

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

In re:) **Chapter 11**
)
UAL CORPORATION, et al.,¹) **Case No. 02-B-_____**
) **(Jointly Administered)**
Debtors.)
) **Honorable _____**

**MOTION FOR ENTRY OF AN ORDER PURSUANT TO
SECTION 105(a) OF THE BANKRUPTCY CODE REQUIRING DISCLOSURE
OF BENEFICIAL HOLDERS OF AIRCRAFT SECURITIES**

The above-captioned debtors and debtors in possession (collectively, the “Debtors”) hereby move the Court (the “Motion”) for entry of an order pursuant to Section 105(a) of the Bankruptcy Code requiring disclosure of beneficial holders of aircraft securities. In support of the Motion, the Debtors respectfully state as follows.²

Jurisdiction

1. This Court has jurisdiction over the Motion under 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2).
2. Venue of this proceeding and the Motion is proper in this District pursuant to 28 U.S.C. §§ 1408 and 1409.

¹ The Debtors are the following entities: UAL Corporation, UAL Loyalty Services, Inc., Confetti, Inc., Mileage Plus Holdings, Inc., Mileage Plus Marketing, Inc., MyPoints.com, Inc., Cybergold, Inc., itarget.com, inc., MyPoints Offline Services, Inc., UAL Company Services, Inc., UAL Benefits Management, Inc., United BizJet Holdings, Inc., BizJet Charter, Inc., BizJet Fractional, Inc., BizJet Services, Inc., United Air Lines, Inc., Kion Leasing, Inc., Premier Meeting and Travel Services, Inc., United Aviation Fuels Corporation, United Cogen, Inc., Mileage Plus, Inc., United GHS, Inc., United Worldwide Corporation, United Vacations, Inc., Four Star Leasing, Inc., Air Wis Services, Inc., Air Wisconsin, Inc., Domicile Management Services, Inc.

² The facts and circumstances supporting this Motion are set forth in the Affidavit of Frederic F. Brace in Support of First Day Motions, filed contemporaneously herewith.

3. The basis for the relief requested herein is Section 105(a) of Title 11 of the United States Code as amended from time to time (the “Bankruptcy Code”).

Background

4. The Debtors had no alternative but to commence these Chapter 11 cases. Their passenger revenues have plunged from \$16.9 billion in 2000 to a projected \$11.8 billion for 2002. Many factors have contributed to this financial crisis, including a weakened economy, decreased demand for business travel, the terrorist attacks of September 11 and the resulting lingering reluctance to fly, greater route penetration by low cost carriers, and the ready availability of airline tickets at bargain basement prices over the Internet. Although these factors have caused a sharp and sustained decline in revenues throughout the airline industry, the Debtors, who historically have enjoyed a leading position among full-fare business customers, have been hit the hardest.

5. Over the past eighteen months, the Debtors have tried mightily to remain competitive, labor and non-labor cut costs, generate additional liquidity, and increase efficiencies in all aspects of their businesses. Recently, a coalition of the Debtors’ unions agreed to a recovery plan with labor concessions to lower the Debtors’ costs and help the Debtors avoid bankruptcy. Unfortunately, the Debtors were unable to raise capital to finance their operations during their recovery efforts, and the Air Transportation Safety Board (the “ATSB”) did not approve the Debtors’ \$1.8 billion federal loan guarantee proposal. In the face of a looming cash flow and liquidity crisis, the Debtors thus had no choice but to seek Chapter 11 protection.

6. An exhaustive discussion of the Debtors’ current financial crisis, the long-term roots of that crisis, and the Debtors’ plan to emerge from Chapter 11 as an airline with sustainable profits is contained in the United Air Lines, Inc. Informational Brief filed contemporaneously herewith and incorporated by reference herein. As described exhaustively in that Informational Brief, for the

Debtors to emerge from bankruptcy successfully, these proceedings will have to address the Debtors' collective bargaining agreements with its unionized employees – because labor is by far United's largest cost, because United's labor costs are now the highest in the industry, and because the collective bargaining agreements restrict United's ability to reduce its costs and maximize its revenues in ways that are no longer affordable. Moreover, the covenants set forth in the Debtors' proposed debtor in possession financing require that the cost savings begin virtually immediately.

7. It bears immediate emphasis that, in calling this Court's attention to the unaffordability of the Debtors' cost structure, the Debtors are not blaming their employees or their union representatives for the Debtors' current crisis. To the contrary, the Debtors could not be more grateful to their employees and their unions' leadership for their good-faith efforts and unprecedented cooperation in trying to resolve the Debtors' financial dilemma outside of bankruptcy. At this juncture, however, the only conceivable way for the Debtors to reorganize into a profitable and vibrant airline capable of providing stable employment will be to reduce their labor and other costs dramatically, in part through changes to work rules that place the Debtors at an extraordinary competitive disadvantage.

8. It also bears even further emphasis that, as before, the Debtors' preferred course of action would be to reach consensual agreements outside of the Section 1113 process with all of its unions about the changes that must be made to the Debtors' collective bargaining agreements. To this end, the Debtors already have begun discussions with their union leadership and stands ready to negotiate around the clock. It is only if these negotiations prove unsuccessful in achieving a consensual restructuring that, as a decidedly last choice, the Debtors will seek this Court's assistance pursuant to Section 1113.

Summary of Operations

9. United Airlines, currently the world's second largest airline, has been operating for seventy-six years and provides air transportation, cargo, and other transportation-related-services to millions of customers each year. During 2001, UAL carried approximately 75 million passengers and flew approximately 116.6 billion revenue passenger miles. United's Mileage Plus program is the second largest frequent flyer program with over 40 million members. United currently operates a fleet of 537 jet aircraft and provides regularly scheduled jet service to 200,000 passengers per day on over 1,765 daily departures to 119 destinations in twenty-six different countries.

10. United currently employs approximately 83,000 full and part-time employees, approximately 80% of which are union-represented under eleven separate collective bargaining agreements. Specifically, as of November 1, 2002, approximately 8,800 pilots are represented by the Air Line Pilot Association; approximately 18,000 flight attendants are represented by the Association of Flight Attendants; approximately 38,000 public contact employees, ramp workers and storekeepers, mechanics, food service employees, security officers, fleet technical instructors, and maintenance instructors are represented by the International Association of Machinists and Aerospace Workers; approximately 437 engineers are represented by the International Federation of Professional and Technical Engineers; approximately 181 dispatchers are represented by the Professional Airline Flight Control Association; and approximately 21 meteorologists are represented by the Transport Workers Union.

11. The Debtors consist of UAL Corporation ("UAL"), a Delaware corporation with its principal place of business in Elk Grove Village, Illinois, and twenty-eight wholly-owned, direct or indirect subsidiaries (collectively with UAL, "United"). UAL's principal subsidiary, United Air Lines,

Inc., operates United's airline and related businesses, and UAL's other Debtor-subidiaries hold assets or perform activities related to the airline.

12. Although United's airline scheduled passenger business is its chief source of revenue, United also derives income from some of the following ancillary sources: (a) transporting mail and freight on its domestic and international routes; (b) performing contract maintenance work; (c) domestic and international charter flights; (d) selling fuel to other carriers; and (e) revenue contracts related to its Mileage Plus program.

13. United's North American operations have a "hub-and-spoke" structure, with hubs in Chicago, Denver, San Francisco, Los Angeles, and Washington (Dulles). In 2001, United was the largest carrier in terms of revenue in five of the largest twenty-five markets in the U.S. United has enhanced its domestic operations by entering into several joint marketing alliances and code-sharing agreements with other domestic carriers, including the United-U.S. Airways code-sharing agreement, which is estimated to generate approximately \$200 million in incremental net benefits for United in 2003.

14. United has a strong international presence, including a hub in Tokyo and significant market shares in London, Brazil, Argentina, and China. Moreover, United is a founding member of the Star Alliance, the world's largest airline alliance, with fourteen international airlines making 11,000 daily departures to over 700 destinations in over 125 countries.

15. United Airlines coordinates its operations with at least three independently owned regional commuter airlines -- Air Wisconsin Airlines, Atlantic Coast Airlines, and Sky West Airlines -- operating under the United Express brand. These regional commuter airlines coordinate to feed traffic from small market cities into United's North American and international route network.

UAL's Capital Structure

16. UAL is a publicly held company with approximately 71.0 million shares of outstanding common stock held by approximately 18,600 holders. UAL has an employee stock ownership plan (the "ESOP"), pursuant to which State Street Bank and Trust, as ESOP trustee, holds among other things five classes of preferred stock, consisting of three classes of junior voting stock and two classes of non-voting ESOP convertible preferred stock, that together represent 55% of the total voting power of all of UAL's common stock. UAL also has four classes of director preferred shares whose purpose is to elect three employee-designated directors and four independent directors to UAL's board of directors.

17. United has financed its operations primarily through discrete financing arrangements, which include:

- a. Approximately \$3.1 billion (outstanding principal amount) of various aircraft-backed mortgages secured by approximately 87 aircraft;
- b. Approximately \$4.0 billion (outstanding principal amount) of various aircraft-backed enhanced equipment trust certificate financings secured by approximately 100 aircraft;
- c. Approximately \$1.8 billion of various capital lease obligations with respect to 69 aircraft;
- d. Approximately \$5.5 billion of various operating lease obligations with respect to 243 aircraft;
- e. Approximately \$646 million (outstanding principal amount) of six series of senior notes due between 2003 and 2021 issued pursuant to that indenture dated as of July 1, 1991 from United Air Lines, Inc. to the Bank of New York, as indenture trustee;
- f. Approximately \$1.7 billion (outstanding principal amount) of eighteen special facility revenue bond facilities due between 2011 and 2035; and

- g. Approximately \$97 million (outstanding principal amount) of 13.25% Trust Originated Preferred Securities (the “TOPrS”).

18. The Debtors currently have no unused credit lines and instead have had to satisfy all of their working capital and capital expenditure requirements from cash provided by operating activities and external borrowing.

UAL’s Current Financial Crisis

19. Although the September 11 terrorist attacks are one of the most obvious and publicized reasons for the Debtors’ current financial crisis, the Debtors’ difficulties began much earlier. Significantly, starting in 2000, the slowing economy and decrease in high-yield business travel caused a significant decline in the Debtors’ revenues. These declining revenues were exacerbated by the continued increase of Internet-based ticket sales, price transparency and the resultant downward pressure on the prices that United’s customers were willing to pay. Moreover, the increasing impact of “low cost carriers” on United has been particularly severe because more than 60% of United’s revenue comes from passengers who currently fly in markets served by low cost carriers. In the past decade, the growth of low cost carrier traffic has far exceeded the growth rate of United’s traffic. As a result, United’s revenue market share fell from 20% in the first quarter of 2000 to 17% in the first quarter of 2002. This decline in revenue market share, coupled with the slowing economy and decrease in high-yield business traffic, resulted in an \$860 million loss during the first half of 2001 -- even before the September 11 attacks.

20. During this same period, the Debtors’ labor costs steadily increased, reaching \$7 billion or 38.3% of operating expenses in 2001. These increases in salary and related costs were largely attributable to the Debtors’ collective bargaining agreement with their pilots amended in 2000 and the expected wage increases associated with the Debtors’ then open collective bargaining agreements with

their machinists, ramp workers, and public contact employees. In 2002, the Debtors entered into new collective bargaining agreements with these employee groups that contained wage increases retroactive to mid-2000.

21. As a result of their declining revenues and rising costs, over the past year the Debtors have been operating at a loss and have consumed cash reserves at an unprecedented rate. For example, the Debtors “burned” \$10 million of operating cash per day in the fourth quarter of 2001. Recently, in November, 2002, the Debtors were once again burning approximately \$5 million per day in operating cash.

Prepetition Activities

22. In response to dramatically falling revenues, the Debtors mounted an aggressive cost-cutting campaign. For example, the Debtors currently operate approximately 1,765 daily flights, which is more than a 25% reduction from the Debtors’ pre-September 11 schedule. The smaller daily schedule enabled the Debtors to ground many of their older aircraft. Moreover, in October, 2001, the Debtors retired approximately 90 aircraft, including entire fleets that were the Debtors’ oldest and most costly to operate and maintain. During November 2001, the Debtors also significantly reduced planned new aircraft deliveries for 2002 and 2003.

23. As part of their cost-cutting efforts, the Debtors also: significantly reduced planned non-aircraft capital spending; closed several unprofitable international stations; converted six stations to United Express; cancelled or suspended a number of major airport construction plans; closed five reservations centers; eliminated certain travel agency base commissions; and negotiated trade concessions.

24. In addition, the Debtors have downsized their workforce considerably. On September 19, 2001, the Debtors announced furloughs of approximately 20,000 employees across all

work groups which resulted in \$357 million in salary and related cost savings for the first six months of 2002 (as compared to the first six months of 2001). The Debtors also reduced the number of management and salaried employees by 23%. Further, in September, 2001, the Debtors suspended CEO compensation through the end of that year, and UAL's board of directors also decided to forego remuneration through the end of that year. Additionally, the Debtors' management and salaried employees did not receive a wage increase planned for April 1, 2002. Recently, the Debtors announced a furlough of an additional 2,700 flight attendants and 350 pilots.

25. Despite these cost-cutting measures, the Debtors continued to burn cash. The Debtors took advantage of certain one-time liquidity sources in the hope of surviving their financial crisis -- to no avail. For instance, since late 2001 the Debtors drew down on \$1 billion of available credit lines and refinanced approximately \$525 million in interim aircraft financing. Moreover, the Debtors consumed their \$782 million ATSB federal grants and over \$580 million of tax refunds received in 2002. Unfortunately, the Debtors burned this cash while attempting to implement their recovery plan and now need more liquidity to survive.

26. However, the Debtors were unable to obtain any meaningful out of court financing in the public or private capital markets and had no choice but to turn to the ATSB for a \$1.8 billion federal loan guarantee. As part of their loan guarantee proposal, the Debtors submitted a business plan that called for the Debtors to cut capacity, increase revenue, and lower labor costs. Among other things, the business plan contemplated an agreement between the Debtors and a coalition of their U.S. labor unions to reduce labor costs by approximately \$5.2 billion over 5.5 years. The business plan also contemplated approximately \$1.2 billion in capacity reductions and \$7.7 billion from non-labor cost reductions and revenue enhancements over the same 5.5 year period.

27. In the interim, the Debtors faced a \$300 million debt maturity due November 17, 2002 under a Kreditanstalt für Wiederaufbau (“KfW”) aircraft mortgage facility. On November 19, 2002, KfW agreed to extend the mortgage facility until December 2, 2002 after the Debtors agreed to repay \$15 million of principal and accrued interest. KfW was to extend the mortgage facility and refinance \$200 million of a 1997 Enhanced Equipment Trust Certificate (“EETC”) aircraft financing upon the Debtors’ payment of approximately \$375 million constituting the public portion of the EETC facility. The EETC facility matured on December 2, and the Debtors exercised their rights under the grace period, which expires on December 12, 2002. The Debtors’ failure to pay the EETC facility resulted in the maturity of the KfW facility, and the Debtors exercised their rights under the grace period, which expires on December 9, 2002.

28. Unfortunately, the ATSB did not approve the Debtors’ proposal, and the Debtors determined that they had no alternative but to seek Chapter 11 relief prior to the expiration of the Debtors’ grace period under the relevant facilities. The Debtors have obtained \$1.5 billion in debtor in possession financing, subject to court approval, to support their operations during a Chapter 11 case. The Debtors hope and intend to work constructively with their labor and non-labor constituents to implement a successful restructuring plan and emerge from Chapter 11 as a profitable, and vibrant airline.

Facts Related to the Debtors' Aircraft Financing

29. The Debtors have financed the vast majority of their fleet.³ Out of approximately 567 aircraft in their operating fleet as of October 31, 2002, approximately 481 aircraft (the "Financed Aircraft") are subject to financings of one form or another.

30. Approximately 229 of the Financed Aircraft are owned by the Debtors subject to mortgages or capital leases which are the functional equivalents of mortgages (the "Mortgaged Aircraft"). Exhibit A attached hereto illustrates the structure of a typical mortgage financing. Most of the remaining 252 Financed Aircraft are leased under long-term finance leases (the "Leased Aircraft"). The majority of the Leased Aircraft were financed pursuant to what is commonly referred to as a "leveraged lease." Exhibit B attached hereto illustrates the structure of a typical leveraged lease financing. The Debtors also have used a third category of financing which involves parties from a number of foreign jurisdictions, including Japan, France, Hong Kong and Germany. These financings, commonly known as "cross-border financings," involve approximately 52 of the Financed Aircraft, and overlap with either the Mortgaged Aircraft or Leased Aircraft (the "Cross-Border Aircraft"). Although the financing structures utilized in connection with the Cross-Border Aircraft vary greatly, Exhibits C-1 and C-2 attached hereto illustrate the structures of common cross-border financings. Exhibits D through F illustrate additional financing structures utilized by the Debtors.

31. The Debtors' financings involved at least 230 different financing parties, excluding the holders of public debt, of which there are a large, unknown number. The Debtors have been able to identify the private parties that are lenders for approximately 257 of the Financed Aircraft.

³ Although the term "Debtors" is used throughout, the aircraft figures contained in the Motion are for aircraft utilized in United Air Lines's mainline operations. In addition to United Air Lines's mainline aircraft, United has lease obligations on nine aircraft related to Air Wisconsin Inc.

The lenders for the remainder of the Financed Aircraft are trustees and other agents acting on behalf of holders of debt that is publicly held (collectively, the “Trustees”).

32. As part of the Debtors’ out-of-court restructuring efforts, the Debtors attempted to negotiate concessions on many of the Financed Aircraft. However, the Debtors have been unable to determine the beneficial ownership of this publicly held debt in the Financial Aircraft (the “Public Debtholders”) because the Trustees have been reluctant to disclose this information or, ultimately, the publicly held debt was held in “street name” by companies such as The Depository Trust Company and Cede & Co. as well as financial institutions that serve as record owners for the Public Debtholders (collectively, the “Record Owners”). The Debtors’ inability to identify the Public Debtholders hampered the Debtors’ ability to successfully implement an out-of-court restructuring of the Financed Aircraft debt because the required consent to changes in, among other things, the amount or term of mortgages could not be obtained where the ultimate holder of the debt was unknown.

33. A critical element of the Debtors’ restructuring strategy includes the procurement of extensive concessions relating to the Financed Aircraft debt. This strategy was an important part of the Debtors’ out-of-court restructuring strategy, and has become even more important in light of the Air Transportation Stabilization Board’s (the “ATSB”) rejection of the Debtors’ application for a government guaranty of loans in the amount of \$1.8 billion. That rejection was predicated in part on the ATSB’s conclusion that the Debtors had not produced sufficient cost savings to render their business plan acceptable to the ATSB. Clearly, in order to best implement this strategy on a timely basis, the Debtors must be able to contact the Public Debtholders in order to conduct negotiations for reduced debt payments.

34. Attached as Schedule 1 to this Motion is a list of all of the known Trustees and Record Owners with respect to which the Debtors by this Motion are asking for relief. With respect to

each of these Trustees, Schedule 1 further identifies the aircraft and/or aircraft equipment (collectively, the “Aircraft”) that, according to the Debtors’ records, secures the public debt with respect to which such Trustee acts or Record Owners act on behalf of the beneficial holders. As discussed above, the Debtors are presently unable to identify all of the Public Debtholders without the assistance of the Trustees and Record Owners.

Relief Requested

35. The Debtors request that the Court enter an order pursuant to Section 105(a) of the Bankruptcy Code that requires the Trustees and Record Owners to disclose to the Debtors, c/o Kirkland & Ellis, 200 East Randolph Drive, Chicago, Illinois 60601, Attn: Geoffrey A. Richards, Esq., the information on Schedule 2 for each of the Public Debtholders no later than 15 days from the date on which such Trustee or Record Owner receives notice of the order granting the Motion to enable the Debtors to communicate directly with the Public Debtholders.

Basis for Relief

36. Section 105(a) of the Bankruptcy Code provides the Court with the authority to ensure that the Trustees and Record Owners disclose the identity of the Public Debtholders to the Debtors. Section 105(a) authorizes the Court to issue “any order, process or judgment that is necessary or appropriate to carry out the provisions of [the Bankruptcy Code].” 11 U.S.C. § 105(a). The purpose of Section 105(a) is to ensure a bankruptcy court’s power to take whatever action “is appropriate or necessary in aid of the exercise of its jurisdiction.” 2 Collier on Bankruptcy, ¶ 105.01 at 105-4-6 (15th ed. 2000). The Debtors submit that the relief requested in this Motion is critical to the Debtors and is further justified under Section 105(a) of the Bankruptcy Code.

37. The structure of the public debt financings makes it exceedingly difficult for the Debtors to determine the real parties in interest for these financing arrangements without complete

cooperation from the Trustees and Record Owners. The Debtors, therefore, cannot negotiate cost savings with the Public Debtholders. The Debtors believe that the Trustees and Record Owners have no financial stake in the related financing transactions. Furthermore, the Trustees and Record Owners would, under normal circumstances, need significant amounts of time simply to contact their beneficial holders, to communicate with them regarding the circumstances of the financing transactions, and to receive instructions as to how to proceed. The Debtors believe there is a significant risk that this delay may materially affect the parties' relative rights before this dialogue can be completed or even commenced.

38. An additional complicating factor for the Debtors are the time constraints they face under Section 1110 of the Bankruptcy Code. The automatic stay is only in effect for a period of sixty (60) days following the petition date. Due to the quantity of aircraft financings and their complexity, the ability of the Debtors to conduct negotiations with the Public Debtholders in such a short period of time absent the relief requested herein would surely be difficult, if not impossible.

39. While Congress did not contemplate that a debtor could need access to beneficial owner information at the beginning of a bankruptcy, it did anticipate that a debtor may need this information to be able to solicit acceptances to a plan of reorganization. Fed.R.Bankr.P. 3017(e) provides that:

the court shall consider the procedures for transmitting the documents and information required by [Fed.R.Bankr.P. 3017(d)] to beneficial holders of . . . bonds, debentures and other securities . . . [and that the court shall further] determine the adequacy of such procedures and enter such orders as the court deems appropriate.

This Bankruptcy Rule provides courts with significant flexibility in implementing procedures that enable debtors to obtain contact information for the purpose of soliciting bondholders such as the Public

Debtholders. In re Tenn-Fla Partners, 1993 WL 151346, *1 (Bankr. W.D. Tenn. Apr. 29, 1993). The Committee notes to Bankruptcy Rule 3017(e) support this conclusion:

Subdivision (e) is designed to ensure that appropriate measures are taken for the plan, disclosures statement, ballot and other materials which are required to be transmitted to creditors and equity security holders under this rule to reach the beneficial holders of securities held in nominee name.

As the Committee notes make clear, then, Bankruptcy Rule 3017(e) was enacted to enable courts to implement procedures for transmitting information directly to the beneficial owners. In re St. Therese Care Ctr., Inc., 1991 WL 217669, *2 (Bankr. D.Minn. Oct. 23, 1991).

40. While Bankruptcy Rule 3017(e) does not, on its face, address the disclosure of beneficial owner information at the commencement of a case, this Rule should not be inflexibly interpreted so as to limit disclosure only in the context of plan confirmation, especially when coupled with the Court's equitable powers under Section 105(a) of the Bankruptcy Code. As courts have recognized, Section 105(a) was enacted by Congress to enable courts to depart from the literal language of the Bankruptcy Code, where necessary, to carry out congressional intent. See In re Raytech Corp., 222 B.R.19, 24 (Bankr. D.Conn. 1998). See also In re One Times Square Assoc. Ltd. Partnership, 159 B.R. 695, 702 (Bankr. S.D.N.Y. 1993) ("Congress enacted 11 U.S.C. § 105 because [it] knew that [it] could not envision all matters dealing with a bankruptcy court or the creativity of attorneys"), aff'd, 165 B.R. 773 (S.D.N.Y.), aff'd, 41 F.3d 1502 (2nd Cir. 1994), cert denied, 513 U.S. 1153, (1995).

41. In Raytech, the bankruptcy court relied on Section 105(a) in deciding that two debtors were affiliates for purposes of Bankruptcy Rule 1014(b) even though they did not fit within the Bankruptcy Code's definition of "affiliate." id. at 25. Section 105(a) empowered the Court to deviate from a literal reading of the Bankruptcy Code and Bankruptcy Rules because, the Court reasoned, a rigid application would prevent the joint administration of the two debtors' bankruptcy estates. This

impractical result would thwart congressional intent that Courts expeditiously administer bankruptcy cases. id. Section 105(a) similarly enables this Court to expeditiously administer these cases by requiring the Trustees and Record Owners to disclose the Public Debtholders' identity.

42. Bankruptcy Rule 2004 reinforces the Debtors' assertion that they are entitled to know the identity of the Public Debtholders. Rule 2004 enables parties in interest to obtain information that pertains to the administration of a bankruptcy estate. The scope of the rule is "exceptionally broad." In re Duratech Indus., Inc., 241 B.R. 283, 289 (Bankr. E.D.N.Y. 1999). Other courts have referred to the sweeping authority of Bankruptcy Rule 2004 as permitting a "fishing expedition." In re Szadkowski, 198 B.R. 140, 141 (Bankr. D.Md. 1996). Here, the Debtors are not embarking on a "shotgun approach" to obtain information which might - or might not - be of importance to the administration of these estates. Instead, the Debtors are seeking specific information from the Trustees and Record Owners to enable them to contact the Public Debtholders directly to ensure that the Public Debtholders receive timely notice of proceedings in these bankruptcy cases and to enable the Debtors to negotiate with the Public Debtholders.

43. Recognizing that Congress empowered bankruptcy courts to use their equitable powers to achieve the prompt and efficient administration of bankruptcy estates, this Court should rely on its authority under Section 105(a) to direct the Trustees and Record Owners to disclose the names and addresses of each Public Debtholder to the Debtors no later than 15 days from the date of entry of an order granting this Motion. Mindful of the possibility that certain of the Public Debtholders may not want their identity publicly disclosed, the Debtors represent that they will not disclose the contact information provided by the Trustees and Record Owners to anyone other than the Debtors' professionals or persons working under such professionals' direct supervision, unless otherwise authorized.

Notice

44. Notice of this Motion has been given to (a) the United States Trustee; (b) counsel to the proposed debtor in possession lenders; (c) those parties listed on the Debtors' Consolidated List of Creditors Holding 20 Largest Unsecured Claims and (d) the entities identified on Schedule 1. In light of the nature of the relief requested, the Debtors submit that no further notice is necessary.

No Prior Request

45. No previous request for the relief sought herein has been made to this or any other Court.

WHEREFORE, the Debtors respectfully request that the Court enter an order requiring the Trustees and Record Owners to disclose the identity of all the Public Debtholders relating to the Financed Aircraft and granting such other and further relief as this Court may deem just and proper.

Chicago, Illinois

Dated: _____, 2002

UAL CORPORATION, et al.

By: _____

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Schedule 1

Schedule of Trustee/Record Owner, Aircraft Identifying Information and Type of Financing

Financier	Aircraft Identifying Information	Type of Financing
STATE STREET BANK AND TRUST COMPANY OF CONNECTICUT, NATIONAL ASSOCIATION Pass Through Trustee Pass Through Certificates Series 2001-1, Class A-1, Class A-2, Class A-3, Class B, Class C, Class D	N117UA	2001-1 747-1
	N118UA	2001-1 747-2
	N122UA	2001-1 747-3
	N127UA	2001-1 747-4
	N128UA	2001-1 747-5
	N664UA	2001-1 767-1
	N667UA	2001-1 767-2
	N669UA	2001-1 767-3
	N670UA	2001-1 767-4
	N671UA	2001-1 767-5
	N794UA	2001-1 777-1
	N795UA	2001-1 777-2
	N204UA	2001-1 777-3
	N205UA	2001-1 777-4
	N831UA	2001-1 A319-1
	N833UA	2001-1 A319-2
	N834UA	2001-1 A319-3
	N835UA	2001-1 A319-4
	N836UA	2001-1 A319-5
	N837UA	2001-1 A319-6
N838UA	2001-1 A319-7	
N839UA	2001-1 A319-8	

Financier	Aircraft Identifying Information	Type of Financing
	N840UA	2001-1 A319-9
	N841UA	2001-1 A319-10
	N467UA	2001-1 A320-1
	N468UA	2001-1 A320-2
	N469UA	2001-1 A320-3
	N470UA	2001-1 A320-4
	N471UA	2001-1 A320-5
	N472UA	2001-1 A320-6
STATE STREET BANK AND TRUST COMPANY OF CONNECTICUT, NATIONAL ASSOCIATION Pass Through Trustee	N454UA	2000 A320-1
	N455UA	2000 A320-2
	N456UA	2000 A320-3
	N457UA	2000 A320-4
	N458UA	2000 A320-5
	N459UA	2000 A320-6
	N207UA	2000 777-1
	N208UA	2000 777-2
	N209UA	2000 777-3
	N210UA	2000 777-4
Pass Through Certificates Series 2000-1, Class A-1, Class A-2, Class B	N673UA	2000 767-1
	N674UA	2000 767-2
	N596UA	2000 757-1

Financier	Aircraft Identifying Information	Type of Financing
	N171UA	1989 I
	N567UA	1992 757 V
	N568UA	1992 757 W
	N569UA	1992 757 X
	N570UA	1992 757 Y
	N571UA	1992 757 Z
	N572UA	1992 757 AA
STATE STREET BANK AND TRUST COMPANY OF CONNECTICUT, NATIONAL ASSOCIATION Pass Through Trustee	N119UA	2000-2 747-1
	N120UA	2000-2 747-2
	N121UA	2000-2 747-3
Pass Through Certificates Series 2000-2, Class A-1, Class A-2, Class B, Class C	N592UA	2000-2 757-2
	N593UA	2000-2 757-3
	N594UA	2000-2 757-4
	N589UA	2000-2 757-5
	N590UA	2000-2 757-6
	N595UA	2000-2 757-7
	N784UA	2000-2 777-1
	N785UA	2000-2 777-2
	N787UA	2000-2 777-3
	N789UA	2000-2 777-4
	N790UA	2000-2 777-5
	N791UA	2000-2 777-6
	N793UA	2000-2 777-7

Financier	Aircraft Identifying Information	Type of Financing
	N797UA	2000-2 777-8
	N798UA	2000-2 777-9
	N809UA	2000-2 A319-1
	N810UA	2000-2 A319-2
	N811UA	2000-2 A319-3
	N812UA	2000-2 A319-4
	N813UA	2000-2 A319-5
	N814UA	2000-2 A319-6
	N815UA	2000-2 A319-7
	N816UA	2000-2 A319-8
	N817UA	2000-2 A319-9
	N818UA	2000-2 A319-10
	N828UA	2000-2 A319-11
	N829UA	2000-2 A319-12
	N437UA	2000-2 A320-1
	N438UA	2000-2 A320-2
	N439UA	2000-2 A320-3
	N440UA	2000-2 A320-4
	N447UA	2000-2 A320-5
	N450UA	2000-2 A320-6
WELLS FARGO BANK NORTHWEST, NA (f/k/a First Security Bank, NA)	N193UA	1997 747-1
Pass Through Trustee	N194UA	1997 747-2
Enhanced Pass Through Certificates Series 1997-1, Class A	N776UA	1997 777-1

Financier	Aircraft Identifying Information	Type of Financing
	N778UA	1997 777-2
	N780UA	1997 777-3
	N786UA	1997 777-4
	N433UA	1997 A320-1
	N434UA	1997 A320-2
	N435UA	1997 A320-3
	N436UA	1997 A320-4
	N398UA	1994 737 B
	N399UA	1994 737 C
	N202UA	1994 737 D
	N203UA	1994 737 E
WELLS FARGO BANK NORTHWEST, NA (f/k/a First Security Bank, NA) Pass Through Trustee	N767UA	1995 777C
Pass Through Certificates Series 1996-A, Series 1996 A1, Series 1996 A2	N106UA	1994 747 B
WELLS FARGO BANK NORTHWEST, NA (f/k/a First Security Bank, NA) Pass Through Trustee	N777UA	1995 777A
Pass Through Certificates Series 1995-A, Series 1995-A1, Series 1995-A2	N766UA	1995 777 B
	N189UA	1993 747 A
STATE STREET BANK AND TRUST COMPANY OF CONNECTICUT, NATIONAL ASSOCIATION Pass Through Trustee	N575UA	1993 757-1
Pass Through Certificates Series 1994-AA, Series 1994-BB	N577UA	1993 757-2
	N578UA	1993 757-3
	N538UA	1992 757 H
	N539UA	1992 757 I

Financier	Aircraft Identifying Information	Type of Financing
STATE STREET BANK AND TRUST COMPANY OF CONNECTICUT, NATIONAL ASSOCIATION Pass Through Trustee	N645UA	1991 767 E
	N655UA	1992 767 G
Pass Through Certificates Series 1993-B1, Series 1993-B2, Series 1993-C1, Series 1993-C2		
STATE STREET BANK AND TRUST COMPANY OF CONNECTICUT, NATIONAL ASSOCIATION Pass Through Trustee	N548UA	1992 757A
	N549UA	1992 757 B
	N550UA	1992 757C
	N646UA	1992 767 A
Pass Through Certificates Series 1992-A1, Series 1992-A2	N647UA	1992 767B
STATE STREET BANK AND TRUST COMPANY OF CONNECTICUT, NATIONAL ASSOCIATION Pass Through Trustee	N183UA	1992 747 A
	N184UA	1992 747 B
Pass Through Certificates Series 1992-B1, Series 1992-B2		
STATE STREET BANK AND TRUST COMPANY OF CONNECTICUT, NATIONAL ASSOCIATION Pass Through Trustee	N180UA	1991 747 A
	N179UA	1991 747 B
	N534UA	1991 757 F
	N540UA	1991 757 H
	N541UA	1991 757 I
	N915UA	1991 737 D
	N911UA	1991 737 E
STATE STREET BANK AND TRUST COMPANY OF CONNECTICUT, NATIONAL ASSOCIATION Indenture Trustee	N175UA	1990 II
	N176UA	1990 III
Equipment Trust Certificates Series 1991-A, Series 1991-B		

Financier	Aircraft Identifying Information	Type of Financing
STATE STREET BANK AND TRUST COMPANY OF CONNECTICUT, NATIONAL ASSOCIATION Pass Through Trustee	N656UA	1993 767 A
	N648UA	1992 767 C
	N654UA	1992 767 F
Pass Through Certificates Series 1993-A1, Series 1993-A2, Series 1993-A3, Series 1993-A4		
STATE STREET BANK AND TRUST COMPANY OF CONNECTICUT, NATIONAL ASSOCIATION Indenture Trustee	N642UA	1991 767 B
	N644UA	1991 767 C
	N643UA	1991 767 D
Equipment Trust Certificates Series 1991-C/D/E ETC		

Schedule 2

Information for Each Public Debtholder

Public Debtholder Name	Public Debtholder Address	Public Debtholder Phone Number	Public Debtholder Email Address	Name of Debt Issued to Public Debtholder	Tail Number Relating to Debt Issuance	Principal Amount of Debt Owned by Public Debtholder	Name of Trustee or Record Owner	Address of Trustee or Record Owner	Telephone Number of Trustee or Record Owner	Email Address of Trustee or Record Owner

Exhibit A

Typical Mortgage Structure

Mortgage

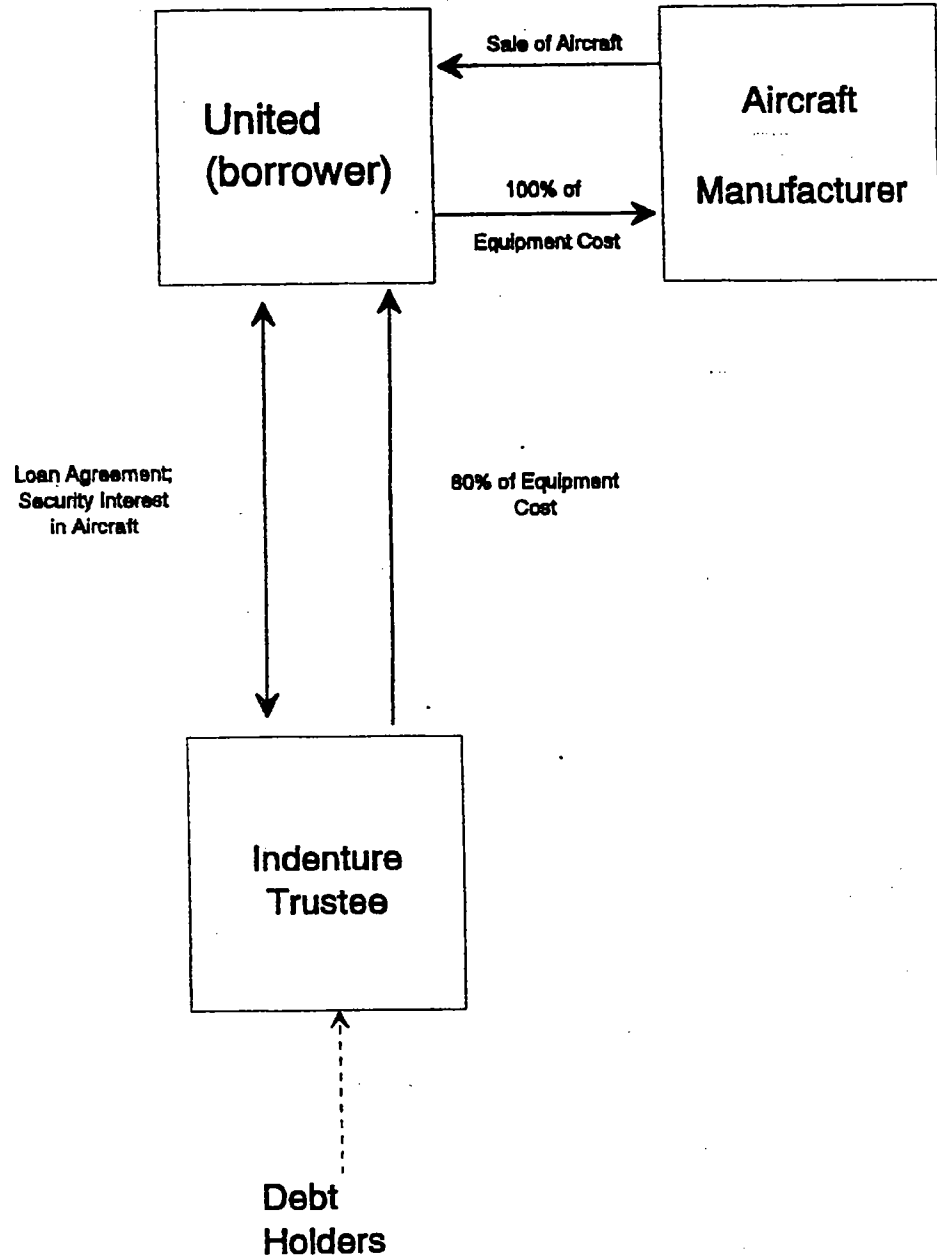
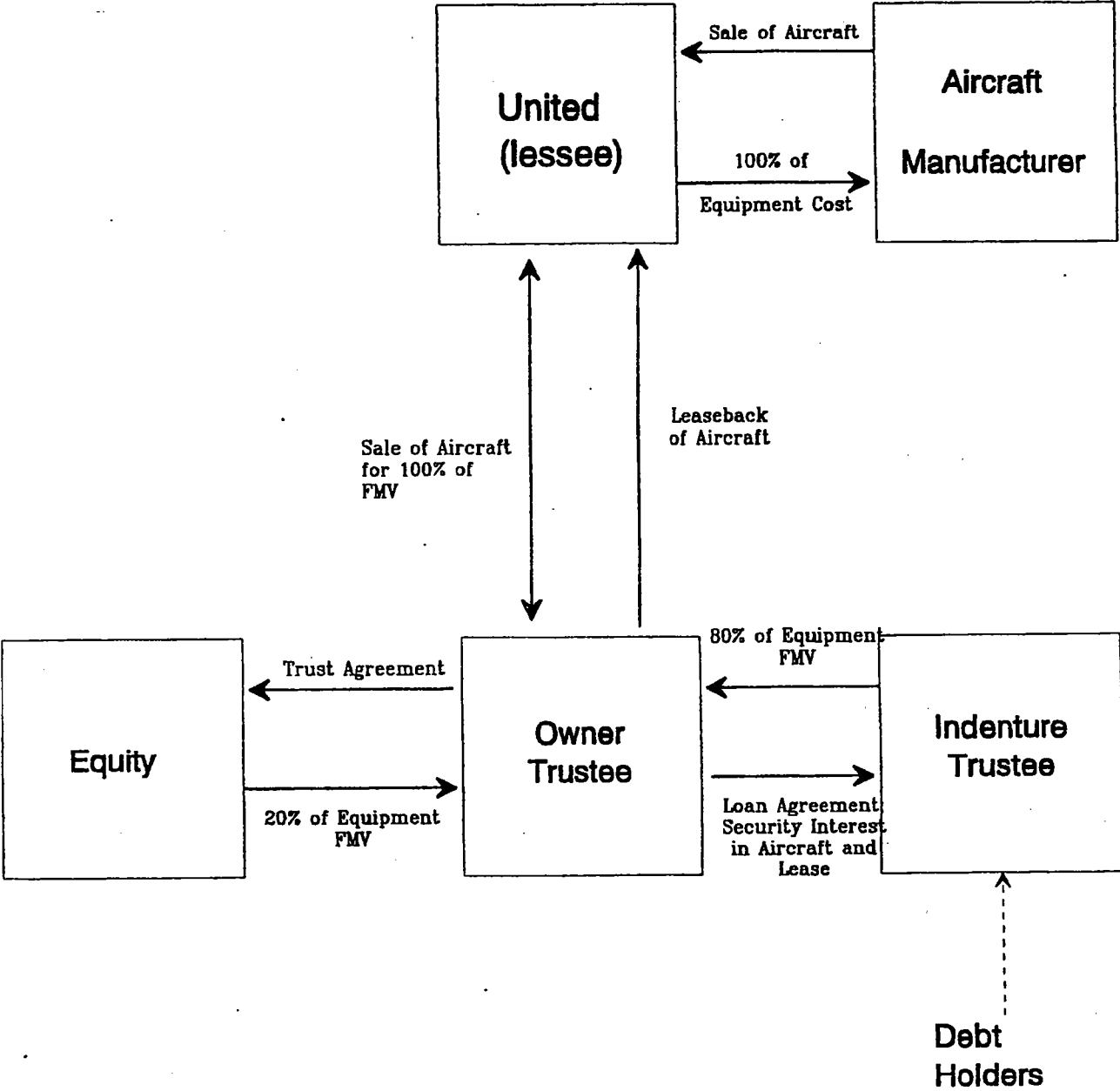


Exhibit B

Typical Leveraged Lease Structure

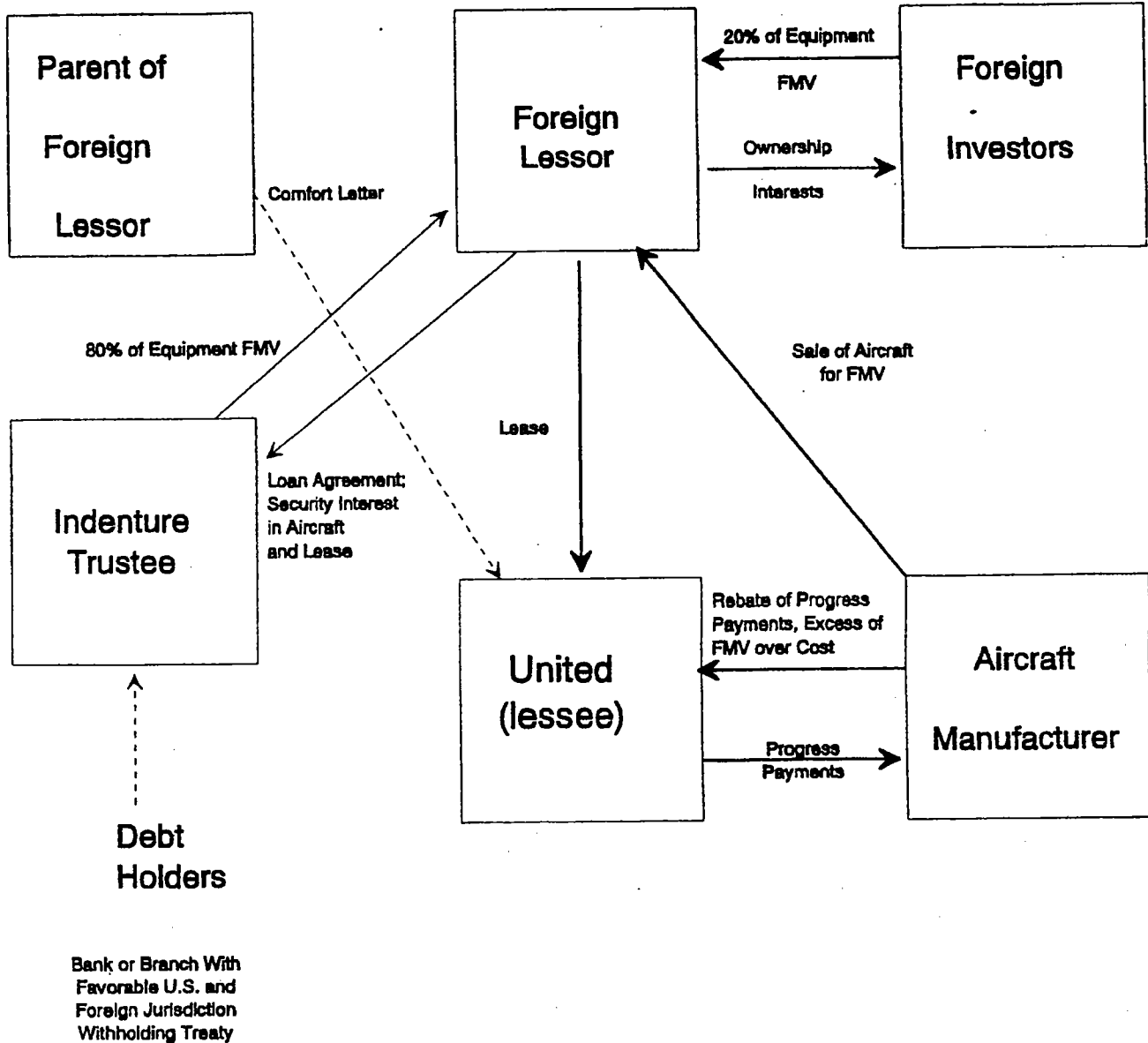
Leveraged Lease



Exhibits C-1 and C-2

Common Cross-Border Financing Structures

Single-Tier Cross Border Lease



Two-Tier Cross Border Lease

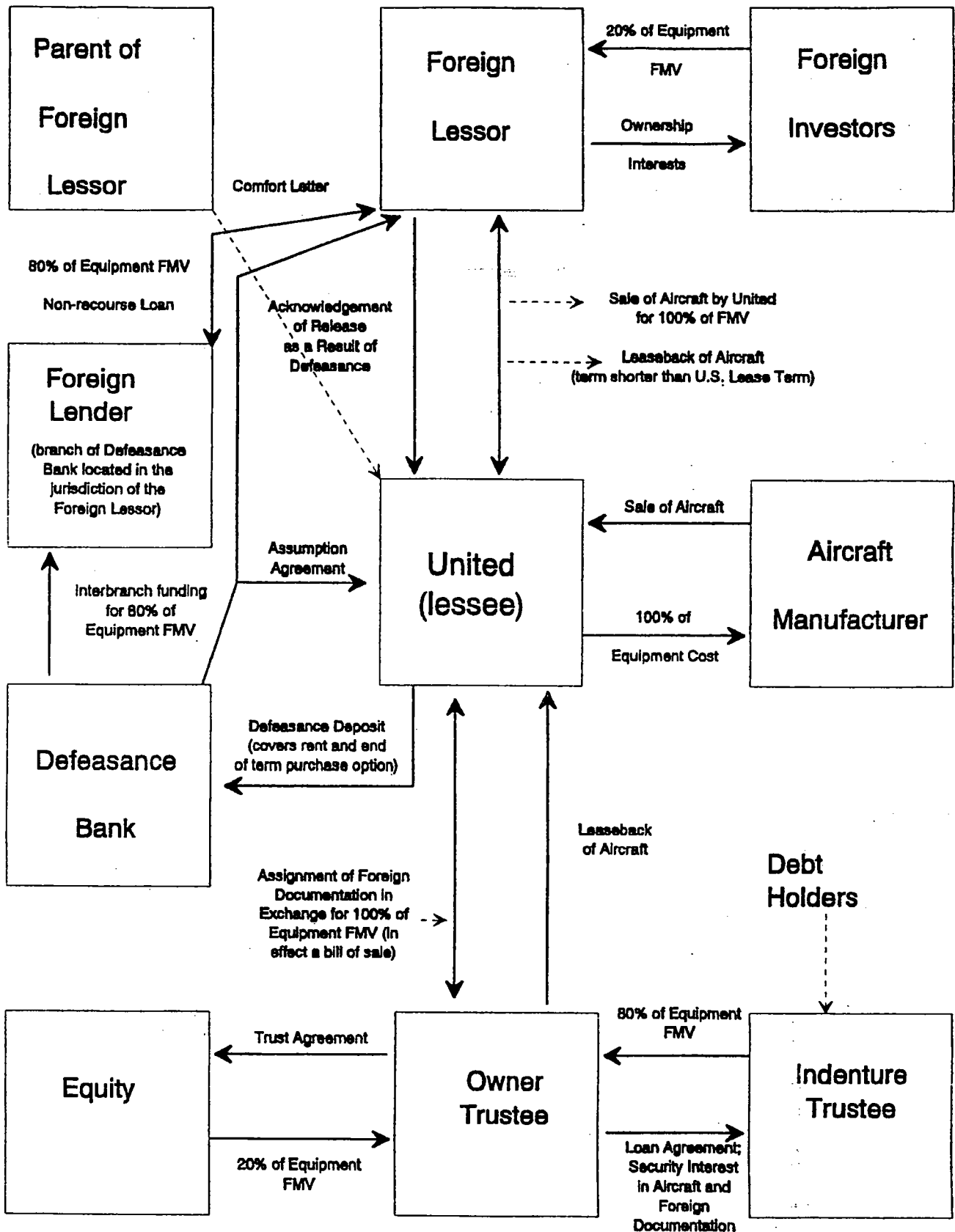


Exhibit D

Public Financing Structure

Equipment Trust Certificates

DIAGRAM OF PAYMENTS

The diagram below illustrates certain aspects of the payment flows among United, the Owner Trustees, the Loan Trustees, the Trustees, the Owner Participants and the Certificateholders with respect to each Trust and the related Aircraft.

United leases each Aircraft from the related Owner Trustee under a separate Lease. The Equipment Notes for each such Aircraft will be issued by such Owner Trustee in two series (each series to be purchased by one of the Trusts related to such Aircraft) and will be secured by such Aircraft and by an assignment of certain rights of the related Owner Trustee under the related Lease. As a result of the assignment of the Lease, United will make rental payments for each Aircraft directly to the related Loan Trustee. From these rental payments such Loan Trustee will on behalf of the related Owner Trustee first make payments to the Trustee for each of the Trusts on the Equipment Notes issued by such Owner Trustee held in such Trust and will pay the remaining balance to such Owner Trustee for the benefit of the related Owner Participant. The Trustee for each of the Trusts will pass through to the Certificateholders payments received with respect to the Equipment Notes held in such Trust. State Street will act as Trustee of each Trust and as Loan Trustee under each Indenture.

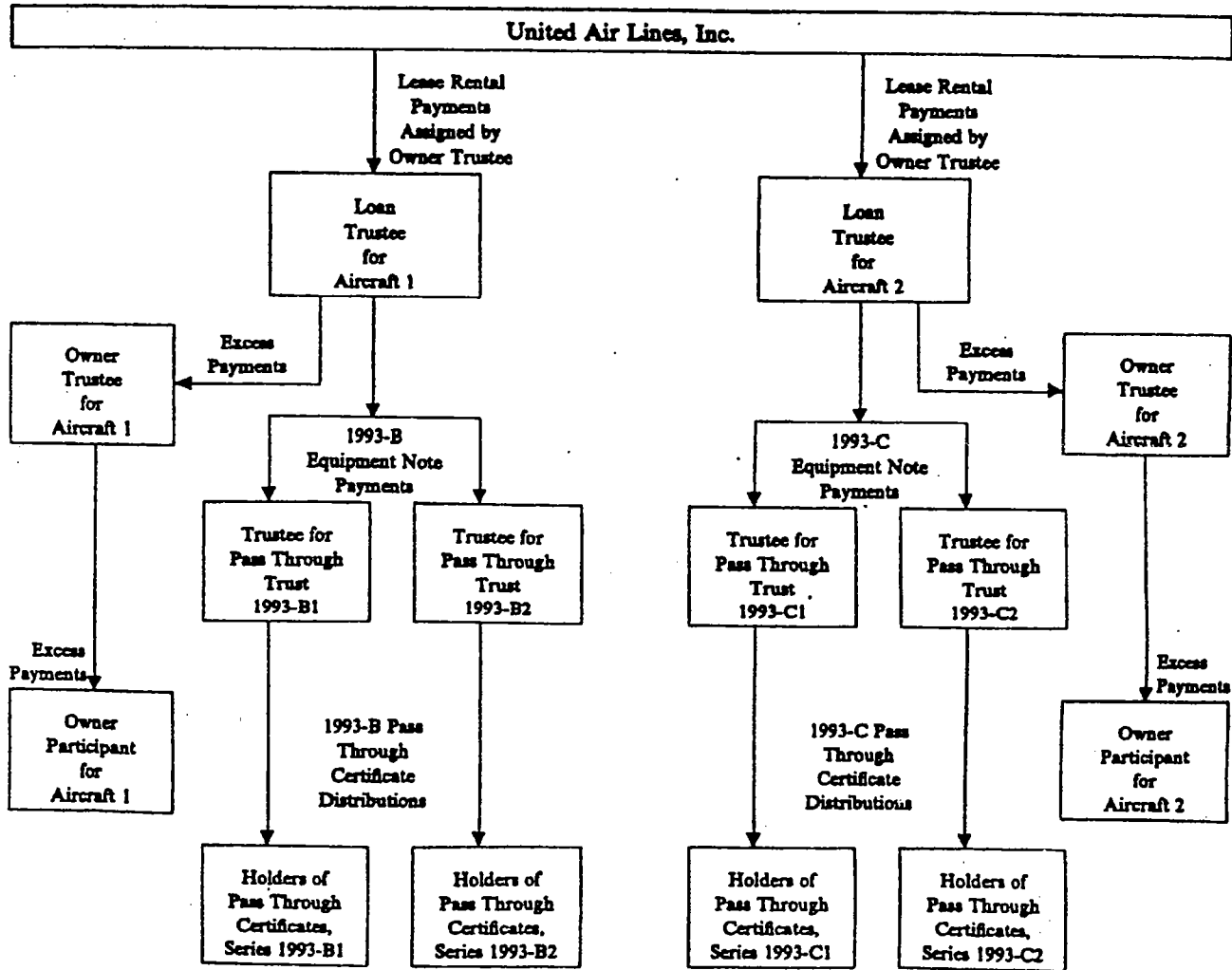


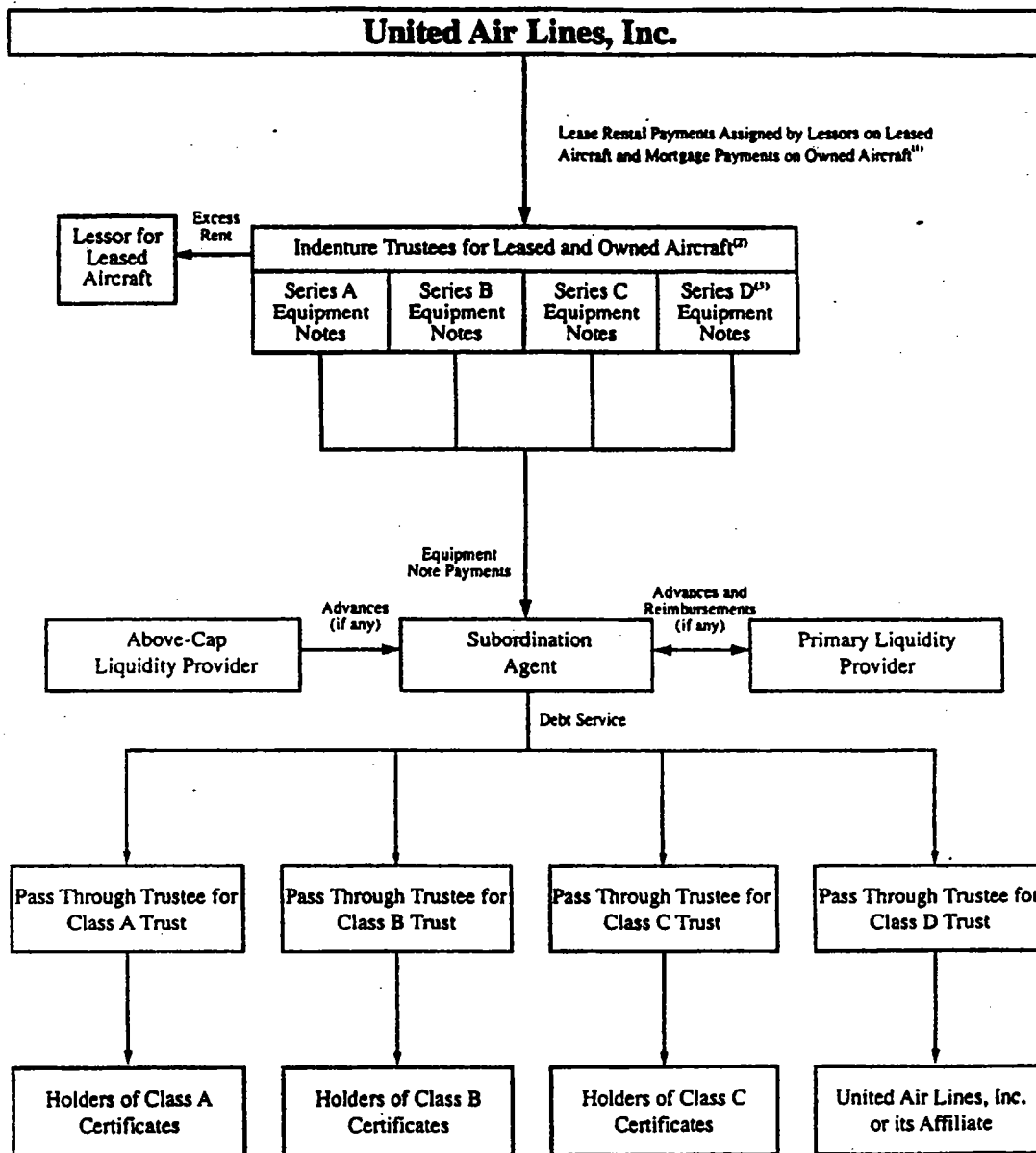
Exhibit E

Typical EETC Financing Structure

"Enhanced" Equipment Trust Certificates

Cash Flow Structure

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

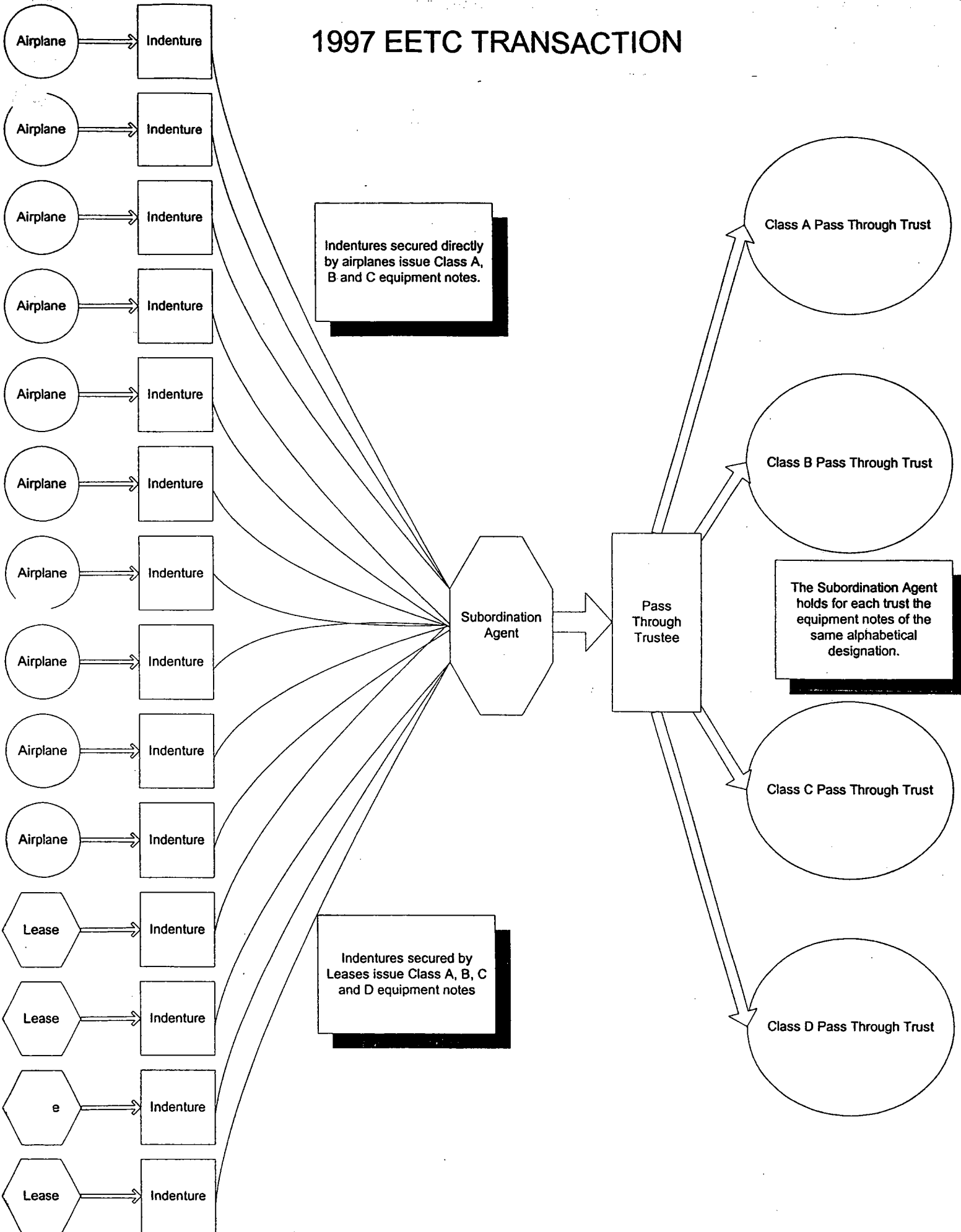


- Notes: (1) Rental payments related to all Leased Aircraft flow in the same manner as payments related to the Owned Aircraft.
 (2) Each Leased Aircraft is subject to a separate lease and the related indenture. Each Owned Aircraft is subject to a separate indenture.
 (3) Initially issued for Leased Aircraft only.

Exhibit F

EETC Transaction - December Maturities Structure

1997 EETC TRANSACTION



**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

In re:) **Chapter 11**
)
UAL CORPORATION, et al.,¹) **Case No. 02-B-_____**
) **(Jointly Administered)**
)
 Debtors.)
) **Honorable _____**

**ORDER PURSUANT TO SECTION 105(a) OF THE BANKRUPTCY CODE
REQUIRING DISCLOSURE OF
BENEFICIAL HOLDERS OF AIRCRAFT SECURITIES**

Upon the Motion² of the debtors and debtors in possession (collectively, the “Debtors”) in the above-captioned Chapter 11 cases seeking entry of an order requiring disclosure of beneficial holders of aircraft securities pursuant to Section 105(a) of the Bankruptcy Code; and it appearing that the relief requested is in the best interests of the Debtors’ estates, their creditors and other parties in interest; and it appearing that the relief requested is essential to the continued operation of the Debtors’ businesses; and it appearing that this Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and it appearing that this proceeding is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2); and it appearing that venue is proper in this District pursuant to 28 U.S.C. §§ 1408 and 1409; and adequate notice having been given; and it appearing that no other notice need be given; and after due deliberation and sufficient cause appearing therefor, it is hereby ORDERED THAT:

1. The Motion is granted.

¹ The Debtors are the following entities: UAL Corporation, UAL Loyalty Services, Inc., Confetti, Inc., Mileage Plus Holdings, Inc., Mileage Plus Marketing, Inc., MyPoints.com, Inc., Cybergold, Inc., itarget.com, inc., MyPoints Offline Services, Inc., UAL Company Services, Inc., UAL Benefits Management, Inc., United BizJet Holdings, Inc., BizJet Charter, Inc., BizJet Fractional, Inc., BizJet Services, Inc., United Air Lines, Inc., Kion Leasing, Inc., Premier Meeting and Travel Services, Inc., United Aviation Fuels Corporation, United Cogen, Inc., Mileage Plus, Inc., United GHS, Inc., United Worldwide Corporation, United Vacations, Inc., Four Star Leasing, Inc., Air Wis Services, Inc., Air Wisconsin, Inc., Domicile Management Services, Inc.

² Capitalized terms used but not defined herein shall have the same meaning as in the Motion.

2. The Trustee and Record Owners are required to disclose to the Debtors, c/o Kirkland & Ellis, 200 East Randolph Drive, Chicago, Illinois 60601, Attn: Geoffrey A. Richards, Esq., the information on the Schedule attached to this Order for each of the Public Debtholders.

3. Disclosure of the information indentified in Paragraph 2 shall be made no later than 15 days from the date on which such Trustee or Record Owner receives a copy of this Order granting the Motion.

4. This Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

5. Notwithstanding the possible applicability of Bankruptcy Rules 6004(g), 7062, 9014, or otherwise, the terms and conditions of this Order shall take effect immediately upon entry.

6. All time periods set forth in this Order shall be calculated in accordance with Bankruptcy Rule 9006(a).

Dated: Chicago, Illinois
_____, 2002

United States Bankruptcy Judge

Schedule 1

Information for Each Public Debtholder

Public Debtholder Name	Public Debtholder Address	Public Debtholder Phone Number	Public Debtholder Email Address	Name of Debt Issued to Public Debtholder	Tail Number Relating to Debt Issuance	Principal Amount of Debt Owned by Public Debtholder	Name of Trustee or Record Owner	Address of Trustee or Record Owner	Telephone Number of Trustee or Record Owner	Email Address of Trustee or Record Owner