

UAL CORP /DE/
Form 8-K
October 14, 2009

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of earliest event reported): October 13, 2009

UAL CORPORATION
UNITED AIR LINES, INC.

(Exact name of registrant issuer as specified in its charter)

Delaware

001-06033

36-2675207

Delaware

001-11355

36-2675206

(State or other Jurisdiction of

(Commission File Number)

(IRS Employer Identification No.)

Incorporation)

77 W. Wacker Drive, Chicago, IL
(Address of Principal Executive Offices)

60601
(Zip Code)

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

(Former name or former address if changed since last report.)

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

- .. Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- .. Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- .. Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- .. Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01. Entry into a Material Definitive Agreement.

On October 13, 2009, United Air Lines, Inc. (United) and Wilmington Trust Company, as subordination agent and pass through trustee (the Trustee) under the pass through trust (the Trust) formed by United, entered into the Note Purchase Agreement, dated as of October 13, 2009 (the Note Purchase Agreement). The Note Purchase Agreement provides for the issuance by United of equipment notes (the Equipment Notes) in the aggregate principal amount of \$659,107,000 to redeem at par all of the \$568 million aggregate principal amount of the Equipment Notes (plus accrued interest) relating to United s outstanding pass through certificates, series 2001-1B, series 2001-1C and series 2001-1D. The payment obligations of United under the Equipment Notes are fully and unconditionally guaranteed by UAL Corporation (the Company). Pursuant to the Note Purchase Agreement, the Trustee agreed to purchase Equipment Notes issued under a Trust Indenture and Mortgage with respect to each aircraft (each, an Indenture and, collectively, the Indentures), entered into by United and Wilmington Trust Company, as mortgagee.

Each Indenture contemplates the issuance of the Equipment Notes in one series, bearing interest at a stated interest of 10.40% per annum in the aggregate principal amount equal to \$659,107,000. The Equipment Notes will be purchased by the Trustee for the Trust using the proceeds from the sale of pass through certificates, series 2009-1A (the Certificates).

Pending the purchase of the Equipment Notes, the proceeds from the sale of the Certificates were placed in escrow by the Trustee pursuant to an Escrow and Paying Agent Agreement, dated as of October 13, 2009, among Wilmington Trust Company, in its capacity as escrow agent in respect of the Trust and in its capacity as paying agent on behalf of the escrow agent, the Trustee and J.P. Morgan Securities Inc., Morgan Stanley & Co. Incorporated and Goldman, Sachs & Co., as the underwriters (the Escrow and Paying Agent Agreement). The escrowed funds were deposited with JPMorgan Chase Bank, N.A. under a deposit agreement, dated as of October 13, 2009, between Wilmington Trust Company, as escrow and paying agent, and JPMorgan Chase Bank, N.A., as depository (the Deposit Agreement), relating to the Certificates.

The interest on the Equipment Notes is payable semi-annually on each of May 1 and November 1, beginning on May 1, 2010. The principal payments on the Equipment Notes are scheduled on May 1 and November 1 in certain years, beginning on May 1, 2010. The final payments will be due on November 1, 2016. The maturity of the Equipment Notes may be accelerated upon the occurrence of certain events of default, including failure by United to make payments under the applicable Indenture when due or to comply with certain covenants, as well as certain bankruptcy events involving United. The Equipment Notes issued with respect to each aircraft will be secured by a lien on such aircraft and will also be cross-collateralized by other aircraft financed pursuant to the Note Purchase Agreement.

The Certificates were offered pursuant to the Prospectus Supplement, dated October 5, 2009 (the Prospectus Supplement), to the Prospectus, dated June 19, 2007, which forms a part of the Company s and United s automatic shelf registration statement on Form S-3 (Registration No. 333-143865) (the Registration Statement), filed with the Securities and Exchange Commission on June 19, 2007.

The foregoing description of these agreements and instruments is qualified in its entirety by reference to these agreements and instruments, copies of which are filed herewith as exhibits and are incorporated by reference herein. For a more detailed description of the agreements and instruments entered into by the Company and United with respect to the Certificates, see the disclosure under the captions Description of the Certificates, Description of the Deposit Agreement, Description of the Escrow Agreement, Description of the Liquidity Facility, Description of the Intercreditor Agreement and Description of the Equipment Notes contained in the Prospectus Supplement.

Item 2.03. Creation of Direct Financial Obligation

See Item 1.01.

Item 9.01. Financial Statements and Exhibits.

Exhibit No. Description

- 4.1* Trust Supplement No. 2009-1A-O, dated as of October 13, 2009, between Wilmington Trust Company, as trustee, and United Air Lines, Inc., to Pass Through Trust Agreement dated as of June 26, 2007, between Wilmington Trust Company, as trustee, and United Air Lines, Inc., filed as Exhibit 4.4 to the Company's current report on Form 8-K filed with the Securities and Exchange Commission on June 29, 2007
- 4.2* Trust Supplement No. 2009-1A-S, dated as of October 13, 2009, between Wilmington Trust Company, as trustee, and United Air Lines, Inc., to Pass Through Trust Agreement dated as of June 26, 2007, between Wilmington Trust Company, as trustee, and United Air Lines, Inc., filed as Exhibit 4.4 to the Company's current report on Form 8-K filed with the Securities and Exchange Commission on June 29, 2007
- 4.3* Revolving Credit Agreement (2009-1A), dated as of October 13, 2009, between Wilmington Trust Company, as subordination agent, trustee for the United Air Lines Pass Through Trust 2009-1A and borrower, and Morgan Stanley Bank, N.A., as liquidity provider
- 4.4* Intercreditor Agreement, dated as of October 13, 2009, among Wilmington Trust Company, as trustee and subordination agent, and Morgan Stanley Bank, N.A., as liquidity provider
- 4.5* Note Purchase Agreement, dated as of October 13, 2009, among United Air Lines, Inc. and Wilmington Trust Company, as pass through trustee, escrow agent, paying agent and subordination agent
- 4.6* Form of Participation Agreement (Participation Agreement between United Air Lines, Inc. and Wilmington Trust Company, as mortgagee, subordination agent and pass through trustee)
- 4.7* Form of Indenture (Trust Indenture and Mortgage between United Air Lines, Inc. and Wilmington Trust Company, as mortgagee)
- 4.8 Form of United Air Lines, Inc. Pass Through Certificate, Series 2009-1A (included in Exhibit 4.1)
- 4.9* UAL Corporation Guarantee, dated October 13, 2009
- 4.10* Deposit Agreement, dated as of October 13, 2009, between Wilmington Trust Company, as escrow and paying agent, and JPMorgan Chase Bank, N.A., as depository
- 4.11* Escrow and Paying Agent Agreement, dated as of October 13, 2009, among Wilmington Trust Company, in its capacity as escrow agent in respect of the Trust and in its capacity as paying agent on behalf of the escrow agent, the trustee and J.P. Morgan Securities Inc., Morgan Stanley & Co. Incorporated and Goldman, Sachs & Co., as the underwriters

* Filed herewith electronically.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

UAL CORPORATION

By: /s/ Kathryn A. Mikells
Name: Kathryn A. Mikells
Title: Executive Vice President and
Chief Financial Officer

Date: October 14, 2009

EXHIBIT INDEX

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