

UNITED AIRLINES, INC.
Form 424B3
October 23, 2017
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**Filed pursuant to Rule 424(b)(3)
Registration No. 333-203630-01**

This preliminary prospectus supplement relates to an effective registration statement under the Securities Act of 1933, as amended, but it is not complete and may be changed. This preliminary prospectus supplement is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED OCTOBER 23, 2017

PROSPECTUS SUPPLEMENT TO PROSPECTUS, DATED APRIL 24, 2015

\$236,173,000

2016-2 PASS THROUGH TRUSTS

CLASS B PASS THROUGH CERTIFICATES, SERIES 2016-2

United Airlines Class B Pass Through Certificates, Series 2016-2, are being offered under this prospectus supplement. The Class AA Pass Through Certificates and the Class A Pass Through Certificates of the same series were originally issued on September 27, 2016, and are not being offered under this prospectus supplement. The Class B certificates will rank junior in right of distributions to such Class AA and Class A certificates. The Class B certificates represent interests in the Class B trust to be established in connection with this offering. The proceeds from the sale of the Class B certificates will be used by the Class B trust to acquire Series B equipment notes. The Series B equipment notes will be issued by United Airlines, Inc. and will be secured by 13 Boeing aircraft currently owned by United that were delivered new to United between December 2016 and June 2017. Payments on the Series B equipment notes held in the Class B trust will be passed through to the holders of Class B certificates.

Interest on the Series B equipment notes will be payable semiannually on each April 7 and October 7, beginning April 7, 2018. Principal payments on the Series B equipment notes are scheduled on April 7 and October 7 of each year, beginning on April 7, 2018.

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

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

Investing in the Class B certificates involves risks. See **Risk Factors** beginning on page S-17.

Pass Through Certificates	Face Amount	Interest Rate	Final Expected Distribution Date	Price to Public(1)
Class B	\$236,173,000	%	October 7, 2025	100%

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

The underwriters will purchase all of the Class B certificates if any are purchased. The aggregate proceeds from the sale of the Class B certificates will be \$236,173,000. United will pay the underwriters a commission of \$. Delivery of the Class B certificates in book-entry form only will be made on or about , 2017.

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

Lead Bookrunners

Credit Suisse

Goldman Sachs & Co. LLC

Morgan Stanley

Sole Structuring Agent

Bookrunners

Citigroup

Deutsche Bank Securities

BofA Merrill Lynch

J.P. Morgan

BNP Paribas

Credit Agricole Securities

The date of this prospectus supplement is , 2017.

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CERTAIN VOLCKER RULE CONSIDERATIONS

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

PRESENTATION OF INFORMATION

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

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

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

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

Table of Contents**PROSPECTUS SUPPLEMENT SUMMARY**

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

Summary of Terms of Certificates

	Previously Issued Class AA Certificates	Previously Issued Class A Certificates	Class B Certificates
Aggregate Face Amount(1)	\$636,512,000	\$283,081,000	\$236,173,000
Interest Rate	2.875%	3.100%	%
Initial Loan to Aircraft Value (cumulative)(2)(3)	40.2%	58.1%	73.0%
Highest Loan to Aircraft Value (cumulative)(2)(3)	40.2%	58.1%	73.0%
Expected Principal Distribution Window (in years from applicable original issuance date)	1.5 12.0	1.5 12.0	0.4 7.9
Initial Average Life (in years from applicable original issuance date)	9.1	9.1	5.4
Regular Distribution Dates	April 7 and October 7	April 7 and October 7	April 7 and October 7
Final Expected Distribution Date	October 7, 2028	October 7, 2028	October 7, 2025
Final Maturity Date	April 7, 2030	April 7, 2030	April 7, 2027
Minimum Denomination	\$1,000	\$1,000	\$1,000
Section 1110 Protection	Yes	Yes	Yes
Liquidity Facility Coverage	3 semiannual interest payments	3 semiannual interest payments	3 semiannual interest payments

- (1) The Class AA Certificates and Class A Certificates were originally issued September 27, 2016. The Class AA Certificates and Class A Certificates are not being offered pursuant to this Prospectus Supplement.
- (2) These percentages are calculated as of November 1, 2017, the expected issuance date of the Class B Certificates. In calculating these percentages, we have assumed that the aggregate appraised value of the Aircraft subject to this Offering is \$1,583,240,000 as of such date. The appraised value is only an estimate and reflects certain assumptions. See [Description of the Aircraft and the Appraisals](#) [The Appraisals](#) .
- (3) See [Loan to Aircraft Value Ratios](#) .

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The Series B Equipment Notes will have a security interest in 13 Aircraft currently owned by United. The Series AA Equipment Notes and the Series A Equipment Notes, which will rank senior to the Series B Equipment Notes in right of payment, were previously issued by United to finance the acquisition of such Aircraft and have a security interest in such Aircraft. The 13 Aircraft, which were delivered new to United between December 2016 and June 2017, consist of one Boeing 737-824 aircraft, three Boeing 737-924ER aircraft, two Boeing 787-9 aircraft and seven Boeing 777-322ER aircraft. See Description of the Aircraft and the Appraisals The Appraisals for a description of the 13 Aircraft. Set forth below is certain information about the Equipment Notes to be held in the Trusts and the 13 Aircraft that will secure such Equipment Notes:

Aircraft Model	Manufacturer s			Principal	Principal	Appraised
	Registration Number	Serial Number	Delivery Month	Amount of Senior Equipment Notes(1)	Amount of Series B Equipment Notes	
Boeing 737-824	N77538	63694	December 2016	\$ 27,862,000	\$ 6,222,000	\$ 46,690,000
Boeing 737-924ER	N61898	62815	December 2016	29,357,000	7,180,000	50,050,000
Boeing 737-924ER	N63899	62816	December 2016	29,357,000	7,199,000	50,076,667
Boeing 737-924ER	N38479	62817	December 2016	29,357,000	7,197,000	50,073,333
Boeing 787-9	N29968	60141	January 2017	78,813,000	21,861,000	137,910,000
Boeing 787-9	N15969	60142	February 2017	78,877,000	22,140,000	138,380,000
Boeing 777-322ER	N2737U	62647	March 2017	92,150,000	23,146,000	157,940,000
Boeing 777-322ER	N2140U	62651	June 2017	92,226,000	23,647,000	158,730,000
Boeing 777-322ER	N2639U	62650	May 2017	92,226,000	23,457,000	158,470,000
Boeing 777-322ER	N2341U	63721	June 2017	92,303,000	23,570,000	158,730,000
Boeing 777-322ER	N2142U	63722	June 2017	92,303,000	23,570,000	158,730,000
Boeing 777-322ER	N2243U	63723	June 2017	92,381,000	23,492,000	158,730,000
Boeing 777-322ER	N2644U	63724	June 2017	92,381,000	23,492,000	158,730,000

(1) The principal amount of Senior Equipment Notes for an Aircraft represents the sum of the principal amount of the Series AA Equipment Notes and Series A Equipment Notes for such Aircraft.

(2) The appraised value of each Aircraft set forth above is the lesser of the average and median values of such Aircraft as appraised by three independent appraisal and consulting firms. Such appraisals indicate appraised base value as of the date set forth in such appraisal. These appraisals are based upon varying assumptions and methodologies. An appraisal is only an estimate of value and should not be relied upon as a measure of realizable value. See Risk Factors Risk Factors Relating to the Class B Certificates and the Offering The Appraisals are only estimates of Aircraft value and the appraisal letters included in Appendix II of this Prospectus Supplement.

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The following table sets forth loan to Aircraft value ratios (LTVs) for each Class of Certificates as of the Issuance Date and as of each Regular Distribution Date thereafter. The table should not be considered a forecast or prediction of expected or likely LTVs but simply a mathematical calculation based on one set of assumptions. See Risk Factors Risk Factors Relating to the Class B Certificates and the Offering The Appraisals are only estimates of Aircraft value .

Regular Distribution Date	Assumed Aggregate Aircraft Value(1)	Outstanding Balance(2)			LTV(3)		
		Class AA Certificates	Class A Certificates	Class B Certificates	Class AA Certificates	Class A Certificates	Class B Certificates
At Issuance Date	\$ 1,583,240,000	\$ 636,512,000	\$ 283,081,000	\$ 236,173,000	40.2%	58.1%	73.0%
April 7, 2018	1,561,183,533	619,688,366	275,598,893	226,059,110	39.7%	57.3%	71.8%
October 7, 2018	1,536,994,436	602,864,732	268,116,785	215,945,220	39.2%	56.7%	70.7%
April 7, 2019	1,512,805,340	586,041,098	260,634,678	205,831,330	38.7%	56.0%	69.6%
October 7, 2019	1,488,616,244	569,217,464	253,152,571	195,717,440	38.2%	55.2%	68.4%
April 7, 2020	1,464,427,148	552,393,829	245,670,464	185,603,550	37.7%	54.5%	67.2%
October 7, 2020	1,440,238,051	535,570,195	238,188,356	175,489,660	37.2%	53.7%	65.9%
April 7, 2021	1,416,048,955	518,746,561	230,706,249	165,375,770	36.6%	52.9%	64.6%
October 7, 2021	1,391,859,859	501,922,927	223,224,142	155,261,880	36.1%	52.1%	63.3%
April 7, 2022	1,367,670,763	485,099,293	215,742,035	145,147,990	35.5%	51.2%	61.9%
October 7, 2022	1,343,481,666	468,275,659	208,259,927	135,034,100	34.9%	50.4%	60.4%
April 7, 2023	1,319,292,570	451,452,025	200,777,820	124,920,210	34.2%	49.4%	58.9%
October 7, 2023	1,295,103,474	437,824,881	194,717,313	114,806,320	33.8%	48.8%	57.7%
April 7, 2024	1,270,914,378	424,197,737	188,656,806	104,692,430	33.4%	48.2%	56.5%
October 7, 2024	1,246,725,282	410,570,594	182,596,299	94,578,540	32.9%	47.6%	55.2%
April 7, 2025	1,222,536,185	396,943,450	176,535,793	84,464,650	32.5%	46.9%	53.8%
October 7, 2025	1,198,347,089	383,316,306	170,475,286		32.0%	46.2%	0.0%
April 7, 2026	1,174,157,993	369,689,163	164,414,779		31.5%	45.5%	0.0%
October 7, 2026	1,149,968,897	356,062,019	158,354,272		31.0%	44.7%	0.0%
April 7, 2027	1,125,779,800	342,434,875	152,293,765		30.4%	43.9%	0.0%