damages in accordance with Clause 11.1.

11.3 Termination

If, as a result of an Inexcusable Delay, the Delivery does not occur [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] and the parties have not renegotiated the Delivery Date pursuant to Clause 11.2, then both parties will have the right, exercisable by written notice to the other party, given between [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

Remedies

THIS CLAUSE 11 SETS FORTH THE SOLE AND EXCLUSIVE REMEDY OF THE BUYER FOR DELAYS IN DELIVERY OR FAILURE TO DELIVER, OTHER THAN SUCH DELAYS AS ARE COVERED BY CLAUSE 10, AND THE BUYER HEREBY WAIVES ALL RIGHTS TO WHICH IT WOULD OTHERWISE BE ENTITLED IN RESPECT THEREOF, INCLUDING WITHOUT LIMITATION ANY RIGHTS TO INCIDENTAL AND CONSEQUENTIAL DAMAGES OR SPECIFIC PERFORMANCE. THE BUYER WILL NOT BE ENTITLED TO CLAIM THE REMEDIES AND RECEIVE THE BENEFITS PROVIDED IN THIS CLAUSE 11 WHERE THE DELAY REFERRED TO IN THIS CLAUSE 11 IS CAUSED BY THE NEGLIGENCE OR FAULT OF THE BUYER OR ITS REPRESENTATIVES.



12 - WARRANTIES AND SERVICE LIFE POLICY

12.1 Warranty

12.1.1 Nature of Warranty

Subject to the limitations and conditions hereinafter provided, and except as provided in Clause 12.1.2, the Seller warrants to the Buyer that the Aircraft and each Warranted Part will at the time of Delivery to the Buyer be free from defects:

- (i) in material,
- (ii) in workmanship, including, without limitation, processes of manufacture,
- (iii) in design (including, without limitation, selection of materials) having regard to the state of the art at the date of such design, and
- (iv) arising from failure to conform to the Specification, except as to those portions of the Specification that are expressly stated in the Specification to be estimates or approximations or design aims.

For the purposes of this Agreement, the term “**Warranted Part**” will mean any Seller proprietary component, equipment, software, or part, that (a) is installed on an Aircraft at Delivery, (b) is manufactured to the detail design of the Seller or a subcontractor of the Seller and (c) bears a Seller's part number at the time of Delivery.

12.1.2 Exclusions

The warranties set forth in Clause 12.1.1 will not apply to Buyer Furnished Equipment, Propulsion Systems, or to any component, accessory, equipment or part purchased by the Buyer that is not a Warranted Part, provided, however, that:

- (i) any defect in the Seller’s workmanship in respect of the installation of such items in the Aircraft, including any failure by the Seller to conform to the installation instructions of the manufacturers of such items that invalidates any applicable warranty from such manufacturers, will constitute a defect in workmanship for the purpose of this Clause 12.1 and be covered by the warranty set forth in Clause 12.1.1(ii), and
- (ii) any defect inherent in the Seller’s design of the installation, considering the state of the art at the date of such design, that impairs the use of such items will constitute a defect in design for the purposes of this Clause 12.1 and will be covered by the warranty set forth in Clause 12.1.1(iii).

12.1.3 Warranty Periods

The warranties described in Clauses 12.1.1 and 12.1.2 hereinabove will be limited to those defects that become apparent within [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] (the "Warranty Period").

12.1.4 Limitations of Warranty

12.1.4.1 The Buyer's remedy and the Seller's obligation and liability under Clauses 12.1.1 and 12.1.2 are limited to, at the Seller's expense and option, the repair, replacement or correction (to include, in the case of software, supply of a comparable product with equivalent function) of any defective Warranted Part. The Seller may elect to effect such repair, replacement or correction by supplying modification kits designed to rectify the defect or by furnishing a credit to the Buyer for the future purchase of goods and services (not including Aircraft) equal to the price at which the Buyer is then entitled to acquire a replacement for the defective Warranted Part.

12.1.4.2 If the Seller corrects a defect covered by Clause 12.1.1(iii) that becomes apparent within the Warranty Period, on the Buyer's written request the Seller will correct any such defect of the same type in any Aircraft that has not already been delivered to the Buyer. The Seller will not be responsible for, nor deemed to be in default on account of any delay in Delivery of any Aircraft or otherwise, in respect of performance of this Agreement, due to the Seller's undertaking to make such correction. Alternatively, the Buyer and the Seller may agree to deliver such Aircraft with subsequent correction of the defect by the Buyer at the Seller's expense, or the Buyer may elect to accept Delivery and thereafter file a Warranty Claim as though the defect had become apparent immediately after Delivery of such Aircraft.

12.1.5 Cost of Inspection

12.1.5.1 In addition to the remedies set forth in Clauses 12.1.4.1 and 12.1.4.2, the Seller will reimburse the direct labor costs incurred by the Buyer in performing inspections of the Aircraft that are conducted to determine whether or not a defect exists in any warranted Part within the Warranty Period subject to the following conditions:

- (i) Such inspections are recommended in a Seller Service Bulletin to be performed within the Warranty Period;
- (ii) Such inspections are not performed in lieu of any corrective action that has been provided by the Seller prior to the dates of such inspection;

(iii) the labor rate for the reimbursements will be the In-house Warranty Labor Rate, and

(iv) the manhours used to determine such reimbursement will not exceed the Seller's estimate of the manhours required for such inspections.

#### 12.1.6 Warranty Claim Requirements

The Buyer's remedy and the Seller's obligation and liability under this Clause 12.1 with respect to each claimed defect are subject to the following conditions:

(i) the defect has become apparent within the Warranty Period,

(ii) the Buyer has filed a Warranty Claim [**CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT**] of a defect becoming apparent, except where the Seller has issued a Service Bulletin intended to provide a remedy for such a defect, in which case the Warranty Claim must be filed no later than [**CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT**] following embodiment of the Seller Service Bulletin in the Aircraft;

(iii) the Buyer has submitted to the Seller evidence reasonably satisfactory to the Seller that (i) the claimed defect is due to a matter covered under the provisions of this Clause 12, and (ii) that such defect did not result from any act or omission of the Buyer, including but not limited to, any failure to operate and maintain the affected Aircraft or part thereof in accordance with the standards set forth in Clause 12.1.11 or from any act or omission of any third party;

(iv) the Buyer returns the Warranted Part claimed to be defective to the repair facilities designated by the Seller as soon as practicable, unless the Buyer elects to repair a defective Warranted Part in accordance with the provisions of Clause 12.1.8; and

(v) the Seller's receives a Warranty Claim complying with the provisions of Clause 12.1.7(v).

#### 12.1.7 Warranty Administration

The warranties set forth in this Clause 12.1 will be administered as hereinafter provided:

##### (i) Claim Determination

Determination by the Seller as to whether any claimed defect in any Warranted Part is a valid Warranty Claim will be made by the Seller and will be based on claim details, reports from the Seller's regional representative, historical data logs, inspections, tests, findings during repair, defect analysis and other relevant documents and information.

(ii) Transportation Costs

The cost of transporting a Warranted Part claimed to be defective to the facilities designated by the Seller will be borne by the Buyer.

(iii) On-Aircraft Work by the Seller

If either (a) the Seller determines that a defect subject to this Clause 12.1 requires the dispatch by the Seller of a Seller's working team to the Buyer's facilities, to repair or correct such defect through implementation of one or more Seller's Service Bulletins, or (b) the Seller accepts the return of an Aircraft to perform or have performed a repair or correction, then, the labor costs for such on-Aircraft work will be borne by the Seller at the In-House Warranty Labor Rate.

On-Aircraft work by the Seller will be undertaken only if, in the Seller's opinion, the work requires the Seller's technical expertise. In such case, the Seller and the Buyer will agree on a schedule and place for the work to be performed.

(iv) Return of an Aircraft

If the Buyer desires to return an Aircraft to the Seller for consideration of a Warranty Claim, the Buyer will notify the Seller of its intention to do so, and the Seller will, prior to such return, have the right to inspect such Aircraft, and without prejudice to the Seller's rights hereunder, to repair such Aircraft either at the Buyer's facilities or at another place acceptable to the Seller. Delivery of any Aircraft by the Buyer to the Seller and return of such Aircraft to the Buyer's facilities will be at the Buyer's expense.

(v) Warranty Claim Substantiation

For each claim under this Clause 12.1 the Buyer will give written notice (a "Warranty Claim") to the Seller that contains at least the data listed below with respect to an Aircraft or Warranted Part, as applicable. The Buyer will deliver the Warranty Claim [**CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT**] of discovering each defect giving rise to a claim by the Buyer under this Clause 12.

The minimum data to be supplied are as follows:

- (a) Description of the defect and any action taken,

- (b) Date of incident and/or removal,
- (c) Description of the Warranted Part claimed to be defective,
- (d) Part number,
- (e) Serial number (if applicable),
- (f) Position on Aircraft, according to Catalog Sequence Number of the Illustrated Parts Catalog, Component Maintenance Manual or Structural Repair Manual as applicable,
- (g) Total flying hours or calendar times, as applicable, at the date of appearance of a defect,
- (h) Time since last shop visit at the date of appearance of defect,
- (i) Manufacturer's serial number or "MSN" of the Aircraft and/or its registration number,
- (j) Aircraft total flying hours and/or number of landings at the date of appearance of defect,
- (k) Claim number,
- (l) Date of claim and
- (m) Date of Delivery of an Aircraft to the Buyer.

Warranty Claims are to be addressed as follows:

AIRBUS  
CUSTOMER SERVICES DIRECTORATE  
WARRANTY ADMINISTRATION  
ROND-POINT MAURICE BELLONTE  
B.P. 33  
F-31707 BLAGNAC CEDEX  
FRANCE

(vi) Replacements

Replaced components, equipment, accessories or parts will become the Seller's property.

Title to and risk of loss of any Aircraft, component, accessory, equipment or part returned by the Buyer to the Seller will at all times remain with the Buyer, except that (i) when the Seller has possession of a returned Aircraft, component, accessory, equipment or part to which the Buyer has title, the Seller will have such responsibility therefor as is chargeable by law to a bailee for hire, but the Seller will not be liable for loss of use, and (ii) title to and risk of loss of a returned component, accessory, equipment or part will pass to the Seller on shipment by the Seller to the Buyer of any item furnished by the Seller to the Buyer as a replacement therefor. Upon the Seller's shipment to the Buyer of any replacement component, accessory, equipment or part provided by the Seller pursuant to this Clause 12.1, title to and risk of loss of such replacement component, accessory, equipment or part will pass to the Buyer.

(vii) Rejection

The Seller will provide reasonable written substantiation in case of rejection of a Warranty Claim. The Buyer will pay to the Seller reasonable inspection and test charges incurred by the Seller in connection with the investigation and processing of a rejected Warranty Claim.

(viii) Inspection

The Seller will have the right to inspect the affected Aircraft and documents and other records relating thereto in the event of any claim under this Clause 12.1.

12.1.8 In-house Warranty

(i) Authorization

The Buyer is hereby authorized to repair Warranted Parts, subject to the terms of this Clause 12.1.8 (“**In-house Warranty Repair**”). When the estimated cost of an In-house Warranty Repair [**CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT**], the Buyer will notify the Resident Customer Support Representative, of its decision to perform any in-house repairs before such repairs are commenced. The Buyer's notice will include sufficient detail regarding the defect, estimated labor hours and material to allow the Seller to ascertain the reasonableness of the estimate. The Seller will use reasonable efforts to ensure a prompt response and will not unreasonably withhold authorization.

(ii) Conditions of Authorization

The Buyer will be entitled to the benefits under this Clause 12.1.8 for repair of Warranted Parts:

- (a) if the Buyer complies with the terms of Clause 12.1.8(i);

(b) if adequate facilities and qualified personnel are available to the Buyer.

(c) provided that repairs are to be performed in accordance with the Seller's written instructions set forth in applicable Technical Data and

(d) only to the extent specified by the Seller, or, in the absence of the Seller's specifying, to the extent reasonably necessary to correct the defect, in accordance with the standards set forth in Clause 12.1.11.

(iii) Seller's Rights

The Seller will have the right to require the return to Seller of any Warranted Part, or any part removed therefrom, that is claimed to be defective, if, in the Seller's judgment, the nature of the claimed defect requires technical investigation. Such delivery will be subject to the provisions of Clause 12.1.7(ii).

The Seller will have the right to have a representative present during the disassembly, inspection and testing of any Warranted Part claimed to be defective.

(iv) In-house Warranty Claim Substantiation

Claims for In-house Warranty Repair credit must be submitted to the Seller no later than **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** after completion of such In-house Warranty Repair, and will comply with the requirements for Warranty Claims under Clause 12.1.6 (v) and in addition will include:

(a) a report of technical findings with respect to the defect,

(b) for parts required to remedy the defect:

(c) part numbers, serial numbers (if applicable), description of the parts, quantity of parts, unit price of parts, copies of related Seller's or third party's invoices (if applicable), total price of parts

(d) detailed number of labor hours,

(e) In-house Warranty Labor Rate, and

(f) total claim value.

(v) Credit

The Buyer's sole remedy, and the Seller's sole obligation and liability, in respect of In-house Warranty Repair claims, will be a credit to the Buyer's account. Such credit will be equal to the sum of the direct labor cost expended in performing such repair, plus the direct cost of materials incorporated in the repair. Such costs will be determined as set forth below.

(a) To determine direct labor costs, only the man-hours spent on removal from the Aircraft disassembly, inspection, repair, reassembly, and final inspection and test of the Warranted Part, and reinstallation thereof on the Aircraft will be counted. The hours required for maintenance work concurrently being carried out on the Aircraft or Warranted Part will not be included.

(b) The hours counted as set forth in Clause 12.1.8 (v)(a) above will **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**, which is deemed to represent the Buyer's composite average hourly labor rate (excluding all fringe benefits, premium time allowances, social security charges, business taxes and similar items) paid to the Buyer's employees or to a third party that the Buyer has authorized to perform the repair, whose jobs, in both cases, are directly related to the performance of the repair. This labor rate is **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** (the "In-house Warranty Labor Rate").

The In-house Warranty Labor Rate is subject to adjustment annually **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** Labor Index defined in the Seller Price Revision Formula.

(c) Direct material costs are determined by the prices at which the Buyer acquired such material, excluding any parts and materials used for overhaul furnished free of charge by the Seller.

(vi) Limitation on Credit

The Buyer will in no event be credited for repair costs (labor or material) for any Warranted Part if such repair costs exceed in the **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** for a replacement of such defective Warranted Part provided such replacement part is available for purchase.

The Seller will substantiate such Seller costs in writing on reasonable request by the Buyer.



(ix) Scrapped Material

The Buyer may, with the agreement of the Seller's Resident Customer Support Representative, scrap any defective Warranted Parts that are beyond economic repair and not required for technical evaluation.

If the Buyer does not obtain the agreement of the Seller's Resident Customer Support Representative to scrap a Warranted Part immediately, the Buyer will retain such Warranted Part and any defective part removed from a Warranted Part during repair for a period of either **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** after the date of completion of repair or **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** after submission of a claim for In-house Warranty Repair credit relating thereto, whichever is longer. Such parts will be returned to the Seller **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** of receipt of the Seller's request therefor, made within such retention periods.

A record of scrapped Warranted Parts, certified by an authorized representative of the Buyer, will be kept by the Buyer for at least the duration of the Warranty Period.

(vii) DISCLAIMER OF SELLER LIABILITY FOR BUYER'S REPAIR

THE SELLER WILL NOT BE LIABLE FOR, AND THE BUYER WILL INDEMNIFY THE SELLER AGAINST, THE CLAIMS OF ANY THIRD PARTIES FOR LOSSES DUE TO ANY DEFECT, NONCONFORMANCE OR PROBLEM OF ANY KIND, ARISING OUT OF OR IN CONNECTION WITH ANY REPAIR OF WARRANTED PARTS UNDERTAKEN BY THE BUYER UNDER THIS CLAUSE 12.1.8 OR ANY OTHER ACTIONS UNDERTAKEN BY THE BUYER UNDER THIS CLAUSE 12.1.8, WHETHER SUCH CLAIM IS ASSERTED IN CONTRACT OR IN TORT, OR IS PREMISED ON ALLEGED, ACTUAL, IMPUTED, ORDINARY OR INTENTIONAL ACTS OR OMISSIONS OF THE BUYER OR THE SELLER

12.1.9 Warranty Transferability

Notwithstanding the provisions of Clause 21.1, the warranties provided for in this Clause 12.1 for any Warranted Part will accrue to the benefit of any airline in revenue service other than the Buyer, if the Warranted Part enters into the possession of any such airline as a result of a pooling agreement between such airline and the Buyer, in accordance with the terms and subject to the limitations and exclusions of the foregoing warranties and to applicable laws or regulations.

12.1.9.1 Warranty for Corrected, Replacement or Repaired Warranted Parts

Whenever any Warranted Part that contains a defect for which the Seller is liable under this Clause 12.1 has been corrected, repaired or replaced pursuant to the terms hereof, the period of the Seller's warranty with respect to such corrected, repaired or replacement Warranted Part, will be the remaining portion of the original warranty in respect of such corrected, repaired or replaced Warranted Part or twelve (12) months, whichever is longer. If a defect is attributable to a defective repair or replacement by the Buyer, a Warranty Claim with respect to such defect will be rejected, notwithstanding any subsequent correction or repair, and will immediately terminate the remaining warranties under this Clause 12.1 in respect of the affected Warranted Part.

12.1.10 Good Airline Operation - Normal Wear and Tear

The Buyer's rights under this Clause 12.1 are subject to the Aircraft and each component, equipment, accessory and part thereof being maintained, overhauled, repaired and operated in accordance with good commercial airline practice, all technical documentation and any other instructions issued by the Seller, the Suppliers or the Propulsion Systems Manufacturer and all applicable rules, regulations and directives of the relevant Aviation Authorities.

The Seller's liability under this Clause 12.1 will not extend to normal wear and tear or to

(i) any Aircraft or component, equipment, accessory or part thereof that has been repaired, altered or modified after Delivery in a manner other than that approved by the Seller;

(ii) any Aircraft or component, equipment, accessory or part thereof that has been operated in a damaged state; or

(iii) any component, equipment, accessory or part from which the trademark, trade name, part or serial number or other identification marks have been removed.

12.2 Service Life Policy

12.2.1 Scope and Definitions

In addition to the warranties set forth in Clause 12.1, the Seller agrees that should a Failure occur in any Item (as these terms are defined below), then, subject to the general conditions and limitations set forth in Clause 12.2.4, the provisions of this Clause 12.2 will apply.

For the purposes of this Clause 12.2:

(i) “**Item**” means any of the Seller components, equipment, accessories or parts listed in Exhibit F that are installed on an Aircraft at any time during the period of effectiveness of the Service Life Policy specified in Clause 12.2.2.

(ii) “**Failure**” means any breakage of, or defect in, an Item that materially impairs the utility or safety of the Item, provided that (a) any such breakage of, or defect in, such Item did not result from any breakage or defect in any other Aircraft part or component or from any other extrinsic force and (b) has occurred or can reasonably be expected to occur on a repetitive or fleetwide basis.

The Seller’s obligations under this Clause 12.1.2 are referred to as the “**Service Life Policy.**”

12.2.2 Periods and Seller’s Undertaking

Subject to the general conditions and limitations set forth in Clause 12.2.4, the Seller agrees that if a Failure occurs in an Item **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** after the Delivery of the Aircraft in which such Item is installed, the Seller will, at its discretion, as promptly as practicable and for a price that reflects the Seller’s financial participation as hereinafter provided, either:

- (i) design and furnish to the Buyer a correction for such Item and provide any parts required for such correction (including Seller designed standard parts but excluding industry standard parts), or
- (ii) replace such Item.

12.2.3 **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

Any part or Item or part that the Seller is required to furnish to the Buyer under this Service Life Policy will be furnished to the Buyer at the **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**, which will be determined in accordance with the following formula:

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

12.2.4 General Conditions and Limitations

- 12.2.4.1 Notwithstanding any provision of this Clause 12.2, during the Warranty Period, all Items will be covered by the provisions of Clause 12.1 of this Agreement and not by the provisions of this Clause 12.2.
- 12.2.4.2 The Buyer's remedies and the Seller's obligations and liabilities under this Service Life Policy are subject to the following conditions:
- (i) The Buyer maintains log books and other historical records with respect to each Item adequate to enable the Seller to determine whether the alleged Failure is covered by this Service Life Policy and, if so, to define the portion of the cost to be borne by the Seller in accordance with Clause 12.2.3.
  - (ii) The Buyer keeps the Seller informed of any significant incidents relating to an Aircraft, however occurring or recorded.
  - (iii) The Buyer complies with the conditions of Clause 12.1.11.
  - (iv) The Buyer implements specific structural inspection programs for monitoring purposes as may be established from time to time by the Seller. Such programs will be, to the extent possible, compatible with the Buyer's operational requirements and will be carried out at the Buyer's expense, reports relating thereto to be regularly furnished to the Seller.
  - (v) The Buyer reports in writing any breakage or defect to the Seller [**CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT**] after any breakage or defect in an Item becomes apparent, whether or not the breakage or defect can reasonably be expected to occur in any other Aircraft, and the Buyer provides the Seller with sufficient detail about the breakage or defect to enable the Seller to determine whether said breakage or defect is subject to this Service Life Policy.
- 12.2.4.3 Except as otherwise provided in this Clause 12.2, any claim under this Service Life Policy will be administered as provided in, and will be subject to the terms and conditions of, Clause 12.1.6.
- 12.2.4.4 If the Seller has issued a service bulletin modification applicable to an Aircraft, the purpose of which is to avoid a Failure, the Seller may elect to supply the necessary modification kit free of charge or under a pro rata formula established by the Seller. If such a kit is so offered to the Buyer, then, in respect of such Failure and any Failures that could ensue therefrom, the validity of the Seller's commitment under this Clause 12.2 will be subject to the Buyer's incorporating such modification in the relevant Aircraft, within a reasonable time, in accordance with the Seller's instructions.

12.2.4.5 THIS SERVICE LIFE POLICY IS NEITHER A WARRANTY, PERFORMANCE GUARANTEE, NOR AN AGREEMENT TO MODIFY ANY AIRCRAFT OR AIRFRAME COMPONENTS TO CONFORM TO NEW DEVELOPMENTS OCCURRING IN THE STATE OF AIRFRAME DESIGN AND MANUFACTURING ART. THE SELLER'S OBLIGATION UNDER THIS CLAUSE 12.2 IS TO MAKE ONLY THOSE CORRECTIONS TO THE ITEMS OR FURNISH REPLACEMENTS THEREFOR AS PROVIDED IN THIS CLAUSE 12.2. THE BUYER'S SOLE REMEDY AND RELIEF FOR THE NONPERFORMANCE OF ANY OBLIGATION OR LIABILITY OF THE SELLER ARISING UNDER OR BY VIRTUE OF THIS SERVICE LIFE POLICY WILL BE IN A CREDIT FOR GOODS AND SERVICES, LIMITED TO THE AMOUNT THE BUYER REASONABLY EXPENDS IN PROCURING A CORRECTION OR REPLACEMENT FOR ANY ITEM THAT IS THE SUBJECT OF A FAILURE COVERED BY THIS SERVICE LIFE POLICY AND TO WHICH SUCH NONPERFORMANCE IS RELATED, LESS THE AMOUNT THAT THE BUYER OTHERWISE WOULD HAVE BEEN REQUIRED TO PAY UNDER THIS CLAUSE 12.2 IN RESPECT OF SUCH CORRECTED OR REPLACEMENT ITEM. WITHOUT LIMITING THE EXCLUSIVITY OF WARRANTIES AND GENERAL LIMITATIONS OF LIABILITY PROVISIONS SET FORTH IN CLAUSE 12.5, THE BUYER HEREBY WAIVES, RELEASES AND RENOUNCES ALL CLAIMS TO ANY FURTHER DIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES, INCLUDING LOSS OF PROFITS AND ALL OTHER RIGHTS, CLAIMS AND REMEDIES, ARISING UNDER OR BY VIRTUE OF THIS SERVICE LIFE POLICY.

12.3 Supplier Warranties and Service Life Policies

12.3.1 Seller's Support

Before Delivery of the first Aircraft, the Seller will provide the Buyer with the warranties and service life policies that the Seller has obtained pursuant to the Supplier Product Support Agreements.

12.3.2 Supplier's Default

12.3.2.1 If any Supplier under any warranty referred to in Clause 12.3.1 defaults in the performance of any material obligation under such warranty with respect to a Supplier Part and the Buyer submits reasonable evidence, within a reasonable time, that such default has occurred, then Clause 12.1 of this Agreement will apply to the extent it would have applied had such Supplier Part been a Warranted Part, to the extent the Seller can reasonably perform said Supplier's obligations, except that the Supplier's warranty period indicated in the Supplier Product Support Agreements will apply.

12.3.2.2 If any Supplier under any Supplier service life policy referred to in to Clause 12.3.1 defaults in the performance of any material obligation under such service life policy, and (i) the Buyer has used its best efforts to enforce its rights under such service life policy, and (ii) the Buyer submits within reasonable time to the Seller reasonable evidence that such default has occurred, then Clause 12.2 of this Agreement will apply to the extent the same would have applied had such component, equipment, accessory or part been listed in Exhibit F hereto, to the extent that the Seller can reasonably perform said Supplier's service life policy.

12.3.2.3 At the Seller's request, the Buyer will assign to the Seller, and the Seller will be subrogated to, all of the Buyer's rights against the relevant Supplier with respect to, and arising by reason of, such default and the Buyer will provide reasonable assistance to enable the Seller to enforce the rights so assigned.

12.4 Interface Commitment

12.4.1 Interface Problem

If the Buyer experiences any technical problem in the operation of an Aircraft or its systems due to a malfunction, the cause of which, after due and reasonable investigation, is not readily identifiable by the Buyer, but which the Buyer reasonably believes to be attributable to the design characteristics of one or more components of the Aircraft (an "Interface Problem"), the Seller will, if requested by the Buyer, and without additional charge to the Buyer, except for transportation of the Seller's or its designee's personnel to the Buyer's facilities, promptly conduct or have conducted an investigation and analysis of such problem to determine, if possible, the cause or causes of the problem and to recommend such corrective action as may be feasible. The Buyer will furnish to the Seller all data and information in the Buyer's possession relevant to the Interface Problem and will cooperate with the Seller in the conduct of the Seller's investigations and such tests as may be required. At the conclusion of such investigation the Seller will promptly advise the Buyer in writing of the Seller's opinion as to the cause or causes of the Interface Problem and the Seller's recommendations as to corrective action.

12.4.2 Seller's Responsibility

If the Seller determines that the Interface Problem is primarily attributable to the design of a Warranted Part, the Seller will, if requested by the Buyer, correct the design of such Warranted Part pursuant to the terms and conditions of Clause 12.1.

12.4.3 Supplier's Responsibility

If the Seller determines that the Interface Problem is primarily attributable to the design of any Supplier Part, the Seller will, at the Buyer's request, reasonably assist the Buyer in processing any warranty claim the Buyer may have against the manufacturer of such Supplier Part.

12.4.4 Joint Responsibility

If the Seller determines that the Interface Problem is attributable partially to the design of a Warranted Part and partially to the design of any Supplier Part, the Seller will, if requested by the Buyer, seek a solution to the Interface Problem through cooperative efforts of the Seller and any Supplier involved. The Seller will promptly advise the Buyer of any corrective action proposed by the Seller and any such Supplier. Such proposal will be consistent with any then existing obligations of the Seller hereunder and of any such Supplier to the Buyer. Such corrective action, unless reasonably rejected by the Buyer, will constitute full satisfaction of any claim the Buyer may have against either the Seller or any such Supplier with respect to such Interface Problem.

12.4.5 General

12.4.5.1 All requests under this Clause 12.4 will be directed both to the Seller and to the affected Suppliers.

12.4.5.2 Except as specifically set forth in this Clause 12.4, this Clause 12.4 will not be deemed to impose on the Seller any obligations not expressly set forth elsewhere in this Agreement.

12.4.5.3 All reports, recommendations, data and other documents furnished by the Seller to the Buyer pursuant to this Clause 12.4 will be deemed to be delivered under this Agreement and will be subject to the terms, covenants and conditions set forth in this Clause 12 and in Clause 22.10.

12.5 Exclusivity of Warranties

THIS CLAUSE 12 SETS FORTH THE EXCLUSIVE WARRANTIES, EXCLUSIVE LIABILITIES AND EXCLUSIVE OBLIGATIONS OF THE SELLER, AND THE EXCLUSIVE REMEDIES AVAILABLE TO THE BUYER, WHETHER UNDER THIS AGREEMENT OR OTHERWISE, ARISING FROM ANY DEFECT OR NONCONFORMITY OR PROBLEM OF ANY KIND IN ANY AIRCRAFT, COMPONENT, EQUIPMENT, ACCESSORY, PART, SOFTWARE, DATA OR SERVICE DELIVERED BY THE SELLER UNDER THIS AGREEMENT.

THE BUYER RECOGNIZES THAT THE RIGHTS, WARRANTIES AND REMEDIES IN THIS CLAUSE 12 ARE ADEQUATE AND SUFFICIENT TO PROTECT THE BUYER FROM ANY DEFECT OR NONCONFORMITY OR PROBLEM OF ANY KIND IN THE GOODS AND SERVICES SUPPLIED UNDER THIS AGREEMENT. THE BUYER

HEREBY WAIVES, RELEASES AND RENOUNCES ALL OTHER WARRANTIES, OBLIGATIONS, GUARANTEES AND LIABILITIES OF THE SELLER AND ALL OTHER RIGHTS, CLAIMS AND REMEDIES OF THE BUYER AGAINST THE SELLER, WHETHER EXPRESS OR IMPLIED BY CONTRACT, TORT, OR STATUTORY LAW OR OTHERWISE, WITH RESPECT TO ANY NONCONFORMITY OR DEFECT OR PROBLEM OF ANY KIND IN ANY AIRCRAFT, COMPONENT, EQUIPMENT, ACCESSORY, PART, SOFTWARE, DATA OR SERVICE DELIVERED BY THE SELLER UNDER THIS AGREEMENT, INCLUDING BUT NOT LIMITED TO:

ANY IMPLIED WARRANTY OF MERCHANTABILITY AND/OR FITNESS FOR ANY GENERAL OR PARTICULAR PURPOSE;

ANY IMPLIED OR EXPRESS WARRANTY ARISING FROM COURSE OF PERFORMANCE, COURSE OF DEALING OR USAGE OF TRADE;

ANY RIGHT, CLAIM OR REMEDY FOR BREACH OF CONTRACT;

ANY RIGHT, CLAIM OR REMEDY FOR TORT, UNDER ANY THEORY OF LIABILITY, HOWEVER ALLEGED, INCLUDING, BUT NOT LIMITED TO, ACTIONS AND/OR CLAIMS FOR NEGLIGENCE, GROSS NEGLIGENCE, INTENTIONAL ACTS, WILLFUL DISREGARD, IMPLIED WARRANTY, PRODUCT LIABILITY, STRICT LIABILITY OR FAILURE TO WARN;

ANY RIGHT, CLAIM OR REMEDY ARISING UNDER THE UNIFORM COMMERCIAL CODE OR ANY OTHER STATE OR FEDERAL STATUTE;

ANY RIGHT, CLAIM OR REMEDY ARISING UNDER ANY REGULATIONS OR STANDARDS IMPOSED BY ANY INTERNATIONAL, NATIONAL, STATE OR LOCAL STATUTE OR AGENCY;

ANY RIGHT, CLAIM OR REMEDY TO RECOVER OR BE COMPENSATED FOR:

LOSS OF USE OR REPLACEMENT OF ANY AIRCRAFT, COMPONENT, EQUIPMENT, ACCESSORY OR PART PROVIDED UNDER THIS AGREEMENT;

(i) LOSS OF, OR DAMAGE OF ANY KIND TO, ANY AIRCRAFT, COMPONENT, EQUIPMENT, ACCESSORY OR PART PROVIDED UNDER THIS AGREEMENT;



(ii) LOSS OF PROFITS AND/OR REVENUES;

(iii) ANY OTHER INCIDENTAL OR CONSEQUENTIAL DAMAGE.

THE WARRANTIES AND SERVICE LIFE POLICY PROVIDED BY THIS AGREEMENT WILL NOT BE EXTENDED, ALTERED OR VARIED EXCEPT BY A WRITTEN INSTRUMENT SIGNED BY THE SELLER AND THE BUYER. IN THE EVENT THAT ANY PROVISION OF THIS CLAUSE 12 SHOULD FOR ANY REASON BE HELD UNLAWFUL, OR OTHERWISE UNENFORCEABLE, THE REMAINDER OF THIS CLAUSE 12 WILL REMAIN IN FULL FORCE AND EFFECT.

FOR THE PURPOSE OF THIS CLAUSE 12.5, "SELLER" WILL BE UNDERSTOOD TO INCLUDE THE SELLER, ITS AFFILIATES AND SUPPLIERS.

12.6 Duplicate Remedies

The remedies provided to the Buyer under Clause 12.1 and Clause 12.2 as to any defect in respect of the Aircraft or any part thereof are mutually exclusive and not cumulative. The Buyer will be entitled to the remedy that provides the maximum benefit to it, as the Buyer may elect, pursuant to the terms and conditions of this Clause 12 for any particular defect for which remedies are provided under this Clause 12; provided, however, that the Buyer will not be entitled to elect a remedy under both Clause 12.1 and Clause 12.2 for the same defect. The Buyer's rights and remedies herein for the nonperformance of any obligations or liabilities of the Seller arising under these warranties will be in monetary damages limited to the amount the Buyer expends in procuring a correction or replacement for any covered part subject to a defect or nonperformance covered by this Clause 12, and the Buyer will not have any right to require specific performance by the Seller.

12.7 Transferability

The Buyer's rights under this Clause 12 may not be assigned, sold, transferred, novated or otherwise alienated by operation of law or otherwise, without the Seller's prior written consent. Any assignment, sale, transfer or novation in violation of this Clause 12.7 will, as to the Aircraft involved, immediately void the rights and warranties of the Buyer under this Clause 12 and any and all other warranties that might arise under, or be implied, in Law or otherwise.

Negotiated Agreement

The Parties each acknowledge that:

- (i) the Specification has been agreed upon after careful consideration by the Buyer using its judgment as a professional operator of, and maintenance provider with respect to, aircraft used in public transportation and as such is a professional within the same industry as the Seller;
- (ii) this Agreement, and in particular this Clause 12, has been the subject of discussion and negotiation and is fully understood by the Buyer; and
- (iii) the price of the Aircraft and the other mutual agreements of the Buyer set forth in this Agreement were arrived at in consideration of, inter alia, the provisions of this Clause 12, specifically including the Exclusivity of Warranties set forth in Clause 12.

13 - PATENT AND COPYRIGHT INDEMNITY

13.1 Indemnity

13.1.1 Subject to the provisions of Clause 13.2.3, the Seller will indemnify the Buyer from and against any damages, costs and expenses including reasonable legal costs (excluding damages, costs, expenses, loss of profits and other liabilities in respect of or resulting from loss of use of the Aircraft) resulting from any infringement or claim of infringement by the Airframe or any part or software installed therein at Delivery of:

(i) any British, French, German, Spanish or U.S. patent; and

(ii) any patent issued under the laws of any other country in which the Buyer may lawfully operate the Aircraft, provided that from the time of design of such Airframe or any part or software installed therein at Delivery and until infringement claims are resolved, the country of the patent and the flag country of the Aircraft are both parties to:

(1) the Chicago Convention on International Civil Aviation of December 7, 1944, and are each fully entitled to all benefits of Article 27 thereof, or,

(2) the International Convention for the Protection of Industrial Property of March 20, 1883 (the "Paris Convention"); and

(iii) in respect of computer software installed on the Aircraft, any copyright, provided that the Seller's obligation to indemnify will be limited to infringements in countries which, at the time of design versus infringement claim are members of The Berne Union and recognize computer software as a "work" under the Berne Convention.

13.1.2 Clause 13.1.1 will not apply to

(i) Buyer Furnished Equipment;

(ii) the Propulsion Systems;

(iii) Supplier Parts; or

(iv) software not developed by the Seller.

13.1.3 If the Buyer, due to circumstances contemplated in Clause 13.1.1, is prevented from using the Aircraft (whether by a valid judgment of a court of competent jurisdiction or by a settlement arrived at among the claimant, the Seller and the Buyer), the Seller will at its expense either

- (i) procure for the Buyer the right to use the affected Airframe, part or software free of charge; or
- (ii) replace the infringing part or software as soon as possible with a non-infringing substitute.

13.2 Administration of Patent and Copyright Indemnity Claims

13.2.1 If the Buyer receives a written claim or a suit is threatened or begun against the Buyer for infringement of a patent or copyright referred to in Clause 13.1, the Buyer will

- (i) forthwith notify the Seller, giving particulars thereof;
- (ii) furnish to the Seller all data, papers and records within the Buyer's control or possession relating to such patent or claim;
- (iii) refrain from admitting any liability or making any payment, or assuming any expenses, damages, costs or royalties, or otherwise acting in a manner prejudicial to the defense or denial of the suit or claim, it being agreed that nothing in this Clause 13.2.1(iii) will prevent the Buyer from paying the sums that may be required to obtain the release of the Aircraft, provided that payment is accompanied by a denial of liability and is made without prejudice;
- (iv) fully cooperate with, and render all assistance to, the Seller as may be pertinent to the defense or denial of the suit or claim; and
- (v) act to mitigate damages and/or to reduce the amount of royalties that may be payable, and act to minimize costs and expenses.

13.2.2 The Seller will be entitled either in its own name or on behalf of the Buyer to conduct negotiations with the party or parties alleging infringement and may assume and conduct the defense or settlement of any suit or claim in the manner that, in the Seller's opinion, it deems proper.

13.2.3 The Seller's liability hereunder will be conditioned on the strict and timely compliance by the Buyer with the terms of this Clause 13 and is in lieu of any other liability to the Buyer, whether express or implied, which the Seller might incur at law as a result of any infringement or claim of infringement of any patent or copyright.

THE INDEMNITY PROVIDED IN THIS CLAUSE 13 AND THE OBLIGATIONS AND LIABILITIES OF THE SELLER UNDER THIS CLAUSE 13 ARE EXCLUSIVE AND IN SUBSTITUTION FOR, AND THE BUYER HEREBY WAIVES, RELEASES AND RENOUNCES ALL OTHER

INDEMNITIES, WARRANTIES, OBLIGATIONS, GUARANTEES AND LIABILITIES ON THE PART OF THE SELLER AND RIGHTS, CLAIMS AND REMEDIES OF THE BUYER AGAINST THE SELLER, EXPRESS OR IMPLIED, ARISING BY LAW OR OTHERWISE (INCLUDING WITHOUT LIMITATION ANY OBLIGATION, LIABILITY, RIGHT, CLAIM OR REMEDY ARISING FROM OR WITH RESPECT TO LOSS OF USE OR REVENUE OR CONSEQUENTIAL DAMAGES), WITH RESPECT TO ANY ACTUAL OR ALLEGED PATENT INFRINGEMENT OR THE LIKE BY ANY AIRFRAME, PART OR SOFTWARE INSTALLED THEREIN AT DELIVERY, OR THE USE OR SALE THEREOF, PROVIDED THAT, IN THE EVENT THAT ANY OF THE AFORESAID PROVISIONS SHOULD FOR ANY REASON BE HELD UNLAWFUL OR OTHERWISE INEFFECTIVE, THE REMAINDER OF THIS CLAUSE WILL REMAIN IN FULL FORCE AND EFFECT. THIS INDEMNITY AGAINST PATENT AND COPYRIGHT INFRINGEMENTS WILL NOT BE EXTENDED, ALTERED OR VARIED EXCEPT BY A WRITTEN INSTRUMENT SIGNED BY THE SELLER AND THE BUYER.

14 - TECHNICAL DATA AND SOFTWARE SERVICES

14.1 Scope

This Clause 14 covers the terms and conditions for the supply of technical data (hereinafter “**Technical Data**”) and software services described hereunder (hereinafter “**Software Services**”) to support the Aircraft operation.

14.1.1 The Technical Data shall be supplied in the English language using the aeronautical terminology in common use.

14.1.2 All Technical Data shall be available on-line as set forth in Clause 14.4. Range, type, format and delivery schedule of the on-line Technical Data to be provided under this Agreement are outlined in Exhibit G hereto.

14.2 Aircraft Identification for Technical Data

14.2.1 For those Technical Data that are customized to the Buyer’s Aircraft, the Buyer agrees to the allocation of fleet serial numbers (“**Fleet Serial Numbers**”) in the form of blocks of numbers selected in the range from 001 to 999.

14.2.2 The sequence shall not be interrupted unless two (2) different Propulsion Systems or two (2) different Aircraft models are selected.

14.2.3 The Buyer shall indicate to the Seller the Fleet Serial Number allocated to each Aircraft corresponding to the delivery schedule set forth in Clause 9.1 [**CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT**]. Neither the designation of such Fleet Serial Numbers nor the subsequent allocation of the Fleet Serial Numbers to Manufacturer Serial Numbers for the purpose of producing certain customized Technical Data shall constitute any property, insurable or other interest of the Buyer in any Aircraft prior to the Delivery of such Aircraft as provided for in this Agreement.

The customized Technical Data that are affected thereby are the following:

- Aircraft Maintenance Manual,
- Illustrated Parts Catalog,
- Trouble Shooting Manual,
- Aircraft Wiring Manual,
- Aircraft Schematics Manual,
- Aircraft Wiring Lists.

14.3 Integration of Equipment Data

14.3.1 Supplier Equipment

Information, including revisions, relating to Supplier equipment that is installed on the Aircraft at Delivery or through Airbus Service Bulletins thereafter shall be introduced into the customized Technical Data to the extent necessary for the comprehension of the affected systems, at no additional charge to the Buyer.

14.3.2 Buyer Furnished Equipment

14.3.2.1 The Seller shall introduce data related to Buyer Furnished Equipment, for equipment that is installed on the Aircraft by the Seller (hereinafter “BFE Data”) into the customized Technical Data, at no additional charge to the Buyer for the initial issue of the Technical Data provided at first Aircraft Delivery, provided such BFE Data is provided in accordance with the conditions set forth in Clauses 14.3.2.2 through 14.3.2.6.

14.3.2.2 The Buyer shall supply the BFE Data to the Seller at least six (6) months prior to the Scheduled Delivery Month of the first Aircraft.

14.3.2.3 The BFE Data shall be supplied in English and shall be established in compliance with the then applicable revision of ATA iSpecification 2200 and/or S1000D Specification jointly defined by the ASD (Aerospace and Defense Industries Association of Europe), AIA (Aerospace Industries Association) and ATA (Air Transport Association of America), as applicable.

14.3.2.4 The Buyer and the Seller shall agree on the requirements for the provision to the Seller of BFE Data for “on-aircraft maintenance”, such as but not limited to timeframe, media and format in which the BFE Data shall be supplied to the Seller, in order to manage the BFE Data integration process in an efficient, expeditious and economic manner.

14.3.2.5 The BFE Data shall be delivered in digital format (SGML or XML raw data) and/or in Portable Document Format (PDF), as agreed between the Buyer and the Seller.

14.3.2.6 All costs related to the delivery to the Seller of the applicable BFE Data shall be borne by the Buyer.

14.4 Supply

14.4.1 Except as specifically otherwise set forth in Exhibit G, all Technical Data shall be made available on-line through the relevant services on the Seller’s customer portal Airbus World (“**Airbus World**”), as further described in Exhibit H-2 to the Agreement.

14.4.2 The Technical Data shall be delivered according to a **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** to correspond with the Deliveries of Aircraft. The Buyer shall provide **[CONFIDENTIAL MATERIAL**

**OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** notice when requesting a change to such delivery schedule.

14.4.3 It shall be the responsibility of the Buyer to coordinate and satisfy local Aviation Authorities' requirements with respect to Technical Data. Upon request from the Buyer's Aviation Authorities, such Aviation Authorities shall be given on-line access to the Buyer's Technical Data.

14.5 Revision Service

For each firmly ordered Aircraft covered under this Agreement, revision service for the Technical Data shall be provided [**CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** (each a "Revision Service Period").

Thereafter revision service shall be provided in accordance with the terms and conditions set forth in the Seller's then current Customer Services Catalog.

14.6 Service Bulletins (SB) Incorporation

During any Revision Service Period and upon the Buyer's request, Seller Service Bulletin information shall be incorporated into the Technical Data, provided that the Buyer notifies the Seller through the Airbus World "Service Bulletin Reporting" service that it intends to accomplish such Service Bulletin, after which post Service Bulletin status shall be shown.

14.7 Technical Data Familiarization

Upon request by the Buyer, the Seller shall provide up to [**CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** of Technical Data familiarization training at the Seller's or the Buyer's facilities. The basic familiarization course is tailored for maintenance and engineering personnel.

14.8 Customer Originated Changes (COC)

If the Buyer wishes to introduce Buyer originated data (hereinafter "COC Data") into any of the customized Technical Data that are identified as eligible for such incorporation in the Seller's then current Customer Services Catalog, the Buyer shall notify the Seller of such intention.

The incorporation of any COC Data shall be performed under the methods and tools for achieving such introduction and the conditions specified in the Seller's then current Customer Services Catalog.



14.9 Advanced Consultation Tool

14.9.1 Some Technical Data shall be made available through several domains listed herebelow and shall be provided on-line through an Advanced Consultation Tool, which shall include the necessary navigation software and viewer to browse the Technical Data (hereinafter together referred to as “Advanced Consultation Tool”).

14.9.2 The Advanced Consultation Tool encompasses the following domains:

- Maintenance,
- Planning,
- Repair,
- Workshop,
- Associated Data,
- Engineering.

14.9.3 Further details on the Technical Data included in such Advanced Consultation Tool are set forth in Exhibit “G”.

14.9.4 The licensing conditions for the use of the Advanced Consultation Tool software shall be as set forth in Exhibit H-1 to the Agreement, “**End-User License Agreement for Airbus Software**”.

14.9.5 The revision service and the license to use Advanced Consultation Tool shall be **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** of the corresponding Revision Service Period. At the end of such Revision Service Period, the yearly revision service for the Advanced Consultation Tool and the associated license fee shall be provided to the Buyer under the commercial conditions set forth in the Seller’s then current Customer Services Catalog.

14.10 On-Line Access to Technical Data

14.10.1 Access to Airbus World shall be subject to the “General Terms and Conditions of Access to and Use of Airbus World” (hereinafter the “**GTC**”), as set forth in Exhibit H-2 to this Agreement.

14.10.2 Access to Airbus World shall be **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** of the Buyer’s users (including **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**) for the Technical Data related to the Aircraft which shall be operated by the Buyer.

14.10.3 Should Airbus World provide access to Technical Data in software format, the use of such software shall be further subject to the conditions of Exhibit H-1 to the Agreement.

14.11 Waiver, Release and Renunciation

The Seller warrants that the Technical Data are prepared in accordance with the state of art at the date of their conception. Should any Technical Data prepared by the Seller contain non-conformity or defect, the sole and exclusive liability of the Seller shall be to take all reasonable and proper steps to correct such Technical Data. Notwithstanding the above, no warranties of any kind shall be given for the Customer Originated Changes, as set forth in Clause 14.8.

THE WARRANTIES, OBLIGATIONS AND LIABILITIES OF THE SELLER (AS DEFINED BELOW FOR THE PURPOSES OF THIS CLAUSE) AND REMEDIES OF THE BUYER SET FORTH IN THIS CLAUSE 14 ARE EXCLUSIVE AND IN SUBSTITUTION FOR, AND THE BUYER HEREBY WAIVES, RELEASES AND RENOUNCES ALL OTHER WARRANTIES, OBLIGATIONS AND LIABILITIES OF THE SELLER AND RIGHTS, CLAIMS AND REMEDIES OF THE BUYER AGAINST THE SELLER, EXPRESS OR IMPLIED, ARISING BY LAW, CONTRACT OR OTHERWISE, WITH RESPECT TO ANY NON-CONFORMITY OR DEFECT OF ANY KIND, IN ANY TECHNICAL DATA OR SERVICES DELIVERED UNDER THIS AGREEMENT, INCLUDING BUT NOT LIMITED TO:

A. ANY WARRANTY AGAINST HIDDEN DEFECTS;

B. ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS;

C. ANY IMPLIED WARRANTY ARISING FROM COURSE OF PERFORMANCE, COURSE OF DEALING OR USAGE OR TRADE;

D. ANY OBLIGATION, LIABILITY, RIGHT, CLAIM OR REMEDY, WHETHER IN CONTRACT OR IN TORT, WHETHER OR NOT ARISING FROM THE SELLER'S NEGLIGENCE, ACTUAL OR IMPUTED; AND

E. ANY OBLIGATION, LIABILITY, RIGHT, CLAIM, OR REMEDY FOR LOSS OF OR DAMAGE TO ANY AIRCRAFT, COMPONENT, EQUIPMENT, ACCESSORY, PART, SOFTWARE, DATA OR SERVICES DELIVERED UNDER THIS AGREEMENT, FOR LOSS OF USE, REVENUE OR PROFIT, OR FOR ANY OTHER DIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES;

PROVIDED THAT, IN THE EVENT THAT ANY OF THE AFORESAID PROVISIONS SHOULD FOR ANY REASON BE HELD UNLAWFUL OR OTHERWISE INEFFECTIVE, THE REMAINDER OF THIS AGREEMENT SHALL REMAIN IN FULL FORCE AND EFFECT.

FOR THE PURPOSES OF THIS CLAUSE 14, THE "SELLER" SHALL BE UNDERSTOOD TO INCLUDE THE SELLER, ANY OF ITS SUPPLIERS AND SUBCONTRACTORS, ITS AFFILIATES AND ANY OF THEIR RESPECTIVE INSURERS.

14.12 Proprietary Rights

14.12.1 All proprietary rights, including but not limited to patent, design and copyrights, relating to Technical Data shall remain with the Seller and/or its Affiliates as the case may be. These proprietary rights shall also apply to any translation into a language or languages or media that may have been performed or caused to be performed by the Buyer.

14.12.2 Whenever this Agreement and/or any Technical Data provides for manufacturing by the Buyer, the consent given by the Seller shall not be construed as express or implicit approval howsoever neither of the Buyer nor of the manufactured products. The supply of the Technical Data shall not be construed as any further right for the Buyer to design or manufacture any Aircraft or part thereof or spare part.

14.13 Performance Engineer's Program

14.13.1 In addition to the Technical Data provided under Clause 14, the Seller shall provide to the Buyer Software Services, which shall consist of the Performance Engineer's Programs ("PEP") for the Aircraft type covered under this Agreement. Such PEP is composed of software components and databases and its use is subject to the license conditions set forth in Part 1 of Exhibit H to the Agreement "End-User License Agreement for Airbus Software".

14.13.2 Use of the PEP shall be limited to **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** copy to be used on the Buyer's computers for the purpose of computing performance engineering data. The PEP is intended for use on ground only and shall not be installed on board the Aircraft.

14.13.3 The license to use the PEP and the revision service shall be provided **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** of the corresponding Revision Service Period as set forth in Clause 14.5.

14.13.4 At the end of such PEP Revision Service Period, the PEP shall be provided to the Buyer at the standard commercial conditions set forth in the Seller's then current Customer Services Catalog.

14.14 Future Developments

The Seller continuously monitors technological developments and applies them to Technical Data, document and information systems' functionalities, production and methods of transmission.

The Seller shall implement and the Buyer shall accept such new developments, it being understood that the Buyer shall be informed in due time by the Seller of such new developments and their application and of the date by which the same shall be implemented by the Seller.

14.15 Confidentiality

14.15.1 This Clause, the Technical Data, the Software Services and their content are designated as confidential. All such Technical Data and Software Services are provided to the Buyer for the sole use of the Buyer who undertakes not to disclose the contents thereof to any third party without the prior written consent of the Seller save as permitted therein or pursuant to any government or legal requirement imposed upon the Buyer.

14.15.2 If the Seller authorizes the disclosure of this Clause or any Technical Data or Software Services to third parties either under this Agreement or by an express prior written authorization and specifically, in the event of the Buyer intending to designate a maintenance and repair organization or a third party to perform the maintenance of the Aircraft or to perform data processing on its behalf (each a "**Third Party**"), the Buyer shall notify the Seller of such intention prior to any disclosure of this Clause and/or the Technical Data and/or the Software Services to such Third Party.

The Buyer hereby undertakes to cause such Third Party to agree to be bound by the conditions and restrictions set forth in this Clause 14 with respect to the disclosed Clause, Technical Data or Software Services and shall in particular cause such Third Party to enter into a confidentiality agreement with the Seller and appropriate licensing conditions, and to commit to use the Technical Data solely for the purpose of maintaining the Buyer's Aircraft and the Software Services exclusively for processing the Buyer's data.

14.16 Transferability

Without prejudice to Clause 21.1, the Buyer's rights under this Clause 14 may not be assigned, sold, transferred, novated or otherwise alienated by operation of law or otherwise, without the Seller's prior written consent.

Any transfer in violation of this Clause 14.16 shall, as to the particular Aircraft involved, void the rights and warranties of the Buyer under this Clause 14 and any and all other warranties that might arise under or be implied in law.

15- SELLER REPRESENTATIVE SERVICES

The Seller shall [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] to the Buyer the services described in this Clause 15, at the Buyer's main base or at other locations.

15.1 Customer Support Representative(s)

15.1.1 The Seller shall [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] to the Buyer the services of Seller customer support representative(s), as defined in Appendix A to this Clause 15 (each a "Seller Representative"), at the Buyer's main base or such other locations as the parties may agree.

15.1.2 In providing the services as described herein, are deemed to be acting in an advisory capacity only and at no time will they be deemed to be acting as Buyer's employees or agents, either directly or indirectly.

15.1.3 The Seller shall provide to the Buyer an annual written accounting of the consumed man-months and any remaining man-month balance from the allowance defined in Appendix A to this Clause 15. Such accounting shall be deemed final and accepted by the Buyer unless the Seller receives written objection from the Buyer within [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] of receipt of such accounting.

15.1.4 If Aircraft On Ground ("AOG") technical assistance is needed after the end of the assignment referred to in Appendix A to this Clause 15, the Buyer shall have non-exclusive access to:

a) AIRTAC (Airbus Technical AOG Center), for as long as the Buyer operates at least one Airbus aircraft, and

b) The Seller Representative network closest to the Buyer's main base. A list of contacts of the Seller Representatives closest to the Buyer's main base shall be provided to the Buyer,

15.1.5 Should the Buyer request Seller Representative services exceeding the allocation specified in Appendix A to this Clause 15, the Seller may provide such additional services subject to terms and conditions to be mutually agreed.

15.1.6 The Seller shall cause similar services to be provided by representatives of the Propulsion Systems Manufacturer and Suppliers, when necessary and applicable.

- 15.2 The Seller will cause AACS to assign the services of **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** Customer Support Director based in Herndon, Virginia, to liaise between the Seller and the Buyer on product support matters, after signature of this Agreement and **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.
- 15.2 Buyer's Support
- 15.2.1 From the date of arrival of the first Seller Representative and for the duration of the assignment, the Buyer shall provide free of charge a suitable lockable office, conveniently located with respect to the Buyer's maintenance facilities, with complete office furniture and equipment including telephone, internet, email and facsimile connections for the sole use of the Seller Representative(s). All related communication costs shall be borne by the Seller upon receipt by the Seller of all relevant justifications.
- 15.2.2 The Buyer shall **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** of the Seller Representatives of **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**, to and from their place of assignment and Toulouse, France.
- 15.2.3 The Buyer shall **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** of the Seller Representatives to and from their place of assignment and Toulouse, France.
- 15.2.4 Should the Buyer request any Seller Representative to travel on business to a city other than such Seller Representative usual place of assignment, the Buyer shall be responsible for all related reasonable and substantiated transportation costs and expenses.
- 15.3 Withdrawal of the Seller Representative
- The Seller shall have the right to withdraw its assigned Seller Representatives if conditions arise, which are in the Seller's opinion dangerous to their safety or health or which prevent them from fulfilling their contractual tasks.

SELLER REPRESENTATIVE ALLOCATION

The Seller Representative allocation provided to the Buyer pursuant to Clause 15.1 is defined hereunder.

- 1 The Seller shall provide to the Buyer Seller Representative services at the Buyer's main base or at other locations to be **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.
- 2 Seller Representatives' services shall include initial Aircraft entry into service assistance and sustaining support services.
- 3 The number of the Seller Representatives assigned to the Buyer at any one time shall be mutually agreed, but shall at no time **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** Seller Representatives.



16- TRAINING SUPPORT AND SERVICES

16.1 General

16.1.1 This Clause 16 sets forth the terms and conditions for the supply of training support and services for the Buyer's personnel to support the Aircraft operation.

16.1.2 The range, quantity and validity of training to be provided [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] under this Agreement are covered in Appendix A to this Clause 16.

16.1.3 Scheduling of training courses covered in Appendix A shall be mutually agreed during a training conference (the "Training Conference") that shall [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

16.2 Training Location

16.2.1 The Seller shall provide training at its training center in Blagnac, France, and/or in Hamburg, Germany, or shall designate an affiliated training center in Miami, U.S.A., or Beijing, China (individually a "Seller's Training Center" and collectively the "Seller's Training Centers").

16.2.2 If the unavailability of facilities or scheduling difficulties make training by the Seller at any Seller's Training Center impractical, the Seller shall ensure that the Buyer is provided with such training at another location designated by the Seller.

16.2.3 Upon the Buyer's request, the Seller may also provide certain training at a location other than the Seller's Training Centers, including one of the Buyer's bases, if and when practicable for the Seller, under terms and conditions to be mutually agreed upon. In such event, all additional charges listed in Clauses 16.5.2 and 16.5.3 shall be borne by the Buyer.

16.2.4 If the Buyer requests training at a location as indicated in Clause 16.2.3 and requires such training to be an Airbus approved course, the Buyer undertakes that the training facilities shall be approved prior to the performance of such training. The Buyer shall, as necessary and in due time prior to the performance of such training, provide access to the training facilities set forth in Clause 16.2.3 to the Seller's and the competent Aviation Authority's representatives for approval of such facilities.

16.3 Training Courses

16.3.1 Training courses shall be as described in the Seller's customer services catalog (the "**Seller's Customer Services Catalog**"). The Seller's Customer Services Catalog also sets forth the minimum and maximum number of trainees per course.

All training requests or training course changes made outside of the frame of the Training Conference shall be submitted by the Buyer with a **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** prior notice.

16.3.2 The following terms and conditions shall apply to training performed by the Seller:

(i) Training courses shall be the Seller's standard courses as described in the Seller's Customer Services Catalog valid at the time of execution of the course. The Seller shall be responsible for all training course syllabi, training aids and training equipment necessary for the organization of the training courses; for the purpose of performing training, such training equipment does not include aircraft.

(ii) The training equipment and the training curricula used for the training of flight, cabin and maintenance personnel shall not be fully customized but shall be configured in order to obtain the relevant Aviation Authority's approval and to support the Seller's training programs.

(iii) Training data and documentation for trainees receiving the training at the Seller's Training Centers shall be provided free of charge. Training data and documentation shall be marked "FOR TRAINING ONLY" and as such are supplied for the sole and express purpose of training; revisions of training data and documentation shall not be provided by the Seller.

16.3.3 When the Seller's training courses are provided by the Seller's instructors (individually an "**Instructor**" and collectively "**Instructors**") the Seller shall deliver a Certificate of Recognition or a Certificate of Course Completion (each a "**Certificate**") or an attestation (an "**Attestation**"), as applicable, at the end of any such training course. Any such Certificate or Attestation shall not represent authority or qualification by any Aviation Authority but may be presented to such Aviation Authority in order to obtain relevant formal qualification.

In the event of training courses being provided by a training provider selected by the Seller as set forth in Clause 16.2.2, the Seller shall cause such training provider to deliver a Certificate or Attestation, which shall not represent authority or qualification by any Aviation Authority, but may be presented to such Aviation Authority in order to obtain relevant formal qualification.

- 16.3.4 Should the Buyer wish to exchange any of the training courses provided under Appendix A hereto, the Buyer shall place a request for **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.
- 16.3.5 Should the Buyer use none or only part of the training to be provided pursuant to this Clause 16, no compensation or credit of any nature shall be provided.
- 16.3.6 Should the Buyer decide to cancel or reschedule, fully or partially, and irrespective of the location of the training, a training course, a minimum advance notification of at **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** prior to the relevant training course start date is required.
- 16.3.7 If the notification occurs **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** prior to such training, **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** shall be, as applicable, either deducted from the training allowance defined in Appendix A or invoiced at the Seller's then applicable price.
- 16.3.8 If the notification occurs less than **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** prior to such training, a **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** of such training shall be, as applicable, either deducted from the training allowance defined in Appendix A or invoiced at the Seller's then applicable price.
- 16.3.9 **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.
- 16.4 Prerequisites and Conditions
- 16.4.1 Training shall be conducted in English and all training aids used during such training shall be written in English using common aeronautical terminology.
- 16.4.2 The Buyer hereby acknowledges that all training courses conducted pursuant to this Clause 16 are **"Standard Transition Training Courses"** and not **"Ab Initio Training Courses"**.
- 16.4.3 Trainees shall have the prerequisite knowledge and experience specified for each course in the Seller's Customer Services Catalog.

- 16.4.4.1 The Buyer shall be responsible for the selection of the trainees and for any liability with respect to the entry knowledge level of the trainees.
- 16.4.4.2 The Seller reserves the right to verify the trainees' proficiency and previous professional experience.
- 16.4.4.3 The Seller shall provide to the Buyer during the Training Conference an "Airbus Pre-Training Survey" for completion by the Buyer for each trainee.
- The Buyer shall provide the Seller with an attendance list of the trainees for each course, with the validated qualification of each trainee, at the time of reservation of the training course and in no event any later than **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** before the start of the training course. The Buyer shall return concurrently thereto the completed Airbus Pre-Training Survey, detailing the trainees' associated background. If the Seller determines through the Airbus Pre-Training Survey that a trainee does not match the prerequisites set forth in the Seller's Customer Services Catalog, following consultation with the Buyer, such trainee shall be withdrawn from the program or directed through a relevant entry level training (ELT) program, which shall be at the Buyer's expense.
- 16.4.4.4 If the Seller reasonably determines at any time during the training that a trainee lacks the required qualifications, following consultation with the Buyer, such trainee shall be withdrawn from the program. Upon the Buyer's request, the Seller will recommend specific additional training, which shall be at the Buyer's expense.
- 16.4.5 The Seller shall in no case warrant or otherwise be held liable for any trainee's performance as a result of any training provided.
- 16.5 Logistics
- 16.5.1 Trainees
- 16.5.1.1 Living and travel expenses for the Buyer's trainees **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.
- 16.5.1.2 It will be the responsibility of the Buyer to make all necessary arrangements relative to authorizations, permits and/or visas necessary for the Buyer's trainees to attend the training courses to be provided hereunder. Rescheduling or cancellation of courses due to the Buyer's failure to obtain any such authorizations, permits and/or visas shall be subject to the provisions of Clauses 16.3.5.1 thru 16.3.5.3.

16.5.2 Training at External Location – Seller’s Instructors

16.5.2.1 If, training is provided at the Seller’s request at any location other than the Seller’s Training Centers, as provided for in Clause 16.2.2, the expenses of the Seller’s Instructors will be borne directly by the Seller.

16.5.2.2 If, at the Buyer’s request, training is provided by the Seller’s Instructor(s) at any location other than the Seller’s Training Centers, the Buyer **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** related to the assignment of such Seller Instructors and the performance of their duties as aforesaid.

16.5.2.3 Living Expenses

Except as provided for in Clause 16.5.2.1 above, the Buyer **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** set forth in the Seller’s Customer Services Catalog current at the time of the corresponding training or support.

Travel expenses shall include, but shall not be limited to, lodging, food and local transportation to and from the place of lodging and the training course location.

16.5.2.4 Air Travel

Except as provided for in Clause 16.5.2.1 above, the Buyer **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** are set forth in the Seller’s Customer Services Catalog current at the time of the corresponding training or support.

16.5.2.5 **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

16.5.3 Training Material and Equipment Availability – Training at External Location

Training material and equipment necessary for course performance at any location other than the Seller’s Training Centers or the facilities of a training provider selected by the Seller shall be provided by the Buyer at its own cost in accordance with the Seller’s specifications.

Notwithstanding the foregoing, should the Buyer request the performance of a course at another location as per Clause 16.2.3.1, the Seller may, upon the Buyer’s request, provide the training material and equipment necessary for such course’s performance. Such provision shall be at the Buyer’s expense.

- 16.6 Flight Operations Training  
The Seller shall provide training for the Buyer's flight operations personnel as further detailed in Appendix A to this Clause 16, including the courses described in this Clause 16.6.
- 16.6.1 Flight Crew Training Course  
The Seller shall perform a flight crew training course program for the Buyer's flight crews, each of which shall consist of two (2) crew members, who shall be either captain(s) or first officer(s).
- 16.6.2 Base Flight Training
- 16.6.2.1 The Buyer shall provide at its own cost its delivered Aircraft, or any other aircraft it operates, for any base flight training, which shall consist of **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** per pilot, performed in accordance with the related Airbus training course definition (the "**Base Flight Training**").
- 16.6.2.2 Should it be necessary to ferry the Buyer's delivered Aircraft to the location where the Base Flight Training shall take place, the additional flight time required for the ferry flight to and/or from the Base Flight Training field shall not be deducted from the Base Flight Training time.
- 16.6.2.3 If the Base Flight Training is performed outside of the zone where the Seller usually performs such training, the ferry flight to the location where the Base Flight Training shall take place shall be performed by a crew composed of the Seller's and/or the Buyer's qualified pilots, in accordance with the relevant Aviation Authority's regulations related to the place of performance of the Base Flight Training.
- 16.6.3 Flight Crew Line Initial Operating Experience  
In order to assist the Buyer with initial operating experience after Delivery of the first Aircraft, the Seller shall provide to the Buyer pilot Instructor(s) as set forth in Appendix A to this Clause 16.  
Should the Buyer request, subject to the Seller's consent, such Seller pilot Instructors to perform any other flight support during the flight crew line initial operating period, such as but not limited to line assistance, demonstration flight(s), ferry flight(s) or any flight(s) required by the Buyer during the period

of entry into service of the Aircraft, it is understood that such flight(s) shall be deducted from the flight crew line initial operating experience allowance set forth in Appendix A hereto.

It is hereby understood by the Parties that the Seller's pilot Instructors shall only perform the above flight support services to the extent they bear the relevant qualifications to do so.

16.6.4 Type Specific Cabin Crew Training Course

The Seller shall provide type specific training for cabin crews, at one of the locations defined in Clause 16.2.1.

If the Buyer's Aircraft is to incorporate special features, the type specific cabin crew training course shall be performed no earlier than **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

16.6.5 Training on Aircraft

During any and all flights performed in accordance with this Clause 16.6, the Buyer shall bear full responsibility for the aircraft upon which the flight is performed, including but not limited to any required maintenance, all expenses such as fuel, oil or landing fees and the provision of insurance in line with Clause 16.13.

The Buyer shall assist the Seller, if necessary, in obtaining the validation of the licenses of the Seller's pilots performing Base Flight Training or initial operating experience by the Aviation Authority of the place of registration of the Aircraft.

16.7 Performance / Operations Courses

The Seller shall provide performance/operations training for the Buyer's personnel as defined in Appendix A to this Clause 16.

The available courses shall be listed in the Seller's Customer Services Catalog current at the time of the course.

16.8 Maintenance Training

16.8.1 The Seller shall provide maintenance training for the Buyer's ground personnel as further set forth in Appendix A to this Clause 16.

The available courses shall be as listed in the Seller's Customer Services Catalog current at the time of the course.

The practical training provided in the frame of maintenance training shall be performed on the training devices in use in the Seller's Training Centers.

16.8.2 Practical Training on Aircraft

Notwithstanding Clause 16.8.1 above, upon the Buyer's request, the Seller may provide Instructors for the performance of practical training on aircraft ("**Practical Training**").

Irrespective of the location at which the training takes place, the Buyer shall provide at its own cost an aircraft for the performance of the Practical Training.

Should the Buyer require the Seller's Instructors to provide Practical Training at facilities selected by the Buyer, such training shall be subject to prior approval of the facilities by the Seller. All costs related to such Practical Training, including but not limited to the Seller's approval of the facilities, **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

The provision of a Seller Instructor for the Practical Training shall be deducted from the trainee days allowance defined in Appendix A to this Clause 16, subject to the conditions detailed in Paragraph 3.3.4 thereof.

16.9 Supplier and Propulsion Systems Manufacturer Training

Upon the Buyer's request, the Seller shall provide to the Buyer the list of the maintenance and overhaul training courses provided by major Suppliers and the applicable Propulsion Systems Manufacturer on their respective products.

16.10 Proprietary Rights

All proprietary rights, including but not limited to patent, design and copyrights, relating to the Seller's training data and documentation shall remain with the Seller and/or its Affiliates and/or its Suppliers, as the case may be.

These proprietary rights shall also apply to any translation into a language or languages or media that may have been performed or caused to be performed by the Buyer.

16.11 Confidentiality

The Seller's training data and documentation are designated as confidential and as such are provided to the Buyer for the sole use of the Buyer, for training of its own personnel, who undertake not to disclose the content thereof in whole or in part, to any third party without the prior written consent of the Seller, save as permitted herein or otherwise pursuant to any government or legal requirement imposed upon the Buyer.



If the Seller authorizes the disclosure of any training data and documentation to third parties either under this Agreement or by an express prior written authorization, the Buyer shall cause such third party to agree to be bound by the same conditions and restrictions as the Buyer with respect to the disclosed training data and documentation and to use such training data and documentation solely for the purpose for which they are provided.

16.12 Transferability

Without prejudice to Clause 21.1, the Buyer's rights under this Clause 16 may not be assigned, sold, transferred, novated or otherwise alienated by operation of law or otherwise, without the Seller's prior written consent.

16.13 Indemnities and Insurance

INDEMNIFICATION PROVISIONS AND INSURANCE REQUIREMENTS APPLICABLE TO THIS CLAUSE 16 ARE AS SET FORTH IN CLAUSE 19.

THE BUYER SHALL PROVIDE THE SELLER WITH AN ADEQUATE INSURANCE CERTIFICATE PRIOR TO ANY TRAINING ON AIRCRAFT.

TRAINING ALLOWANCE

All quantities indicated below are the total quantities granted for the whole of the Buyer's fleet of A350-900XWB Aircraft firmly ordered, unless otherwise specified.

The contractual training courses defined in this Appendix A shall be provided up to **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

Notwithstanding the above, flight operations training courses granted per firmly ordered Aircraft in this Appendix A shall be provided by the Seller **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

Any deviation to said training delivery schedule will be agreed between the Buyer and the Seller.

1. FLIGHT OPERATIONS TRAINING

1.1 Flight Crew Training (standard transition course)

The Seller shall provide flight crew training (standard transition course) **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** for a total of **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** of the Buyer's flight crews.

1.2 Extended Range For Twin Engine Aircraft Operations (ETOPS) Training

The Seller shall provide **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** ETOPS training for a total of **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** of the Buyer's flight crews.

1.3 Low Visibility Operations Training

The Seller shall provide **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** Low Visibility Operations Training for a total of **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** of the Buyer's flight crews.

1.4 Flight Crew Line Initial Operating Experience

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].**

Unless otherwise agreed during the Training Conference, in order to follow the Aircraft Delivery schedule, the maximum number of pilot Instructors present at any one time shall be limited to **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** pilot Instructors.

1.5 Type Specific Cabin Crew Training Course

The Seller shall provide to the Buyer **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** type specific training for cabin crews for **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** of the Buyer's cabin crew instructors, pursers or cabin attendants.

1.6 Airbus Pilot Instructor Course (APIC)

The Seller shall provide to the Buyer transition Airbus Pilot Instructor Course(s) (APIC), for flight and synthetic instruction, **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** of the Buyer's flight instructors. APIC courses shall be performed in groups of **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** trainees.

2. PERFORMANCE / OPERATIONS COURSE(S)

The Seller shall provide to the Buyer **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** of performance / operations training **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** for the Buyer's personnel.

3. MAINTENANCE TRAINING

3.1 The Seller shall provide to the Buyer **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** of maintenance training **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** for the Buyer's personnel.

3.2 The Seller shall provide to the Buyer **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** Engine Run-up courses consisting of up to **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** trainees per course.

4. TRAINEE DAYS ACCOUNTING

Trainee days are counted as follows:

4.1 For instruction at the Seller's Training Centers: **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** of instruction for **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** trainee equals **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**. The number of trainees originally registered at the beginning of the course shall be counted as the number of trainees to have taken the course.

4.2 For instruction outside of the Seller's Training Centers: **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** of instruction by **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** Seller Instructor equals the actual number of trainees attending the course or a **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**, except for structure maintenance training course(s).

4.3 For structure maintenance training courses outside the Seller's Training Center(s), **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** of instruction by **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** Seller Instructor equals the actual number of trainees attending the course or the **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** of trainees as indicated in the Seller's Customer Services Catalog.

4.4 For Practical Training, whether on training devices or on aircraft, **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** of instruction by **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** Seller Instructor equals the actual number of trainees attending the course or a **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

17 - EQUIPMENT SUPPLIER PRODUCT SUPPORT

17.1 Equipment Supplier Product Support Agreements

17.1.1 The Seller has obtained enforceable and transferable product support agreements from Suppliers of Seller Furnished Equipment listed in the Specification, the benefit of which is hereby accepted by the Buyer. Said agreements become enforceable as soon as and for as long as an operator is identified as an Airbus aircraft operator.

17.1.2 These agreements are based on the “World Airlines Suppliers Guide” and include Supplier commitments as contained in the “Supplier Product Support Agreements” which include the following provisions:

(i) Technical data and manuals required to operate, maintain, service and overhaul the Supplier Parts will be prepared in accordance with the applicable provisions of ATA Specification including revision service and be published in the English language. The Seller will recommend that a software user guide, where applicable, be supplied in the form of an appendix to the Component Maintenance Manual. Such data will be provided in compliance with the applicable ATA Specification;

(ii) Warranties and guarantees, including standard warranties.

(iii) With respect to landing gear Suppliers, service life policies for selected structural landing gear elements;

- (1) Training to ensure efficient operation, maintenance and overhaul of the Supplier Parts for the Buyer’s instructors, shop and line service personnel;
- (2) Spares data in compliance with ATA Specification 2200, initial provisioning recommendations, spare parts and logistic service including routine and expedite deliveries;

(iv) Technical service to assist the Buyer with maintenance, overhaul, repair, operation and inspection of Supplier Parts as well as required tooling and spares provisioning.

17.1.3 Upon the Buyer’s request, the Seller will provide the Buyer with Supplier Product Support Agreements familiarization training at the Seller’s facilities in Blagnac, France. An on-line training module will also be available through Airbus World, access to which will be subject to the “**General Terms and Conditions of Access to and Use of Airbus World**” (hereinafter the “GTC”), as set forth in Exhibit H-2 to this Agreement.

Supplier Compliance

The Seller will monitor Suppliers' compliance with support commitments defined in the Supplier Product Support Agreements and will, if necessary, take remedial action jointly with the Buyer.

18 - BUYER FURNISHED EQUIPMENT

18.1 Administration

18.1.1.1 **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** and in accordance with the Specification, the Seller will provide for the installation of those items of equipment that are identified in the Specification as being furnished by the Buyer (“**Buyer Furnished Equipment**” or “**BFE**”), provided that the BFE and the supplier of such BFE (the “**BFE Supplier**”) are referred to in the Airbus BFE Product Catalog valid at the time the BFE Supplier is selected.

18.1.1.2 Notwithstanding the foregoing and without prejudice to Clause 2.4, if the Buyer wishes to install BFE manufactured by a supplier who is not referred to in the Airbus BFE Product Catalog, the Buyer will so inform the Seller and the Seller will conduct a feasibility study of the Buyer’s request, in order to consider approving such supplier, provided that such request is compatible with the Seller’s industrial planning and the associated Scheduled Delivery Month for the Buyer’s Aircraft. In addition, it is a prerequisite to such approval that the supplier being considered is qualified by the Seller’s Aviation Authorities to produce equipment for installation on civil aircraft. Any approval of a supplier by the Seller will be performed at the Buyer’s expense. The Buyer will cause any BFE supplier approved under this Clause 18.1.1.2 (each an “**Approved BFE Supplier**”) to comply with the conditions set forth in this Clause 18 and specifically Clause 18.2.

Except for the specific purposes of this Clause 18.1.1.2, the term “**BFE Supplier**” will be deemed to include Approved BFE Suppliers.

18.1.2.1 The Seller will advise the Buyer of the dates by which, in the planned release of engineering for the Aircraft, the Seller requires a written detailed engineering definition (the “**BFE Engineering Definition**”). The Seller will provide to the Buyer and/or the BFE Supplier(s), within an appropriate timeframe, the necessary interface documentation to enable the development of the BFE Engineering Definition.

The BFE Engineering Definition will include the description of the dimensions and weight of BFE, the information related to its certification and the information necessary for the installation and operation thereof. The Buyer will furnish, or cause the BFE Suppliers to furnish, the BFE Engineering Definition by the dates specified.

Thereafter, the BFE Engineering Definition will not be revised, except through an SCN executed in accordance with Clause 2.

18.1.2.2 The Seller will also provide in due time to the Buyer a schedule of dates and the shipping addresses for delivery of the BFE and, where requested by the Seller, additional spare BFE to permit installation in the Aircraft and Delivery of the Aircraft in accordance with the Aircraft delivery schedule. The Buyer will provide, or cause the BFE Suppliers to provide, the BFE by such dates in a serviceable condition, in order to allow performance of any assembly, test or acceptance process in accordance with the Seller's industrial schedule. In order to facilitate the follow-up of the timely receipt of BFE, the Buyer will, upon the Seller's request, provide to the Seller dates and references of all BFE purchase orders placed by the Buyer.

The Buyer will also provide, when requested by the Seller, at AIRBUS OPERATIONS S.A.S. works in TOULOUSE (FRANCE) and/or at AIRBUS OPERATIONS GmbH, Division Hamburger Flugzeugbau Works in HAMBURG (FEDERAL REPUBLIC OF GERMANY) adequate field service including support from BFE Suppliers to act in a technical advisory capacity to the Seller in the installation, calibration and possible repair of any BFE.

18.1.3 Without prejudice to the Buyer's obligations hereunder, in order to facilitate the development of the BFE Engineering Definition, the Seller will organize meetings between the Buyer and BFE Suppliers. The Buyer hereby agrees to participate in such meetings and to provide adequate technical and engineering expertise to reach decisions within the defined timeframe.

In addition, throughout the development phase and up to Delivery of the Aircraft to the Buyer, the Buyer agrees:

1. to monitor the BFE Suppliers and ensure that they will enable the Buyer to fulfil its obligations, including but not limited to those set forth in the Customization Milestone Chart;
2. that, should a timeframe, quality or other type of risk be identified at a given BFE Supplier, the Buyer will allocate resources to such BFE Supplier so as not to jeopardize the industrial schedule of the Aircraft;
3. for major BFE, including, but not being limited to, seats, galleys and IFE ("**Major BFE**") to participate on a mandatory basis in the specific meetings that take place between BFE Supplier selection and BFE delivery, namely:
  - (i) Preliminary Design Review ("**PDR**"),
  - (ii) Critical Design Review ("**CDR**");
4. to attend the First Article Inspection ("**FAI**") for the first shipset of all Major BFE. Should the Buyer not attend such FAI, the Buyer will delegate the FAI to the BFE Supplier and confirmation thereof will be supplied to the Seller in writing;



5. to attend the Source Inspection (“SI”) that takes place at the BFE Supplier’s premises prior to shipping, for each shipset of all Major BFE. Should the Buyer not attend such SI, the Buyer will delegate the SI to the BFE Supplier and confirmation thereof will be brought to the Seller in writing. Should the Buyer not attend the SI, the Buyer will be deemed to have accepted the conclusions of the BFE Supplier with respect to such SI.

The Seller will be entitled to attend the PDR, the CDR and the FAI. In doing so, the Seller’s employees will be acting in an advisory capacity only and at no time will they be deemed to be acting as Buyer’s employees or agents, either directly or indirectly.

18.1.4 The BFE will be imported into FRANCE or into the FEDERAL REPUBLIC OF GERMANY by the Buyer under a suspensive customs system (“Régime de l’entrepôt douanier ou régime de perfectionnement actif” or “Zollverschluss”) without application of any French or German tax or customs duty, and will be Delivered Duty Unpaid (DDU) according to the Incoterms, to the following shipping addresses:

AIRBUS OPERATIONS S.A.S.  
316 Route de Bayonne  
31300 TOULOUSE  
FRANCE

or

AIRBUS OPERATIONS GmbH  
Kreetslag 10  
21129 HAMBURG  
FEDERAL REPUBLIC OF GERMANY

as specified by the Seller.

18.2 Aviation Authorities’ Requirements

The Buyer is responsible for, at its expense, and warrants that the BFE will:

1. be manufactured by a qualified BFE Supplier, and
2. meet the requirements of the applicable Specification of the Aircraft, and
3. comply with the BFE Engineering Definition, and

4. comply with applicable requirements incorporated by reference to the Type Certificate and listed in the Type Certificate Data Sheet, and
5. be approved by the Aviation Authority delivering the Export Airworthiness Certificate and by the Buyer's Aviation Authority for installation and use on the Aircraft at the time of Delivery of the Aircraft, and
6. not infringe any patent, copyright or other intellectual property right of any third party, and
7. not be subject to any legal obligation or other encumbrance that may prevent, hinder or delay the installation of the BFE in the Aircraft and/or the Delivery of the Aircraft.

The Seller will be entitled to refuse any item of BFE that it considers incompatible with the Specification, the BFE Engineering Definition or the certification requirements.

18.3 Buyer's Obligation and Seller's Remedies

18.3.1 Any delay or failure by the Buyer or the BFE Suppliers in:

1. complying with the foregoing warranty or in providing the BFE Engineering Definition or field service mentioned in Clause 18.1.2.2, or
2. furnishing the BFE in a serviceable condition at the requested delivery date, or
3. obtaining any required approval for such BFE equipment under the above mentioned Aviation Authorities' regulations,

may delay the performance of any act to be performed by the Seller, including Delivery of the Aircraft. The Seller will not be responsible for such delay which will cause the Final Price of the A350-900XWB Aircraft to be adjusted in accordance with the updated delivery schedule and to include in particular the amount of the Seller's additional costs attributable to such delay or failure by the Buyer or the BFE Suppliers, such as storage, taxes, insurance and costs of out-of sequence installation.

18.3.2 In addition, in the event of any delay or failure mentioned in 18.3.1 above, the Seller may:

- (i) select, purchase and install equipment similar to the BFE at issue, in which event the Final Price of the A350-900XWB Aircraft for the affected Aircraft will also be increased by the purchase price of such equipment plus reasonable costs and expenses incurred by the Seller for handling charges, transportation, insurance, packaging and, if so required and not already provided for in the Final Price of the A350-900XWB Aircraft, for adjustment and calibration; or
- (ii) if the BFE is delayed by more than **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** beyond, or is not approved within **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** of the dates specified in Clause 18.1.2.2, deliver the Aircraft without the installation of such BFE, notwithstanding applicable terms of Clause 7, if any, and the Seller will thereupon be relieved of all obligations to install such equipment.

18.4 Title and Risk of Loss

Title to and risk of loss of any BFE will at all times remain with the Buyer except that risk of loss (limited to cost of replacement of said BFE) will be with the Seller for as long as such BFE is under the care, custody and control of the Seller.

18.5 Disposition of BFE Following Termination

- 18.5.1 If the Seller terminates this Agreement pursuant to the provisions of Clause 20 with respect to an Aircraft in which all or any part of the BFE has been installed prior to the date of such termination, the Seller will be entitled, but not required, to remove all items of BFE that can be removed without damage to the Aircraft and to undertake commercially reasonable efforts to facilitate the sale of such items of BFE to other customers, retaining and applying the proceeds of such sales to reduce the Seller's damages resulting from the termination.
- 18.5.2 The Buyer will cooperate with the Seller in facilitating the sale of BFE pursuant to Clause 18.5.1 and will be responsible for all costs incurred by the Seller in removing and facilitating the sale of such BFE. The Buyer **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.
- 18.5.3 The Seller will notify the Buyer as to those items of BFE not sold by the Seller pursuant to Clause 18.5.1 above and, at the Seller's request, the Buyer will undertake to remove such items from the Seller's facility **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** of the date of such notice. The Buyer will have no claim against the Seller for damage, loss or destruction of any item of BFE removed from the Aircraft and not removed from Seller's facility within such period.

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- 18.5.4 The Buyer will have no claim against the Seller for damage to or destruction of any item of BFE damaged or destroyed in the process of being removed from the Aircraft, provided that the Seller will use reasonable care in such removal.
  - 18.5.5 The Buyer will grant the Seller title to any BFE items that cannot be removed from the Aircraft without causing damage to the Aircraft or rendering any system in the Aircraft unusable.

19 - INDEMNITIES AND INSURANCE

The Seller and the Buyer will each be liable for Losses (as defined below) arising from the acts or omissions of their respective directors, officers, agents or employees occurring during or incidental to such party's exercise of its rights and performance of its obligations under this Agreement, except as provided in Clauses 19.1 and 19.2.

19.1 Seller's Indemnities

The Seller will, except in the case of gross negligence or willful misconduct of the Buyer, its directors, officers, agents and/or employees, be solely liable for and will indemnify and hold the Buyer, its Affiliates and each of their respective directors, officers, agents, employees and insurers harmless against all losses, liabilities, claims, damages, costs and expenses, including court costs and reasonable attorneys' fees ("Losses"), arising from:

(a) claims for injuries to, or death of, the Seller's directors, officers, agents or employees, or loss of, or damage to, property of the Seller or its employees when such Losses occur during or are incidental to either party's exercise of any right or performance of any obligation under this Agreement, and

(b) claims for injuries to, or death of, third parties, or loss of, or damage to, property of third parties, occurring during or incidental to the Technical Acceptance Flights.

19.2 Buyer's Indemnities

The Buyer will, except in the case of gross negligence or willful misconduct of the Seller, its directors, officers, agents and/or employees, be solely liable for and will indemnify and hold the Seller, its Affiliates, its subcontractors, and each of their respective directors, officers, agents, employees and insurers, harmless against all Losses arising from:

(a) claims for injuries to, or death of, the Buyer's directors, officers, agents or employees, or loss of, or damage to, property of the Buyer or its employees, when such Losses occur during or are incidental to either party's exercise of any right or performance of any obligation under this Agreement, and

(b) claims for injuries to, or death of, third parties, or loss of, or damage to, property of third parties, occurring during or incidental to (i) the provision of Seller Representatives services under Clause 15, or (ii) **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**, or (iii) the provision of Aircraft Training Services to the Buyer.

19.3 Notice and Defense of Claims

If any claim is made or suit is brought against a party or entity entitled to indemnification under this Clause 19 (the “**Indemnitee**”) for damages for which liability has been assumed by the other party under this Clause 19 (the “**Indemnitor**”), the Indemnitee will promptly give notice to the Indemnitor and the Indemnitor (unless otherwise requested by the Indemnitee) will assume and conduct the defense, or settlement, of such claim or suit, as the Indemnitor will deem prudent. Notice of the claim or suit will be accompanied by all information pertinent to the matter as is reasonably available to the Indemnitee and will be followed by such cooperation by the Indemnitee as the Indemnitor or its counsel may reasonably request, at the expense of the Indemnitor.

If the Indemnitor fails or refuses to assume the defense of any claim or suit notified to it under this Clause 19, the Indemnitee will have the right to proceed with the defense or settlement of the claim or suit as it deems prudent and will have a claim against the Indemnitor for any judgments, settlements, costs or expenses, including reasonable attorneys’ fees. Further, in such event, the Indemnitor will be deemed to have waived any objection or defense to the Indemnitee’s claim based on the reasonableness of any settlement.

19.4 Insurance

For all Aircraft Training Services, to the extent of the Buyer’s undertaking set forth in Clause 19.2, the Buyer will:

(a) cause the Seller, its Affiliates, its subcontractors and each of their respective directors, officers, agents and employees to be named as additional insured under the Buyer’s Comprehensive Aviation Legal Liability insurance policies, including War Risks and Allied Perils (such insurance to include the AVN 52E Extended Coverage Endorsement Aviation Liabilities or any further Endorsement replacing AVN 52E as may be available as well as any excess coverage in respect of War and Allied Perils Third Parties Legal Liabilities Insurance), and

(b) with respect to the Buyer’s Hull All Risks and Hull War Risks insurances and Allied Perils, cause the insurers of the Buyer’s hull insurance policies to waive all rights of subrogation against the Seller, its Affiliates, its subcontractors and each of their respective directors, officers, agents, employees and insurers.

Any applicable deductible will be borne by the Buyer. The Buyer will furnish to the Seller, not less than **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** prior to the start of any Aircraft Training Services, certificates of

insurance, in English, evidencing the limits of liability cover and period of insurance coverage in a form acceptable to the Seller from the Buyer's insurance broker(s), certifying that such policies have been endorsed as follows:

(i) under the Comprehensive Aviation Legal Liability Insurances, the Buyer's policies are primary and non-contributory to any insurance maintained by the Seller,

(ii) such insurance can only be cancelled or materially altered by the giving of not less than thirty (30) days (but seven (7) days or such lesser period as may be customarily available in respect of War Risks and Allied Perils) prior written notice thereof to the Seller, and

(iii) under any such cover, all rights of subrogation against the Seller, its Affiliates, its subcontractors and each of their respective directors, officers, agents, employees and insurers have been waived.

20 - TERMINATION

20.1 Termination Events

20.1.1 Each of the following shall constitute a “**Termination Event**” under this Agreement and promptly upon the knowledge of the occurrence of a Termination Event by the Buyer, the Buyer shall notify the Seller of such occurrence in writing and by courier or telefax, provided, however, that any failure by the Buyer to notify the Seller shall not prejudice the Seller’s rights hereunder:

- (1) The Buyer or any of its Affiliates or any other party shall commence any case, proceeding or other action with respect to the Buyer or any of its Affiliates in any jurisdiction relating to bankruptcy, insolvency, reorganization, relief from debtors, an arrangement, winding-up, liquidation, dissolution or other relief with respect to its debts and such case, proceeding or other action remains unstayed, undismissed or undischarged for **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.
- (2) An action is commenced seeking the appointment of a receiver, trustee, custodian or other similar official for the Buyer or any of its Affiliates for all or substantially all of its assets, and such action remains unstayed, undismissed or undischarged for **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**, or the Buyer or any of its Affiliates makes a general assignment for the benefit of its creditors.
- (3) An action is commenced against the Buyer or any of its Affiliates seeking issuance of a warrant of attachment, execution, distraint or similar process against all or any substantial part of its assets, and such action remains unstayed, undismissed or undischarged for **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.
- (4) The Buyer or any of its Affiliates fails generally to pay its debts as they become due.
- (5) The Buyer commences negotiations with its significant creditors in preparation for a “prepackaged” bankruptcy filing under the U.S. Bankruptcy Code.
- (6) Any event occurs with respect to the Buyer or any of its Affiliates in any jurisdiction to which such party is subject which has an effect equivalent to any of the events mentioned in 20.1.1 (1), (2), (3) or (4).



- (7) The Buyer or any of its Affiliates fails to make (i) any payment required to be made pursuant to this Agreement or any other material agreement between the Buyer or any of its Affiliates and the Seller or any of its Affiliates when such payment comes due, (including, without limitation, any **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**) (ii) any Predelivery Payment required to be made pursuant to this Agreement or (iii) payment of all or part of the Final Contract Price required to be made pursuant to Clause 5 of this Agreement.
- (8) An “Event of Default” (as such term (or any analogous term) is defined in the relevant transaction documents that govern the relevant transaction) shall have occurred under the terms of any purchase, service **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**, guarantee or other material agreement entered into from time to time between (i) the Buyer or any Affiliate of the Buyer (the “**Borrower**”) on one hand and (ii) the Seller or any of its Affiliates on the other hand.
- (9) An “Event of Default” (as such term (or any analogous term) is defined in the relevant transaction documents that govern the relevant transaction) shall have occurred under the terms of any purchase, service, **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**, guarantee or other material agreement entered into from time to time between (i) the Borrower and (ii) the Propulsion Systems Manufacturer or any of its Affiliates.
- (10) An “Event of Default” (as such term (or any analogous term) is defined in the relevant transaction documents that govern the relevant transaction) shall have occurred under the terms of any material financing, lease or guarantee agreement to which the Borrower is a party from time to time.
- (11) **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.
- (12) The Buyer shall repudiate this Agreement.
- (13) The Buyer shall default in its obligation to take delivery of an Aircraft as provided in Clause 9.2 of this Agreement.
- (14) The Buyer shall breach this Agreement or materially default in the observance or performance of any other covenant, undertaking or obligation contained in this Agreement or any other material agreement between the Buyer and the Seller (including but not limited to the Buyer’s obligation to notify the Seller of the existence of a Termination Event hereunder, but only if such lack of notice itself operates to prejudice the Seller’s rights under the Purchase Agreement or

otherwise), [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

(15) A Termination Event or Event of Default (as defined in the relevant agreement) shall have occurred under any other material agreement between the Buyer or any of its respective Affiliates and the Seller or any of its respective Affiliates, to the extent that such agreements relate to the transaction contemplated by this Agreement.

(16) Any other event that the parties shall have agreed in writing constitutes a Termination Event hereunder.

20.2 [CONFIDENTIAL MATERIAL ON PAGES 93 TO 94 OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

20.3 Definitions

For purposes of this Clause 20, the terms “Affected Aircraft”, “Applicable Date” and “Escalated Price” are defined as follows:

(i) “**Affected Aircraft**” - any or all Aircraft with respect to which the Seller has cancelled or terminated this Agreement pursuant to Clause 20. 2 (1) (iv),

(ii) “**Applicable Date**” - for any Affected Aircraft the date of the Termination Event specified in the Seller’s notice and demand for payment of liquidated damages delivered under Clause 20.2(3).

(iii) “**Escalated Price**”- the sum of (i) the Base Price of the Airframe, (ii) the Base Price of SCNs and MSCNs entered into after the date of this Agreement, and (iii) the Propulsion Systems Reference Price, all as escalated to the Applicable Date in accordance with the provisions of Clause 4.

20.4. Notice of Termination Event

Promptly upon becoming aware of the occurrence of a Termination Event by the Buyer, the Buyer will notify the Seller of such occurrence in writing, provided, that any failure by the Buyer to notify the Seller will not prejudice the Seller’s rights or remedies hereunder.

21 - ASSIGNMENTS AND TRANSFERS

21.1 Assignments

Except as hereinafter provided, neither party may sell, assign, novate or transfer its rights or obligations under this Agreement to any person without the prior written consent of the other, except that the Seller may sell, assign, novate or transfer its rights or obligations under this Agreement to any Affiliate without the Buyer's consent.

21.2 Assignments on Sale, Merger or Consolidation

The Buyer will be entitled to assign its rights under this Agreement at any time due to a merger, consolidation or a sale of all or substantially all of its assets, provided the Buyer first obtains the written consent of the Seller. The Buyer will provide the Seller with **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** notice if the Buyer wishes the Seller to provide such consent. The Seller will provide its consent if

- (i) the surviving or acquiring entity is organized and existing under the laws of the United States;
- (ii) the surviving or acquiring entity has executed an assumption agreement, in form and substance reasonably acceptable to the Seller, agreeing to assume all of the Buyer's obligations under this Agreement;
- (iii) at the time, and immediately following the consummation, of the merger, consolidation or sale, no event of default exists or will have occurred and be continuing;

(iv) there exists with respect to the surviving or acquiring entity no basis for a Termination Event;

the surviving or acquiring entity is an airline holding an operating certificate issued by the FAA at the time, and immediately following the consummation, of such sale, merger or consolidation; and

following the sale, merger or consolidation, the surviving entity is in a financial condition at least equal to that of the Buyer at time of execution of the Agreement.

21.3 Designations by Seller

The Seller may at any time by notice to the Buyer designate facilities or personnel of AACS or any other Affiliate of the Seller at which or by whom the

services to be performed under this Agreement will be performed. Notwithstanding such designation, the Seller will remain ultimately responsible for fulfillment of all obligations undertaken by the Seller in this Agreement.

21.4 Transfer of Rights and Obligations upon Reorganization

In the event that the Seller is subject to a corporate restructuring having as its object the transfer of, or succession by operation of law in, all or a substantial part of its assets and liabilities, rights and obligations, including those existing under this Agreement, to a person (the “**Successor**”) that is an Affiliate of the Seller at the time of that restructuring, for the purpose of the Successor carrying on the business carried on by the Seller at the time of the restructuring, such restructuring will be completed without consent of the Buyer following notification by the Seller to the Buyer in writing. The Buyer recognizes that succession of the Successor to the Agreement by operation of law that is valid under the law pursuant to which that succession occurs will be binding upon the Buyer.

22 - MISCELLANEOUS PROVISIONS

22.1 Data Retrieval

On the Seller's reasonable request, the Buyer will provide the Seller with all the necessary data, as customarily compiled by the Buyer and pertaining to the operation of the Aircraft, to assist the Seller in making an efficient and coordinated survey of all reliability, maintenance, operational and cost data with a view to improving the safety, availability and operational costs of the Aircraft.

22.2 Notices

All notices and requests required or authorized hereunder will be given in writing either by personal delivery to a authorized officer of the party to whom the same is given or by commercial courier, certified air mail (return receipt requested) or facsimile at the addresses and numbers set forth below. The date on which any such notice or request is so personally delivered, or if such notice or request is given by commercial courier, certified air mail or facsimile, the date on which sent, will be deemed to be the effective date of such notice or request.

The Seller will be addressed at:

Airbus S.A.S.  
1, rond-point Maurice Bellonte  
31700 Blagnac, France  
Attention: Senior Vice President Contracts

Telephone: 33 (0)5 61 93 43 85  
Facsimile: 33 (0)5 61 93 47 27

The Buyer will be addressed at:

United Air Lines, Inc.  
77 West Wacker Drive  
Chicago, Illinois 60601  
Attention: Head of Fleet Planning

Telephone: 1 (312) 997 8000  
Email: fleet.planning@united.com

From time to time, the party receiving the notice or request may designate another address or another person.

22.3 Waiver

The failure of either party to enforce at any time any of the provisions of this Agreement, to exercise any right herein provided or to require at any time performance by the other party of any of the provisions hereof will in no way be construed to be a present or future waiver of such provisions nor in any way to affect the validity of this Agreement or any part hereof or the right of the other party thereafter to enforce each and every such provision. The express waiver by either party of any provision, condition or requirement of this Agreement will not constitute a waiver of any future obligation to comply with such provision, condition or requirement.

22.4 International Supply Contract

The Buyer and the Seller recognize that this Agreement is an international supply contract which has been the subject of discussion and negotiation, that all its terms and conditions are fully understood by the parties, and that the Basic ADD and price of the Aircraft and the other mutual agreements of the parties set forth herein were arrived at in consideration of, inter alia, all the provisions hereof specifically including all waivers, releases and remunerations by the Buyer set out herein.

22.5 Certain Representations of the Parties

22.5.1 Buyer's Representations

The Buyer represents and warrants to the Seller:

- (i) the Buyer is a corporation organized and existing in good standing under the laws of the State of Delaware and has the corporate power and authority to enter into and perform its obligations under this Agreement;
- (ii) neither the execution and delivery by the Buyer of this Agreement, nor the consummation of any of the transactions by the Buyer contemplated thereby, nor the performance by the Buyer of the obligations thereunder, constitutes a breach of any agreement to which the Buyer is a party or by which its assets are bound;
- (iii) this Agreement has been duly authorized, executed and delivered by the Buyer and constitutes the legal, valid and binding obligation of the Buyer enforceable against the Buyer in accordance with its terms.

22.5.2 Seller's Representations

The Seller represents and warrants to the Buyer:

- (i) the Seller is organized and existing in good standing under the laws of the Republic of France and has the corporate power and authority to enter into and perform its obligations under the Agreement;
- (ii) neither the execution and delivery by the Seller of this Agreement, nor the consummation of any of the transactions by the Seller contemplated thereby, nor the performance by the Seller of the obligations there under, constitutes a breach of any agreement to which the Seller is a party or by which its assets are bound;
- (iii) this Agreement has been duly authorized, executed and delivered by the Seller and constitutes the legal, valid and binding obligation of the Seller enforceable against the Seller in accordance with its terms.

22.6 Interpretation and Law

THIS AGREEMENT WILL BE GOVERNED BY AND CONSTRUED AND THE PERFORMANCE THEREOF WILL BE DETERMINED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO ITS CONFLICTS OF LAWS PROVISIONS THAT WOULD RESULT IN THE APPLICATION OF THE LAW OF ANY OTHER JURISDICTION.

Each of the Seller and the Buyer (i) hereby irrevocably submits itself to the nonexclusive jurisdiction of the courts of the state of New York, New York County, of the United States District Court for the Southern District of New York, for the purposes of any suit, action or other proceeding arising out of this Agreement, the subject matter hereof or any of the transactions contemplated hereby brought by any party or parties hereto, and (ii) hereby waives, and agrees not to assert, by way of motion, as a defense or otherwise, in any such suit, action or proceeding, to the extent permitted by applicable law, any defense based on sovereign or other immunity or that the suit, action or proceeding which is referred to in clause (i) above is brought in an inconvenient forum, that the venue of such suit, action or proceeding is improper, or that this Agreement or the subject matter hereof or any of the transactions contemplated hereby may not be enforced in or by these courts.

THE PARTIES HEREBY ALSO AGREE THAT THE UNITED NATIONS CONVENTION ON CONTRACTS FOR THE INTERNATIONAL SALE OF GOODS WILL NOT APPLY TO THIS TRANSACTION.

- 22.6.1 The Buyer for itself and its successors and assigns hereby designates and appoints the Secretary of the Buyer duly elected from time to time as its legal agent and attorney-in-fact upon whom all processes against the Buyer in any suit, action or proceeding in respect of any matter as to which it has submitted to jurisdiction under Clause 22.6 may be served with the same effect as if the

Buyer were a corporation organized under the laws of the State of New York and had lawfully been served with such process in such state, it being understood that such designation and appointments will become effective without further action on the part of its Secretary. The Seller for itself and its successors and assigns hereby designates and appoints CT Corporation, located at CT Corporation, 111 Eighth Avenue, New York, NY 10011, as its legal agent and attorney-in-fact upon whom all processes against the Seller in any suit, action or proceeding in respect of any matter as to which it has submitted to jurisdiction under Clause 22.6 may be served with the same effect as if the Seller were a corporation organized under the laws of the State of New York and had lawfully been served with such process in such state.

22.6.2 The assumption in Clause 22.6.1 made for the purpose of effecting the service of process will not affect any assertion of diversity by either party hereto initiating a proceeding in the New York Federal Courts or seeking transfer to the New York Federal Courts on the basis of diversity.

22.6.3 Service of process in any suit, action or proceeding in respect of any matter as to which the Seller or the Buyer has submitted to jurisdiction under Clause 22.6 (i) may be made on the Seller by delivery of the same personally or by dispatching the same via Federal Express, UPS, or similar international air courier service prepaid to, CT Corporation, New York City offices as agent for the Seller, it being agreed that service upon CT Corporation will constitute valid service upon the Seller or by any other method authorized by the laws of the State of New York, and (ii) may be made on the Buyer by delivery of the same personally or by dispatching the same by Federal Express, UPS, or similar international air courier service prepaid, return receipt requested to: Corporate Secretary, located at 77 West Wacker Drive, Chicago, Illinois 60601, or by any other method authorized by the laws of the State of New York.

22.6.4 Headings

All headings in this Agreement are for convenience of reference only and do not constitute a part of this Agreement.

22.7 Waiver of Jury Trial

EACH OF THE PARTIES HERETO WAIVES ITS RIGHT TO TRIAL BY JURY IN ANY LITIGATION ARISING OUT OF OR RELATING TO THIS AGREEMENT AND FOR ANY COUNTERCLAIM OR CROSS-CLAIM THEREIN.

22.8 Waiver of Consequential Damages

In no circumstances shall either party claim or receive incidental or consequential damages under this Agreement.



22.9 No Representations Outside of this Agreement

The parties declare that, prior to the execution of this Agreement, they, with the advice of their respective counsel, apprised themselves of sufficient relevant data in order that they might intelligently exercise their own judgments in deciding whether to execute this Agreement and in deciding on the contents of this Agreement. Each party further declares that its decision to execute this Agreement is not predicated on or influenced by any declarations or representations by any other person, party, or any predecessors in interest, successors, assigns, officers, directors, employees, agents or attorneys of any said person or party, except as set forth in this Agreement. This Agreement resulted from negotiation involving counsel for all of the parties hereto and no term herein will be construed or interpreted against any party under the contra proferentum or any related doctrine.

22.10 Confidentiality

Subject to any legal or governmental requirements of disclosure, the parties (which for this purpose will include their employees, and legal counsel) will maintain the terms and conditions of this Agreement and any reports or other data furnished hereunder strictly confidential, including but not limited to, the Aircraft pricing (the "Confidential Information"). Without limiting the generality of the foregoing, the Buyer will use its best efforts to limit the disclosure of the contents of this Agreement to the extent legally permissible in (i) any filing required to be made by the Buyer with any governmental agency and will make such applications as will be necessary to implement the foregoing, and (ii) any press release concerning the whole or any part of the contents and/or subject matter hereof or of any future addendum hereto. With respect to any public disclosure or filing, the Buyer agrees to submit to the Seller a copy of the proposed document to be filed or disclosed and will give the Seller a reasonable period of time in which to review said document. The Buyer and the Seller will consult with each other prior to the making of any public disclosure or filing, permitted hereunder, of this Agreement or the terms and conditions thereof.

The provisions of this Clause 22.10 will survive any termination of this Agreement.

22.11 Severability

Any provision of the Agreement determined to be unlawful or unenforceable under applicable law applied by any court of competent jurisdiction shall, to the extent required by such law, be deemed severed from the Agreement and rendered ineffective so far as is possible without modifying the remaining provisions. Where, however, the provisions of any such applicable law may be

waived, they are hereby waived by the Parties hereto to the fullest extent permitted by such law, with the result that the provisions of the Agreement shall be a valid and binding and enforceable in accordance with their terms. The Parties agree to replace, so far as practicable, any provision which is prohibited, unlawful or unenforceable with another provision having substantially the same effect (in its legal and commercial content) as the replaced provision, but which is not prohibited, unlawful or unenforceable. The invalidity in whole or in part of any provisions of the Agreement shall not void or affect the validity of any other provision.

22.12 Entire Agreement

This Agreement contains the entire agreement between the parties with respect to the subject matter hereof and thereof and supersedes any previous understanding, commitments or representations whatsoever, whether oral or written. This Agreement will not be amended or modified except by an instrument in writing of even date herewith or subsequent hereto executed by both parties or by their fully authorized representatives.

22.13 Inconsistencies

In the event of any inconsistency between the terms of this Agreement and the terms contained in either (i) the Basic ADD, or (ii) any other Exhibit, in each such case the terms of this Agreement will prevail over the terms of the Basic ADD or any other Exhibit. For the purpose of this Clause 22.13, the term Agreement will not include the Specification or any other Exhibit hereto.

22.14 Language

All correspondence, documents and any other written matters in connection with this Agreement will be in English.

22.15 Counterparts

This Agreement has been executed in two (2) original copies.

Notwithstanding the foregoing, this Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered will be an original, but all such counterparts will together constitute but one and the same instrument.

IN WITNESS WHEREOF, this A350-900XWB Purchase Agreement was entered into as of the day and year first above written.

AIRBUS, S.A.S.

By: /s/ John J. Leahy  
Title: Chief Operating Officer  
Customers

UNITED AIR LINES, INC.

By: /s/ Kathryn A. Mikells  
Title: Executive Vice President and  
Chief Financial Officer

**A350-900XWB BASIC AIRCRAFT DESCRIPTION DOCUMENT**

The A350-900XWB Basic Aircraft Description Document is contained in a separate folder.



**SPECIFICATION CHANGE NOTICE**

(SCN)

**EXHIBIT B-1**

For

SCN Number

Issue

Dated

Page

**Title:**

**Description**

**Remarks / References**

**Specification changed by this SCN**

**This SCN requires prior or concurrent acceptance of the following SCN (s):**

**Price per aircraft**

US DOLLARS:

AT DELIVERY CONDITIONS:

This change will be effective on

AIRCRAFT N°

and subsequent.

Provided approval is received by

**Buyer approval**

**Seller approval**

By :

By :

Date :

Date :

 **AIRBUS**  
SPECIFICATION CHANGE NOTICE

(SCN)

For

SCN Number

Issue

Dated

Page

**Specification repercussion:**

After contractual agreement with respect to weight, performance, delivery, etc, the indicated part of the specification wording will read as follows:

 **AIRBUS**  
SPECIFICATION CHANGE NOTICE

(SCN)

For

SCN Number

Issue

Dated

Page

**Scope of change** (FOR INFORMATION ONLY)

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]





**MANUFACTURER'S SPECIFICATION  
CHANGE NOTICE**

(MSCN)

For  
MSCN Number  
Issue  
Dated  
Page

**Title:**

**Description:**

**Effect on weight**

Manufacturer's Weight Empty Change :  
Operational Weight Empty Change :  
Allowable Payload Change :

**Remarks / References**

**Specification changed by this (MSCN)**

**Price per aircraft**

US DOLLARS:

AT DELIVERY CONDITIONS:

This change will be effective on \_\_\_\_\_ AIRCRAFT N° \_\_\_\_\_ and subsequent.

Provided MSCN is not rejected by

**Buyer Approval**

**By :**

**Date :**

**Seller Approval**

**By :**

**Date :**



**MANUFACTURER'S SPECIFICATION  
CHANGE NOTICE**

(MSCN)

For

MSCN Number

Issue

Dated

Page

**Specification repercussion:**



**MANUFACTURER'S SPECIFICATION  
CHANGE NOTICE**

**(MSCN)**

For

MSCN Number

Issue

Dated

Page

**Scope of change (FOR INFORMATION ONLY)**

SELLER PRICE REVISION FORMULA

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE  
SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

**FORM OF CERTIFICATE OF ACCEPTANCE**

In accordance with the terms of Clause 8.3 of the purchase agreement dated [day] [month] [year] and made between United Air Lines, Inc. (the “**Buyer**”) and Airbus S.A.S. as amended and supplemented from time to time (the “**Purchase Agreement**”), the technical acceptance tests relating to one Airbus A350-900XWB aircraft, bearing manufacturer’s serial number [—], and registration mark [—](the “**Aircraft**”) have taken place in Toulouse, France.

In view of said tests having been carried out with satisfactory results, the Buyer hereby approves the Aircraft as being in conformity with the provisions of the Purchase Agreement and accepts the Aircraft for delivery in accordance with the provisions of the Purchase Agreement.

Such acceptance shall not impair the rights that may be derived from the warranties relating to the Aircraft set forth in the Purchase Agreement.

Any right at law or otherwise to revoke this acceptance of the Aircraft is hereby irrevocably waived.

IN WITNESS WHEREOF, the Buyer, has caused this instrument to be executed by its duly authorized representative this \_\_ day of [month], [year] in Toulouse, France.

RECEIPT AND ACCEPTANCE OF THE  
ABOVE-DESCRIBED AIRCRAFT ACKNOWLEDGED

UNITED AIR LINES, INC.

Name:

Title:

Signature:

**BILL OF SALE**

Know all men by these presents that Airbus S.A.S., a *Société par Actions Simplifiée* existing under French law and having its principal office at 1 rond-point Maurice Bellonte, 31707 Blagnac Cedex, FRANCE (the “**Seller**”), was this [day] [month] [year] the owner of the title to the following airframe (the “**Airframe**”), the [engines/propulsion systems] as specified (the “[**Engines/Propulsion Systems**]”) and [all appliances, components, parts, instruments, accessories, furnishings, modules and other equipment of any nature], [excluding buyer furnished equipment (“**BFE**”),] incorporated therein, installed thereon or attached thereto on the date hereof (the “**Parts**”):

**AIRFRAME:**

AIRBUS Model A3[—]-[—]

**[ENGINES/PROPULSION SYSTEMS]:**

[Insert name of engine or propulsion system manufacturer] Model [—]

**MANUFACTURER’S****SERIAL NUMBER:** [—]**ENGINE SERIAL NUMBERS:**

LH: [—]

RH: [—]

**REGISTRATION MARK:** [—]

[and [had] such title to the BFE as was acquired by it from [insert name of vendor of the BFE] pursuant to a bill of sale dated \_\_ [month] [year] (the “**BFE Bill of Sale**”).

The Airframe, [Engines/Propulsion Systems] and Parts are hereafter together referred to as the “**Aircraft**”.

The Seller did this \_\_ day of [month] [year], sell, transfer and deliver all of its above described rights, title and interest in and to the Aircraft [and the BFE] to the following entity and to its successors and assigns forever, said Aircraft [and the BFE] to be the property thereof:

[Insert Name/Address of Buyer]  
(the “**Buyer**”)

The Seller hereby warrants to the Buyer, its successors and assigns that it had [(i)] good and lawful right to sell, deliver and transfer title to the Aircraft to the Buyer and that there was conveyed to the Buyer good, legal and valid title to the Aircraft, free and clear of all liens, claims, charges, encumbrances and rights of others and that the Seller will warrant and defend such title forever against all claims and demands whatsoever [and (ii)] such title to the BFE as Seller has acquired from [insert name of vendor of the BFE] pursuant to the BFE Bill of Sale.

This Bill of Sale shall be governed by and construed in accordance with the laws of [same governing law as the Purchase Agreement].

IN WITNESS WHEREOF, the undersigned has caused this instrument to be executed by its duly authorized representative this \_\_ day of [month], [year] in [Blagnac/Hamburg].

**AIRBUS S.A.S.**

Name:

Title:

Signature:

EXHIBIT F  
SERVICE LIFE POLICY  
LIST OF ITEMS

**SELLER SERVICE LIFE POLICY**

- 1 The Items covered by the Service Life Policy pursuant to Clause 12.2 are those Seller Items of primary and auxiliary structure described hereunder.
- 2 **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**
- 3 **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**
- 4 **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**
- 5 **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**



**TECHNICAL DATA INDEX**

**TECHNICAL DATA INDEX**

Where applicable, data will be established in general compliance with ATA iSpecification 2200 and/or S1000D Specification jointly defined by the ASD (Aerospace and Defense Industries Association of Europe), AIA (Aerospace Industries Association) and ATA (Air Transport Association of America), as applicable

**AVAILABILITY**

Except as specifically otherwise set forth in this Exhibit G, all Technical Data shall be available on-line through the relevant service on the Airbus customer portal "Airbus World".

The following index identifies the Technical Data provided in support of the Aircraft.

The explanation of the table is as follows:

**NOMENCLATURE**          Self-explanatory

**ABBR.**                      Abbreviated designation of the relevant Technical Data

**FORMATS:**

**ADVANCED CONSULTATION TOOL**

Includes the relevant Technical Data and an advanced consultation and navigation software to browse the data.

**SPECIFIC FORMATS**

Refers to Technical Data, which are neither located in an "Advanced Consultation Tool" nor issued as XML raw data. Such Technical Data may be available as either:

- Portable Document Format (PDF), allowing data consultation, or

- Office Automation Format, such as XLS and/or Rich Text Format (Word RTF) or HyperText Markup Language (HTML), for consultation and information update, or
- Task Structure Data File (TSDF).

XML raw data

1/ Maintenance, Planning, Structural, Overhaul, Engineering Data

S1000D compliant raw data, for data processing by the Buyer.

If XML has been selected by the Buyer in the present Exhibit G, effective delivery shall only take place at the time of explicit request from the Buyer.

2/ Flight Operations Data

XML standard is yet to be defined.

- TYPE
- C CUSTOMIZED. Refers to manuals that are applicable to an individual Airbus customer/operator fleet or aircraft.
  - G GENERIC. Refers to manuals that are applicable for all Airbus aircraft types/models/series.
  - E ENVELOPE. Refers to manuals that are applicable to a whole group of Airbus customers for a specific aircraft type/model/series.

QTY/QUANTITY Self explanatory

DELIVERY (Deliv) Delivery refers to scheduled delivery dates and is expressed in either the number of corresponding days prior to first Aircraft delivery, or nil (0) referring to the Delivery Date of corresponding Aircraft.

The number of days indicated shall be rounded up to the next regular revision release date.

**[CONFIDENTIAL MATERIAL in EXHIBIT G PAGES 4 TO 11 OMITTED AND FILED  
SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

**GENERAL TERMS AND CONDITIONS OF ACCESS TO AND USE OF  
THE SECURE AREA OF THE AIRBUS WORLD/ONLINE SERVICES**

These GENERAL TERMS AND CONDITIONS OF ACCESS TO AND USE OF THE SECURE AREA OF THE AIRBUS WORLD/ONLINE SERVICES (the "GTC") are entered into between the Company (as identified below) and Airbus North America Customer Services, Inc, ("ANACS") on the date indicated below.

WHEREAS Airbus S.A.S. has developed and owns Secure Airbus/World, described below, by which authorized users may access a variety of products and services on line and

WHEREAS Airbus S.A.S. has entered into an agreement with ANACS that grants ANACS the right to access and use the Secure Airbus/World and allows ANACS to enter into agreements with third parties (such as the Company) for the provision of the same rights to such third parties, and

WHEREAS ANACS and the Company wish to enter into such an agreement under the terms and conditions set forth in this GTC,

NOW THEREFORE, the parties, wishing to be mutually bound, hereby agree as follows:

**ARTICLE 1: DEFINITIONS**

<b>Administrator(s):</b>	Company's employee(s) designated by the Company as responsible to assure compliance by the Company and its employees (including Designated Users) with the Agreement.
<b>Agreement</b>	The agreement between the Parties (the "Agreement") shall be comprised, in the following order of precedence, of (i) any specific written terms and conditions ("Specific Terms and Conditions") agreed by the Parties to be applicable to specific Services, (ii) these General Terms and Conditions, and (iii) any all other technical documents agreed between the Parties to relate to specific Services (the "Technical Documents").
<b>Affiliate</b>	With respect to any person or entity, any other person or entity directly or indirectly controlling, controlled by or under common control with such person or entity.
<b>ANACS</b>	Airbus North America Customer Services, Inc., a corporation organized under the laws of the State of Delaware, USA, with its registered place of business at 198 Van Buren Street, Herndon, VA 20170, USA
<b>Airbus</b>	Airbus S.A.S, a French <i>Société par Actions Simplifiée</i> , whose registered office is located 1 Rond Point Maurice Bellonte, 31700 Blagnac, France.

<b>Airbus Data</b>	Any and all data, information and material made accessible and available by Airbus or ANACS to the Company through Secure Airbus/World.
<b>Business Agreements</b>	Any and all present and future contracts, agreements or letters, the terms of which imply a commitment of the Company and/or Airbus or an Affiliate of Airbus, related to or affecting the Services, including, but not limited to: confidentiality agreements, exchanges in the course of a call for tender, contracts for the supply of services, procurement agreements, sale agreements, repair agreements, product support agreements, co-operation agreements, research contracts, maintenance contracts
<b>Company</b>	The company identified on the last page hereof as executing this GTC.
<b>Company Data</b>	Any and all data, information and other material made accessible and available by the Company to Airbus or ANACS through Secure Airbus/World.
<b>Data</b>	Collectively the Airbus Data and the Company Data.
<b>Databases</b>	Any and all collection of independent works, information or other materials arranged in a systematic or methodical way and individually accessible by electronic or other means through Secure Airbus/World.
<b>Designated Users</b>	Employees of the Company designated by the Company's Administrator and authorized by ANACS, in its sole discretion, to access and use Secure Airbus/World.
<b>Identification Codes</b>	Confidential and personal identification codes assigned to each Designated User, which formally identify each Designated User as authorized to access and use Secure Airbus/World.
<b>Parties</b>	ANACS and the Company
<b>Secure Airbus/World</b>	Secure area of Airbus/World, access to any part of which may be given by Airbus or ANACS to Designated Users under the terms of this Agreement.
<b>Services</b>	Any and all on line services accessible through Secure Airbus/World under the terms and conditions of the Agreement.
<b>Specific Terms and Conditions</b>	Terms and conditions that supplement or modify this GTC with respect to specific Services.
<b>System</b>	Equipment, including hardware, software and connections used by Airbus S.A.S. and/or ANACS to provide the Services on Secure Airbus/World through the internet.
<b>User Documentation</b>	Documentation, as may be modified from time to time, that either describes the technical means for connecting to the System and accessing to Secure Airbus/World, or provides information related to the use of Secure Airbus/World and/or the Services.

## **ARTICLE 2: PURPOSE / CONTRACTUAL DOCUMENTS**

- 2.1 The purpose of this GTC is to define the terms and conditions under which Airbus has authorized ANACS to permit, and ANACS is willing to permit the Company to access and use Secure Airbus/World and to benefit from the Services offered through Secure Airbus/World.
- 2.2 Access to and use of specific Services also may be subject to Specific Terms and Conditions.
- 2.3 Unless otherwise agreed in the Specific Terms and Conditions, the Secure Airbus/World may be used by the Company (i) to cooperate and communicate with ANACS or an Affiliate of ANACS, and (ii) to exercise its rights, and to perform as required, under any Business Agreements (the "Permitted Purpose"). The Agreement shall not be construed so as to interfere with the terms and conditions of any such Business Agreements. In any case, terms and conditions of the Business Agreements shall prevail over any term of the Agreement inconsistent with the terms or purpose of such Business Agreement.
- 2.4 Notwithstanding the foregoing, if the Company requests that access to Secure Airbus/World be available to third parties with which the Company has entered into one or more Business Agreements for the provision of maintenance, repair or training services to the Company, such access will be permitted, provided such third party expressly agrees to be bound by the terms and conditions of this GTC.
- 2.5 Secure Airbus/World shall be used for the Permitted Purpose only and the Parties shall exchange Data through Secure Airbus/World only for such Permitted Purpose. Activities directly or indirectly related to spamming are specifically prohibited on Secure Airbus/World.

## **ARTICLE 3: EXTENT OF ACCESS TO AND USE OF THE SECURE AIRBUS/WORLD**

- 3.1 Airbus has granted to ANACS authority to grant access to Secure Airbus/World, and ANACS hereby does grant to the Company a worldwide, personal, non-exclusive and non-transferable right to access and use Secure Airbus/World and the Services for the Permitted Purpose, pursuant to the terms and conditions, and for the duration, of the Agreement. The Company shall not fully or partially assign, sublicense nor subcontract any of its rights and/or obligations under the Agreement, unless expressly authorized beforehand in writing by ANACS.
- 3.2 No right other than that set forth in article 3.1 above is granted to the Company under this GTC, and the Company shall not, directly or indirectly, extract, reproduce, display, adapt, modify and/or translate, all or part of Secure Airbus/World, the System and/or the Databases, nor create any derivative work therefrom, nor use any and all of the aforesaid elements for any other purposes than the Permitted Purpose.
- 3.3 Secure Airbus/World, the System, the Databases and Airbus Data are and shall remain the exclusive property of ANACS, Airbus and/or their respective licensors, as applicable.

## **ARTICLE 4: ADMINISTRATORS AND DESIGNATED USERS**

- 4.1 The Company shall be responsible for compliance with the Agreement by its employees, including the Administrator(s) and the Designated Users. Both standard on line training for Administrators and necessary documentation for Designated Users will be available on line from Airbus, but it will remain the obligation of the Company to ensure, at its own expense, that the Administrator(s) and the Designated Users are qualified and properly trained to perform under the Agreement.

- 4.2 The Company shall appoint one Administrator only, unless the company demonstrates, to ANACS' reasonable satisfaction, that additional Administrators are needed for non-overlapping areas of the Company's operations, such as for different branches or sites of the Company. The Company will be solely responsible for any adverse consequences attributable to inconsistent instructions or communications received by ANACS or Airbus from the Company's Administrators.
- 4.3 The Administrator(s) shall have the capacity to bind the Company in the execution of any contractual document and the performance of any obligation related to the access, use and operation of the Secure Airbus/World.
- 4.4 The Administrator(s) shall appoint Designated Users among the employees of the Company. Each designated User will be provided with an Identification Code. Such Identification Code may be provided by the Administrator, by Airbus or by an independent entity designated by Airbus, as Airbus may elect from time to time.
- 4.5 Any and all access, use and operation of Secure Airbus/World by use of an Identification Code will be deemed to have been made by the Designated User to whom such Identification Code has been assigned.
- 4.6 The Company shall ensure that:
- (i) each Identification Code is assigned to one Designated User only and is used by the appropriate Designated User only.
  - (ii) each personal Identification Code is communicated only to the Designated User to whom it is assigned.
  - (iii) each Designated User accesses and uses Secure Airbus/World in strict compliance with the Agreement;
  - (iv) no third party acquires access to the Identification Codes or to Secure Airbus/World.
- 4.7 Should the Company become aware that a risk exists that an Identification Code may be or may have been disclosed to anyone other than the Designated User to whom such code is assigned, the Administrator(s) shall immediately cancel the access to Secure Airbus/World in respect of such Identification Codes and notify ANACS in writing (1) that the Identification Code has been cancelled and (2) the scope of the perceived risk leading to such cancellation. The Administrator shall be obligated to take the foregoing immediate action, notwithstanding any right of ANACS or Airbus to cancel such access.
- 4.8 In order to assure that access to Secure Airbus/World is limited to Designated Users with a legitimate need for access in order to accomplish the Permitted Purpose, the Company shall inform ANACS without delay, of (i) any change in the employment status of the Administrator(s) and/or Designated Users, including without limitation, extended leave, reassignment or resignation from the Company, and (ii) the termination/expiration of any and all Business Agreements, for performance of which the Company uses Secure Airbus/World.
- 4.9 The Company shall inform ANACS immediately of the termination or expiration of any Business Agreement between the Company and any third party with access to Secure Airbus/World when such terminated or expired Business Agreement is the basis for such access.
- 4.10 ANACS shall be entitled, without prejudice to its other rights and without prior notice, to restrict or suspend access in whole or in part to Secure Airbus/World, to any or all Designated Users and/or Administrators if (1) any one Designated User or Administrator fails to comply with any material



provision of the Agreement, or with any applicable laws and regulations, or (2) ANACS determines, in its sole discretion, that continued access by such Designated User(s) or Administrator(s) presents a risk of harm to the interests of ANACS or an Affiliate of ANACS, or may violate the confidentiality and/or security provisions of the Agreement.

#### **ARTICLE 5: ACCESS REQUIREMENTS**

- 5.1 The Company shall, at its own cost and under its sole responsibility and liability, procure, install and maintain the information technology equipment necessary to access the System and Secure Airbus/World. During the effective period of the Agreement, the Company shall use due care and diligence, employing state of the art means, to prevent intrusions into the System or Secure Airbus/World of third parties, viruses, logic bombs and worms.
- 5.2 The Company is responsible for complying with laws or regulations, if any, governing the Company's rights to access and use Secure Airbus/World as contemplated by the Agreement.
- 5.3 For security purposes, ANACS shall be entitled to modify or require the Company to modify any Identification Codes. The Company shall be informed by ANACS of any modification of such Identification Codes, as soon as practicable.

#### **ARTICLE 6: AVAILABILITY OF SECURE AIRBUS/WORLD**

- 6.1 Airbus will make reasonable efforts to maintain Secure Airbus/World available to the Company on a 24 hour a day, 7 day a week basis. In the event of an interruption in such availability of Secure Airbus/World, Airbus will take all reasonable and appropriate steps to restore the Company's access to Secure Airbus/World.
- 6.2 Notwithstanding the provisions of Article 6.1 above, Airbus shall be entitled, at any time, to suspend or discontinue access to all or part of Secure Airbus/World if and to the extent such suspension or termination is required:
- (a) to update or conduct maintenance on the System, the Databases, the Data or Secure Airbus/World;
  - (b) for security reasons;
  - (c) to comply with any regulatory or judicially restraints.
- 6.3 If Airbus anticipates that Secure Airbus/World will be unavailable, in whole or in part, for twenty four (24) consecutive hours or more, Airbus will use all reasonable means to inform the Company in advance of such expected unavailability.
- 6.4 If Secure Airbus/World is unavailable to the Company for more than twenty four (24) consecutive hours or where the Company demonstrates to ANACS or Airbus that a specific period of unavailability will result in the Company's failure to perform as required under a Business Agreement, the Parties will consider alternative means for delivering data as needed by the Company.

#### **ARTICLE 7: CONFIDENTIALITY**

Unless otherwise agreed in writing in the Agreement and/or the Business Agreements, all information made available by the Parties to each other through Secure Airbus/World shall be

deemed confidential information and shall not be disclosed by the receiving party to any third party and shall not be used for any purposes than the Permitted Purpose. The Company acknowledges that any breach of this provision could cause material damage to ANACS or Airbus and it is agreed that an action for damages may not be an adequate remedy for a breach by the Company of this provision, and that ANACS may bring an action for equitable relief, including an action for an injunction on its own behalf or on behalf of any of its Affiliates damaged by the Company's breach of this provision.

The foregoing provisions shall not apply to information that may be accessed in the public zone of the Portal.

#### **ARTICLE 8: EXCHANGE OF DATA**

- 8.1 The Company shall have access to and use of Airbus Data, and ANACS and its Affiliates shall have access to and use of the Company Data, to the extent, and pursuant to the terms and conditions of, the Agreement and/or Business Agreements.
- Except as otherwise provided in the Agreement and/or Business Agreements, either Party may, during the term of the Agreement and for internal use only, adapt, translate, make hard copies and/or numeric reproductions of the Data received from the other Party, for the Permitted Purpose. The Data, whether in hard copy or digital form, may be processed by and circulated worldwide only to the employees of the receiving Party having a need to know and for the Permitted Purpose.
- 8.2 The Parties shall ensure that all proprietary rights and confidentiality legends set forth on the original document appear on any reproduction, translation and/or adaptation thereof. The Parties shall refrain from removing and/or altering any such legend.
- 8.3 The Company represents and warrants to ANACS that the Company Data, and the disclosure and use of the Data as contemplated in the Agreement, do not infringe third parties' rights and do not violate any applicable laws.
- 8.4 The Company shall exercise due care and employ state of the art means to assure that the Company's Data does not permanently or temporarily disturb the operation and/or the use of the System, Secure Airbus/World and/or the Database.
- 8.5 The Company shall immediately notify ANACS of any claim by a third party of infringement by Company Data or of the occurrence or possible occurrence of any disturbance as referred to in Article 7.4. In the event that ANACS is informed of either circumstance, ANACS shall be entitled, without notice and without prejudice to its other rights, to cause the relevant Company Data to be deleted from the System.
- 8.6 Communications and notices exchanged by the Parties under the Agreement shall be deemed to be valid notices, and accorded the same recognition and effectiveness as if transmitted by registered mail, return receipt requested.

#### **ARTICLE 9: WARRANTY / LIABILITY**

- 9.1 Secure Airbus World, including any and all of its supporting elements and content, the System, the Database and Airbus Data, are provided "as is" and "as available".

- 9.2 ANACS HAS RECEIVED NO WARRANTY OF ANY KIND FROM AIRBUS AND ANACS MAKES NO WARRANTY OF ANY KIND TO THE COMPANY WITH RESPECT TO THE SECURE AIRBUS/WORLD, THE AIRBUS DATA, THE DATABASE OR THE SYSTEM. THE COMPANY HEREBY WAIVES, RELEASES AND RENOUNCES ALL WARRANTIES, OBLIGATIONS, GUARANTEES AND LIABILITIES OF ANACS OR AIRBUS AND ALL RIGHTS, CLAIMS OR REMEDIES OF THE COMPANY AGAINST ANACS OR AIRBUS, WHETHER EXPRESS OR IMPLIED BY CONTRACT, TORT OR STATUTORY LAW OR OTHERWISE, WITH RESPECT TO ANY NONCONFORMITY OR DEFECT OR PROBLEM OF ANY KIND IN THE SECURE AIRBUS/WORLD (INCLUDING BUT NOT LIMITED TO FAILURE, INTERRUPTION OR UNAVAILABILITY OF THE SECURE AIRBUS/WORLD FOR ANY PERIOD OF TIME), THE AIRBUS DATA, THE DATABASE OR THE SYSTEM ACCESSED OR USED PURSUANT TO THE AGREEMENT, INCLUDING BUT NOT LIMITED TO:
- (A) ANY IMPLIED OR EXPRESS WARRANTY ARISING FROM THE COURSE OF PERFORMANCE, COURSE OF DEALING OR USAGE OF TRADE;
  - (B) ANY EXPRESS OR IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE;
  - (C) ANY EXPRESS OR IMPLIED WARRANTY OF MERCHANTABILITY.
- 9.3 Access to and use of Secure Airbus/World are at the Company's sole risk and responsibility and neither ANACS nor Airbus shall be liable to the Company for damages based on claims by third parties arising out of or in connection with access or use of Secure Airbus/World, including claims for computer intrusions, security failures, or unavailability of the Services. In no event will ANACS or Airbus or the successors and assigns of any of them be liable to the Company for losses sustained by the Company, whether direct or indirect, including, without limitation, loss of data or programs, loss of use, financial loss, any deterioration or infection by viruses of the Company's information technology equipment (including but not limited to software, hardware, connections and any system or network).
- 9.4 Without prejudice to the immediately preceding provision, in the event of a claim by a third party that Secure Airbus/World or its contents, infringes on such third party's intellectual property rights, ANACS will, and will cause Airbus to, assist the Company in the defense of such claims by promptly responding to any reasonable request of the Company for information related to such claim, provided the Company notifies ANACS in writing of any such claim within fifteen (15) days as from the date it has knowledge of the latter.

#### **ARTICLE 10: DURATION / TERMINATION**

- 10.1. This GTC enters into force on the date on which they are executed as provided herein.
- 10.2 This GTC may be terminated:
- (a) by either Party, at any time and without liability to the other Party, upon one-month's prior written notice to the other Party, sent by registered mail;
  - (b) by ANACS, immediately and without prior notice, in the event the Company breaches any of its obligations under the Agreement or a related Business Agreement,
  - (c) by either Party, following the continuation of a *force majeure* event for more than one (1) month,

- 10.3 Upon termination of the GTC, for whatever reason, the Company shall immediately (i) cease to access to the Secure Airbus/World and/or the corresponding Service and (ii) return or destroy (at ANACS' option), the Identification Codes as well as all Airbus Data.
- 10.4 Termination of this GTC shall operate, automatically and notwithstanding any other provision in the Agreement, to terminate any other document included in the Agreement.

**ARTICLE 11: MISCELLANEOUS**

- 11.1 The Agreement is personal to the Parties and neither Party may assign the Agreement to a third party without the express consent of the other Party, except that ANACS may assign all or part of its rights and/or obligations under the Agreement to any Affiliate.
- 11.2 The Agreement represents the entire agreement between the Parties with respect to access to the Secure Airbus/World and use of Secure Airbus/World for the Services, and renders all other previous written and oral agreements null and void. The Agreement may not be modified except by written amendment signed by both Parties.
- 11.3 Any provision of the Agreement determined to be unlawful or unenforceable under applicable law applied by any court of competent jurisdiction shall, to the extent required by such law, be deemed severed from the Agreement and rendered ineffective so far as is possible without modifying the remaining provisions. Where, however, the provisions of any such applicable law may be waived, they are hereby waived by the Parties hereto to the fullest extent permitted by such law, with the result that the provisions of the Agreement shall be a valid and binding and enforceable in accordance with their terms. The Parties agree to replace, so far as practicable, any provision which is prohibited, unlawful or unenforceable with another provision having substantially the same effect (in its legal and commercial content) as the replaced provision, but which is not prohibited, unlawful or unenforceable. The invalidity in whole or in part of any provisions of the Agreement shall not void or affect the validity of any other provision.
- 11.4 The Agreement is entered into and shall be governed by the law of the State of New York, without application of any conflict of laws principles that could result in the application of the law of any other jurisdiction.

WHEREFORE, the Parties have executed these General Terms and Conditions for Access to and Use of the Secure Airbus/World, effective on the last date noted below.

**AIRBUS NORTH AMERICA CUSTOMER SERVICES, INC.**

Duly represented by

Name: Chris Reamy

Title: Customer Support Director

Signature: /s/ Chris Reamy

Date: 16 November 2006

**UNITED AIR LINES, INC.**

Duly represented by

Name: Richard L. Wysong

Title: Vice President – Engineering, Materials and Planning

Signature: /s/ Richard L. Wysong

Date: 16 November 2006

AMENDMENT NO. 1  
TO  
GENERAL TERMS AND CONDITIONS OF ACCESS TO AND USE OF  
THE SECURE AREA OF THE AIRBUS WORLD/ONLINE SERVICES

This Amendment No. 1 (hereinafter referred to as the "Amendment") is entered into as of March 5, 2010, between Airbus Americas Customer Services, Inc. ("AACS"), and United Air Lines, Inc (the "Buyer").

WHEREAS, ANACS (predecessor in interest to AACS) entered into the General Terms and Conditions of Access to and Use of Airbus World/Online Services, dated December 6, 2006 (the "GTCs") and

WHEREAS, the parties, in the context of an aircraft purchase agreement being entered into this date, between them, wish to amend the GTCs in certain respects NOW, THEREFORE, IT IS AGREED AS FOLLOWS

**1. DEFINITIONS**

Capitalized terms used herein and not otherwise defined herein will have the meanings assigned to them in the GTCs.

The terms "herein," "hereof" and "hereunder" and words of similar import refer to this Amendment.

**2. ARTICLE 2**

Article 2.4 of the GTCs is amended to add at the end of such Article the following quoted text:

QUOTE

AACS may require any such third party to pay the access fee specified in the then current Customer Services Catalog. No additional fees or charges will be imposed on such third party unless such charges are imposed on airline users worldwide.

UNQUOTE

**3. EFFECT OF THE AMENDMENT**

The GTCs will be deemed amended to the extent herein provided, and, except as specifically amended hereby, will continue in full force and effect in accordance with its original terms. This Amendment supersedes any previous understandings, commitments, or representations whatsoever, whether oral or written, related to the subject matter of this Amendment.

Both parties agree that this Amendment will constitute an integral, nonseverable part of the GTCs and will be governed by its provisions, except that if the GTCs and this Amendment have specific provisions that are inconsistent, the specific provisions contained in this Amendment will govern.

**4. COUNTERPARTS**

This Amendment may be signed in any number of separate counterparts. Each counterpart, when signed and delivered (including counterparts delivered by facsimile transmission), will be an original, and the counterparts will together constitute one and the same instrument.

Agreed an Accepted,

UNITED AIR LINES, INC.

By: /s/ Nina Jonsson

Its: Director - Fleet Planning

Date: March 5, 2010

Agreed and Accepted,

AIRBUS AMERICAS CUSTOMER SERVICES, INC

By: /s/ Bruce Burnett

Its: Customer Support Director

Date: March 5, 2010

## LETTER AGREEMENT NO. 1

As of March 5, 2010

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

Re: SPARE PARTS PROCUREMENT

Dear Ladies and Gentlemen,

United Air Lines, Inc. (the "Buyer"), and AIRBUS S.A.S. (the "Seller"), have entered into an Airbus A350-900XWB Purchase Agreement dated as of even date herewith (the "Agreement"), which covers, among other things, the sale by the Seller and the purchase by the Buyer of certain Aircraft, under the terms and conditions set forth in said Agreement. The Buyer and the Seller have agreed to set forth in this Letter Agreement No. 1 (the "Letter Agreement") certain additional terms and conditions regarding the sale of the Aircraft. Capitalized terms used herein and not otherwise defined in this Letter Agreement will have the meanings assigned thereto in the Agreement. The terms "herein," "hereof" and "hereunder" and words of similar import refer to this Letter Agreement.

Both parties agree that this Letter Agreement will constitute an integral, nonseverable part of said Agreement, that the provisions of said Agreement are hereby incorporated herein by reference, and that this Letter Agreement will be governed by the provisions of said Agreement, except that if the Agreement and this Letter Agreement have specific provisions which are inconsistent, the specific provisions contained in this Letter Agreement will govern.

AIRBUS S.A.S. & UNITED AIR LINES, INC. – PROPRIETARY AND CONFIDENTIAL



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AIRBUS S.A.S. & UNITED AIR LINES, INC. – PROPRIETARY AND CONFIDENTIAL

1. GENERAL

1.1 Scope of Material Support

1.1.1 This Letter Agreement defines the terms and conditions for the support services offered by the Seller to the Buyer in the following areas:  
**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].**

1.1.2 References made to Paragraphs shall refer to paragraphs of this Letter Agreement. Unless otherwise specified.

1.1.3 For the purposes of this Letter Agreement, the term “Supplier” shall mean any supplier providing any of the Material listed in Paragraph 1.2.1 hereunder (each item of Material supplied by a Supplier being a “Supplier Part”).

1.2 Material

1.2.1 The “Material” will be comprised of the following:

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].**

1.3 Term

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].**

1.4 Stores

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].**

1.4.3 Other Points of Shipment

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].**

1.5 Spare Parts Representative

1.5.1 Spare Parts Representative Services

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].**

1.6 Commitment of the Buyer

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].**

1.7 Manufacture of Material by the Buyer

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].**

2 INITIAL PROVISIONING AND REPLENISHMENT

2.1 Initial Provisioning

2.1.1 Period

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

2.1.2 Pre-Provisioning Meeting

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

2.1.3 Initial Provisioning Conference

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

2.1.4 Initial Provisioning Data

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

2.1.5 Supplier-Supplied Data

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

2.1.6 Supplementary Data

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

2.1.7 Commercial Offer for Certain Material

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

2.1.8 Delivery of Initial Provisioning Material

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

3. WARRANTIES ON SELLER PARTS

3.1 Nature of Warranty

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

3.2 Exceptions

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

3.3 Warranty Periods

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

3.4 Limitations of Warranty

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

3.6 Duplicate Remedies

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

4. LEAD TIMES

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

4.3 Expedite Service

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

5. DELIVERY STATUS

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

5.1 Shortages, Overshipments, Non-Conformity in Orders

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

5.1.4 Packaging

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

- 5.1.5 Cessation of Deliveries  
[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].
6. MATERIAL CONSUMPTION DATA  
[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].
- 7 OTHER MATERIAL SUPPORT
- 7.1 [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].
- 7.1.1 General  
[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].
- 7.1.2 Title  
[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].
- 7.1.3 Warranties
- 7.1.3.1 [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].
- 7.1.3.2 Warranty and Notice Periods  
[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].
- 7.1.3.4 Suspension and Transportation Costs  
[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].
- 7.2 Tools and Ground Support Equipment  
[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

8 COMMERCIAL CONDITIONS

8.1 Price

8.1.1 All Material prices shall be quoted for delivery:

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].**

8.2 Payment Procedures and Conditions

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].**

8.3 Payment in Full

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].**

8.5. **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].**

9. TITLE

The Buyer will at all times keep an amount of Material at least equal in value to the total amount of invoices for Material outstanding to the Seller at any given time free from any lien, debenture, security interest or other similar interest charge or claim in favor of any third party.

10. TERMINATION OF SPARES PROCUREMENT COMMITMENTS

Any termination of the Agreement under its terms shall **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].** The Seller may, but shall not be required, to **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].**

11. INCONSISTENCY

In the event of any inconsistency between **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].**, this Letter Agreement shall prevail to the extent of such inconsistency.

12. ASSIGNMENT

This Letter Agreement and the rights and obligations of the parties will be subject to the provisions of Clause 21 of the Agreement.

13. CONFIDENTIALITY

This Letter Agreement is subject to the terms and conditions of Clause 22.10 of the Agreement.

14. COUNTERPARTS

This Letter Agreement may be signed in any number of separate counterparts. Each counterpart, when signed and delivered (including counterparts delivered by facsimile transmission) will be an original, and the counterparts together will constitute one and the same instrument.

AIRBUS S.A.S. & UNITED AIR LINES, INC. – PROPRIETARY AND CONFIDENTIAL





APPENDIX "A" TO PARAGRAPH 7.1.1

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A  
REQUEST FOR CONFIDENTIAL TREATMENT].**

AIRBUS S.A.S. & UNITED AIR LINES, INC. – PROPRIETARY AND CONFIDENTIAL

## LETTER AGREEMENT NO. 2

As of March 5, 2010

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

Re: PREDELIVERY PAYMENTS

Dear Ladies and Gentlemen,

United Air Lines, Inc. (the "Buyer"), and AIRBUS S.A.S. (the "Seller"), have entered into an Airbus A350-900XWB Purchase Agreement dated as of even date herewith (the "Agreement"), which covers, among other things, the sale by the Seller and the purchase by the Buyer of certain Aircraft, under the terms and conditions set forth in said Agreement. The Buyer and the Seller have agreed to set forth in this Letter Agreement No. 2 (the "Letter Agreement") certain additional terms and conditions regarding the sale of the Aircraft. Capitalized terms used herein and not otherwise defined in this Letter Agreement will have the meanings assigned thereto in the Agreement. The terms "herein," "hereof" and "hereunder" and words of similar import refer to this Letter Agreement.

Both parties agree that this Letter Agreement will constitute an integral, nonseverable part of said Agreement, that the provisions of said Agreement are hereby incorporated herein by reference, and that this Letter Agreement will be governed by the provisions of said Agreement, except that if the Agreement and this Letter Agreement have specific provisions which are inconsistent, the specific provisions contained in this Letter Agreement will govern.

AIRBUS S.A.S. & UNITED AIR LINES, INC. – PROPRIETARY AND CONFIDENTIAL

1. PREDELIVERY PAYMENTS

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

5 - PAYMENT TERMS

5.1 [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

5.2 Predelivery Payments

5.2.2 The Predelivery Payment Reference Price for an Aircraft to be delivered in calendar year T is determined in accordance with the following formula:

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

5.2.3 Predelivery Payments will be paid according to the following schedule.

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

5.3 [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

5.5 Payment of Balance of the Final Price of the Aircraft

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

5.6 Taxes

5.6.1 [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

“Taxes” means any present or future tax, stamp or other taxes, levies, imposts, duties, charges, fees, deductions or withholdings, now or hereafter imposed, levied, collected, withheld or assessed by any governmental authority or any political subdivision or taxing authority thereof or therein.

AIRBUS S.A.S. & UNITED AIR LINES, INC. – PROPRIETARY AND CONFIDENTIAL

5.7 Application of Payments

Notwithstanding any other rights the Seller may have at contract or at law, the Buyer and the Seller hereby agree that should any amount (whether under this Agreement or under any other agreement between the Buyer or a direct or indirect subsidiary of the Buyer on the one hand and the Seller and the Seller Affiliates on the other hand) become due and payable by the Buyer or the Buyer Affiliates, **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

5.9 Overdue Predelivery Payments

If any Predelivery Payment due the Seller is not received by the Seller on the date or dates agreed upon between the Buyer and the Seller, the Seller will have the right to claim from the Buyer and the Buyer will promptly pay to the Seller upon receipt of such claim, interest at the rate of **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**. The Seller's right to receive such interest will be in addition to any other rights of the Seller hereunder or at law. **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

5.10 Proprietary Interest

Notwithstanding any provision of law to the contrary, the Buyer will not, by virtue of anything contained in this Agreement (including, without limitation, **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** or Predelivery Payments hereunder, or any designation or identification by the Seller of a particular aircraft as an Aircraft to which any of the provisions of this Agreement refers) acquire any proprietary, insurable or other interest whatsoever in any Aircraft before Delivery of and payment for such Aircraft, as provided in this Agreement.

5.11 Payment in Full

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

5.12 Other Charges

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

2. ASSIGNMENT

This Letter Agreement and the rights and obligations of the parties will be subject to the provisions of Clause 21 of the Agreement.

3. CONFIDENTIALITY

This Letter Agreement is subject to the terms and conditions of Clause 22.10 of the Agreement.

4. COUNTERPARTS

This Letter Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument.

AIRBUS S.A.S. & UNITED AIR LINES, INC. – PROPRIETARY AND CONFIDENTIAL



## LETTER AGREEMENT NO. 3

As of March 5, 2010

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

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

Dear Ladies and Gentlemen,

United Air Lines, Inc. (the "Buyer"), and AIRBUS S.A.S. (the "Seller"), have entered into an Airbus A350-900XWB Purchase Agreement dated as of even date herewith (the "Agreement"), which covers, among other things, the sale by the Seller and the purchase by the Buyer of certain Aircraft, under the terms and conditions set forth in said Agreement. The Buyer and the Seller have agreed to set forth in this Letter Agreement No. 3 (the "Letter Agreement") certain additional terms and conditions regarding the sale of the Aircraft. Capitalized terms used herein and not otherwise defined in this Letter Agreement will have the meanings assigned thereto in the Agreement. The terms "herein," "hereof" and "hereunder" and words of similar import refer to this Letter Agreement.

Both parties agree that this Letter Agreement will constitute an integral, nonseverable part of said Agreement, that the provisions of said Agreement are hereby incorporated herein by reference, and that this Letter Agreement will be governed by the provisions of said Agreement, except that if the Agreement and this Letter Agreement have specific provisions which are inconsistent, the specific provisions contained in this Letter Agreement will govern.

AIRBUS S.A.S. & UNITED AIR LINES, INC. – PROPRIETARY AND CONFIDENTIAL

1. A350-900XWB AIRCRAFT

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

2. [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

3. [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

4. [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

5. [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

6. [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

7. [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

8. [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

9. ASSIGNMENT

This Letter Agreement and the rights and obligations of the parties will be subject to the provisions of Clause 21 of the Agreement.

10. CONFIDENTIALITY

This Letter Agreement is subject to the terms and conditions of Clause 22.10 of the Agreement.

11. COUNTERPARTS

This Letter Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument.

AIRBUS S.A.S. & UNITED AIR LINES, INC. – PROPRIETARY AND CONFIDENTIAL





## LETTER AGREEMENT NO. 4

As of March 5, 2010

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

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

Dear Ladies and Gentlemen,

United Air Lines, Inc. (the "Buyer"), and AIRBUS S.A.S. (the "Seller"), have entered into an Airbus A350-900XWB Purchase Agreement dated as of even date herewith (the "Agreement"), which covers, among other things, the sale by the Seller and the purchase by the Buyer of certain Aircraft, under the terms and conditions set forth in said Agreement. The Buyer and the Seller have agreed to set forth in this Letter Agreement No. 4 (the "Letter Agreement") certain additional terms and conditions regarding the sale of the Aircraft. Capitalized terms used herein and not otherwise defined in this Letter Agreement will have the meanings assigned thereto in the Agreement. The terms "herein," "hereof" and "hereunder" and words of similar import refer to this Letter Agreement.

Both parties agree that this Letter Agreement will constitute an integral, nonseverable part of said Agreement, that the provisions of said Agreement are hereby incorporated herein by reference, and that this Letter Agreement will be governed by the provisions of said Agreement, except that if the Agreement and this Letter Agreement have specific provisions which are inconsistent, the specific provisions contained in this Letter Agreement will govern.

AIRBUS S.A.S. & UNITED AIR LINES, INC. – PROPRIETARY AND CONFIDENTIAL

1. DEFINITIONS

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].**

A350-900XWB Aircraft – any or all of the twenty-five (25) firm A350-900XWB aircraft for which the delivery schedule is set forth in Clause 9.1 to this Agreement and any firmly ordered A350-900XWB aircraft with respect to which the Buyer has exercised a Purchase Right, to be sold by the Seller and purchased by the Buyer pursuant to this Agreement, together with all components, equipment, parts and accessories installed in or on such aircraft

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].**

Aircraft – as applicable, (i) any or all of the A350-900XWB Aircraft sold or to be sold by the Seller and purchased or to be purchased by the Buyer pursuant to this Agreement, and (ii) any or all of the A350XWB Aircraft with respect to which the Buyer has exercised a Purchase Right,

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].**

A350XWB Purchase Right Aircraft – up to fifty (50) A350XWB aircraft **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** with respect to which the Buyer has exercised a Purchase Right.

Purchase Right – as defined in Paragraph 2.1 of this Letter Agreement No. 4.

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].**

2. A350XWB PURCHASE RIGHT AIRCRAFT

2.1. A350XWB Purchase Right Aircraft

The Seller grants the Buyer the right to purchase the A350XWB Purchase Right Aircraft on the commercial terms offered in the Agreement for the A350-900XWB Aircraft, except where specifically stated otherwise (the “Purchase Right”).

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].**

2.2. Purchase Right Exercise

The Buyer will exercise its Purchase Rights as follows:

- (i) The Buyer will notify the Seller of its desire to purchase each A350XWB Purchase Right Aircraft by sending a written notice to the Seller, no later than **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

2.3. A350XWB Purchase Right Aircraft Predelivery Payments

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

3. [CONFIDENTIAL MATERIAL FROM PAGES LA4-9 TO LA4-20 OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

4. [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

5. [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

6. [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

7. ASSIGNMENT

This Letter Agreement and the rights and obligations of the parties will be subject to the provisions of Clause 21 of the Agreement.

8. CONFIDENTIALITY

This Letter Agreement is subject to the terms and conditions of Clause 22.10 of the Agreement.

9. COUNTERPARTS

This Letter Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument.

AIRBUS S.A.S. & UNITED AIR LINES, INC. – PROPRIETARY AND CONFIDENTIAL



**A350-800XWB BASIC AIRCRAFT DESCRIPTION DOCUMENT**

The A350-800XWB Basic Aircraft Description Document is contained in a separate folder.

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

[CONFIDENTIAL MATERIAL OMITTED  
AND FILED SEPARATELY WITH THE SEC  
PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]



## LETTER AGREEMENT NO. 5

As of March 5, 2010

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

Re: PRODUCT SUPPORT MATTERS

Dear Ladies and Gentlemen,

United Air Lines, Inc. (the "Buyer"), and AIRBUS S.A.S. (the "Seller"), have entered into an Airbus A350-900XWB Purchase Agreement dated as of even date herewith (the "Agreement"), which covers, among other things, the sale by the Seller and the purchase by the Buyer of certain Aircraft, under the terms and conditions set forth in said Agreement. The Buyer and the Seller have agreed to set forth in this Letter Agreement No. 5 (the "Letter Agreement") certain additional terms and conditions regarding the sale of the Aircraft. Capitalized terms used herein and not otherwise defined in this Letter Agreement will have the meanings assigned thereto in the Agreement. The terms "herein," "hereof" and "hereunder" and words of similar import refer to this Letter Agreement.

Both parties agree that this Letter Agreement will constitute an integral, nonseverable part of said Agreement, that the provisions of said Agreement are hereby incorporated herein by reference, and that this Letter Agreement will be governed by the provisions of said Agreement, except that if the Agreement and this Letter Agreement have specific provisions which are inconsistent, the specific provisions contained in this Letter Agreement will govern.

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1. AIRBUS WORLD

Notwithstanding anything in Exhibit H, the Buyer will have full access to Airbus World [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

2. CLAUSE 14 – TECHNICAL DATA

Clause 14 of the Agreement is deleted in its entirety and replaced with the following text between the QUOTE and UNQUOTE:

QUOTE

14 - TECHNICAL DATA

14.1 Scope

This Clause 14 covers the terms and conditions for the supply of technical data by the Seller (hereinafter “Technical Data”) needed to support the Aircraft operation. **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

14.1.1 The Technical Data shall be supplied in the English language using the aeronautical terminology in common use.

14.1.2 All Technical Data shall be available on-line as set forth in Clause 14.4. Range, type, format and delivery schedule of the on-line Technical Data to be provided under this Agreement are outlined in Exhibit G hereto.

14.2 Aircraft Identification for Technical Data

14.2.1 For those Technical Data that are customized to the Buyer’s Aircraft, the Buyer agrees to the allocation of fleet serial numbers (“Fleet Serial Numbers”) in the form of blocks of numbers selected in the range from 001 to 999.

14.2.2 The sequence shall not be interrupted unless two (2) different Propulsion Systems or two (2) different Aircraft models are selected.

14.2.3 The Buyer shall indicate to the Seller the Fleet Serial Number allocated to each Aircraft corresponding to the delivery schedule set forth in Clause 9.1 **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**. Neither the designation of such Fleet Serial Numbers nor the subsequent allocation of the Fleet Serial Numbers to Manufacturer Serial Numbers for the purpose of producing certain customized Technical Data shall constitute any property, insurable or other interest of the Buyer in any Aircraft prior to the Delivery of such Aircraft as provided for in this Agreement.

The customized Technical Data that are affected thereby are the following:

- Aircraft Maintenance Manual,
- Illustrated Parts Catalog,
- Trouble Shooting Manual,
- Aircraft Wiring Manual,

- Aircraft Schematics Manual,
- Aircraft Wiring Lists.

### 14.3 Integration of Equipment Data

#### 14.3.1 Supplier Parts

Information, including revisions, relating to Supplier Parts that are installed on the Aircraft at Delivery or through Airbus Service Bulletins thereafter will be introduced into the customized Technical Data to the extent necessary for the comprehension of the affected systems, at no additional charge to the Buyer.

#### 14.3.2 Buyer Furnished Equipment

14.3.2.1 The Seller shall introduce data related to Buyer Furnished Equipment, for equipment that is installed on the Aircraft by the Seller (hereinafter "BFE Data") into the customized Technical Data, at no additional charge to the Buyer for the initial issue of the Technical Data provided at first Aircraft Delivery, provided such BFE Data is provided in accordance with the conditions set forth in Clauses 14.3.2.2 through 14.3.2.6.

14.3.2.2 The Buyer shall supply the BFE Data to the Seller at least six (6) months prior to the Scheduled Delivery Month of the first Aircraft.

14.3.2.3 The BFE Data shall be supplied in English and shall be established in compliance with the then applicable revision of ATA iSpecification 2200 and/or S1000D Specification jointly defined by the ASD (Aerospace and Defense Industries Association of Europe), AIA (Aerospace Industries Association) and ATA (Air Transport Association of America), as applicable.

14.3.2.4 The Buyer and the Seller shall agree on the requirements for the provision to the Seller of BFE Data for "on-aircraft maintenance", such as but not limited to timeframe, media and format in which the BFE Data shall be supplied to the Seller, in order to manage the BFE Data integration process in an efficient, expeditious and economic manner.

14.3.2.5 The BFE Data shall be delivered in digital format (SGML or XML raw data) and/or in Portable Document Format (PDF), as agreed between the Buyer and the Seller.

14.3.2.6 All costs related to the delivery to the Seller of the applicable BFE Data shall be borne by the Buyer.

#### 14.4 Supply

14.4.1 Except as specifically otherwise set forth in Exhibit G, all Technical Data shall be made available on-line through the relevant services on the Seller's customer portal Airbus World ("Airbus World"), as further described in Exhibit H to the Agreement.

14.4.2 The Technical Data shall be delivered according to a [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] to correspond with the Deliveries of Aircraft. The Buyer shall provide [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] notice when requesting a change to such delivery schedule.

14.4.3 It will be the responsibility of the Buyer to [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]. Upon request from the Buyer's Aviation Authorities, such Aviation Authorities shall be given on-line access to the Buyer's Technical Data.

#### 14.5 Revision Service

For each firmly ordered Aircraft covered under this Agreement, revision service for the Technical Data shall be provided [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] (each a "Revision Service Period").

Thereafter revision service shall be provided in accordance with the terms and conditions set forth in the Seller's then current Customer Services Catalog.

#### 14.6 Service Bulletins (SB) Incorporation

During any Revision Service Period and upon the Buyer's request, Seller Service Bulletin information shall be incorporated into the Technical Data, provided that the Buyer notifies the Seller through the Airbus World "Service Bulletin Reporting" service that it intends to accomplish such Service Bulletin, after which post-Service Bulletin status shall be shown. [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

#### 14.7 Technical Data Familiarization

Upon request by the Buyer, the Seller shall provide up to [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] of Technical Data familiarization training at the Seller's or the Buyer's facilities. The basic familiarization course is tailored for maintenance and engineering personnel.

#### 14.8 Customer Originated Changes (COC)

If the Buyer wishes to introduce Buyer originated data (hereinafter "COC Data") into any of the customized Technical Data that are identified as eligible for such incorporation in the Seller's then current Customer Services Catalog, the Buyer shall notify the Seller of such intention.

The incorporation of any COC Data shall be performed under the methods and tools for achieving such introduction and the conditions specified in the Seller's then current Customer Services Catalog.

#### 14.9 Advanced Consultation Tool

14.9.1 Some Technical Data shall be made available through several domains listed herebelow and shall be provided on-line through an Advanced Consultation Tool, which shall include the necessary navigation software and viewer to browse the Technical Data (hereinafter together referred to as "Advanced Consultation Tool").

14.9.2 The Advanced Consultation Tool encompasses the following domains:

- Maintenance,
- Planning,
- Repair,
- Workshop,
- Associated Data,
- Engineering.

14.9.3 Further details on the Technical Data included in such Advanced Consultation Tool are set forth in Exhibit "G".

14.9.4 Access to the Advanced Consultation Tool software by the Buyer will be subject to **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

14.9.5 The revision service and the license to use Advanced Consultation Tool shall **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** of the corresponding Revision Service Period. At the end of such Revision Service Period, the yearly revision service for the Advanced Consultation Tool and the associated license fee shall be provided to the Buyer under the commercial conditions set forth in the Seller's then current Customer Services Catalog.

#### 14.10 On-Line Access to Technical Data

14.10.1 Access to Airbus World shall be subject to the "General Terms and Conditions of Access to and Use of Airbus World" (hereinafter the "GTC"), as set forth in Exhibit H to this Agreement.

14.10.2 Access to Airbus World shall be [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] of the Buyer's users (including [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] Buyer's Administrators) for the Technical Data related to the Aircraft which shall be operated by the Buyer.

14.10.3 Should Airbus World provide access to Technical Data in software format, the use of such software shall be further subject to [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

14.11 Waiver, Release and Renunciation

The Seller warrants that the Technical Data are prepared in accordance with the state of art at the date of their conception. Should any Technical Data prepared by the Seller contain non-conformity or defect, the sole and exclusive liability of the Seller shall be to correct such Technical Data. Notwithstanding the above, no warranties of any kind shall be given for the Customer Originated Changes, as set forth in Clause 14.8.

THE WARRANTIES, OBLIGATIONS AND LIABILITIES OF THE SELLER (AS DEFINED BELOW FOR THE PURPOSES OF THIS CLAUSE) AND REMEDIES OF THE BUYER SET FORTH IN THIS CLAUSE 14 ARE EXCLUSIVE AND IN SUBSTITUTION FOR, AND THE BUYER HEREBY WAIVES, RELEASES AND RENOUNCES ALL OTHER WARRANTIES, OBLIGATIONS AND LIABILITIES OF THE SELLER AND RIGHTS, CLAIMS AND REMEDIES OF THE BUYER AGAINST THE SELLER, EXPRESS OR IMPLIED, ARISING BY LAW, CONTRACT OR OTHERWISE, WITH RESPECT TO ANY NON-CONFORMITY OR DEFECT OF ANY KIND, IN ANY TECHNICAL DATA OR SERVICES DELIVERED UNDER THIS AGREEMENT, INCLUDING BUT NOT LIMITED TO:

- A. ANY WARRANTY AGAINST HIDDEN DEFECTS;
- B. ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS;
- C. ANY IMPLIED WARRANTY ARISING FROM COURSE OF PERFORMANCE, COURSE OF DEALING OR USAGE OR TRADE;
- D. ANY OBLIGATION, LIABILITY, RIGHT, CLAIM OR REMEDY, WHETHER IN CONTRACT OR IN TORT, WHETHER OR NOT ARISING FROM THE SELLER'S NEGLIGENCE, ACTUAL OR IMPUTED; AND
- E. ANY OBLIGATION, LIABILITY, RIGHT, CLAIM, OR REMEDY FOR LOSS OF OR DAMAGE TO ANY AIRCRAFT, COMPONENT, EQUIPMENT, ACCESSORY, PART, SOFTWARE, DATA OR SERVICES DELIVERED UNDER THIS AGREEMENT, FOR LOSS OF USE, REVENUE OR PROFIT, OR FOR ANY OTHER DIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES;



PROVIDED THAT, IN THE EVENT THAT ANY OF THE AFORESAID PROVISIONS SHOULD FOR ANY REASON BE HELD UNLAWFUL OR OTHERWISE INEFFECTIVE, THE REMAINDER OF THIS AGREEMENT SHALL REMAIN IN FULL FORCE AND EFFECT.

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

FOR THE PURPOSES OF THIS CLAUSE 14, THE “SELLER” SHALL BE UNDERSTOOD TO INCLUDE THE SELLER, ANY OF ITS SUPPLIERS AND SUBCONTRACTORS, ITS AFFILIATES AND ANY OF THEIR RESPECTIVE INSURERS.

14.12 Proprietary Rights

14.12.1 All proprietary rights, including but not limited to patent, design and copyrights, relating to Technical Data shall remain with the Seller and/or its Affiliates as the case may be. These proprietary rights shall also apply to any translation into a language or languages or media that may have been performed or caused to be performed by the Buyer.

14.12.2 Whenever this Agreement and/or any Technical Data provides for manufacturing by the Buyer, the consent given by the Seller shall not be construed as express or implicit approval howsoever neither of the Buyer nor of the manufactured products. The supply of the Technical Data shall not be construed as any further right for the Buyer to design or manufacture any Aircraft or part thereof or spare part.

14.13 Performance Engineer’s Program

14.13.1 In addition to the Technical Data provided under Clause 14, the Seller shall provide to the Buyer Software Services, which shall consist of the Performance Engineer’s Programs (“PEP”) for the Aircraft type covered under this Agreement. Such PEP is composed of software components and databases and its use is subject to the license conditions set forth in Part 1 of Exhibit H to the Agreement “End-User License Agreement for Airbus Software”.

14.13.2 Use of the PEP shall be limited to **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** to be used on the Buyer’s computers for the purpose of computing performance engineering data. The PEP is intended for use on ground only and shall not be installed on board the Aircraft.

14.13.3 The license to use the PEP and the revision service shall be provided **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** of the corresponding Revision Service Period as set forth in Clause 14.5.

14.13.4 At the end of such PEP Revision Service Period, the PEP shall be provided to the Buyer at the standard commercial conditions set forth in the Seller's then current Customer Services Catalog.

14.14 Future Developments

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

UNQUOTE

3. CLAUSE 15 – SELLER REPRESENTATIVE SERVICES

Clause 15 of the Agreement is amended as follows:

3.1 Customer Support Representative(s)

Clause 15.1.3 of the Agreement is deleted in its entirety and replaced with the following quoted text:

QUOTE

15.1.3 The Seller shall provide to the Buyer an annual written accounting of the consumed man-months and any remaining man-month balance from the allowance defined in Appendix A to this Clause 15. Such accounting shall be deemed final and accepted by the Buyer unless the Seller receives written objection from the Buyer within **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** of receipt of such accounting.

UNQUOTE

3.2 Buyer's Support

3.2.1 Clause 15.2.2 of the Agreement is deleted in its entirety and replaced with the following quoted text:

QUOTE

15.2.2 The Buyer shall **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** of the Seller Representatives of **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**, to and from their place of assignment and Toulouse, France.

UNQUOTE

3.2.2 **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

3.3 Seller Representative

Paragraph 1 of Appendix A to Clause 15 of the Agreement is deleted in its entirety and replaced with the following text between the QUOTE and the UNQUOTE:

QUOTE

---

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

UNQUOTE

4. CLAUSE 16 – TRAINING SUPPORT AND SERVICES

Clause 16 of the Agreement is deleted in its entirety and replaced with the following text between the QUOTE and UNQUOTE:

QUOTE

16 - TRAINING SUPPORT AND SERVICES

16.1 General

16.1.1 This Clause 16 sets forth the terms and conditions for the supply of training support and services for the Buyer's personnel to support the Aircraft operation.

16.1.2 The range, quantity and validity of training to be provided [**CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT**] under this Agreement are covered in Appendix A to this Clause 16.

16.1.3 Scheduling of training courses covered in Appendix A shall be mutually agreed during a training conference (the "Training Conference") that shall [**CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT**].

16.2 Training Location

16.2.1 The Seller shall provide training at its training center in Blagnac, France, and/or in Hamburg, Germany, or shall designate an affiliated training center in Miami, U.S.A., or Beijing, China (individually a "Seller's Training Center" and collectively the "Seller's Training Centers").

16.2.2 If the unavailability of facilities or scheduling difficulties make training by the Seller at any Seller's Training Center impractical, the Seller shall ensure that the Buyer is provided with such training at another location designated by the Seller.

16.2.3 Upon the Buyer's request, the Seller may also provide certain training at a location other than the Seller's Training Centers, including one of the Buyer's bases, if and when practicable for the Seller, under terms and conditions to be mutually agreed upon. In such event, all additional [**CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT**] charges listed in Clauses 16.5.2 and 16.5.3 shall be borne by the Buyer.

16.2.4 If the Buyer requests training at a location as indicated in Clause 16.2.3 and requires such training to be an Airbus approved course, the Buyer undertakes that the training facilities shall be approved prior to the performance of such training. The Buyer shall, as necessary and in due time prior to the performance of such training, provide access to the training facilities set forth in Clause 16.2.3 to the Seller's and the competent Aviation Authority's representatives for approval of such facilities.

### 16.3 Training Courses

16.3.1 Training courses shall be as described in the Seller's customer services catalog (the "Seller's Customer Services Catalog"). The Seller's Customer Services Catalog also sets forth the minimum and maximum number of trainees per course. **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

All training requests or training course changes made outside of the frame of the Training Conference shall be submitted by the Buyer with a minimum of **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** prior notice.

16.3.2 The following terms and conditions shall apply to training performed by the Seller:

(i) Training courses shall be the Seller's standard courses as described in the Seller's Customer Services Catalog valid at the time of execution of the course. The Seller shall be responsible for all training course syllabi, training aids and training equipment necessary for the organization of the training courses; for the purpose of performing training, such training equipment does not include aircraft.

(ii) The training equipment and the training curricula used for the training of flight, cabin and maintenance personnel shall not be fully customized but shall be configured in order to obtain the relevant Aviation Authority's approval and to support the Seller's training programs.

(iii) Training data and documentation for trainees receiving the training at the Seller's Training Centers shall be provided free of charge. Training data and documentation shall be marked "FOR TRAINING ONLY" and as such are supplied for the sole and express purpose of training; revisions of training data and documentation shall not be provided by the Seller.

16.3.3 When the Seller's training courses are provided by the Seller's instructors (individually an "**Instructor**" and collectively "**Instructors**") the Seller shall deliver a Certificate of Recognition or a Certificate of Course Completion (each a "**Certificate**") or an attestation (an "**Attestation**"), as applicable, at the end of any such training course. Any such Certificate or Attestation shall not represent authority or qualification by any Aviation Authority but may be presented to such Aviation Authority in order to obtain relevant formal qualification.

In the event of training courses being provided by a training provider selected by the Seller as set forth in Clause 16.2.2, the Seller shall cause such training provider to deliver a Certificate or Attestation, which shall not represent authority or qualification by any Aviation Authority, but may be presented to such Aviation Authority in order to obtain relevant formal qualification.

16.3.4 Should the Buyer wish to **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

16.3.5 Should the Buyer use none or only part of the training to be provided pursuant to this Clause 16, no compensation or credit of any nature shall be provided.

16.3.6 Should the Buyer decide to cancel or reschedule, fully or partially, and irrespective of the location of the training, a training course, a minimum advance notification of at **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** prior to the relevant training course start date is required.

16.3.7 If the notification occurs **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** prior to such training, **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** shall be, as applicable, either deducted from the training allowance defined in Appendix A or invoiced at the Seller's then applicable price, **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

16.3.8 If the notification occurs less than **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** prior to such training, **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** shall be, as applicable, either deducted from the training allowance defined in Appendix A or invoiced at the Seller's then applicable price, **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

16.3.9 **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

16.3.10 **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

#### 16.4 Prerequisites and Conditions

16.4.1 Training shall be conducted in English and all training aids used during such training shall be written in English using common aeronautical terminology.

16.4.2 The Buyer hereby acknowledges that all training courses conducted pursuant to this Clause 16 are “Standard Transition Training Courses” and not “Ab Initio Training Courses”.

16.4.3 Trainees shall have the prerequisite knowledge and experience specified for each course in the Seller’s Customer Services Catalog.

16.4.4.1 The Buyer shall be responsible for the selection of the trainees and for any liability with respect to the entry knowledge level of the trainees.

16.4.4.2 The Seller reserves the right to verify the trainees’ proficiency and previous professional experience.

16.4.4.3 The Seller shall provide to the Buyer during the Training Conference an “**Airbus Pre-Training Survey**” for completion by the Buyer for each trainee.

The Buyer shall provide the Seller with an attendance list of the trainees for each course, with the validated qualification of each trainee, at the time of reservation of the training course and in no event any later than **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** before the start of the training course. The Buyer shall return concurrently thereto the completed Airbus Pre-Training Survey, detailing the trainees’ associated background. If the Seller determines through the Airbus Pre-Training Survey that a trainee does not match the prerequisites set forth in the Seller’s Customer Services Catalog, following consultation with the Buyer, such trainee shall be withdrawn from the program or directed through a relevant entry level training (ELT) program, which shall be at the Buyer’s expense. **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

16.4.4.4 If the Seller reasonably determines at any time during the training that a trainee lacks the required qualifications, following consultation with the Buyer, such trainee shall be withdrawn from the program. Upon the Buyer’s request, the Seller will recommend specific additional training, which shall be at the Buyer’s expense.

16.4.5 The Seller shall in no case warrant or otherwise be held liable for any trainee’s performance as a result of any training provided.

## 16.5 Logistics

### 16.5.1 Trainees

16.5.1.1 Living and travel expenses for the Buyer’s trainees **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.



16.5.1.2 It will be the responsibility of the Buyer to make all necessary arrangements relative to authorizations, permits and/or visas necessary for the Buyer's trainees to attend the training courses to be provided hereunder. Rescheduling or cancellation of courses due to the Buyer's failure to obtain any such authorizations, permits and/or visas shall be subject to the provisions of Clauses 16.3.5.1 thru 16.3.5.3.

16.5.2 Training at External Location - Seller's Instructors

16.5.2.1 If, training is provided at the Seller's request at any location other than the Seller's Training Centers, as provided for in Clause 16.2.2, the expenses of the Seller's Instructors will be borne directly by the Seller.

16.5.2.2 If, at the Buyer's request, training is provided by the Seller's Instructor(s) at any location other than the Seller's Training Centers, the Buyer **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** related to the assignment of such Seller Instructors and the performance of their duties as aforesaid.

16.5.2.3 Living Expenses

Except as provided for in Clause 16.5.2.1 above, the Buyer **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

Travel expenses shall include, but shall not be limited to, lodging, food and local transportation to and from the place of lodging and the training course location.

16.5.2.4 Air Travel

Except as provided for in Clause 16.5.2.1 above, the Buyer **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** to and from the Buyer's designated training site and the Seller's Training Centers.

16.5.2.5 [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

16.5.3 Training Material and Equipment Availability - Training at External Location

Training material and equipment necessary for course performance at any location other than the Seller's Training Centers or the facilities of a training provider selected by the Seller shall be provided by the Buyer at its own cost in accordance with the Seller's specifications.

Notwithstanding the foregoing, should the Buyer request the performance of a course at another location as per Clause 16.2.3.1, the Seller may, upon the Buyer's request, provide the training material and equipment necessary for such course's performance. Such provision shall be at the Buyer's expense.

## 16.6 Flight Operations Training

The Seller shall provide training for the Buyer's flight operations personnel as further detailed in Appendix A to this Clause 16, including the courses described in this Clause 16.6. **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

### 16.6.1 Flight Crew Training Course

The Seller shall perform a flight crew training course program for the Buyer's flight crews, each of which shall consist of two (2) crew members, who shall be either captain(s) or first officer(s).

### 16.6.2 Base Flight Training

16.6.2.1 The Buyer shall provide at its own cost its delivered Aircraft, or any other aircraft it operates, for any base flight training, which shall consist of **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** per pilot, performed in accordance with the related Airbus training course definition (the "**Base Flight Training**").

16.6.2.2 Should it be necessary to ferry the Buyer's delivered Aircraft to the location where the Base Flight Training shall take place, the additional flight time required for the ferry flight to and/or from the Base Flight Training field shall not be deducted from the Base Flight Training time.

16.6.2.3 If the Base Flight Training is performed outside of the zone where the Seller usually performs such training, the ferry flight to the location where the Base Flight Training shall take place shall be performed by a crew composed of the Seller's and/or the Buyer's qualified pilots, in accordance with the relevant Aviation Authority's regulations related to the place of performance of the Base Flight Training.

### 16.6.3 Flight Crew Line Initial Operating Experience

In order to assist the Buyer with initial operating experience after Delivery of the first Aircraft, the Seller shall provide to the Buyer pilot Instructor(s) as set forth in Appendix A to this Clause 16.

Should the Buyer request, subject to the Seller's consent, such Seller pilot Instructors to perform any other flight support during the flight crew line initial operating period, such as but not limited to line assistance, demonstration flight(s), ferry flight(s) or any flight(s) required by the Buyer during the period of entry into service of the Aircraft, it is understood that such flight(s) shall be deducted from the flight crew line initial operating experience allowance set forth in Appendix A hereto.

It is hereby understood by the Parties that the Seller's pilot Instructors shall only perform the above flight support services to the extent they bear the relevant qualifications to do so.

#### 16.6.4 Type Specific Cabin Crew Training Course

The Seller shall provide type specific training for cabin crews, at one of the locations defined in Clause 16.2.1.

If the Buyer's Aircraft is to incorporate special features, the type specific cabin crew training course shall be performed no earlier than **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

#### 16.6.5 Training on Aircraft

During any and all flights performed in accordance with this Clause 16.6, the Buyer shall bear full responsibility for the aircraft upon which the flight is performed, including but not limited to any required maintenance, all expenses such as fuel, oil or landing fees and the provision of insurance in line with Clause 16.13.

The Buyer shall assist the Seller, if necessary, in obtaining the validation of the licenses of the Seller's pilots performing Base Flight Training or initial operating experience by the Aviation Authority of the place of registration of the Aircraft.

#### 16.7 Performance / Operations Courses

The Seller shall provide performance/operations training for the Buyer's personnel as defined in Appendix A to this Clause 16.

The available courses shall be listed in the Seller's Customer Services Catalog current at the time of the course.

#### 16.8 Maintenance Training

16.8.1 The Seller shall provide maintenance training for the Buyer's ground personnel as further set forth in Appendix A to this Clause 16.

The available courses shall be as listed in the Seller's Customer Services Catalog current at the time of the course. **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

The practical training provided in the frame of maintenance training shall be performed on the training devices in use in the Seller's Training Centers.

#### 16.8.2 Practical Training on Aircraft

Notwithstanding Clause 16.8.1 above, upon the Buyer's request, the Seller may provide Instructors for the performance of practical training on aircraft ("Practical Training").

Irrespective of the location at which the training takes place, the Buyer shall provide at its own cost an aircraft for the performance of the Practical Training.

Should the Buyer require the Seller's Instructors to provide Practical Training at facilities selected by the Buyer, such training shall be subject to prior approval of the facilities by the Seller. All costs related to such Practical Training, including but not limited to the Seller's approval of the facilities, **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

The provision of a Seller Instructor for the Practical Training shall be deducted from the trainee days allowance defined in Appendix A to this Clause 16, subject to the conditions detailed in Paragraph 3.3.4 thereof.

#### 16.9 Supplier and Propulsion Systems Manufacturer Training

Upon the Buyer's request, the Seller shall provide to the Buyer the list of the maintenance and overhaul training courses provided by major Suppliers and the applicable Propulsion Systems Manufacturer on their respective products.

#### 16.10 Proprietary Rights

All proprietary rights, including but not limited to patent, design and copyrights, relating to the Seller's training data and documentation shall remain with the Seller and/or its Affiliates and/or its Suppliers, as the case may be.

These proprietary rights shall also apply to any translation into a language or languages or media that may have been performed or caused to be performed by the Buyer.

#### 16.11 Use of Training Materials

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

## TRAINING ALLOWANCE

All quantities indicated below are the total quantities granted for the whole of the Buyer's fleet of A350-900XWB Aircraft firmly ordered, unless otherwise specified.

The contractual training courses defined in this Appendix A shall be provided **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

Except with respect to EIS Training (defined below), flight operations training courses granted per firmly ordered Aircraft in this Appendix A shall be provided by the Seller **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

Any deviation to said training delivery schedule will be agreed between the Buyer and the Seller.

1. FLIGHT OPERATIONS TRAINING

1.1 Flight Crew Training (standard transition course)

The Seller shall provide flight crew training (standard transition course) **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** for a total of **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** of the Buyer's flight crews.

1.2 Extended Range For Twin Engine Aircraft Operations (ETOPS) Training

The Seller shall provide **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** ETOPS training for a total of **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** of the Buyer's flight crews.

1.3 Low Visibility Operations Training

The Seller shall provide **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** Low Visibility Operations Training for a total of **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** of the Buyer's flight crews.

#### 1.4 Flight Crew Line Initial Operating Experience

The Seller shall provide to the Buyer pilot Instructor(s) [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] for a period of [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

Unless otherwise agreed during the Training Conference, in order to follow the Aircraft Delivery schedule, the maximum number of pilot Instructors present at any one time shall be limited to [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] pilot Instructors.

#### 1.5 Type Specific Cabin Crew Training Course

The Seller shall provide to the Buyer [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] type specific training for cabin crews for [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] of the Buyer's cabin crew instructors, pursers or cabin attendants.

#### 1.6 Airbus Pilot Instructor Course (APIC)

The Seller shall provide to the Buyer transition Airbus Pilot Instructor Course(s) (APIC), for flight and synthetic instruction, [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] for [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] of the Buyer's flight instructors. APIC courses shall be performed in groups of [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] trainees.

### 2. PERFORMANCE / OPERATIONS COURSE(S)

The Seller shall provide to the Buyer [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] of performance / operations training [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] for the Buyer's personnel.

### 3. MAINTENANCE TRAINING

3.1 The Seller shall provide to the Buyer [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] of maintenance training [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] for the Buyer's personnel.

3.2 The Seller shall provide to the Buyer [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] Engine Run-up courses consisting of up to [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] trainees per course.

4. TRAINEE DAYS ACCOUNTING

Trainee days are counted as follows:

4.1 For instruction at the Seller's Training Centers: [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] of instruction for [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] trainee equals [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]. The number of trainees originally registered at the beginning of the course shall be counted as the number of trainees to have taken the course.

4.2 For instruction outside of the Seller's Training Centers: [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] of instruction by [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] Seller Instructor equals the actual number of trainees attending the course or a [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT], except for structure maintenance training course(s).

4.3 For structure maintenance training courses outside the Seller's Training Center(s), [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] of instruction by [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] Seller Instructor equals the actual number of trainees attending the course or the [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] of trainees as indicated in the Seller's Customer Services Catalog.

4.4 For practical training, whether on training devices or on aircraft, [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] of instruction by [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] Seller Instructor equals the actual number of trainees attending the course or a [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

UNQUOTE

5. CLAUSE 17 – EQUIPMENT SUPPLIER PRODUCT SUPPORT

Sub-clause (ii) of Clause 17.1.2 of the Agreement is deleted in its entirety and replaced with the following quoted text:

QUOTE

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

UNQUOTE



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6. [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

7. ASSIGNMENT

This Letter Agreement and the rights and obligations of the parties will be subject to the provisions of Clause 21 of the Agreement.

8. CONFIDENTIALITY

This Letter Agreement is subject to the terms and conditions of Clause 22.10 of the Agreement.

9. COUNTERPARTS

This Letter Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument.



## LETTER AGREEMENT NO. 6

As of March 5, 2010

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

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

Dear Ladies and Gentlemen,

United Air Lines, Inc. (the "**Buyer**"), and AIRBUS S.A.S. (the "**Seller**"), have entered into an Airbus A350-900XWB Purchase Agreement dated as of even date herewith (the "**Agreement**"), which covers, among other things, the sale by the Seller and the purchase by the Buyer of certain Aircraft, under the terms and conditions set forth in said Agreement. The Buyer and the Seller have agreed to set forth in this Letter Agreement No. 6 (the "**Letter Agreement**") certain additional terms and conditions regarding the sale of the Aircraft. Capitalized terms used herein and not otherwise defined in this Letter Agreement will have the meanings assigned thereto in the Agreement. The terms "herein," "hereof" and "hereunder" and words of similar import refer to this Letter Agreement.

Both parties agree that this Letter Agreement will constitute an integral, nonseverable part of said Agreement, that the provisions of said Agreement are hereby incorporated herein by reference, and that this Letter Agreement will be governed by the provisions of said Agreement, except that if the Agreement and this Letter Agreement have specific provisions which are inconsistent, the specific provisions contained in this Letter Agreement will govern.

AIRBUS S.A.S. & UNITED AIR LINES, INC. – PROPRIETARY AND CONFIDENTIAL

1. A350XWB AIRCRAFT DEFINITION

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

2. [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

3. [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

4. [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

5. [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

6. ASSIGNMENT

This Letter Agreement and the rights and obligations of the parties will be subject to the provisions of Clause 21 of the Agreement.

7. CONFIDENTIALITY

This Letter Agreement is subject to the terms and conditions of Clause 22.10 of the Agreement.

8. COUNTERPARTS

This Letter Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument.

AIRBUS S.A.S. & UNITED AIR LINES, INC. – PROPRIETARY AND CONFIDENTIAL



## LETTER AGREEMENT NO. 7

As of March 5, 2010

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

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

Dear Ladies and Gentlemen,

United Air Lines, Inc. (the "**Buyer**"), and AIRBUS S.A.S. (the "**Seller**"), have entered into an Airbus A350-900XWB Purchase Agreement dated as of even date herewith (the "**Agreement**"), which covers, among other things, the sale by the Seller and the purchase by the Buyer of certain Aircraft, under the terms and conditions set forth in said Agreement. The Buyer and the Seller have agreed to set forth in this Letter Agreement No. 7 (the "**Letter Agreement**") certain additional terms and conditions regarding the sale of the Aircraft. Capitalized terms used herein and not otherwise defined in this Letter Agreement will have the meanings assigned thereto in the Agreement. The terms "herein," "hereof" and "hereunder" and words of similar import refer to this Letter Agreement.

Both parties agree that this Letter Agreement will constitute an integral, nonseverable part of said Agreement, that the provisions of said Agreement are hereby incorporated herein by reference, and that this Letter Agreement will be governed by the provisions of said Agreement, except that if the Agreement and this Letter Agreement have specific provisions which are inconsistent, the specific provisions contained in this Letter Agreement will govern.

10. DUPLICATE REMEDIES

Except as provided in Paragraph 9, the remedies provided to the Buyer under this Guarantee are not cumulative of any other remedies provided to the Buyer under any other warranty or guarantee contained in the Agreement and the Buyer will not be entitled to duplicate remedies with respect to any single defect or costs incurred for any single defect.

12. ASSIGNMENT

This Letter Agreement and the rights and obligations of the parties will be subject to the provisions of Clause 21 of the Agreement.

13. CONFIDENTIALITY

This Letter Agreement and the rights and obligations of the parties will be subject to the provisions of Clause 22.10 of the Agreement.

14. COUNTERPARTS

This Letter Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument.





**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A  
REQUEST FOR CONFIDENTIAL TREATMENT]**

## LETTER AGREEMENT NO. 8

As of March 5, 2010

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

Re: A350-900XWB – [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

Dear Ladies and Gentlemen,

United Air Lines, Inc. (the “**Buyer**”), and AIRBUS S.A.S. (the “**Seller**”), have entered into an Airbus A350-900XWB Purchase Agreement dated as of even date herewith (the “**Agreement**”), which covers, among other things, the sale by the Seller and the purchase by the Buyer of certain Aircraft, under the terms and conditions set forth in said Agreement. The Buyer and the Seller have agreed to set forth in this Letter Agreement No. 8 (the “**Letter Agreement**”) certain additional terms and conditions regarding the sale of the Aircraft. Capitalized terms used herein and not otherwise defined in this Letter Agreement will have the meanings assigned thereto in the Agreement. The terms “herein,” “hereof” and “hereunder” and words of similar import refer to this Letter Agreement.

Both parties agree that this Letter Agreement will constitute an integral, nonseverable part of said Agreement, that the provisions of said Agreement are hereby incorporated herein by reference, and that this Letter Agreement will be governed by the provisions of said Agreement, except that if the Agreement and this Letter Agreement have specific provisions which are inconsistent, the specific provisions contained in this Letter Agreement will govern.

AIRBUS S.A.S. & UNITED AIR LINES, INC. – PROPRIETARY AND CONFIDENTIAL

1. INTRODUCTION

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

2 [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

2.1 [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

3 BUYER'S OBLIGATIONS

3.1 The [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] will be contingent upon the fulfilment by the Buyer of the following obligations:

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

Any failure by the Buyer to comply with the obligations set forth in Paragraph 3.1 will result in the [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] with respect to which such obligations are not met from the [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT], for the period of time during which such obligations are not met.

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

4 [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

5 **CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

6 **REMEDIES - RECONCILIATION**

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

1. The Buyer and the Seller will jointly investigate the cause(s) of **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** with the Buyer providing all pertinent information, data and records.
2. Provided that all conditions contained in this Letter Agreement are satisfied, at the end of the Term, the Seller will **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**
3. The Seller will make reasonable efforts to provide any **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

7 **TERMINATION**

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

8 **COST ALLOCATION**

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

9 **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

10 **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

11 ASSIGNMENT

This Letter Agreement and the rights and obligations of the parties will be subject to the provisions of Clause 21 of the Agreement.

12 CONFIDENTIALITY

This Letter Agreement and the rights and obligations of the parties will be subject to the provisions of Clause 22.10 of the Agreement.

13 COUNTERPARTS

This Letter Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument.

AIRBUS S.A.S. & UNITED AIR LINES, INC. – PROPRIETARY AND CONFIDENTIAL



[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

AIRBUS S.A.S. & UNITED AIR LINES, INC. – PROPRIETARY AND CONFIDENTIAL







## LETTER AGREEMENT NO. 9

As of March 5, 2010

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

Re: MISCELLANEOUS MATTERS

Dear Ladies and Gentlemen,

United Air Lines, Inc. (the "**Buyer**"), and AIRBUS S.A.S. (the "**Seller**"), have entered into an Airbus A350-900XWB Purchase Agreement dated as of even date herewith (the "**Agreement**"), which covers, among other things, the sale by the Seller and the purchase by the Buyer of certain Aircraft, under the terms and conditions set forth in said Agreement. The Buyer and the Seller have agreed to set forth in this Letter Agreement No. 9 (the "**Letter Agreement**") certain additional terms and conditions regarding the sale of the Aircraft. Capitalized terms used herein and not otherwise defined in this Letter Agreement will have the meanings assigned thereto in the Agreement. The terms "herein," "hereof" and "hereunder" and words of similar import refer to this Letter Agreement.

Both parties agree that this Letter Agreement will constitute an integral, nonseverable part of said Agreement, that the provisions of said Agreement are hereby incorporated herein by reference, and that this Letter Agreement will be governed by the provisions of said Agreement, except that if the Agreement and this Letter Agreement have specific provisions which are inconsistent, the specific provisions contained in this Letter Agreement will govern.

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[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

0. GENERAL

0.1 Definitions

Clause 0 of the Agreement is amended to add the following quoted text:

QUOTE

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

UNQUOTE

0.2 **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

1. CLAUSE 6 – MANUFACTURE PROCEDURE – INSPECTION

Clause 6.3 of the Agreement is deleted in its entirety and replaced with the following quoted text:

QUOTE

6.3 Seller's Service for Buyer's Inspector(s)

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

UNQUOTE

2. CLAUSE 7 – CERTIFICATION

Clause 7 of the Agreement is deleted in its entirety and replaced with the following text between the QUOTE and UNQUOTE:

QUOTE

7. CERTIFICATION

Except as set forth in this Clause 7, the Seller will not be required to obtain any certificate or approval with respect to the Aircraft.

7.1 Type Certification

The Aircraft have been type certificated under EASA procedures for joint certification in the transport category. The Seller will obtain or cause to be obtained an FAA type certificate (the “**Type Certificate**”) to allow the issuance of the Export Certificate of Airworthiness.

7.2 Export Certificate of Airworthiness

Subject to the provisions of Clause 7.3, the Aircraft will be delivered to the Buyer with an Export Certificate of Airworthiness issued by the DGAC if delivery in Toulouse, France and in a condition enabling the Buyer (or an eligible person under then applicable law) to obtain at the time of Delivery a Standard Airworthiness Certificate issued pursuant to Part 21 of the US Federal Aviation Regulations and a Certificate of Sanitary Construction issued by the U.S. Public Health Service of the Food and Drug Administration. However, the Seller will have no obligation to make and will not be responsible for any costs of alterations or modifications to such Aircraft to enable such Aircraft to meet FAA or U.S. Department of Transportation requirements for specific operation on the Buyer’s routes, whether before, at or after Delivery of any Aircraft.

If the FAA requires additional or modified data before the issuance of the Export Certificate of Airworthiness, the Seller will provide such data or implement the required modification to the data, in either case, **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

7.3 Specification Changes before Aircraft Ready for Delivery

7.3.1 If, any time before the date on which the Aircraft is Ready for Delivery, any law, rule or regulation is enacted, promulgated, becomes effective and/or an interpretation of any law, rule or regulation is issued by the EASA that requires any change to the Specification for the purposes of obtaining the Export Certificate of Airworthiness or the Standard Airworthiness Certificate referred to in 7.2 above (a “**Change in Law**”), the Seller will make the required modification and the parties hereto will sign an SCN.

7.3.2 The Seller will as far as practicable, but at its sole discretion and without prejudice to Clause 7.3.3(ii), take into account the information available to it concerning any proposed law, rule or regulation or interpretation that could become a Change in Law, in order to minimize the costs of changes to the Specification as a result of such proposed law, regulation or interpretation becoming effective before the applicable Aircraft is Ready for Delivery.

7.3.3 The cost of implementing the required modifications referred to in Clause 7.3.1 will be:

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

7.3.4 Notwithstanding the provisions of Clause 7.3.3, if a Change in Law relates to an item of BFE or to the Propulsion Systems the costs related thereto will be borne in accordance with such arrangements as may be made separately between the Buyer and the manufacturer of the BFE or the Propulsion Systems, as applicable, and the Seller will have no obligation with respect thereto.

7.4 Specification Changes after Aircraft Ready For Delivery

Nothing in Clause 7.3 will require the Seller to make any changes or modifications to, or to make any payments or take any other action with respect to, any Aircraft that is Ready for Delivery before the compliance date of any law or regulation referred to in Clause 7.3. Any such changes or modifications made to an Aircraft after it is Ready for Delivery will be at the **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

UNQUOTE



3. CLAUSE 8 – TECHNICAL ACCEPTANCE

Clause 8 of the Agreement is deleted in its entirety and replaced with the following quoted text:

QUOTE

8- TECHNICAL ACCEPTANCE

8.1 Technical Acceptance Process

8.1.1 Prior to Delivery, the Aircraft will undergo a technical acceptance process developed by the Seller (the “**Technical Acceptance Process**”). Completion of the Technical Acceptance Process will demonstrate the satisfactory functioning of the Aircraft and will be deemed to demonstrate compliance with the Specification. The Seller will without hindrance from the Buyer be entitled to carry out any necessary changes and, as soon as practicable thereafter, resubmit the Aircraft to such further Technical Acceptance Process as is necessary to demonstrate the elimination of any non-compliance. **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

8.1.2 The Technical Acceptance Process will:

- (i) commence on a date notified by the Seller to the Buyer by no less than **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** notice,
- (ii) take place at the Delivery Location,
- (iii) be carried out by the personnel of the Seller, and
- (iv) include a technical acceptance flight (the “**Technical Acceptance Flight**”) that will not exceed **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

8.2 Buyer’s Attendance

8.2.1 The Buyer is entitled to attend the Technical Acceptance Process.

8.2.2 If the Buyer elects to attend the Technical Acceptance Process, the Buyer:

- (i) will comply with the reasonable requirements of the Seller, with the intention of completing the Technical Acceptance Process within **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**, and

(ii) may have a maximum of [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] of its representatives (no more than [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] of whom will have access to the cockpit at any one time) accompany the Seller's representatives on the Technical Acceptance Flight, during which the Buyer's representatives will comply with the instructions of the Seller's representatives.

8.2.3 If the Buyer, [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT], does not attend or if the Buyer fails to cooperate in the Technical Acceptance Process, the Seller will be entitled to complete the Technical Acceptance Process and the Buyer will be deemed to have accepted that the Technical Acceptance Process has been completed, in all respects [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

#### 8.3 Certificate of Acceptance

Upon successful completion of the Technical Acceptance Process, the Buyer will, on or before the Delivery Date, sign and deliver to the Seller a certificate of acceptance in respect of the Aircraft in the form of Exhibit D (the "Certificate of Acceptance"). [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

#### 8.4 Finality of Acceptance

The Buyer's signature of the Certificate of Acceptance for the Aircraft, [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT], will constitute waiver by the Buyer of any right it may have, under the Uniform Commercial Code as adopted by the State of New York or otherwise, to revoke acceptance of the Aircraft for any reason, whether known or unknown to the Buyer at the time of acceptance.

#### 8.5 Aircraft Utilization

The Seller will, without payment or other liability, be entitled to use the Aircraft before Delivery [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]. Such use will not limit the Buyer's obligation to accept Delivery hereunder.

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

UNQUOTE

4. CLAUSE 9 – DELIVERY

Clause 9.3 of the Agreement is deleted in its entirety and replaced with the following quoted text:

QUOTE

9.3 Flyaway

9.3.1 The Buyer and the Seller will cooperate to obtain any licenses that may be required by the Aviation Authority of the Delivery Location for the purpose of exporting the Aircraft, **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

9.3.2 All expenses of, or connected with, flying the Aircraft from the Delivery Location after Delivery will be borne by the Buyer. The **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** Buyer to make arrangements with the supplying companies for the fuel and oil required for all post-Delivery flights.

UNQUOTE

5. CLAUSE 10 – EXCUSABLE DELAY

Clause 10 of the Agreement is deleted in its entirety and replaced with the following text between the QUOTE and UNQUOTE:

QUOTE

10. EXCUSABLE DELAY AND TOTAL LOSS

10.1 Scope of Excusable Delay

Neither the Seller nor any Affiliate of the Seller, will be responsible for or be deemed to be in default on account of delays in delivery of the Aircraft or failure to deliver or otherwise in the performance of this Agreement or any part hereof due to causes beyond the Seller's, or any Affiliate's control or not occasioned by the Seller's, fault or negligence ("**Excusable Delay**"), including, but not limited to: (i) acts of God or the public enemy, natural disasters, fires, floods, storms beyond ordinary strength, explosions or earthquakes; epidemics or quarantine restrictions; serious accidents; any law, decision, regulation, directive or other act (whether or not having the force of law) of any government or of the Council of the European Community or the Commission of the European Community or of any national, Federal, State, municipal or other governmental department, commission, board, bureau, agency, court or instrumentality, domestic or foreign; governmental priorities, regulations or orders affecting allocation of materials, facilities or a completed Aircraft; war, civil war or warlike operations, terrorism, insurrection or riots; failure of transportation; strikes or labor troubles causing cessation, slow down or interruption of work; delay in obtaining any airworthiness or type certification, **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**; inability after due and timely diligence to procure materials, accessories, equipment or parts; failure of a subcontractor or Supplier to furnish materials, components, accessories, equipment or parts, **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**, (ii) any delay caused directly by the action or inaction of the Buyer; and (iii) delay in delivery or otherwise in the performance of this Agreement by the Seller due in whole or in part to any delay in or failure of the delivery of, or any other event or circumstance relating to, the Propulsion Systems or Buyer Furnished Equipment.

10.2 Consequences of Excusable Delay

10.2.1 If an Excusable Delay occurs the Seller will:

- (i) notify the Buyer of such Excusable Delay as soon as practicable after becoming aware of the same;
- (ii) not be deemed to be in default in the performance of its obligations hereunder as a result of such Excusable Delay;

(iii) not be responsible for any damages arising from or in connection with such Excusable Delay suffered or incurred by the Buyer;

(iv) as soon as practicable after the removal of the cause of such Excusable Delay resume performance of its obligations under this Agreement and in particular will notify the Buyer of the revised Scheduled Delivery Month.

#### 10.3 Termination on Excusable Delay

##### 10.3.1 [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

10.3.2 If the Seller advises the Buyer in its notice of a revised Scheduled Delivery Month pursuant to Clause 10.2.1(iv) that there will be a delay in Delivery of an Aircraft of more than [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

If this Agreement [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]. The Seller will notify the Buyer of the new Scheduled Delivery Month after [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] referred to in Clause 10.3.1 or 10.3.2, and this new Scheduled Delivery Month will be deemed to be an amendment to the applicable Scheduled Delivery Month in Clause 9.1.1.

#### 10.4 Total Loss, Destruction or Damage

If, prior to Delivery, [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT], any Aircraft is lost, destroyed or in the reasonable opinion of the Seller is damaged beyond economic repair (“Total Loss”), the Seller will notify the Buyer to this [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]. The Seller will include in said notification (or as soon after the issue of the notice as such information becomes available to the Seller) the earliest date consistent with the Seller’s other commitments and production capabilities that an aircraft to replace the Aircraft may be delivered to the Buyer and the Scheduled Delivery Month will be extended as specified in the Seller’s notice to accommodate the delivery of the replacement aircraft; provided, however, that if the Scheduled Delivery Month is [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]:

(i) the Buyer notifies the Seller [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]; and

(ii) the parties execute an amendment to this Agreement recording the change in the Scheduled Delivery Month.

Nothing herein will require the Seller to manufacture and deliver a replacement aircraft if such manufacture would require the reactivation of its production line for the model or series of aircraft that includes the Aircraft.

10.5 Termination Rights Exclusive

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**, such termination will discharge all obligations and liabilities of the parties hereunder with respect to such affected Aircraft and undelivered material, services, data or other items applicable thereto and to be furnished under the Agreement.

10.6 Remedies

THIS CLAUSE 10 SETS FORTH THE SOLE AND EXCLUSIVE REMEDY OF THE BUYER FOR DELAYS IN DELIVERY OR FAILURE TO DELIVER, OTHER THAN SUCH DELAYS AS ARE COVERED BY CLAUSE 11, AND THE BUYER HEREBY WAIVES ALL RIGHTS TO WHICH IT WOULD OTHERWISE BE ENTITLED IN RESPECT THEREOF, INCLUDING, WITHOUT LIMITATION, ANY RIGHTS TO INCIDENTAL AND CONSEQUENTIAL DAMAGES OR SPECIFIC PERFORMANCE. THE BUYER WILL NOT BE ENTITLED TO CLAIM THE REMEDIES AND RECEIVE THE BENEFITS PROVIDED IN THIS CLAUSE 10 WHERE THE DELAY REFERRED TO IN THIS CLAUSE 10 IS CAUSED BY THE NEGLIGENCE OR FAULT OF THE BUYER OR ITS REPRESENTATIVES.

UNQUOTE

6. CLAUSE 11 – INEXCUSABLE DELAY AND TOTAL LOSS

Clause 11 of the Agreement is deleted in its entirety and replaced with the following text between the QUOTE and UNQUOTE:

QUOTE

11. INEXCUSABLE DELAY AND TOTAL LOSS

11.1 Liquidated Damages

Should an Aircraft not be Ready for Delivery [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] may be changed pursuant to Clauses 2, 7 or 10) (the “**Delivery Period**”) and such delay is not as a result of an Excusable Delay or Total Loss as defined in Clause 10.4, then such delay will be termed an “**Inexcusable Delay.**” [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT], for each day of delay in the Delivery starting on the date falling [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] after the last day of the Scheduled Delivery Month.

In no event will the amount of liquidated damages [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

11.2 [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

11.3 Renegotiation

If, as a result of an Inexcusable Delay, the Delivery does not occur within six (6) months after the last day of the Delivery Period the Buyer will have the right, exercisable by written notice to the Seller given between [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT], to require from the Seller a renegotiation of the Scheduled Delivery Month for the affected Aircraft. Unless otherwise agreed between the Seller and the Buyer during such renegotiation, the said renegotiation will not prejudice the Buyer’s right to receive liquidated damages in accordance with Clause 11.1.

#### 11.4 Termination

If, as a result of [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] Inexcusable Delays, the Delivery does not occur within an [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] and the parties have not renegotiated the Delivery Date pursuant to Clause 11.2, then both parties will have the right exercisable by written notice to the other party, given between [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

#### 11.5 Remedies

THIS CLAUSE 11 SETS FORTH THE SOLE AND EXCLUSIVE REMEDY OF THE BUYER FOR DELAYS IN DELIVERY OR FAILURE TO DELIVER, OTHER THAN SUCH DELAYS AS ARE COVERED BY CLAUSE 10, AND THE BUYER HEREBY WAIVES ALL RIGHTS TO WHICH IT WOULD OTHERWISE BE ENTITLED IN RESPECT THEREOF, INCLUDING WITHOUT LIMITATION ANY RIGHTS TO INCIDENTAL AND CONSEQUENTIAL DAMAGES OR SPECIFIC PERFORMANCE. THE BUYER WILL NOT BE ENTITLED TO CLAIM THE REMEDIES AND RECEIVE THE BENEFITS PROVIDED IN THIS CLAUSE 11 WHERE THE DELAY REFERRED TO IN THIS CLAUSE 11 IS CAUSED BY THE NEGLIGENCE OR FAULT OF THE BUYER OR ITS REPRESENTATIVES.

UNQUOTE



7. CLAUSE 13 – PATENT AND COPYRIGHT INDEMNITY

Clause 13 of the Agreement is deleted in its entirety and replaced with the following text between the QUOTE and UNQUOTE:

QUOTE

13- PATENT AND COPYRIGHT INDEMNITY

13.1 Indemnities at Delivery.

13.1.1 Subject to the provisions of Clause 13.3.3, the Seller will indemnify the Buyer from and against any damages, costs and expenses including reasonable attorneys fees (excluding damages, costs, expenses, loss of profits and other liabilities in respect of or resulting from loss of use of the Aircraft) resulting from any infringement or claim of infringement by the Airframe or any part or software installed therein at Delivery of:

(i) any British, French, German, Spanish or U.S. patent; and

(ii) any patent issued under the laws of any other country in which the Buyer may lawfully operate the Aircraft, provided that from the time of design of such Airframe or any part or software installed therein at Delivery and until infringement claims are resolved, the country of the patent and the flag country of the Aircraft are both parties to:

(1) the Chicago Convention on International Civil Aviation of December 7, 1944, and are each fully entitled to all benefits of Article 27 thereof, or,

(2) the International Convention for the Protection of Industrial Property of March 20, 1883 (the “Paris Convention”); and

(iii) in respect of computer software installed on the Aircraft, any copyright, provided that the Seller’s obligation to indemnify will be limited to infringements in countries which, at the time of design versus infringement claim are members of The Berne Union and recognize computer software as a “work” under the Berne Convention.

13.1.2 Clause 13.1.1 will not apply to:

(i) Buyer Furnished Equipment;

(ii) the Propulsion Systems;

(iii) Supplier Parts, **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**; or

(iv) software not developed by the Seller.

13.1.3 If the Buyer, due to circumstances contemplated in Clause 13.1.1, is prevented from using the Aircraft (whether by a valid judgment of a court of competent jurisdiction or by a settlement arrived at among the claimant, the Seller and the Buyer), the Seller will **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** at its expense either:

(i) procure for the Buyer the right to use the affected Airframe, part or software free of charge; or

(ii) replace the infringing part or software with a non-infringing substitute **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

13.2 **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

13.3 Administration of Patent and Copyright Indemnity Claims

13.3.1 If the Buyer receives a written claim or a suit is threatened or begun against the Buyer for infringement of a patent or copyright referred to in Clause 13.1, the Buyer will

(i) forthwith notify the Seller, giving particulars thereof;

(ii) furnish to the Seller all data, papers and records within the Buyer's control or possession relating to such patent or claim;

(iii) refrain from admitting any liability or making any payment, or assuming any expenses, damages, costs or royalties, or otherwise acting in a manner prejudicial to the defense or denial of the suit or claim, it being agreed that nothing in this Clause 13.2.1(iii) will prevent the Buyer from paying the sums that may be required to obtain the release of the Aircraft, provided that payment is accompanied by a denial of liability and is made without prejudice;

(iv) **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**, fully cooperate with, and render all assistance to, the Seller as may be pertinent to the defense or denial of the suit or claim; and

(v) act to **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** mitigate damages and/or to reduce the amount of royalties that may be payable, and minimize costs and expenses.

13.3.2 The Seller will be entitled either in its own name or on behalf of the Buyer to conduct negotiations with the party or parties alleging infringement and may assume and conduct the defense or settlement of any suit or claim in the manner that, in the Seller's opinion, it deems proper, **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

13.3.3 The Seller's liability hereunder will be conditioned on the strict and timely compliance by the Buyer with the terms of this Clause 13 and is in lieu of any other liability to the Buyer, whether express or implied, which the Seller might incur at law as a result of any infringement or claim of infringement of any patent or copyright.

13.4 **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

13.5 THE INDEMNITY PROVIDED IN THIS CLAUSE 13 AND THE OBLIGATIONS AND LIABILITIES OF THE SELLER UNDER THIS CLAUSE 13 ARE EXCLUSIVE AND IN SUBSTITUTION FOR, AND THE BUYER HEREBY WAIVES, RELEASES AND RENOUNCES ALL OTHER INDEMNITIES, WARRANTIES, OBLIGATIONS, GUARANTEES AND LIABILITIES ON THE PART OF THE SELLER AND RIGHTS, CLAIMS AND REMEDIES OF THE BUYER AGAINST THE SELLER, EXPRESS OR IMPLIED, ARISING BY LAW OR OTHERWISE (INCLUDING WITHOUT LIMITATION ANY OBLIGATION, LIABILITY, RIGHT, CLAIM OR REMEDY ARISING FROM OR WITH RESPECT TO LOSS OF USE OR REVENUE OR CONSEQUENTIAL DAMAGES), WITH RESPECT TO ANY ACTUAL OR ALLEGED PATENT INFRINGEMENT OR THE LIKE BY ANY AIRFRAME, PART OR SOFTWARE INSTALLED THEREIN AT DELIVERY, OR BY ANY TECHNICAL DATA, SUPPLIER PART OR TRAINING MATERIAL, OR THE USE OR SALE THEREOF, PROVIDED THAT, IN THE EVENT THAT ANY OF THE AFORESAID PROVISIONS SHOULD FOR ANY REASON BE HELD UNLAWFUL OR OTHERWISE INEFFECTIVE, THE REMAINDER OF THIS CLAUSE WILL REMAIN IN FULL FORCE AND EFFECT. THIS INDEMNITY AGAINST PATENT AND COPYRIGHT INFRINGEMENTS WILL NOT BE EXTENDED, ALTERED OR VARIED EXCEPT BY A WRITTEN INSTRUMENT SIGNED BY THE SELLER AND THE BUYER.

UNQUOTE

8. CLAUSE 18 – BUYER FURNISHED EQUIPMENT

8.1 Sub-clauses (4) and (5) of Clause 18.1.3 of the Agreement are deleted in their entirety and replaced with the following quoted text:

QUOTE

(4) to attend the First Article Inspection (“FAI”) for the first shipset of all Major BFE. Should the Buyer **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** attend such FAI **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**, the Buyer will delegate the FAI to the BFE Supplier and confirmation thereof will be supplied to the Seller in writing;

(5) to attend the Source Inspection (“SI”) that takes place at the BFE Supplier’s premises prior to shipping, for each shipset of all Major BFE. Should the Buyer **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** attend such SI **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**, the Buyer will delegate the SI to the BFE Supplier and confirmation thereof will be brought to the Seller in writing. Should the Buyer not attend the SI, the Buyer will be deemed to have accepted the conclusions of the BFE Supplier with respect to such SI.

UNQUOTE

8.2 Clause 18.3.2 of the Agreement is deleted in its entirety and replaced with the following quoted text:

QUOTE

18.3.2 In addition, in the event of any delay or failure mentioned in 18.3.1 above, the Seller, **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**, may:

(i) select, purchase and install equipment similar to the BFE at issue, in which event the Final Price of the A350-900XWB Aircraft for the affected Aircraft will also be increased by the purchase price of such equipment plus reasonable costs and expenses incurred by the Seller for handling charges, transportation, insurance, packaging and, if so required and not already provided for in the Final Price of the A350-900XWB Aircraft, for adjustment and calibration; or

(ii) if the BFE is delayed by more than **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** beyond, or is not approved within **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A**

**REQUEST FOR CONFIDENTIAL TREATMENT]** of the dates specified in Clause 18.1.2.2, deliver the Aircraft without the installation of such BFE, notwithstanding applicable terms of Clause 7, if any, and the Seller will thereupon be relieved of all obligations to install such equipment.

UNQUOTE

8.3 Clause 18.5.5 of the Agreement is deleted in its entirety and replaced with the following quoted text:

QUOTE

18.5.5 **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

UNQUOTE

9. CLAUSE 19 – INDEMNITIES AND INSURANCE

9.1 Clause 19.3 of the Agreement is deleted in its entirety and replaced with the following quoted text:

QUOTE

19- INDEMNITIES AND INSURANCE

The Seller and the Buyer will each be liable for Losses (as defined below) arising from the acts or omissions of their respective directors, officers, agents or employees occurring during or incidental to such party's exercise of its rights and performance of its obligations under this Agreement, except as provided in Clauses 19.1 and 19.2.

19.1 Seller's Indemnities

The Seller will, except in the case of gross negligence or willful misconduct of the Buyer, its directors, officers, agents and/or employees, be solely liable for and will indemnify and hold the Buyer, its Affiliates and each of their respective directors, officers, agents, employees and insurers harmless against all losses, liabilities, claims, damages, costs and expenses, including court costs and reasonable attorneys' fees ("**Losses**"), arising from:

(a) claims for injuries to, or death of, the Seller's directors, officers, agents or employees, or loss of, or damage to, property of the Seller or its employees when such Losses occur during or are incidental to either party's exercise of any right or performance of any obligation under this Agreement, and

(b) claims for injuries to, or death of, third parties, or loss of, or damage to, property of third parties, occurring during or incidental to the Technical Acceptance Flights.

19.2 Buyer's Indemnities

The Buyer will, except in the case of gross negligence or willful misconduct of the Seller, its directors, officers, agents and/or employees, be solely liable for and will indemnify and hold the Seller, its Affiliates, its subcontractors, and each of their respective directors, officers, agents, employees and insurers, harmless against all Losses arising from:

(a) claims for injuries to, or death of, the Buyer's directors, officers, agents or employees, or loss of, or damage to, property of the Buyer or its employees, when such Losses occur during or are incidental to either party's exercise of any right or performance of any obligation under this Agreement, and

(b) claims for injuries to, or death of, third parties, or loss of, or damage to, property of third parties, occurring during or incidental to (i) the provision of Seller Representatives services under Clause 15, or (ii) **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**, or (iii) the provision of Aircraft Training Services to the Buyer.

#### 19.3 Notice and Defense of Claims

If any claim is made or suit is brought against a party or entity entitled to indemnification under this Clause 19 (the “**Indemnitee**”) for damages for which liability has been assumed by the other party under this Clause 19 (the “**Indemnitor**”), the Indemnitee will promptly give notice to the Indemnitor and the Indemnitor (unless otherwise requested by the Indemnitee) will assume and conduct the defense, or settlement, of such claim or suit, as the Indemnitor will deem prudent, **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**. Notice of the claim or suit will be accompanied by all information pertinent to the matter as is reasonably available to the Indemnitee and will be followed by such cooperation by the Indemnitee as the Indemnitor or its counsel may reasonably request, at the expense of the Indemnitor.

If the Indemnitor fails or refuses to assume the defense of any claim or suit notified to it under this Clause 19, the Indemnitee will have the right to proceed with the defense or settlement of the claim or suit as it deems prudent and will have a claim against the Indemnitor for any judgments, settlements, costs or expenses, including reasonable attorneys’ fees. Further, in such event, the Indemnitor will be deemed to have waived any objection or defense to the Indemnitee’s claim based on the reasonableness of any settlement.

#### 19.4 Insurance

For all Aircraft Training Services, to the extent of the Buyer’s undertaking set forth in Clause 19.2, the Buyer will:

(a) cause the Seller, its Affiliates, its subcontractors and each of their respective directors, officers, agents and employees to be named as additional insured under the Buyer’s Comprehensive Aviation Legal Liability insurance policies, including War Risks and **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** Perils (such insurance to include the AVN 52E Extended Coverage Endorsement Aviation Liabilities or any further Endorsement replacing AVN 52E, or equivalent coverages, as may be available as well as any excess coverage in respect of War and **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** Perils Third Parties Legal Liabilities Insurance), and

(b) with respect to the Buyer's Hull War Risk and **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** Perils insurance, cause the insurers of the Buyer's hull insurance policies to waive all rights of subrogation against the Seller, its Affiliates, its subcontractors and each of their respective directors, officers, agents, employees and insurers, **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

Any applicable deductible will be borne by the Buyer. The Buyer will furnish to the Seller, not less than seven (7) working days prior to the start of any Aircraft Training Services, certificates of insurance, in English, evidencing the limits of liability cover and period of insurance coverage in a form acceptable to the Seller from the Buyer's insurance broker(s), certifying that such policies have been endorsed as follows:

(i) under the Comprehensive Aviation Legal Liability Insurances, the Buyer's policies are primary and non-contributory to any insurance maintained by the Seller,

(ii) such insurance can only be cancelled or materially altered by the giving of not less than thirty (30) days (but seven (7) days or such lesser period as may be customarily available in respect of War Risks and **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** Perils) prior written notice thereof to the Seller, and

(iii) under any such cover, **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**, all rights of subrogation against the Seller, its Affiliates, its subcontractors and each of their respective directors, officers, agents, employees and insurers have been waived.

UNQUOTE



10. CLAUSE 20 – TERMINATION

Clause 20 of the Agreement is deleted in its entirety and replaced with the following text between the QUOTE and UNQUOTE:

QUOTE

20- TERMINATION

20.1 Termination Events – Buyer and Seller

20.1.1 Each of the following shall constitute a “**Termination Event**” under this Agreement and promptly upon the knowledge of the occurrence of a Termination Event by the [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

(1) [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] shall commence any case, proceeding or other action with respect to the Buyer or [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] in any jurisdiction relating to bankruptcy, insolvency, reorganization, relief from debtors, an arrangement, winding-up, liquidation, dissolution or other relief [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] debts and such case, proceeding or other action remains unstayed, undismissed or undischarged for [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

(2) An action is commenced seeking the appointment of a receiver, trustee, custodian or other similar official for the Buyer or [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] for all or substantially all of its assets, and such action remains unstayed, undismissed or undischarged [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT], or the Buyer or [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT], makes a general assignment for the benefit of its creditors.

(3) An action is commenced against the Buyer or [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] any of the seeking issuance of a warrant of attachment, execution, distraint or similar process against all or any substantial part of its assets, and such action remains unstayed, undismissed or undischarged for [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

(4) [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] the Buyer or [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] is unable to generally pay its debts as they become due.

20.2 Termination Events – Buyer

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

20.3 [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

20.4 [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

20.5 Definitions

For purposes of this Clause 20, the terms “**Affected Aircraft**”, “**Applicable Date**” and “**Escalated Price**” are defined as follows:

(i) “**Affected Aircraft**” – any or all Aircraft with respect to which the Seller [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] has cancelled or terminated this Agreement pursuant to Clause 20.4(1) or 20.4(2),

(ii) “**Applicable Date**” – for any Affected Aircraft the date of the Termination Event specified in the Seller’s notice and demand for payment of liquidated damages delivered under Clause 20.4(2),

(iii) “**Escalated Price**” – the sum of (i) the Base Price of the Airframe, (ii) the Base Price of SCNs and MSCNs entered into after the date of this Agreement, and (iii) the Propulsion Systems Reference Price, all as escalated to the Applicable Date in accordance with the provisions of Clause 4.

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

20.6 Notice of Termination Event

Promptly upon becoming aware of the occurrence of a Termination Event by [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] will notify the

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** of such occurrence in writing, provided, that any failure **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** will not prejudice **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** rights or remedies hereunder.

UNQUOTE

11. CLAUSE 21 – ASSIGNMENTS AND TRANSFERS

Clause 21 of the Agreement is deleted in its entirety and replaced with the following quoted text:

QUOTE

21- ASSIGNMENTS AND TRANSFERS

21.1 Assignments

Except as hereinafter provided, neither party may sell, assign or transfer its rights or obligations under this Agreement to any person without the prior written consent of the other, except that the Seller may sell, assign, or transfer its rights or obligations under this Agreement to any Affiliate without the Buyer's consent.

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

21.2 Assignments on Sale, Merger or Consolidation

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

(b) the surviving or acquiring entity has executed an assumption agreement, in form and substance reasonably acceptable to the Seller, agreeing to assume all of the Buyer's obligations under this Agreement;

(c) at the time, and immediately following the consummation, of the merger, consolidation or sale, no Termination Event exists or will have occurred and be continuing;

(d) there exists with respect to the surviving or acquiring entity no basis for a Termination Event;

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

21.2.2 **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

21.3 Designations by Seller

The Seller may at any time by notice to the Buyer designate facilities or personnel of AACCS or any other Affiliate of the Seller at which or by whom the services to be performed under this Agreement will be performed. Notwithstanding such designation, the Seller will remain ultimately responsible for fulfillment of all obligations undertaken by the Seller in this Agreement.

UNQUOTE

12. CLAUSE 22 – CONFIDENTIALITY

Clause 22.10 of the Agreement is deleted in its entirety and replaced with the following text between the QUOTE and UNQUOTE:

QUOTE

22.10 Confidentiality

22.10.1 [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

22.10.2 [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

22.10.3 [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

22.10.4 [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

22.10.5 [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

22.10.6 [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

22.10.7 [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

22.10.8 The provisions of this Clause 22.10 will survive termination of the Agreement.

13. ASSIGNMENT

This Letter Agreement and the rights and obligations of the parties will be subject to the provisions of Clause 21 of the Agreement.

14. CONFIDENTIALITY

This Letter Agreement is subject to the terms and conditions of Clause 22.10 of the Agreement.

15. COUNTERPARTS

This Letter Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument.



## LETTER AGREEMENT NO. 10

As of March 5, 2010

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

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

Dear Ladies and Gentlemen,

United Air Lines, Inc. (the "**Buyer**"), and AIRBUS S.A.S. (the "**Seller**"), have entered into an Airbus A350-900XWB Purchase Agreement dated as of even date herewith (the "**Agreement**"), which covers, among other things, the sale by the Seller and the purchase by the Buyer of certain Aircraft, under the terms and conditions set forth in said Agreement. The Buyer and the Seller have agreed to set forth in this Letter Agreement No. 10 (the "**Letter Agreement**") certain additional terms and conditions regarding the sale of the Aircraft. Capitalized terms used herein and not otherwise defined in this Letter Agreement will have the meanings assigned thereto in the Agreement. The terms "herein," "hereof" and "hereunder" and words of similar import refer to this Letter Agreement.

Both parties agree that this Letter Agreement will constitute an integral, nonseverable part of said Agreement, that the provisions of said Agreement are hereby incorporated herein by reference, and that this Letter Agreement will be governed by the provisions of said Agreement, except that if the Agreement and this Letter Agreement have specific provisions which are inconsistent, the specific provisions contained in this Letter Agreement will govern.

AIRBUS S.A.S. & UNITED AIR LINES, INC. – PROPRIETARY AND CONFIDENTIAL



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1. **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

2. ASSIGNMENT

This Letter Agreement and the rights and obligations of the parties will be subject to the provisions of Clause 21 of the Agreement.

3. CONFIDENTIALITY

This Letter Agreement is subject to the terms and conditions of Clause 22.10 of the Agreement.

4. COUNTERPARTS

This Letter Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument.

AIRBUS S.A.S. & UNITED AIR LINES, INC. – PROPRIETARY AND CONFIDENTIAL



## LETTER AGREEMENT NO. 11

As of March 5, 2010

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

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

Dear Ladies and Gentlemen,

United Air Lines, Inc. (the “**Buyer**”), and AIRBUS S.A.S. (the “**Seller**”), have entered into an Airbus A350-900XWB Purchase Agreement dated as of even date herewith (the “**Agreement**”), which covers, among other things, the sale by the Seller and the purchase by the Buyer of certain Aircraft, under the terms and conditions set forth in said Agreement. The Buyer and the Seller have agreed to set forth in this Letter Agreement No. 11 (the “**Letter Agreement**”) certain additional terms and conditions regarding the sale of the Aircraft. Capitalized terms used herein and not otherwise defined in this Letter Agreement will have the meanings assigned thereto in the Agreement. The terms “herein,” “hereof” and “hereunder” and words of similar import refer to this Letter Agreement.

Both parties agree that this Letter Agreement will constitute an integral, nonseverable part of said Agreement, that the provisions of said Agreement are hereby incorporated herein by reference, and that this Letter Agreement will be governed by the provisions of said Agreement, except that if the Agreement and this Letter Agreement have specific provisions which are inconsistent, the specific provisions contained in this Letter Agreement will govern.

CT0900252 – United Air Lines, Inc. – A350-900XWB Purchase Agreement

LA11-1

AIRBUS S.A.S. & UNITED AIR LINES, INC. – PROPRIETARY AND CONFIDENTIAL

0. INTRODUCTION

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

1. DEFINITIONS AND INTERPRETATION

1.1 Capitalized words and terms used in this Letter Agreement that are not defined herein shall have the meaning assigned thereto in the Agreement.

1.2 The terms “herein”, “hereof” and “hereunder” and words of similar import refer to this Letter Agreement.

1.3 The following words and terms shall have the following meanings:

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

2. [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] COSTS

3. ADJUSTMENTS

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

4. ACCOUNTING AND REPORTING

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

5. [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

6. RECONCILIATION AND REMEDIES

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

7. CONDITIONS OF [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

8. [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

9 [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

10 [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] Notwithstanding the foregoing, nothing herein will operate to diminish or modify the Buyer's rights and remedies under Clause 12.

11 DUPLICATE REMEDIES

Except as provided in Paragraph 10.3, the remedies provided to the Buyer under this Guarantee are not cumulative of any other remedies provided to the Buyer under any other warranty or guarantee contained in the Agreement and the Buyer will not be entitled to duplicate remedies with respect to any single defect or costs incurred for any single defect.

12 ASSIGNMENT

This Letter Agreement and the rights and obligations of the parties will be subject to the provisions of Clause 21 of the Agreement.

13 CONFIDENTIALITY

This Letter Agreement is subject to the terms and conditions of Clause 22.10 of the Agreement.

14 COUNTERPARTS

This Letter Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument.



APPENDIX 1 – ASSUMPTIONS

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

AIRBUS S.A.S. & UNITED AIR LINES, INC. – PROPRIETARY AND CONFIDENTIAL

APPENDIX 2 – EXCLUSIONS

The following items are specifically excluded from the [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

AIRBUS S.A.S. & UNITED AIR LINES, INC. – PROPRIETARY AND CONFIDENTIAL



APPENDIX 3 – FORMULAS

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

AIRBUS S.A.S. & UNITED AIR LINES, INC. – PROPRIETARY AND CONFIDENTIAL

AIRBUS S.A.S. & UNITED AIR LINES, INC. – PROPRIETARY AND CONFIDENTIAL

## LETTER AGREEMENT NO. 12

As of March 5, 2010

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

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**

Dear Ladies and Gentlemen,

United Air Lines, Inc. (the "**Buyer**"), and AIRBUS S.A.S. (the "**Seller**"), have entered into an Airbus A350-900XWB Purchase Agreement dated as of even date herewith (the "**Agreement**"), which covers, among other things, the sale by the Seller and the purchase by the Buyer of certain Aircraft, under the terms and conditions set forth in said Agreement. The Buyer and the Seller have agreed to set forth in this Letter Agreement No. 12 (the "**Letter Agreement**") certain additional terms and conditions regarding the sale of the Aircraft. Capitalized terms used herein and not otherwise defined in this Letter Agreement will have the meanings assigned thereto in the Agreement. The terms "herein," "hereof" and "hereunder" and words of similar import refer to this Letter Agreement.

Both parties agree that this Letter Agreement will constitute an integral, nonseverable part of said Agreement, that the provisions of said Agreement are hereby incorporated herein by reference, and that this Letter Agreement will be governed by the provisions of said Agreement, except that if the Agreement and this Letter Agreement have specific provisions which are inconsistent, the specific provisions contained in this Letter Agreement will govern.

AIRBUS S.A.S. & UNITED AIR LINES, INC. – PROPRIETARY AND CONFIDENTIAL

0. INTRODUCTION

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

1. DEFINITIONS AND INTERPRETATION

1.1 Capitalized words and terms used in this Letter Agreement that are not defined herein shall have the meaning assigned thereto in the Agreement.

1.2 The terms “herein”, “hereof” and “hereunder” and words of similar import refer to this Letter Agreement.

1.3 The following words and terms shall have the following meanings:

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

2. [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

3. ADJUSTMENTS

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

4. REPORTING

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

5. [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

6. RECONCILIATION AND REMEDIES

7. CONDITIONS [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

8. [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] INITIATIVES

9 [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

10 CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

11 [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

12 ASSIGNMENT

This Letter Agreement and the rights and obligations of the parties will be subject to the provisions of Clause 21 of the Agreement.

13 CONFIDENTIALITY

This Letter Agreement and the rights and obligations of the parties will be subject to the provisions of Clause 22.10 of the Agreement.

14 COUNTERPARTS

This Letter Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument.

AIRBUS S.A.S. & UNITED AIR LINES, INC. – PROPRIETARY AND CONFIDENTIAL



APPENDIX 1 – ASSUMPTIONS

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

AIRBUS S.A.S. & UNITED AIR LINES, INC. – PROPRIETARY AND CONFIDENTIAL

APPENDIX 2 – EXCLUSIONS

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] due to any of the following reasons are specifically excluded from the [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] OR:

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

AIRBUS S.A.S. & UNITED AIR LINES, INC. – PROPRIETARY AND CONFIDENTIAL



APPENDIX 3 – FORMULAS

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

AIRBUS S.A.S. & UNITED AIR LINES, INC. – PROPRIETARY AND CONFIDENTIAL

AIRBUS S.A.S. & UNITED AIR LINES, INC. – PROPRIETARY AND CONFIDENTIAL

## LETTER AGREEMENT NO. 13

As of March 5, 2010

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

Re: WARRANTIES AND SERVICE LIFE POLICY

Dear Ladies and Gentlemen,

United Air Lines, Inc. (the "**Buyer**"), and AIRBUS S.A.S. (the "**Seller**"), have entered into an Airbus A350-900XWB Purchase Agreement dated as of even date herewith (the "**Agreement**"), which covers, among other things, the sale by the Seller and the purchase by the Buyer of certain Aircraft, under the terms and conditions set forth in said Agreement. The Buyer and the Seller have agreed to set forth in this Letter Agreement No. 13 (the "**Letter Agreement**") certain additional terms and conditions regarding the sale of the Aircraft. Capitalized terms used herein and not otherwise defined in this Letter Agreement will have the meanings assigned thereto in the Agreement. The terms "herein," "hereof" and "hereunder" and words of similar import refer to this Letter Agreement.

Both parties agree that this Letter Agreement will constitute an integral, nonseverable part of said Agreement, that the provisions of said Agreement are hereby incorporated herein by reference, and that this Letter Agreement will be governed by the provisions of said Agreement, except that if the Agreement and this Letter Agreement have specific provisions which are inconsistent, the specific provisions contained in this Letter Agreement will govern.

1. WARRANTIES AND SERVICE LIFE POLICY

Clause 12 of the Agreement is deleted in its entirety and replaced with the following quoted text:

QUOTE

12 - WARRANTIES AND SERVICE LIFE POLICY

12.1 Warranty

12.1.1 Nature of Warranty

Subject to the limitations and conditions hereinafter provided, and except as provided in Clause 12.1.2, the Seller warrants to the Buyer that the Aircraft and each Warranted Part will at the time of Delivery to the Buyer be free from defects:

- (i) in material,
- (ii) in workmanship, including, without limitation, processes of manufacture,
- (iii) in design (including, without limitation, selection of materials) having regard to the State of the Art at the date of such design, and
- (iv) arising from failure to conform to the Specification, except as to those portions of the Specification that are expressly stated in the Specification to be estimates or approximations or design aims.

For the purpose of this Agreement, the term “**Warranted Part**” will mean any Seller proprietary component, equipment, software, or part, that (a) is installed on an Aircraft at Delivery, (b) is manufactured to the detail design of the Seller or a subcontractor of the Seller and (c) bears a Seller’s part number at the time of Delivery.

12.1.2 Exclusions

The warranties set forth in Clause 12.1.1 will not apply to Buyer Furnished Equipment, Propulsion Systems, or to any component, accessory, equipment or part purchased by the Buyer that is not a Warranted Part, provided, however, that:

- (i) any defect in the Seller’s workmanship in respect of the installation of such items in the Aircraft, including any failure by the Seller to conform to the installation instructions of the manufacturers of such items that invalidates any applicable warranty

from such manufacturers, will constitute a defect in workmanship for the purpose of this Clause 12.1 and be covered by the warranty set forth in Clause 12.1.1(ii), and

(ii) any defect inherent in the Seller's design of the installation, considering the state of the art at the date of such design, that impairs the use of such items will constitute a defect in design for the purposes of this Clause 12.1 and be covered by the warranty set forth in Clause 12.1.1(iii).

#### 12.1.3 Warranty Periods

The warranties described in Clauses 12.1.1 and 12.1.2 will be limited to those defects that become apparent within **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

#### 12.1.4 Limitations of Warranty

12.1.4.1 THE BUYER'S REMEDY AND THE SELLER'S OBLIGATION AND LIABILITY UNDER CLAUSES 12.1.1 AND 12.1.2 ARE LIMITED TO, AT THE SELLER'S EXPENSE AND OPTION, THE REPAIR, REPLACEMENT OR CORRECTION (TO INCLUDE, IN THE CASE OF SOFTWARE, SUPPLY OF A COMPARABLE PRODUCT WITH EQUIVALENT FUNCTION) OF ANY DEFECTIVE WARRANTED PART. THE SELLER MAY ELECT TO EFFECT SUCH REPAIR, REPLACEMENT OR CORRECTION BY SUPPLYING MODIFICATION KITS DESIGNED TO RECTIFY THE DEFECT OR BY FURNISHING A CREDIT TO THE BUYER FOR THE FUTURE PURCHASE OF GOODS AND SERVICES (NOT INCLUDING AIRCRAFT) EQUAL TO THE PRICE AT WHICH THE BUYER IS THEN ENTITLED TO ACQUIRE A REPLACEMENT FOR THE DEFECTIVE WARRANTED PART.

12.1.4.2 IF THE SELLER CORRECTS A DEFECT COVERED BY CLAUSE 12.1.1(III) THAT BECOMES APPARENT WITHIN THE WARRANTY PERIOD, ON THE BUYER'S WRITTEN REQUEST THE SELLER WILL CORRECT ANY SUCH DEFECT OF THE SAME TYPE IN ANY AIRCRAFT THAT HAS NOT ALREADY BEEN DELIVERED TO THE BUYER. THE SELLER WILL NOT BE RESPONSIBLE FOR, NOR DEEMED TO BE IN DEFAULT ON ACCOUNT OF ANY DELAY IN DELIVERY OF ANY AIRCRAFT OR OTHERWISE, IN RESPECT OF PERFORMANCE OF THIS AGREEMENT, DUE TO THE SELLER'S UNDERTAKING TO MAKE SUCH CORRECTION. ALTERNATIVELY, THE BUYER AND THE SELLER MAY AGREE TO DELIVER SUCH AIRCRAFT WITH SUBSEQUENT CORRECTION OF THE DEFECT BY THE BUYER AT THE SELLER'S EXPENSE, OR THE BUYER MAY ELECT TO ACCEPT DELIVERY AND THEREAFTER FILE A WARRANTY CLAIM AS THOUGH THE DEFECT HAD BECOME APPARENT IMMEDIATELY AFTER DELIVERY OF SUCH AIRCRAFT.

#### 12.1.5 Cost of Inspection

In addition to the remedies set forth in Clauses 12.1.4.1 and 12.1.4.2, the Seller will reimburse the direct labor costs incurred by the Buyer in performing inspections of the Aircraft that are conducted to determine whether or not a defect exists in any Warranted Part within the Warranty Period subject to the following conditions:

- (i) Such inspections are recommended in a Seller Service Bulletin to be performed within the Warranty Period;
- (ii) Such inspections are not performed in lieu of corrective action that has been provided by the Seller prior to the dates of such inspection;
- (iii) the labor rate for the reimbursements will be the In-house Warranty Labor Rate, and
- (iv) the manhours used to determine such reimbursement will not exceed the Seller's **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** estimate of the **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** manhours required for such inspections.

#### 12.1.6 Warranty Claim Requirements

THE BUYER'S REMEDY AND THE SELLER'S OBLIGATION AND LIABILITY UNDER THIS CLAUSE 12.1 WITH RESPECT TO EACH CLAIMED DEFECT ARE SUBJECT TO THE FOLLOWING CONDITIONS:

- (I) THE DEFECT HAS BECOMES APPARENT WITHIN THE WARRANTY PERIOD,
- (II) THE BUYER HAS FILED A WARRANTY CLAIM **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** OF A DEFECT BECOMING APPARENT, EXCEPT WHERE THE SELLER HAS ISSUED A SERVICE BULLETIN INTENDED TO PROVIDE A REMEDY FOR SUCH A DEFECT, IN WHICH CASE THE WARRANTY CLAIM MUST BE FILED NO LATER THAN **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** FOLLOWING EMBODIMENT OF THE SELLER SERVICE BULLETIN IN THE AIRCRAFT;
- (III) THE BUYER HAS SUBMITTED TO THE SELLER EVIDENCE REASONABLY SATISFACTORY TO THE SELLER THAT (I) THE CLAIMED DEFECT IS DUE TO A MATTER COVERED UNDER THE PROVISIONS OF THIS CLAUSE 12, AND (II) THAT SUCH DEFECT DID NOT RESULT FROM ANY ACT OR OMISSION OF THE BUYER (EXCEPT WHEN SUCH ACT OR OMISSION IS IN ACCORDANCE WITH THE SELLER'S INSTRUCTIONS),

INCLUDING BUT NOT LIMITED TO, ANY FAILURE TO OPERATE AND MAINTAIN THE AFFECTED AIRCRAFT OR PART THEREOF IN ACCORDANCE WITH THE STANDARDS SET FORTH IN CLAUSE 12.1.11 OR FROM ANY ACT OR OMISSION OF ANY THIRD PARTY;

(IV) THE BUYER RETURNS THE WARRANTED PART CLAIMED TO BE DEFECTIVE TO THE REPAIR FACILITIES DESIGNATED BY THE SELLER AS SOON AS PRACTICABLE, UNLESS THE BUYER ELECTS TO REPAIR A DEFECTIVE WARRANTED PART IN ACCORDANCE WITH THE PROVISIONS OF CLAUSE 12.1.8; AND

(V) THE SELLER'S RECEIVES A WARRANTY CLAIM COMPLYING WITH THE PROVISIONS OF CLAUSE 12.1.7(V).

12.1.7 Warranty Administration

The warranties set forth in this Clause 12.1 will be administered as hereinafter provided:

(i) Claim Determination

DETERMINATION BY THE SELLER AS TO WHETHER ANY CLAIMED DEFECT IN ANY WARRANTED PART IS A VALID WARRANTY CLAIM WILL BE MADE BY THE SELLER, ACTING REASONABLY, AND WILL BE BASED ON CLAIM DETAILS, REPORTS FROM THE SELLER'S REGIONAL REPRESENTATIVE, HISTORICAL DATA LOGS, INSPECTIONS, TESTS, FINDINGS DURING REPAIR, DEFECT ANALYSIS AND OTHER RELEVANT DOCUMENTS AND INFORMATION. THE SELLER WILL MAKE REASONABLE EFFORTS TO MAKE SUCH DETERMINATION WITHIN THIRTY (30) BUSINESS DAYS OF THE SUBMISSION OF ALL INFORMATION REQUIRED BY CLAUSE 12.1.7(V).

(ii) Transportation Costs

The cost of transporting a Warranted Part claimed to be defective to the facilities designated by the Seller will be borne by the Seller, **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

(iii) On-Aircraft Work by the Seller

IF EITHER (A) THE SELLER DETERMINES THAT A DEFECT SUBJECT TO THIS CLAUSE 12.1 REQUIRES THE DISPATCH BY THE SELLER OF A SELLER'S WORKING TEAM TO THE BUYER'S FACILITIES, TO REPAIR OR CORRECT SUCH DEFECT THROUGH IMPLEMENTATION OF ONE OR MORE SELLER'S SERVICE BULLETINS, OR (B) THE SELLER ACCEPTS THE RETURN OF AN AIRCRAFT TO PERFORM OR HAVE PERFORMED A REPAIR

OR CORRECTION, THEN, THE LABOR COSTS FOR SUCH ON-AIRCRAFT WORK WILL BE BORNE BY THE SELLER AT THE IN-HOUSE WARRANTY LABOR RATE.

ON-AIRCRAFT WORK BY THE SELLER WILL BE UNDERTAKEN ONLY IF, IN THE SELLER'S OPINION, THE WORK REQUIRES THE SELLER'S TECHNICAL EXPERTISE. IN SUCH CASE, THE SELLER AND THE BUYER WILL AGREE ON A SCHEDULE AND PLACE FOR THE WORK TO BE PERFORMED.

(iv) Return of an Aircraft

If the Buyer desires to return an Aircraft to the Seller for consideration of a Warranty Claim, the Buyer will notify the Seller of its intention to do so, and the Seller will, prior to such return, have the right to inspect such Aircraft, and without prejudice to the Seller's rights hereunder, to repair such Aircraft either at the Buyer's facilities or at another place acceptable to the Seller. **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** Aircraft by the Buyer to the Seller and return of such Aircraft to the Buyer's facilities will be at the Buyer's expense.

(v) Warranty Claim Substantiation

For each claim under this Clause 12.1 the Buyer will give written notice (a "**Warranty Claim**") to the Seller that contains at least the data listed below with respect to an Aircraft or Warranted Part, as applicable. The Buyer will deliver the Warranty Claim **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** of discovering each defect giving rise to a claim by the Buyer under this Clause 12.

The minimum data to be supplied are as follows:

- (a) Description of the defect and any action taken,
- (b) Date of incident and/or removal,
- (c) Description of the Warranted Part claimed to be defective,
- (d) Part number,
- (e) Serial number (if applicable),
- (f) Position on Aircraft, according to Catalog Sequence Number of the Illustrated Parts Catalog, Component Maintenance Manual or Structural Repair Manual as applicable,



(g) [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT], total flying hours or dates operated, as applicable, at the date of appearance of a defect,

(h) Time since last shop visit before appearance of the defect,

(i) Manufacturer's serial number or "MSN" of the Aircraft and/or its registration number,

(j) [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT], Aircraft total flying hours and/or number of landings at the date of appearance of defect,

(k) Claim number,

(l) Date of claim and

(m) Date of Delivery of an Aircraft to the Buyer.

Warranty Claims are to be addressed as follows:

AIRBUS  
CUSTOMER SERVICES DIRECTORATE  
WARRANTY ADMINISTRATION  
ROND-POINT MAURICE BELLONTE  
B.P. 33  
F-31707 BLAGNAC CEDEX  
FRANCE

Or electronically through Airbus World, using the contracts and warranty administration tool.

(vi) Replacements

REPLACED COMPONENTS, EQUIPMENT, ACCESSORIES OR PARTS WILL BECOME THE SELLER'S PROPERTY.

TITLE TO AND RISK OF LOSS OF ANY AIRCRAFT, COMPONENT, ACCESSORY, EQUIPMENT OR PART RETURNED BY THE BUYER TO THE SELLER WILL AT ALL TIMES REMAIN WITH THE BUYER, EXCEPT THAT (I) WHEN THE SELLER HAS POSSESSION OF A RETURNED AIRCRAFT, COMPONENT, ACCESSORY, EQUIPMENT OR PART TO WHICH THE BUYER HAS TITLE, THE SELLER WILL HAVE SUCH RESPONSIBILITY THEREFOR AS IS CHARGEABLE BY LAW TO A BAILEE FOR HIRE, BUT THE SELLER WILL NOT BE LIABLE FOR LOSS OF USE, AND (II) TITLE TO AND RISK OF LOSS OF A RETURNED COMPONENT, ACCESSORY, EQUIPMENT OR PART

WILL PASS TO THE SELLER ON SHIPMENT BY THE SELLER TO THE BUYER OF ANY ITEM FURNISHED BY THE SELLER TO THE BUYER AS A REPLACEMENT THEREFOR. UPON THE SELLER'S SHIPMENT TO THE BUYER OF ANY REPLACEMENT COMPONENT, ACCESSORY, EQUIPMENT OR PART PROVIDED BY THE SELLER PURSUANT TO THIS CLAUSE 12.1, TITLE TO AND RISK OF LOSS OF SUCH REPLACEMENT COMPONENT, ACCESSORY, EQUIPMENT OR PART WILL PASS TO THE BUYER.

(vii) Rejection

The Seller will provide reasonable written substantiation in case of rejection of a Warranty Claim. The Buyer will pay to the Seller reasonable inspection and test charges incurred by the Seller in connection with the investigation and processing of a rejected Warranty Claim.

(viii) Inspection

THE SELLER WILL HAVE THE RIGHT TO INSPECT THE AFFECTED AIRCRAFT AND DOCUMENTS AND OTHER RECORDS RELATING THERETO IN THE EVENT OF ANY CLAIM UNDER THIS CLAUSE 12.1.

12.1.8 In-house Warranty

(i) Authorization

The Buyer is hereby authorized to repair Warranted Parts, subject to the terms of this Clause 12.1.8 (“**In-house Warranty Repair**”). **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**, when the estimated cost of an In-house Warranty Repair **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**, the Buyer will notify the Resident Customer Support Representative, of its decision to perform any in-house repairs before such repairs are commenced. **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** Buyer's notice will include sufficient detail regarding the defect, estimated labor hours and material to allow the Seller to ascertain the reasonableness of the estimate. The Seller will use reasonable efforts to ensure a prompt response and will not unreasonably withhold authorization.

(ii) Conditions of Authorization

THE BUYER WILL BE ENTITLED TO THE BENEFITS UNDER THIS CLAUSE 12.1.8 FOR REPAIR OF WARRANTED PARTS:

- (A) IF THE BUYER COMPLIES WITH THE TERMS OF CLAUSE 12.1.8(I);

(B) IF ADEQUATE FACILITIES AND QUALIFIED PERSONNEL ARE AVAILABLE TO THE BUYER.

(C) PROVIDED THAT REPAIRS ARE TO BE PERFORMED IN ACCORDANCE WITH THE SELLER'S WRITTEN INSTRUCTIONS SET FORTH IN APPLICABLE TECHNICAL DATA AND

(D) ONLY TO THE EXTENT SPECIFIED BY THE SELLER, OR, IN THE ABSENCE OF THE SELLER'S SPECIFYING, TO THE EXTENT REASONABLY NECESSARY TO CORRECT THE DEFECT, IN ACCORDANCE WITH THE STANDARDS SET FORTH IN CLAUSE 12.1.10.

(iii) Seller's Rights

The Seller will have the right to require the return to Seller of any Warranted Part, or any part removed therefrom, that is claimed to be defective, if, in the Seller's judgment, the nature of the claimed defect requires technical investigation. Such delivery will be subject to the provisions of Clause 12.1.7(ii).

The Seller will have the right to have a representative present during the disassembly, inspection and testing of any Warranted Part claimed to be defective.

(iv) In-house Warranty Claim Substantiation

CLAIMS FOR IN-HOUSE WARRANTY REPAIR CREDIT MUST BE SUBMITTED TO THE SELLER NO LATER THAN **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** AFTER COMPLETION OF SUCH IN-HOUSE WARRANTY REPAIR, AND WILL COMPLY WITH THE REQUIREMENTS FOR WARRANTY CLAIMS UNDER CLAUSE 12.1.6(V) AND IN ADDITION WILL INCLUDE:

(A) A REPORT OF TECHNICAL FINDINGS WITH RESPECT TO THE DEFECT,

(B) FOR PARTS REQUIRED TO REMEDY THE DEFECT:

(C) PART NUMBERS, SERIAL NUMBERS (IF APPLICABLE), DESCRIPTION OF THE PARTS, QUANTITY OF PARTS, UNIT PRICE OF PARTS, COPIES OF RELATED SELLER'S OR THIRD PARTY'S INVOICES (IF APPLICABLE), TOTAL PRICE OF PARTS

(D) DETAILED NUMBER OF LABOR HOURS,

(E) IN-HOUSE WARRANTY LABOR RATE, AND

(F) TOTAL CLAIM VALUE.

(v) Credit

The Buyer's sole remedy, and the Seller's sole obligation and liability, in respect of In-house Warranty Repair claims, will be a credit to the Buyer's account. Such credit will be equal to the sum of the direct labor cost expended in performing such repair, plus the direct cost of materials incorporated in the repair. Such costs will be determined as set forth below.

(a) To determine direct labor costs, only the man-hours spent on removal from the Aircraft disassembly, inspection, repair, reassembly, and final inspection and test of the Warranted Part, and reinstallation thereof on the Aircraft will be counted. The hours required for maintenance work concurrently being carried out on the Aircraft or other Warranted Part will not be included.

(b) The hours counted as set forth in Clause 12.1.8 (v)(a) above will be **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**, which is deemed to represent the Buyer's composite average hourly labor rate (excluding all fringe benefits, premium time allowances, social security charges, business taxes and similar items) paid to the Buyer's employees or to a third party that the Buyer has authorized to perform the repair, whose jobs, in both cases, are directly related to the performance of the repair. This labor rate is **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** (the "In-house Warranty Labor Rate").

The In-house Warranty Labor Rate is subject to adjustment **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** Labor Index defined in the Seller Price Revision Formula.

(c) Direct material costs are determined by the prices at which the Buyer acquired such material, excluding any parts and materials used for overhaul furnished free of charge by the Seller.

(vi) Limitation on Credit

THE BUYER WILL IN NO EVENT BE CREDITED FOR REPAIR COSTS (LABOR OR MATERIAL) FOR ANY WARRANTED PART TO THE EXTENT SUCH REPAIR COSTS EXCEED IN THE **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** FOR A REPLACEMENT OF SUCH DEFECTIVE WARRANTED PART PROVIDED SUCH REPLACEMENT PART IS AVAILABLE FOR PURCHASE.

THE SELLER WILL SUBSTANTIATE SUCH SELLER COSTS IN WRITING ON REASONABLE REQUEST BY THE BUYER.

(vii) Scrapped Material

The Buyer may, with the agreement of the Seller's Resident Customer Support Representative, scrap any defective Warranted Parts that are beyond economic repair and not required for technical evaluation.

If the Buyer does not obtain the agreement of the Seller's Resident Customer Support Representative to scrap a Warranted Part immediately, the Buyer will retain such Warranted Part and any defective part removed from a Warranted Part during repair for a period of either **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** after the date of completion of repair or **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** after submission of a claim for In-house Warranty Repair credit relating thereto, whichever is longer. Such parts will be returned to the Seller **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** of receipt of the Seller's request therefor, made within such retention periods.

A record of scrapped Warranted Parts, certified by an authorized representative of the Buyer, will be kept in the Buyer's file for at least the duration of the Warranty Period.

(viii) DISCLAIMER OF SELLER LIABILITY FOR BUYER'S REPAIR

THE SELLER WILL NOT BE LIABLE FOR, AND THE BUYER WILL INDEMNIFY THE SELLER AGAINST, THE CLAIMS OF ANY THIRD PARTIES FOR LOSSES DUE TO ANY DEFECT, NONCONFORMANCE OR PROBLEM OF ANY KIND, ARISING OUT OF OR IN CONNECTION WITH ANY REPAIR OF WARRANTED PARTS UNDERTAKEN BY THE BUYER UNDER THIS CLAUSE 12.1.8 OR ANY OTHER ACTIONS UNDERTAKEN BY THE BUYER UNDER THIS CLAUSE 12.1.8, WHETHER SUCH CLAIM IS ASSERTED IN CONTRACT OR IN TORT, OR IS PREMISED ON ALLEGED, ACTUAL, IMPUTED, ORDINARY OR INTENTIONAL ACTS OR OMISSIONS OF THE BUYER OR THE SELLER, **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**.

12.1.9 Warranty Transferability

NOTWITHSTANDING THE PROVISIONS OF CLAUSE 21.1, THE WARRANTIES PROVIDED FOR IN THIS CLAUSE 12.1 FOR ANY WARRANTED PART WILL ACCRUE TO THE BENEFIT OF ANY AIRLINE IN REVENUE SERVICE OTHER THAN THE BUYER, IF THE WARRANTED PART ENTERS INTO THE POSSESSION OF ANY SUCH AIRLINE AS A RESULT OF A POOLING AGREEMENT BETWEEN SUCH AIRLINE AND THE BUYER, IN

ACCORDANCE WITH THE TERMS AND SUBJECT TO THE LIMITATIONS AND EXCLUSIONS OF THE FOREGOING WARRANTIES AND TO APPLICABLE LAWS OR REGULATIONS.

#### 12.1.9.1 Warranty for Corrected, Replacement or Repaired Warranted Parts

Whenever any Warranted Part that contains a defect for which the Seller is liable under this Clause 12.1 has been corrected, repaired or replaced pursuant to the terms hereof, the period of the Seller's warranty with respect to such corrected, repaired or replacement Warranted Part, will be the remaining portion of the original warranty in respect of such corrected, repaired or replaced Warranted Part or twelve (12) months, whichever is longer. If a defect is attributable to a defective repair or replacement by the Buyer, a Warranty Claim with respect to such defect will be rejected, notwithstanding any subsequent correction or repair, and will immediately terminate the remaining warranties under this Clause 12.1 in respect of the affected Warranted Part.

#### 12.1.10 Good Airline Operation - Normal Wear and Tear

The Buyer's rights under this Clause 12.1 are subject to the Aircraft and each component, equipment, accessory and part thereof being maintained, overhauled, repaired and operated in accordance with good commercial airline practice, all technical documentation and any other instructions issued by the Seller, the Suppliers or the Propulsion Systems Manufacturer and all applicable rules, regulations and directives of the relevant Aviation Authorities.

The Seller's liability under this Clause 12.1 will not extend to normal wear and tear or to

(i) any Aircraft or component, equipment, accessory or part thereof that has been repaired, altered or modified after Delivery in a manner other than that approved by the Seller;

(ii) any Aircraft or component, equipment, accessory or part thereof that has been operated in a damaged state; or

(iii) any component, equipment, accessory or part from which the trademark, trade name, part or serial number or other identification marks have been removed,

**[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].**

### 12.2 Service Life Policy

#### 12.2.1 Scope and Definitions

In addition to the warranties set forth in Clause 12.1, the Seller agrees that should a Failure occur in any Item (as these terms are defined below), then, subject to the general conditions and limitations set forth in Clause 12.2.4, the provisions of this Clause 12.2 will apply.

For the purposes of this Clause 12.2:

(i) "Item" means any of the Seller components, equipment, accessories or parts listed in Exhibit F that are installed on an Aircraft at any time during the period of effectiveness of the Service Life Policy specified in Clause 12.2.2.

(ii) "Failure" means any breakage of, or defect in, an Item that materially impairs the utility or safety of the Item, provided that (a) any such breakage of, or defect in, such Item did not result from any breakage or defect in any other Aircraft part or component or from any other extrinsic force and (b) has occurred or can reasonably be expected to occur on a repetitive or fleetwide basis.

The Seller's obligations under this Clause 12.1.2 are referred to as the "Service Life Policy."

#### 12.2.2 Periods and Seller's Undertaking

SUBJECT TO THE GENERAL CONDITIONS AND LIMITATIONS SET FORTH IN CLAUSE 12.2.4, THE SELLER AGREES THAT IF A FAILURE OCCURS IN AN ITEM WITHIN FIFTEEN (15) YEARS AFTER THE DELIVERY OF THE AIRCRAFT IN WHICH SUCH ITEM IS INSTALLED, THE SELLER WILL, AT ITS DISCRETION, AS PROMPTLY AS PRACTICABLE AND FOR A PRICE THAT REFLECTS THE SELLER'S FINANCIAL PARTICIPATION AS HEREINAFTER PROVIDED, EITHER:

(I) DESIGN AND FURNISH TO THE BUYER A CORRECTION FOR SUCH ITEM AND PROVIDE ANY PARTS REQUIRED FOR SUCH CORRECTION (INCLUDING SELLER DESIGNED STANDARD PARTS BUT EXCLUDING INDUSTRY STANDARD PARTS), OR

(II) REPLACE SUCH ITEM.

#### 12.2.3 [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

Any part or Item or part that the Seller is required to furnish to the Buyer under this Service Life Policy will be furnished to the Buyer at the [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT], which will be determined in accordance with the following formula:

[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

12.2.4 General Conditions and Limitations

12.2.4.1 NOTWITHSTANDING ANY PROVISION OF THIS CLAUSE 12.2, DURING THE WARRANTY PERIOD, ALL ITEMS WILL BE COVERED BY THE PROVISIONS OF CLAUSE 12.1 OF THIS AGREEMENT AND NOT BY THE PROVISIONS OF THIS CLAUSE 12.2.

12.2.4.2 THE BUYER'S REMEDIES AND THE SELLER'S OBLIGATIONS AND LIABILITIES UNDER THIS SERVICE LIFE POLICY ARE SUBJECT TO THE FOLLOWING CONDITIONS:

(I) THE BUYER MAINTAINS LOG BOOKS AND OTHER HISTORICAL RECORDS WITH RESPECT TO EACH ITEM ADEQUATE TO ENABLE THE SELLER TO DETERMINE WHETHER THE ALLEGED FAILURE IS COVERED BY THIS SERVICE LIFE POLICY AND, IF SO, TO DEFINE THE PORTION OF THE COST TO BE BORNE BY THE SELLER IN ACCORDANCE WITH CLAUSE 12.2.3.

(II) THE BUYER COMPLIES WITH THE CONDITIONS OF CLAUSE 12.1.11.

(III) THE BUYER IMPLEMENTS SPECIFIC STRUCTURAL INSPECTION PROGRAMS FOR MONITORING PURPOSES AS MAY BE ESTABLISHED FROM TIME TO TIME BY THE SELLER. SUCH PROGRAMS WILL BE, TO THE EXTENT POSSIBLE, COMPATIBLE WITH THE BUYER'S OPERATIONAL REQUIREMENTS AND WILL BE CARRIED OUT AT THE BUYER'S EXPENSE, REPORTS RELATING THERETO TO BE REGULARLY FURNISHED TO THE SELLER.

(IV) THE BUYER REPORTS IN WRITING ANY BREAKAGE OR DEFECT TO THE SELLER WITHIN **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]** AFTER ANY BREAKAGE OR DEFECT IN AN ITEM BECOMES APPARENT, WHETHER OR NOT THE BREAKAGE OR DEFECT CAN REASONABLY BE EXPECTED TO OCCUR IN ANY OTHER AIRCRAFT, AND THE BUYER PROVIDES THE SELLER WITH SUFFICIENT DETAIL ABOUT THE BREAKAGE OR DEFECT TO ENABLE THE SELLER TO DETERMINE WHETHER SAID BREAKAGE OR DEFECT IS SUBJECT TO THIS SERVICE LIFE POLICY.

12.2.4.3 EXCEPT AS OTHERWISE PROVIDED IN THIS CLAUSE 12.2, ANY CLAIM UNDER THIS SERVICE LIFE POLICY WILL BE ADMINISTERED AS PROVIDED IN, AND WILL BE SUBJECT TO THE TERMS AND CONDITIONS



OF, CLAUSE 12.1.6. ALL CLAIMS UNDER THIS SERVICE LIFE POLICY WILL INCLUDE ALL INFORMATION REASONABLY AVAILABLE TO THE BUYER REGARDING SIGNIFICANT INCIDENTS RELATING TO THE RELEVANT AIRCRAFT.

12.2.4.4 IF THE SELLER HAS ISSUED A SERVICE BULLETIN MODIFICATION APPLICABLE TO AN AIRCRAFT, THE PURPOSE OF WHICH IS TO AVOID A FAILURE, THE SELLER MAY ELECT TO SUPPLY THE NECESSARY MODIFICATION KIT FREE OF CHARGE OR UNDER A PRO RATA FORMULA ESTABLISHED BY THE SELLER. IF SUCH A KIT IS SO OFFERED TO THE BUYER, THEN, IN RESPECT OF SUCH FAILURE AND ANY FAILURES THAT COULD ENSUE THEREFROM, THE VALIDITY OF THE SELLER'S COMMITMENT UNDER THIS CLAUSE 12.2 WILL BE SUBJECT TO THE BUYER'S INCORPORATING SUCH MODIFICATION IN THE RELEVANT AIRCRAFT, WITHIN A REASONABLE TIME, IN ACCORDANCE WITH THE SELLER'S INSTRUCTIONS.

12.2.4.5 THIS SERVICE LIFE POLICY IS NEITHER A WARRANTY, PERFORMANCE GUARANTEE, NOR AN AGREEMENT TO MODIFY ANY AIRCRAFT OR AIRFRAME COMPONENTS TO CONFORM TO NEW DEVELOPMENTS OCCURRING IN THE STATE OF AIRFRAME DESIGN AND MANUFACTURING ART. THE SELLER'S OBLIGATION UNDER THIS CLAUSE 12.2 IS TO MAKE ONLY THOSE CORRECTIONS TO THE ITEMS OR FURNISH REPLACEMENTS THEREFOR AS PROVIDED IN THIS CLAUSE 12.2. THE BUYER'S SOLE REMEDY AND RELIEF FOR THE NONPERFORMANCE OF ANY OBLIGATION OR LIABILITY OF THE SELLER ARISING UNDER OR BY VIRTUE OF THIS SERVICE LIFE POLICY WILL BE IN A CREDIT FOR GOODS AND SERVICES, LIMITED TO THE AMOUNT THE BUYER REASONABLY EXPENDS IN PROCURING A CORRECTION OR REPLACEMENT FOR ANY ITEM THAT IS THE SUBJECT OF A FAILURE COVERED BY THIS SERVICE LIFE POLICY AND TO WHICH SUCH NONPERFORMANCE IS RELATED, LESS THE AMOUNT THAT THE BUYER OTHERWISE WOULD HAVE BEEN REQUIRED TO PAY UNDER THIS CLAUSE 12.2 IN RESPECT OF SUCH CORRECTED OR REPLACEMENT ITEM. WITHOUT LIMITING THE EXCLUSIVITY OF WARRANTIES AND GENERAL LIMITATIONS OF LIABILITY PROVISIONS SET FORTH IN CLAUSE 12.5, THE BUYER HEREBY WAIVES, RELEASES AND RENOUNCES ALL CLAIMS TO ANY FURTHER DIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES, INCLUDING LOSS OF PROFITS AND ALL OTHER RIGHTS, CLAIMS AND REMEDIES, ARISING UNDER OR BY VIRTUE OF THIS SERVICE LIFE POLICY.

### 12.3 Supplier Warranties and Service Life Policies

#### 12.3.1 Seller's Support

BEFORE DELIVERY OF THE FIRST AIRCRAFT, THE SELLER WILL PROVIDE THE BUYER WITH THE WARRANTIES AND SERVICE LIFE POLICIES THAT THE SELLER HAS OBTAINED PURSUANT TO THE SUPPLIER PRODUCT SUPPORT AGREEMENTS.

#### 12.3.2 Supplier's Default

##### 12.3.2.1 [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

12.3.2.2 If any Supplier under any Supplier service life policy referred to in to Clause 12.3.1 defaults in the performance of any material obligation under such service life policy, and (i) the Buyer has used its [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] efforts to enforce its rights under such service life policy, and (ii) the Buyer submits within reasonable time to the Seller reasonable evidence that such default has occurred, then Clause 12.2 of this Agreement will apply to the extent the same would have applied had such component, equipment, accessory or part been listed in Exhibit F hereto, to the extent that the Seller can reasonably perform said Supplier's service life policy.

12.3.2.3 At the Seller's request, the Buyer will assign to the Seller, and the Seller will be subrogated to, all of the Buyer's rights against the relevant Supplier with respect to, and arising by reason of, such default and the Buyer will provide reasonable assistance to enable the Seller to enforce the rights so assigned.

#### 12.4 Interface Commitment

##### 12.4.1 Interface Problem

If the Buyer experiences any technical problem in the operation of an Aircraft or its systems due to a malfunction, the cause of which, after due and reasonable investigation, is not readily identifiable by the Buyer, but which the Buyer reasonably believes to be attributable to the design characteristics of one or more components of the Aircraft (an "**Interface Problem**"), the Seller will, if requested by the Buyer, and without additional charge to the Buyer, except for [CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] transportation of the Seller's or its designee's personnel to the Buyer's facilities, promptly conduct or have conducted an investigation and analysis of such problem to determine, if possible, the cause or causes of the problem and to recommend such corrective action as may be feasible. The Buyer will furnish to the Seller all data and information in the Buyer's possession relevant to the Interface Problem and will cooperate with the Seller in the conduct of the Seller's investigations and such tests as may be required. At the conclusion of such investigation the Seller will promptly advise the Buyer in writing of the Seller's opinion as to the cause or causes of the Interface Problem and the Seller's recommendations as to corrective action.

#### 12.4.2 Seller's Responsibility

If the Seller determines that the Interface Problem is primarily attributable to the design of a Warranted Part, the Seller will, if requested by the Buyer, correct the design of such Warranted Part pursuant to the terms and conditions of Clause 12.1.

#### 12.4.3 Supplier's Responsibility

IF THE SELLER DETERMINES THAT THE INTERFACE PROBLEM IS PRIMARILY ATTRIBUTABLE TO THE DESIGN OF ANY SUPPLIER PART, THE SELLER WILL AT THE BUYER'S REQUEST, ASSUME THE MANAGEMENT OF THE RESOLUTION OF THE INTERFACE PROBLEM AND MAKE REASONABLE EFFORTS TO FIND A SOLUTION SATISFACTORY TO THE BUYER.

#### 12.4.4 Joint Responsibility

If the Seller determines that the Interface Problem is attributable partially to the design of a Warranted Part and partially to the design of any Supplier Part, the Seller will, if requested by the Buyer, **[CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SEC PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]**. The Seller will promptly advise the Buyer of any corrective action proposed by the Seller and any such Supplier. Such proposal will be consistent with any then existing obligations of the Seller hereunder and of any such Supplier to the Buyer. Such corrective action, unless reasonably rejected by the Buyer, will constitute full satisfaction of any claim the Buyer may have against either the Seller or any such Supplier with respect to such Interface Problem.

#### 12.4.5 General

12.4.5.1 ALL REQUESTS UNDER THIS CLAUSE 12.4 WILL BE DIRECTED BOTH TO THE SELLER AND TO THE AFFECTED SUPPLIERS.

12.4.5.2 EXCEPT AS SPECIFICALLY SET FORTH IN THIS CLAUSE 12.4, THIS CLAUSE 12.4 WILL NOT BE DEEMED TO IMPOSE ON THE SELLER ANY OBLIGATIONS NOT EXPRESSLY SET FORTH ELSEWHERE IN THIS AGREEMENT.

12.4.5.3 ALL REPORTS, RECOMMENDATIONS, DATA AND OTHER DOCUMENTS FURNISHED BY THE SELLER TO THE BUYER PURSUANT TO THIS CLAUSE 12.4 WILL BE DEEMED TO BE DELIVERED UNDER THIS AGREEMENT AND WILL BE SUBJECT TO THE TERMS, COVENANTS AND CONDITIONS SET FORTH IN THIS CLAUSE 12 AND IN CLAUSE 22.10.

#### 12.5 Exclusivity of Warranties

THIS CLAUSE 12 SETS FORTH THE EXCLUSIVE WARRANTIES, EXCLUSIVE LIABILITIES AND EXCLUSIVE OBLIGATIONS OF THE SELLER, AND THE EXCLUSIVE REMEDIES AVAILABLE TO THE BUYER, WHETHER UNDER THIS AGREEMENT OR OTHERWISE, ARISING FROM ANY DEFECT OR NONCONFORMITY OR PROBLEM OF ANY KIND IN ANY AIRCRAFT, COMPONENT, EQUIPMENT, ACCESSORY, PART, SOFTWARE, DATA OR SERVICE DELIVERED BY THE SELLER UNDER THIS AGREEMENT.

THE BUYER RECOGNIZES THAT THE RIGHTS, WARRANTIES AND REMEDIES IN THIS CLAUSE 12 ARE ADEQUATE AND SUFFICIENT TO PROTECT THE BUYER FROM ANY DEFECT OR NONCONFORMITY OR PROBLEM OF ANY KIND IN THE GOODS AND SERVICES SUPPLIED UNDER THIS AGREEMENT. THE BUYER HEREBY WAIVES, RELEASES AND RENOUNCES ALL OTHER WARRANTIES, OBLIGATIONS AND LIABILITIES OF THE SELLER AND ALL OTHER RIGHTS, CLAIMS AND REMEDIES OF THE BUYER AGAINST THE SELLER, WHETHER EXPRESS OR IMPLIED BY CONTRACT, TORT, OR STATUTORY LAW OR OTHERWISE, WITH RESPECT TO ANY NONCONFORMITY OR DEFECT OR PROBLEM OF ANY KIND IN ANY AIRCRAFT, COMPONENT, EQUIPMENT, ACCESSORY, PART, SOFTWARE, DATA OR SERVICE DELIVERED BY THE SELLER UNDER THIS AGREEMENT, INCLUDING BUT NOT LIMITED TO:

ANY IMPLIED WARRANTY OF MERCHANTABILITY AND/OR FITNESS FOR ANY GENERAL OR PARTICULAR PURPOSE;

ANY IMPLIED OR EXPRESS WARRANTY ARISING FROM COURSE OF PERFORMANCE, COURSE OF DEALING OR USAGE OF TRADE;

ANY RIGHT, CLAIM OR REMEDY FOR BREACH OF CONTRACT;

ANY RIGHT, CLAIM OR REMEDY FOR TORT, UNDER ANY THEORY OF LIABILITY, HOWEVER ALLEGED, INCLUDING, BUT NOT LIMITED TO, ACTIONS AND/OR CLAIMS FOR NEGLIGENCE, GROSS NEGLIGENCE, INTENTIONAL ACTS, WILLFUL DISREGARD, IMPLIED WARRANTY, PRODUCT LIABILITY, STRICT LIABILITY OR FAILURE TO WARN;

ANY RIGHT, CLAIM OR REMEDY ARISING UNDER THE UNIFORM COMMERCIAL CODE OR ANY OTHER STATE OR FEDERAL STATUTE;

ANY RIGHT, CLAIM OR REMEDY ARISING UNDER ANY REGULATIONS OR STANDARDS IMPOSED BY ANY INTERNATIONAL, NATIONAL, STATE OR LOCAL STATUTE OR AGENCY;

ANY RIGHT, CLAIM OR REMEDY TO RECOVER OR BE COMPENSATED FOR:

LOSS OF USE OR REPLACEMENT OF ANY AIRCRAFT, COMPONENT, EQUIPMENT, ACCESSORY OR PART PROVIDED UNDER THIS AGREEMENT;

(I) LOSS OF, OR DAMAGE OF ANY KIND TO, ANY AIRCRAFT, COMPONENT, EQUIPMENT, ACCESSORY OR PART PROVIDED UNDER THIS AGREEMENT;

(II) LOSS OF PROFITS AND/OR REVENUES;

(III) ANY OTHER INCIDENTAL OR CONSEQUENTIAL DAMAGE.

THE WARRANTIES AND SERVICE LIFE POLICY PROVIDED BY THIS AGREEMENT WILL NOT BE EXTENDED, ALTERED OR VARIED EXCEPT BY A WRITTEN INSTRUMENT SIGNED BY THE SELLER AND THE BUYER. IN THE EVENT THAT ANY PROVISION OF THIS CLAUSE 12 SHOULD FOR ANY REASON BE HELD UNLAWFUL, OR OTHERWISE UNENFORCEABLE, THE REMAINDER OF THIS CLAUSE 12 WILL REMAIN IN FULL FORCE AND EFFECT.

CLAIMS BY THE BUYER AGAINST THE SELLER FOR CONTRIBUTION TO THIRD PARTY CLAIMS BROUGHT AGAINST THE BUYER FOR PERSONAL INJURY OR PROPERTY DAMAGE ARE EXCLUDED FROM THIS CLAUSE 12.5 IF, AND ONLY TO THE EXTENT THAT, SUCH CONTRIBUTION CLAIMS ARISE OUT OF THE SELLER'S ACTIVITIES AS DESIGNER OR MANUFACTURER OF THE AIRCRAFT.

FOR THE PURPOSE OF THIS CLAUSE 12.5, "SELLER" WILL BE UNDERSTOOD TO INCLUDE THE SELLER, SELLER AFFILIATES AND SUPPLIERS.

#### 12.6 Duplicate Remedies

The remedies provided to the Buyer under Clause 12.1 and Clause 12.2 as to any defect in respect of the Aircraft or any part thereof are mutually exclusive and not cumulative. The Buyer will be entitled to the remedy that provides the maximum benefit to it, as the Buyer may elect, pursuant to the terms and conditions of this Clause 12 for any particular defect for which remedies are provided under this Clause 12; provided, however, that the Buyer will not be entitled to elect a remedy under both Clause 12.1 and Clause 12.2 for the same defect. The Buyer's rights and remedies herein for the nonperformance of any obligations or liabilities of the Seller arising under these warranties will be in monetary damages limited to the amount the Buyer expends in procuring a correction or replacement for any covered part subject to a defect or nonperformance covered by this Clause 12, and the Buyer will not have any right to require specific performance by the Seller.

12.8 Negotiated Agreement

THE PARTIES EACH ACKNOWLEDGE THAT:

(I) THE SPECIFICATION HAS BEEN AGREED UPON AFTER CAREFUL CONSIDERATION BY THE BUYER USING ITS JUDGMENT AS A PROFESSIONAL OPERATOR OF, AND MAINTENANCE PROVIDER WITH RESPECT TO, AIRCRAFT USED IN PUBLIC TRANSPORTATION AND AS SUCH IS A PROFESSIONAL WITHIN THE SAME INDUSTRY AS THE SELLER;

(II) THIS AGREEMENT, AND IN PARTICULAR THIS CLAUSE 12, HAS BEEN THE SUBJECT OF DISCUSSION AND NEGOTIATION AND IS FULLY UNDERSTOOD BY THE BUYER; AND

(III) THE PRICE OF THE AIRCRAFT AND THE OTHER MUTUAL AGREEMENTS OF THE BUYER SET FORTH IN THIS AGREEMENT WERE ARRIVED AT IN CONSIDERATION OF, INTER ALIA, THE PROVISIONS OF THIS CLAUSE 12, SPECIFICALLY INCLUDING THE EXCLUSIVITY OF WARRANTIES SET FORTH IN CLAUSE 12.

UNQUOTE

2 ASSIGNMENT

This Letter Agreement and the rights and obligations of the parties will be subject to the provisions of Clause 21 of the Agreement.

3 CONFIDENTIALITY

This Letter Agreement is subject to the terms and conditions of Clause 22.10 of the Agreement.

4 COUNTERPARTS

This Letter Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument.



**UAL Corporation and Subsidiary Companies**  
**Computation of Ratio of Earnings to Fixed Charges**

<u>(In millions)</u>	<u>Three Months Ended</u> <u>March 31,</u>	
	<u>2010</u>	<u>2009</u>
<b>Earnings (loss):</b>		
Loss before income taxes & adjustments for minority interest and equity earnings in affiliates	\$ (81)	\$ (412)
<b>Add (deduct):</b>		
Fixed charges, from below	241	222
Amortization of capitalized interest	1	—
Distributed earnings of affiliates	1	1
Interest capitalized	(2)	(3)
Earnings (loss) as adjusted	<u>\$ 160</u>	<u>\$ (192)</u>
<b>Fixed charges:</b>		
Interest expensed and capitalized and amortization of debt discounts and issuance costs (a)	\$ 178	\$ 134
Portion of rental expense representative of the interest factor	63	88
Fixed charges, as above	<u>\$ 241</u>	<u>\$ 222</u>
<b>Ratio of earnings to fixed charges</b>	<u>(b)</u>	<u>(c)</u>

(a) Amortization of debt discounts includes amortization of fresh-start valuation discounts.

(b) Earnings were inadequate to cover fixed charges by \$81 million for the three months ended March 31, 2010.

(c) Earnings were inadequate to cover fixed charges by \$414 million for the three months ended March 31, 2009.



**United Air Lines, Inc. and Subsidiary Companies**  
**Computation of Ratio of Earnings to Fixed Charges**

<u>(In millions)</u>	<u>Three Months Ended</u> <u>March 31,</u>	
	<u>2010</u>	<u>2009</u>
<b>Earnings (loss):</b>		
Loss before income taxes & adjustments for minority interest and equity earnings of affiliates	\$ (73)	\$ (411)
<b>Add (deduct):</b>		
Fixed charges, from below	236	223
Amortization of capitalized interest	1	—
Distributed earnings of affiliates	1	1
Interest capitalized	(2)	(3)
Earnings (loss) as adjusted	<u>\$ 163</u>	<u>\$ (190)</u>
<b>Fixed charges:</b>		
Interest expensed and capitalized and amortization of debt discounts and issuance costs (a)	\$ 173	\$ 134
Portion of rental expense representative of the interest factor	63	89
Fixed charges, as above	<u>\$ 236</u>	<u>\$ 223</u>
<b>Ratio of earnings to fixed charges</b>	<u>(b)</u>	<u>(c)</u>

(a) Amortization of debt discounts includes amortization of fresh-start valuation discounts.

(b) Earnings were inadequate to cover fixed charges by \$73 million for the three months ended March 31, 2010.

(c) Earnings were inadequate to cover fixed charges by \$413 million for the three months ended March 31, 2009.



April 27, 2010

Board of Directors  
UAL Corporation  
United Air Lines, Inc.  
77 W. Wacker Drive  
Chicago, Illinois 60601

Dear Sirs:

Note 2 of Combined Notes to the Condensed Consolidated Financial Statements of UAL Corporation and United Air Lines, Inc. (collectively, the "Company") included in its Form 10-Q for the three month period ended March 31, 2010 describes a change in the method of accounting for expected expired miles within the Company's frequent flyer program from a method of recognizing revenue related to expected expired miles over an estimated redemption period to a method of recognizing revenue related to expected expired miles as a component of the weighted average redemption rate as actual redemptions occur. There are no authoritative criteria for determining a 'preferable' method of accounting for breakage based on the particular circumstances; however, we conclude that such change in the method of accounting is to an acceptable alternative method which, based on your business judgment to make this change and for the stated reasons, is preferable in your circumstances. We have not conducted an audit in accordance with the standards of the Public Company Accounting Oversight Board (United States) of any financial statements of the Company, and therefore, we do not express any opinion on any financial statements of the Company.

Very truly yours,

/s/ Ernst & Young LLP

Certification of the Principal Executive Officer  
Pursuant to 15 U.S.C. 78m(a) or 78o(d)  
(Section 302 of the Sarbanes-Oxley Act of 2002)

I, Glenn F. Tilton, certify that:

- (1) I have reviewed this quarterly report on Form 10-Q for the period ended March 31, 2010 of UAL Corporation (the "Company");
- (2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- (3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report;
- (4) The Company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Company and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the Company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting; and
- (5) The Company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company's auditors and the audit committee of the Company's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control over financial reporting.

/s/ Glenn F. Tilton

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Glenn F. Tilton  
Chairman, President and  
Chief Executive Officer

Date: April 27, 2010

Certification of the Principal Financial Officer  
Pursuant to 15 U.S.C. 78m(a) or 78o(d)  
(Section 302 of the Sarbanes-Oxley Act of 2002)

I, Kathryn A. Mikells, certify that:

- (1) I have reviewed this quarterly report on Form 10-Q for the period ended March 31, 2010 of UAL Corporation (the "Company");
- (2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- (3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report;
- (4) The Company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Company and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the Company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting; and
- (5) The Company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company's auditors and the audit committee of the Company's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control over financial reporting.

/s/ Kathryn A. Mikells

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Kathryn A. Mikells  
Executive Vice President and  
Chief Financial Officer

Date: April 27, 2010

Certification of the Principal Executive Officer  
Pursuant to 15 U.S.C. 78m(a) or 78o(d)  
(Section 302 of the Sarbanes-Oxley Act of 2002)

I, Glenn F. Tilton, certify that:

- (1) I have reviewed this quarterly report on Form 10-Q for the period ended March 31, 2010 of United Air Lines, Inc. (the "Company");
- (2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- (3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report;
- (4) The Company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Company and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the Company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting; and
- (5) The Company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company's auditors and the audit committee of the Company's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control over financial reporting.

/s/ Glenn F. Tilton

Glenn F. Tilton  
Chairman and  
Chief Executive Officer

Date: April 27, 2010

Certification of the Principal Financial Officer  
Pursuant to 15 U.S.C. 78m(a) or 78o(d)  
(Section 302 of the Sarbanes-Oxley Act of 2002)

I, Kathryn A. Mikells, certify that:

- (1) I have reviewed this quarterly report on Form 10-Q for the period ended March 31, 2010 of United Air Lines, Inc. (the "Company");
- (2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- (3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report;
- (4) The Company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Company and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the Company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting; and
- (5) The Company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company's auditors and the audit committee of the Company's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control over financial reporting.

/s/ Kathryn A. Mikells

Kathryn A. Mikells  
Executive Vice President and  
Chief Financial Officer

Date: April 27, 2010

Certification of UAL CORPORATION  
Pursuant to 18 U.S.C. 1350  
(Section 906 of the Sarbanes-Oxley Act of 2002)

Each undersigned officer certifies that to the best of his/her knowledge based on a review of the quarterly report on Form 10-Q for the period ended March 31, 2010 of UAL Corporation (the "Report"):

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of UAL Corporation.

Date: April 27, 2010

/s/ Glenn F. Tilton

Glenn F. Tilton  
Chairman, President and  
Chief Executive Officer

/s/ Kathryn A. Mikells

Kathryn A. Mikells  
Executive Vice President and  
Chief Financial Officer

Certification of United Air Lines, Inc.  
Pursuant to 18 U.S.C. 1350  
(Section 906 of the Sarbanes-Oxley Act of 2002)

Each undersigned officer certifies that to the best of his/her knowledge based on a review of the quarterly report on Form 10-Q for the period ended March 31, 2010 of United Air Lines, Inc. (the "Report"):

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of United Air Lines, Inc.

Date: April 27, 2010

/s/ Glenn F. Tilton

Glenn F. Tilton  
Chairman and  
Chief Executive Officer

/s/ Kathryn A. Mikells

Kathryn A. Mikells  
Executive Vice President and  
Chief Financial Officer