

CONTINENTAL AIRLINES INC /DE/

Form 424B3

March 08, 2012

**Table of Contents**

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 state where the offer or sale is not permitted.

**Filed Pursuant to Rule 424(b)(3)  
Registration No. 333-158781**

SUBJECT TO COMPLETION, DATED MARCH 8, 2012

PROSPECTUS SUPPLEMENT TO PROSPECTUS, DATED APRIL 24, 2009

**\$892,138,000**

## 2012-1 PASS THROUGH TRUSTS

### PASS THROUGH CERTIFICATES, SERIES 2012-1

Two classes of the Continental Airlines Pass Through Certificates, Series 2012-1, are being offered under this prospectus supplement: Class A and B. A separate trust will be established for each class of certificates. The proceeds from the sale of certificates will initially be held in escrow, and interest on the escrowed funds will be payable semiannually on April 11 and October 11, commencing October 11, 2012. The trusts will use the escrowed funds to acquire equipment notes. The equipment notes will be issued by Continental Airlines, Inc. and will be secured by 18 new Boeing aircraft scheduled for delivery from February 2012 to December 2012 and three Boeing aircraft acquired by Continental in 2009. Payments on the equipment notes held in each trust will be passed through to the holders of certificates of such trust.

Interest on the equipment notes will be payable semiannually on each April 11 and October 11 after issuance (but not before October 11, 2012). Principal payments on the equipment notes are scheduled on April 11 and October 11 in certain years, beginning on October 11, 2013.

The Class A certificates will rank senior to the Class B certificates.

Credit Suisse AG, New York Branch, will provide the initial liquidity facility for the Class A and B certificates, in each case in an amount sufficient to make three semiannual interest payments.

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

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

Pass Through		Interest		
Certificates	Face Amount	Rate	Final Expected Distribution Date	Price to Public(1)
Class A	\$753,035,000	%	April 11, 2024	100%
Class B	\$139,103,000	%	April 11, 2020	100%

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

The underwriters will purchase all of the certificates if any are purchased. The aggregate proceeds from the sale of the certificates will be \$892,138,000. Continental will pay the underwriters a commission of \$ . Delivery of the certificates in book-entry form only will be made on or about , 2012.

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.

**Joint Structuring Agents and Lead Bookrunners**

**Credit Suisse**

**Morgan Stanley**

**Bookrunners**

**Deutsche Bank Securities**

**Goldman, Sachs & Co.**

**Co-Managers**

**Citigroup**

**J.P. Morgan**

**Jefferies**

The date of this prospectus supplement is March , 2012.

**Table of Contents**

**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.

S-1

**Table of Contents****TABLE OF CONTENTS****Prospectus Supplement**

	<b>Page</b>
<u>PROSPECTUS SUPPLEMENT SUMMARY</u>	S-4
<u>Summary of Terms of Certificates</u>	S-4
<u>Equipment Notes and the Aircraft</u>	S-5
<u>Loan to Aircraft Value Ratios</u>	S-6
<u>Cash Flow Structure</u>	S-7
<u>The Offering</u>	S-8
<u>SUMMARY FINANCIAL AND OPERATING DATA</u>	S-14
<u>Selected Operating Data</u>	S-16
<u>RISK FACTORS</u>	S-17
<u>Risk Factors Relating to the Company</u>	S-17
<u>Risk Factors Relating to the Certificates and the Offering</u>	S-27
<u>USE OF PROCEEDS</u>	S-30
<u>THE COMPANY</u>	S-30
<u>DESCRIPTION OF THE CERTIFICATES</u>	S-31
<u>General</u>	S-31
<u>Payments and Distributions</u>	S-32
<u>Pool Factors</u>	S-34
<u>Reports to Certificateholders</u>	S-36
<u>Indenture Defaults and Certain Rights Upon an Indenture Default</u>	S-37
<u>Purchase Rights of Certificateholders</u>	S-38
<u>PTC Event of Default</u>	S-39
<u>Merger, Consolidation and Transfer of Assets</u>	S-39
<u>Modifications of the Pass Through Trust Agreements and Certain Other Agreements</u>	S-39
<u>Obligation to Purchase Equipment Notes</u>	S-42
<u>Liquidation of Original Trusts</u>	S-54
<u>Termination of the Trusts</u>	S-55
<u>The Trustees</u>	S-55
<u>Book-Entry, Delivery and Form</u>	S-55
<u>DESCRIPTION OF THE DEPOSIT AGREEMENTS</u>	S-59
<u>General</u>	S-59
<u>Unused Deposits</u>	S-59
<u>Distribution Upon Occurrence of Triggering Event</u>	S-59
<u>Replacement of Depositary</u>	S-60
<u>Depositary</u>	S-60
<u>DESCRIPTION OF THE ESCROW AGREEMENTS</u>	S-61
<u>DESCRIPTION OF THE LIQUIDITY FACILITIES</u>	S-62
<u>General</u>	S-62
<u>Drawings</u>	S-62
<u>Replacement Liquidity Facility</u>	S-65
<u>Reimbursement of Drawings</u>	S-65
<u>Liquidity Events of Default</u>	S-67
<u>Liquidity Provider</u>	S-68
<u>DESCRIPTION OF THE INTERCREDITOR AGREEMENT</u>	S-69
<u>Intercreditor Rights</u>	S-69
<u>Post Default Appraisals</u>	S-71
<u>Priority of Distributions</u>	S-71
<u>Voting of Equipment Notes</u>	S-74
<u>List of Certificateholders</u>	S-74
<u>Reports</u>	S-75
<u>The Subordination Agent</u>	S-75

Edgar Filing: CONTINENTAL AIRLINES INC /DE/ - Form 424B3

<u>DESCRIPTION OF THE AIRCRAFT AND THE APPRAISALS</u>	S-76
<u>The Aircraft</u>	S-76
<u>The Appraisals</u>	S-76
<u>Timing of Financing the Aircraft</u>	S-78
<u>Substitute Aircraft</u>	S-78
<u>DESCRIPTION OF THE EQUIPMENT NOTES</u>	S-79
<u>General</u>	S-79
<u>Subordination</u>	S-79
<u>Principal and Interest Payments</u>	S-80
<u>Redemption</u>	S-80
<u>Security</u>	S-81
<u>Limitation of Liability</u>	S-82
<u>Indenture Defaults, Notice and Waiver</u>	S-82
<u>Remedies</u>	S-83
<u>Modification of Indentures</u>	S-84
<u>Indemnification</u>	S-84
<u>Certain Provisions of the Indentures</u>	S-84
<u>POSSIBLE ISSUANCE OF ADDITIONAL JUNIOR CERTIFICATES AND REFINANCING OF CERTIFICATES</u>	S-89
<u>Issuance of Additional Junior Certificates</u>	S-89
<u>Refinancing of Certificates</u>	S-89
<u>CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES</u>	S-90
<u>General</u>	S-90
<u>Tax Status of the Trusts</u>	S-90
<u>Taxation of Certificateholders Generally</u>	S-90
<u>Effect of Reallocation of Payments under the Intercreditor Agreement</u>	S-92
<u>Dissolution of Original Trusts and Formation of New Trusts</u>	S-92
<u>Sale or Other Disposition of the Certificates</u>	S-93
<u>3.8% Medicare Tax On Net Investment Income</u>	S-93
<u>Foreign Certificateholders</u>	S-93
<u>Backup Withholding</u>	S-94
<u>CERTAIN DELAWARE TAXES</u>	S-95
<u>CERTAIN ERISA CONSIDERATIONS</u>	S-96
<u>UNDERWRITING</u>	S-99
<u>LEGAL MATTERS</u>	S-101
<u>EXPERTS</u>	S-101
<u>INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE</u>	S-102
<u>INDEX OF TERMS</u>	
<u>APPRAISAL LETTERS</u>	Appendix I
<u>SUMMARY OF APPRAISED VALUES</u>	Appendix II
<u>LOAN TO VALUE RATIO TABLES</u>	Appendix III
	Appendix IV

**Table of Contents**

**Prospectus**

	<b>Page</b>
FORWARD-LOOKING STATEMENTS	1
WHERE YOU CAN FIND MORE INFORMATION	1
INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE	1
RATIO OF EARNINGS TO FIXED CHARGES	3
LEGAL OPINIONS	3
EXPERTS	3

**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 Certificates and Continental, 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**

	<b>Class A Certificates</b>	<b>Class B Certificates</b>
Aggregate Face Amount	\$753,035,000	\$139,103,000
Interest Rate	%	%
Initial Loan to Aircraft Value (cumulative)(1)	55.3%	65.5%
Highest Loan to Aircraft Value (cumulative)(2)	55.3%	65.5%
Expected Principal Distribution Window (in years)	1.6-12.1	1.6-8.1
Initial Average Life (in years from Issuance Date)	9.2	5.7
Regular Distribution Dates	April 11 and October 11	April 11 and October 11
Final Expected Distribution Date	April 11, 2024	April 11, 2020
Final Maturity Date	October 11, 2025	October 11, 2021
Minimum Denomination	\$1,000	\$1,000
Section 1110 Protection	Yes	Yes
Liquidity Facility Coverage	3 semiannual interest payments	3 semiannual interest payments

- (1) These percentages are determined as of April 11, 2013, the first Regular Distribution Date after all Aircraft are expected to have been financed pursuant to the Offering. In calculating these percentages, we have assumed that the financings of all Aircraft hereunder are completed prior to April 11, 2013 and that the aggregate appraised value of such Aircraft is \$1,361,373,872 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* .
- (2) See *Loan to Aircraft Value Ratios* .

**Table of Contents****Equipment Notes and the Aircraft**

The 21 Aircraft to be financed pursuant to this Offering will consist of 18 new Boeing aircraft and three Boeing 737-924ER aircraft acquired by Continental in 2009. The new aircraft will consist of 14 Boeing 737-924ER aircraft and four Boeing 787-8 aircraft scheduled for delivery between February 2012 and December 2012. These new aircraft will be selected by Continental from among 18 Boeing 737-924ER aircraft (including one or more that may have been delivered to Continental in 2012 prior to the availability of financing pursuant to this Offering) and six Boeing 787-8 aircraft. See [Description of the Aircraft and the Appraisals](#) [The Appraisals](#) for a description of the 24 new aircraft from which Continental will select the 18 new aircraft that may be financed with the proceeds of this Offering. Set forth below is certain information about the Equipment Notes expected to be held in the Trusts and the aircraft expected to secure such Equipment Notes (assuming for the purposes of the chart below that the first 14 Boeing 737-924ER aircraft of the 18 new Boeing 737-924ER aircraft and the first four Boeing 787-8 aircraft of the six Boeing 787-8 aircraft from which Continental may choose are financed hereunder):

<b>Aircraft Type(1)</b>	<b>Registration Number</b>	<b>Manufacturer's Serial Number</b>	<b>Delivery Month(2)</b>	<b>Principal Amount of Equipment Notes</b>	<b>Appraised Value(3)</b>	<b>Latest Equipment Note Maturity Date</b>
Boeing 737-924ER	N75432	32835	February 2009	\$ 28,454,000	\$ 45,060,000	April 11, 2024
Boeing 737-924ER	N75433	33527	March 2009	28,524,000	45,170,000	April 11, 2024
Boeing 737-924ER	N75435	33529	May 2009	28,810,000	45,623,333	April 11, 2024
Boeing 737-924ER	N36447	31650	February 2012	33,912,000	52,856,667	April 11, 2024
Boeing 737-924ER	N81449	31651	March 2012	33,949,000	52,913,444	April 11, 2024
Boeing 737-924ER	N78448	40003	March 2012	33,949,000	52,913,444	April 11, 2024
Boeing 737-924ER	N38451	31646	April 2012	34,032,000	53,043,888	April 11, 2024
Boeing 737-924ER	N39450	40004	April 2012	34,032,000	53,043,888	April 11, 2024
Boeing 737-924ER	N68452	40005	May 2012	34,069,000	53,100,776	April 11, 2024
Boeing 737-924ER	N68453	41742	May 2012	34,069,000	53,100,776	April 11, 2024
Boeing 737-924ER	N38454	31640	June 2012	34,108,000	53,161,219	April 11, 2024
Boeing 737-924ER	N34455	41743	June 2012	34,108,000	53,161,219	April 11, 2024
Boeing 737-924ER	N37456	37205	September 2012	34,334,000	53,458,994	April 11, 2024
Boeing 737-924ER	N28457	41744	September 2012	34,334,000	53,458,994	April 11, 2024
Boeing 737-924ER	N38458	37206	October 2012	34,461,000	53,656,104	April 11, 2024
Boeing 737-924ER	N38459	37199	October 2012	34,461,000	53,656,104	April 11, 2024
Boeing 737-924ER	N34460	37200	November 2012	34,497,000	53,712,992	April 11, 2024
Boeing 787-8	N20904	34824	September 2012	81,819,000	127,394,870	April 11, 2024
Boeing 787-8	N26906	34829	October 2012	82,014,000	127,697,813	April 11, 2024
Boeing 787-8	N27901	34821	November 2012	82,101,000	127,833,719	April 11, 2024
Boeing 787-8	N27903	34823	November 2012	82,101,000	127,833,719	April 11, 2024

- (1) The indicated registration number, manufacturer's serial number and delivery month for each new aircraft reflect our current expectations, although these may differ for the actual aircraft financed hereunder. The deadline for purposes of financing an Aircraft pursuant to this Offering is March 31, 2013 (or later under certain circumstances). The financing pursuant to this Offering of each Aircraft acquired by Continental in 2009 is expected to be effected after the existing security interest on such Aircraft has been discharged. The financing pursuant to this Offering of each new Aircraft is expected to be effected at delivery of such Aircraft by Boeing to Continental or, in the case of a new Aircraft delivered to Continental in 2012 prior to the availability of financing pursuant to this Offering, after Continental's determination to so finance such Aircraft. The actual delivery date for any new aircraft may be subject to delay or acceleration. See [Description of the Aircraft and the Appraisals](#) [Timing of Financing the Aircraft](#) . Continental has certain rights to substitute other new aircraft if the scheduled delivery date of any new Aircraft is delayed for more than 30 days after the month scheduled for delivery. See [Description of the Aircraft and the Appraisals](#) [Substitute Aircraft](#) .
- (2) For purposes of this Prospectus Supplement, an Aircraft with a Scheduled Delivery Month in 2012 is a new Aircraft. Continental may take delivery of a new Aircraft in 2012 prior to the availability of financing pursuant to this Offering and subsequently determine to so finance such Aircraft.
- (3) 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. In the case of the new Aircraft, such appraisals indicate appraised base value, projected as of the scheduled delivery month of the applicable Aircraft, and in the case of the Aircraft acquired by Continental in 2009, such appraisals indicate



## Edgar Filing: CONTINENTAL AIRLINES INC /DE/ - Form 424B3

appraised base value, adjusted for the maintenance status of the applicable Aircraft. 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 Certificates and the Offering The Appraisals are only estimates of Aircraft value .

S-5

**Table of Contents****Loan to Aircraft Value Ratios**

The following table sets forth loan to Aircraft value ratios ( LTVs ) for each Class of Certificates as of April 11, 2013, the first Regular Distribution Date after all Aircraft are expected to have been financed pursuant to the Offering, and each Regular Distribution Date thereafter. The LTVs for any Class of Certificates for the period prior to April 11, 2013, are not meaningful, since during such period all of the Equipment Notes expected to be acquired by the Trusts and the related Aircraft will not be included in the calculation. 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 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 A	Class B	Class A	Class B
		Certificates	Certificates	Certificates	Certificates
April 11, 2013	\$ 1,361,373,872	\$ 753,035,000	\$ 139,103,000	55.3%	65.5%
October 11, 2013	1,340,294,552	734,503,291	132,053,766	54.8%	64.7%
April 11, 2014	1,319,215,232	715,971,583	125,004,532	54.3%	63.7%
October 11, 2014	1,298,135,912	697,439,874	117,955,297	53.7%	62.8%
April 11, 2015	1,277,056,592	678,908,166	110,906,063	53.2%	61.8%
October 11, 2015	1,255,977,272	660,376,457	103,856,829	52.6%	60.8%
April 11, 2016	1,234,897,952	641,844,749	96,807,595	52.0%	59.8%
October 11, 2016	1,213,818,632	623,313,040	89,758,361	51.4%	58.7%
April 11, 2017	1,192,739,312	604,781,332	82,709,126	50.7%	57.6%
October 11, 2017	1,171,659,991	586,249,623	75,659,892	50.0%	56.5%
April 11, 2018	1,150,580,671	567,717,915	68,610,658	49.3%	55.3%
October 11, 2018	1,129,501,351	549,186,206	61,561,424	48.6%	54.1%
April 11, 2019	1,108,422,031	530,654,498	54,512,190	47.9%	52.8%
October 11, 2019	1,087,342,711	512,122,789	47,462,955	47.1%	51.5%
April 11, 2020	1,066,263,391	493,591,080		46.3%	0.0%
October 11, 2020	1,045,184,071	475,059,372		45.5%	0.0%
April 11, 2021	1,024,104,751	456,527,663		44.6%	0.0%
October 11, 2021	1,003,025,431	437,995,955		43.7%	0.0%
April 11, 2022	981,946,111	419,464,246		42.7%	0.0%
October 11, 2022	960,866,790	400,932,538		41.7%	0.0%
April 11, 2023	939,787,470	382,400,829		40.7%	0.0%
October 11, 2023	918,708,150	363,869,121		39.6%	0.0%
April 11, 2024	897,628,830			0.0%	0.0%

- (1) We have assumed that all Aircraft will be financed under this Offering prior to April 11, 2013, and that the appraised value of each Aircraft, determined as described under Equipment Notes and the Aircraft , declines from that of the initial appraised value of such Aircraft by approximately 3% per year for the first 15 years after the year of delivery of such Aircraft, in each case prior to the final expected Regular Distribution Date. Other rates or methods of depreciation may result in materially different LTVs. We cannot assure you that the depreciation rate and method used for purposes of the table will occur or predict the actual future value of any Aircraft. See Risk Factors Risk Factors Relating to the Certificates and the Offering The Appraisals are only estimates of Aircraft value .
- (2) In calculating the outstanding balances of each Class of Certificates, we have assumed that the Trusts will acquire the Equipment Notes for all Aircraft. Outstanding balances as of each Regular Distribution Date are shown after giving effect to distributions expected to be made on such distribution date.
- (3) The LTVs for each Class of Certificates were obtained for each Regular Distribution Date by dividing (i) the expected outstanding balance of such Class (together, in the case of the Class B Certificates, with the expected outstanding balance of the Class A Certificates) after giving effect to the distributions expected to be made on such distribution date, by (ii) the assumed value of all of the Aircraft on such date based on the assumptions described above. For purposes of these calculations, it has been assumed that the first 14 Boeing 737-924ER aircraft of the 18 new Boeing 737-924ER aircraft and the first four Boeing 787-8 aircraft of the six Boeing 787-8 aircraft from which Continental may choose are financed hereunder. The outstanding balances and LTVs of each Class of Certificates will change if the Trusts do not acquire Equipment Notes with respect to all the Aircraft. The LTVs will change if the Trusts acquire Equipment Notes with respect to the other aircraft from which Continental may choose.

S-6

**Table of Contents**

**Cash Flow Structure**

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

- (1) The Equipment Notes with respect to each Aircraft will be issued under a separate Indenture.
- (2) The Liquidity Facility for each of the Class A and B Certificates is expected to be sufficient to cover up to three consecutive semiannual interest payments with respect to such Class, except that the Liquidity Facilities will not cover interest on the Deposits.
- (3) The proceeds of the offering of each Class of Certificates will initially be held in escrow and deposited with the Depositary, pending financing of each Aircraft. The Depositary will hold such funds as interest bearing Deposits. Each Trust will withdraw funds from the Deposits relating to such Trust to purchase Equipment Notes from time to time as each Aircraft is financed. The scheduled payments of interest on the Equipment Notes and on the Deposits relating to a Trust, taken together, will be sufficient to pay accrued interest on the outstanding Certificates of such Trust. If any funds remain as Deposits with respect to a Trust at the Delivery Period Termination Date, such funds will be withdrawn by the Escrow Agent and distributed to the holders of the Certificates issued by such Trust, together with accrued and unpaid interest thereon. No interest will accrue with respect to the Deposits after they have been fully withdrawn.



Record Dates

The fifteenth day preceding the related Distribution Date.

Distributions

The Trustee will distribute all payments of principal, premium (if any) and interest received on the Equipment Notes held in each Trust to the holders of the Certificates of such Trust, subject to the subordination provisions applicable to the Certificates.

Scheduled payments of principal and interest made on the Equipment Notes will be distributed on the applicable Regular Distribution Dates.

S-8

**Table of Contents**

Payments of principal, premium (if any) and interest made on the Equipment Notes resulting from any early redemption of such Equipment Notes will be distributed on a special distribution date after not less than 15 days' notice from the Trustee to the applicable Certificateholders.

**Subordination**

Distributions on the Certificates will be made in the following order:

First, to the holders of the Class A Certificates to pay interest on the Class A Certificates.

Second, to the holders of Class B Certificates to pay interest on the Preferred B Pool Balance.

Third, to the holders of the Class A Certificates to make distributions in respect of the Pool Balance of the Class A Certificates.

Fourth, to the holders of the Class B Certificates to pay interest on the Pool Balance of the Class B Certificates not previously distributed under clause "Second" above.

Fifth, to the holders of the Class B Certificates to make distributions in respect of the Pool Balance of the Class B Certificates.

**Control of Loan Trustee**

The holders of at least a majority of the outstanding principal amount of Equipment Notes issued under each Indenture will be entitled to direct the Loan Trustee under such Indenture in taking action as long as no Indenture Default is continuing thereunder. If an Indenture Default is continuing, subject to certain conditions, the "Controlling Party" will direct the Loan Trustee under such Indenture (including in exercising remedies, such as accelerating such Equipment Notes or foreclosing the lien on the Aircraft securing such Equipment Notes).

The Controlling Party will be:

The Class A Trustee.

Upon payment of final distributions to the holders of Class A Certificates, the Class B Trustee.

Under certain circumstances, and notwithstanding the foregoing, the Liquidity Provider with the largest amount owed to it.

## Edgar Filing: CONTINENTAL AIRLINES INC /DE/ - Form 424B3

In exercising remedies during the nine months after the earlier of (a) the acceleration of the Equipment Notes issued pursuant to any Indenture or (b) the bankruptcy of Continental, the Equipment Notes and the Aircraft subject to the lien of such Indenture may not be sold for less than certain specified minimums.

Right to Purchase Other Classes of Certificates

If Continental is in bankruptcy and certain specified circumstances then exist:

The Class B Certificateholders will have the right to purchase all but not less than all of the Class A Certificates.

S-9



**Table of Contents**

If an additional class of junior certificates has been issued, the holders of such junior certificates will have the right to purchase all but not less than all of the Class A and Class B Certificates.

The purchase price will be the outstanding balance of the applicable Class of Certificates plus accrued and unpaid interest.

**Liquidity Facilities**

Under the Liquidity Facility for each of the Trusts, the Liquidity Provider will, if necessary, make advances in an aggregate amount sufficient to pay interest on the applicable Certificates on up to three successive semiannual Regular Distribution Dates at the interest rate for such Certificates. Drawings under the Liquidity Facilities cannot be used to pay any amount in respect of the Certificates other than interest and will not cover interest payable on amounts held in escrow as Deposits with the Depositary.

Notwithstanding the subordination provisions applicable to the Certificates, the holders of the Certificates to be issued by the Class A Trust or the Class B Trust will be entitled to receive and retain the proceeds of drawings under the Liquidity Facility for such Trust.

Upon each drawing under any Liquidity Facility to pay interest on the Certificates, the Subordination Agent will reimburse the applicable Liquidity Provider for the amount of such drawing. Such reimbursement obligation and all interest, fees and other amounts owing to the Liquidity Provider under each Liquidity Facility and certain other agreements will rank equally with comparable obligations relating to the other Liquidity Facility and will rank senior to the Certificates in right of payment.

**Escrowed Funds**

Funds in escrow for the Certificateholders of each Trust will be held by the Depositary as Deposits relating to such Trust. The Trustees may withdraw these funds from time to time to purchase Equipment Notes on or prior to the deadline established for purposes of this Offering. On each Regular Distribution Date, the Depositary will pay interest accrued on the Deposits relating to such Trust at a rate per annum equal to the interest rate applicable to the Certificates issued by such Trust. The Deposits relating to each Trust and interest paid thereon will not be subject to the subordination provisions applicable to the Certificates. The Deposits cannot be used to pay any other amount in respect of the Certificates.

**Unused Escrowed Funds**

All of the Deposits held in escrow may not be used to purchase Equipment Notes by the deadline established for purposes of this Offering. This may occur because of delays in the financing of Aircraft or other reasons. See *Description of the Certificates – Obligation to Purchase Equipment Notes*. If any funds remain as Deposits with respect to any Trust after such deadline, such funds will be withdrawn by the Escrow Agent for such Trust and distributed, with accrued and unpaid interest, to the Certificateholders of such

**Table of Contents**

Trust after at least 15 days prior written notice. See Description of the Deposit Agreements Unused Deposits .

Obligation to Purchase Equipment Notes

The Trustees will be obligated to purchase the Equipment Notes issued with respect to each Aircraft pursuant to the Note Purchase Agreement. Continental will enter into a secured debt financing with respect to each Aircraft pursuant to financing agreements substantially in the forms attached to the Note Purchase Agreement. The terms of such financing agreements must not vary the Required Terms set forth in the Note Purchase Agreement. In addition, Continental must certify to the Trustees that any substantive modifications do not materially and adversely affect the Certificateholders. Continental must also obtain written confirmation from each Rating Agency that the use of financing agreements modified in any material respect from the forms attached to the Note Purchase Agreement will not result in a withdrawal, suspension or downgrading of the rating of any Class of Certificates. The Trustees will not be obligated to purchase Equipment Notes if, at the time of issuance, Continental is in bankruptcy or certain other specified events have occurred. See Description of the Certificates Obligation to Purchase Equipment Notes .

Issuances of Additional Classes of Certificates

After the Delivery Period Termination Date, additional pass through certificates of one or more separate pass through trusts, which will evidence fractional undivided ownership interests in equipment notes secured by Aircraft, may be issued. Any such transaction may relate to a refinancing of Series B Equipment Notes issued with respect to all (but not less than all) of the Aircraft or the issuance of a single new series of subordinated equipment notes with respect to some or all of the Aircraft. The holders of additional pass through certificates relating to such subordinated equipment notes will have the right to purchase all of the Class A and B Certificates under certain circumstances after a bankruptcy of Continental at the outstanding principal balance of the Certificates plus accrued and unpaid interest and other amounts due to Certificateholders, but without a premium. Consummation of any such issuance of additional pass through certificates will be subject to satisfaction of certain conditions, including receipt of confirmation from the Rating Agencies that it will not result in a withdrawal, suspension or downgrading of the rating of any Class of Certificates that remains outstanding. See Possible Issuance of Additional Junior Certificates and Refinancing of Certificates .

Equipment Notes

(a) Issuer

Continental.

(b) Interest

The Equipment Notes held in each Trust will accrue interest at the rate per annum for the Certificates issued by such Trust set forth on

**Table of Contents**

the cover page of this Prospectus Supplement. Interest will be payable on April 11 and October 11 of each year, commencing on the first such date after issuance of such Equipment Notes (but not before October 11, 2012). Interest is calculated on the basis of a 360-day year consisting of twelve 30-day months.

(c) Principal

Principal payments on the Equipment Notes are scheduled on April 11 and October 11 in certain years, commencing on October 11, 2013.

(d) Redemption

*Aircraft Event of Loss.* If an Event of Loss occurs with respect to an Aircraft, all of the Equipment Notes issued with respect to such Aircraft will be redeemed, unless Continental replaces such Aircraft under the related financing agreements. The redemption price in such case will be the unpaid principal amount of such Equipment Notes, together with accrued interest, but without any premium.

*Optional Redemption.* Continental may elect to redeem all of the Equipment Notes issued with respect to an Aircraft prior to maturity only if all outstanding Equipment Notes with respect to all other Aircraft are simultaneously redeemed. In addition, Continental may elect to redeem all of the Series B Equipment Notes in connection with a refinancing of such Series. The redemption price for any optional redemption will be the unpaid principal amount of the relevant Equipment Notes, together with accrued interest and Make-Whole Premium.

(e) Security

The Equipment Notes issued with respect to each Aircraft will be secured by a security interest in such Aircraft.

(f) Substitution for Certain Currently- Owned Aircraft

Continental may elect to release any of the Aircraft acquired by it in 2009 from the security interest of the Equipment Notes and replace it with an aircraft of the same model, so long as:

No Indenture Default has occurred and is continuing.

The replacement aircraft was manufactured not more than one year prior to the date of manufacture of the released Aircraft.

The replacement aircraft has an appraised current market value, adjusted for its maintenance status, not less than that of the released Aircraft.

(g) Cross-collateralization

The Equipment Notes held in the Trusts will be cross-collateralized. This means that any proceeds from the exercise of remedies with respect to an Aircraft will be available to cover shortfalls then due under Equipment Notes issued with respect to the other Aircraft. In the absence of any such shortfall, excess proceeds will be held by the relevant Loan Trustee as additional collateral for such other Equipment Notes.



**Table of Contents**

(h) Cross-default	There will be cross-default provisions in the Indentures. This means that if the Equipment Notes issued with respect to one Aircraft are in default and remedies are exercisable with respect to such Aircraft, the Equipment Notes issued with respect to the remaining Aircraft will also be in default, and remedies will be exercisable with respect to all Aircraft.		
(i) Section 1110 Protection	Continental's outside counsel will provide its opinion to the Trustees that the benefits of Section 1110 of the U.S. Bankruptcy Code will be available with respect to the Equipment Notes.		
Certain Federal Income Tax Consequences	Each person acquiring an interest in Certificates generally should report on its federal income tax return its pro rata share of income from the relevant Deposits and income from the Equipment Notes and other property held by the relevant Trust. See Certain U.S. Federal Income Tax Consequences .		
Certain ERISA Considerations	Each person who acquires a Certificate will be deemed to have represented that either: (a) no employee benefit plan assets have been used to purchase or hold such Certificate or (b) the purchase and holding of such Certificate are exempt from the prohibited transaction restrictions of ERISA and the Code pursuant to one or more prohibited transaction statutory or administrative exemptions. See Certain ERISA Considerations .		
Threshold Rating for the Depositary		<b>Moody's</b>  Short-term P-1	<b>Standard &amp; Poor's</b> Long-term  A-
Depositary Rating	The Depositary meets the Depositary Threshold Rating requirement.		
Threshold Rating for the Liquidity Provider	Long-term	<b>Moody's</b> A3	<b>Standard &amp; Poor's</b> A-
Liquidity Provider Rating	The Liquidity Provider meets the Liquidity Threshold Rating requirement.		

**Table of Contents****SUMMARY FINANCIAL AND OPERATING DATA**

The following tables summarize certain consolidated financial and operating data with respect to Continental. The following selected consolidated financial data for the year ended December 31, 2011, the three months ended December 31, 2010, the nine months ended September 30, 2010 and the year ended December 31, 2009, are derived from the audited consolidated financial statements of Continental, including the notes thereto, included in Continental's Annual Report on Form 10-K for the year ended December 31, 2011 and incorporated by reference in this Prospectus Supplement, and should be read in conjunction with those financial statements. The following balance sheet data, as adjusted, as of December 31, 2008 and selected consolidated financial data for the year ended December 31, 2008 are derived from the selected financial data contained in Continental's Annual Report on Form 10-K for the year ended December 31, 2010.

	Successor(1)			Predecessor(1)	
	Year Ended December 31, 2011	Three Months Ended December 31, 2010	Nine Months Ended September 30, 2010	Year Ended December 31, 2009	2008
	(In millions)			(In millions)	
<b>Statement of Operations Data(2):</b>					
Operating revenue	\$ 16,175	\$ 3,563	\$ 10,788	\$ 12,623	\$ 15,350
Operating expenses	15,225	3,585	10,068	12,767	15,662
Operating income (loss)	950	(22)	720	(144)	(312)
Net income (loss)	569	(95)	441	(282)	(586)

	Successor(1)			Predecessor(1)	
	Year Ended December 31, 2011	Three Months Ended December 31, 2010	Nine Months Ended September 30, 2010	2009	2008
Ratio of Earnings to Fixed Charges(3)	1.49		1.47		1.42

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

(2) Includes the following special income (expense) items:

	Successor(1)			Predecessor(1)	
	Year Ended December 31, 2011	Three Months Ended December 31, 2010	Nine Months Ended September 30, 2010	2009	2008
	(In millions)			(In millions)	
<b>Operating (expense) income:</b>					
Pension settlement/curtailment charges	\$	\$	\$	\$ (29)	\$ (52)
Aircraft-related charges, net of gains on sales of aircraft.	6		(6)	(89)	(40)
Salary and severance related		(138)		(5)	(34)
Intangible asset impairments	(4)			(12)	(55)
Other	(4)		(12)	(10)	
Merger and integration-related costs	(157)	(63)	(29)		

## Edgar Filing: CONTINENTAL AIRLINES INC /DE/ - Form 424B3

### Nonoperating (expense) income:

Gains on sale of investments	78
Loss on fuel hedge contracts with Lehman Brothers	(125)
Write-down of auction rate securities, net of put right received	(34)
Income tax credit related to NOL utilization	28

- (3) For purposes of calculating this ratio, earnings consist of income before income taxes and cumulative effect of changes in accounting principles adjusted for undistributed income of companies in which Continental has a minority equity interest plus interest expense (net

S-14

**Table of Contents**

of capitalized interest), the portion of rental expense representative of interest expense and amortization of previously capitalized interest. Fixed charges consist of interest expenses, the portion of rental expense representative of interest expense, the amount amortized for debt discount, premium and issuance expense and interest previously capitalized. For the three months ended December 31, 2010 and the years ended December 31, 2009 and 2008, earnings were inadequate to cover fixed charges and the coverage deficiency was \$103 million, \$436 million and \$702 million, respectively.

	<b>Successor(1)</b>		<b>Predecessor(1)</b>	
	<b>As of December 31,</b>		<b>As of December 31,</b>	
	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>
	<b>(In millions)</b>		<b>(In millions)</b>	
<b>Balance Sheet Data:</b>				
Unrestricted cash, cash equivalents and short-term investments	\$ 4,023	\$ 4,009	\$ 2,856	\$ 2,643
Total assets	20,164	20,379	12,558	12,429
Long-term debt and capital leases	5,150	5,714	5,291	5,354
Stockholders' equity	4,325	4,310	590	123

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



**Table of Contents****Selected Operating Data**

Continental transports people and cargo through its mainline operations, which utilize jet aircraft with at least 110 seats, and its regional operations. As of December 31, 2011, flights in Continental's regional segment were operated by ExpressJet Airlines, Chautauqua Airlines, CommutAir and Colgan Airlines under capacity purchase agreements with Continental. The following does not reflect the operations of United, although Continental and United have been migrating since October 2010 to operate as a single passenger service system.

	Successor			Predecessor	
	Year	Three	Nine	Year Ended	
	Ended	Months	Months	December 31,	
	December 31,	Ended	Ended	2009	2008
	2011	December 31,	September		
		2010	30,		
			2010		
<b>Mainline Operations:</b>					
Passengers (thousands)(1)	45,859	11,240	34,087	45,573	48,682
Revenue passenger miles (millions)(2)	82,133	19,836	62,278	79,824	82,806
Available seat miles (millions)(3)	100,472	24,103	74,147	97,407	102,527
Cargo ton miles (millions)	930	282	825	948	1,005
Passenger load factor(4):					
Mainline	81.7%	82.3%	84.0%	81.9%	80.8%
Domestic	83.3%	83.6%	85.2%	84.8%	83.3%
International	80.2%	81.0%	82.9%	79.2%	78.2%
Passenger revenue per available seat mile (cents)	11.76	10.81	10.49	9.26	10.86
Average yield per revenue passenger mile (cents)(5)	14.39	13.13	12.49	11.30	13.45
Average fare per revenue passenger	\$257.66	\$ 231.76	\$ 228.15	\$198.01	\$228.79
Cost per available seat mile, including special charges (cents)	12.56	12.51	11.24	10.79	12.48
Special charges (credits) and merger-related costs per available seat mile (cents)	0.15	0.83	0.06	0.13	0.15
Average price per gallon of fuel, including fuel taxes	3.09	2.39	2.25	2.02	3.32
Fuel gallons consumed (millions)	1,413	341	1,054	1,395	1,498
Aircraft in fleet at end of period(6)	346	350	348	337	350
Average length of aircraft flight (miles)	1,614	1,559	1,625	1,550	1,494
Average daily utilization of each aircraft (hours)(7)	10:42	10:50	10:43	10:37	11:06
<b>Regional Operations:</b>					
Passengers (thousands)(1)	18,459	4,249	13,335	17,236	18,010
Revenue passenger miles (millions)(2)	9,320	2,281	7,287	9,312	9,880
Available seat miles (millions)(3)	12,241	2,936	9,218	12,147	12,984
Passenger load factor(4)	76.1%	77.7%	79.1%	76.7%	76.1%
Passenger revenue per available seat mile (cents)	21.25	19.07	18.72	16.60	19.24
Average yield per revenue passenger mile (cents)(5)	27.91	24.55	23.69	21.65	25.28
Aircraft in fleet at end of period(6)	265	252	252	264	282
<b>Consolidated Operations:</b>					
Passengers (thousands)(1)	64,318	15,489	47,422	62,809	66,692
Revenue passenger miles (millions)(2)	91,453	22,117	69,565	89,136	92,686
Available seat miles (millions)(3)	112,713	27,039	83,365	109,554	115,511
Passenger load factor(4)	81.1%	81.8%	83.4%	81.4%	80.2%
Passenger revenue per available seat mile (cents)	12.79	11.71	11.40	10.08	11.80
Total revenue per available seat mile (cents)	14.35	13.18	12.94	11.52	13.29
Average yield per revenue passenger mile (cents)(5)	15.76	14.31	13.66	12.39	14.71

(1) The number of revenue passengers measured by each flight segment flown.

## Edgar Filing: CONTINENTAL AIRLINES INC /DE/ - Form 424B3

- (2) The number of scheduled miles flown by revenue passengers.
- (3) The number of seats available for passengers multiplied by the number of scheduled miles those seats are flown.
- (4) Revenue passenger miles divided by available seat miles.
- (5) The average passenger revenue received for each revenue passenger mile flown.
- (6) Excludes aircraft that were removed from service. Regional aircraft include aircraft operated by all carriers under capacity purchase agreements, but exclude any aircraft that were subleased to other operators but not operated on our behalf.
- (7) The average number of hours per day that an aircraft flown in revenue service is operated (from gate departure to gate arrival).

S-16

## **Table of Contents**

### **RISK FACTORS**

*Unless the context otherwise requires, references in this Risk Factors section to United Continental Holdings, Inc. ( UAL ), United Air Lines, Inc. ( United ), and Continental Airlines, Inc. ( Continental ) include their respective consolidated subsidiaries, and references to the Company , we , us and our mean UAL, United and Continental collectively.*

#### **Risk Factors Relating to the Company**

*The Merger may present certain material risks to the Company s business and operations.*

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

The Merger may present certain risks to the Company s business and operations including, among other things, risks that:

we may be unable to successfully integrate the businesses and workforces of United and Continental;

conditions, terms, obligations or restrictions relating to the Merger that may be imposed on us by regulatory authorities may adversely affect the Company s business and operations;

we may be unable to successfully manage the expanded business with respect to monitoring new operations and associated increased costs and complexity;

we may be unable to avoid potential liabilities and unforeseen increased expenses or delays associated with the Merger and integration;

we may be unable to successfully manage the complex integration of systems, technology, aircraft fleets, networks and other assets of United and Continental in a manner that minimizes any adverse impact on customers, vendors, suppliers, employees and other constituencies;

branding or rebranding initiatives may involve substantial costs and may not be favorably received by customers; and

we may experience disruption of, or inconsistencies in, each of United s and Continental s standards, controls, procedures, policies and services.

Accordingly, there can be no assurance that the Merger will result in the realization of the full benefits of synergies, innovation and operational efficiencies that we currently expect, that these benefits will be achieved within the anticipated timeframe or that we will be able to fully and accurately measure any such synergies.

*In connection with the integration of Continental and United, Continental may take actions not to Continental s advantage as a stand-alone airline.*

Since the Merger, Continental and United have been integrating their operations while they are separate, wholly-owned subsidiaries of UAL. As part of this integration, Continental may take actions intended to benefit the overall business and operations of the combined airline operations of Continental and United that may not be to Continental s advantage as a stand-alone airline.

S-17

## **Table of Contents**

***Once Continental and United are combined as a single entity, that entity will be bound by all of the obligations and liabilities of both companies.***

Continental expects that Continental and United will be combined as a single legal entity at some subsequent date. As a result of such transaction, the combined legal entity will become bound by all of the obligations and liabilities of both Continental and United. Continental cannot predict the financial condition of the combined entity at the time of such combination or the ability of the combined entity to satisfy such combined obligations and liabilities.

***Continued periods of historically high fuel costs or significant disruptions in the supply of aircraft fuel could have a material adverse impact on the Company's operating results, financial position and liquidity.***

Aircraft fuel has been the Company's single largest operating expense for the last several years. The availability and price of aircraft fuel significantly affects the Company's operations, results of operations, financial position and liquidity. While the Company arranges to have fuel shipped on major pipelines and stored close to its major hub locations to ensure supply continuity in the short term, the Company cannot predict the continued future availability of aircraft fuel.

At times, due to the highly competitive nature of the airline industry, the Company has not been able to increase its fares or other fees sufficiently to offset increased fuel costs. Continued volatility in fuel prices may negatively impact the Company's liquidity in the future. The Company may not be able to increase its fares or other fees if fuel prices rise in the future and any such fare or fee increases may not be sustainable in the highly competitive airline industry. In addition, any increases in fares or other fees may not sufficiently offset the fuel price increase and may reduce the demand for air travel.

The Company enters into hedging arrangements to protect against rising fuel costs. However, the Company's hedging programs may use significant amounts of cash due to posting of cash collateral in some circumstances, may not be successful in controlling fuel costs and may be limited due to market conditions and other factors. In addition, significant declines in fuel prices may increase the costs associated with the Company's fuel hedging arrangements to the extent it has entered into swaps or collars. Swaps and sold put options (as part of a collar) may obligate us to make payments to the counterparty upon settlement of the contracts if the price of the commodity hedged falls below the agreed upon amount. Declining crude and related prices may result in the Company posting significant amounts of collateral to cover potential amounts owed (beyond certain credit-based thresholds) with respect to swap and collar contracts that have not yet settled. Also, lower fuel prices may result in increased industry capacity and lower fares, especially to the extent that reduced fuel costs justify increased utilization by airlines of less fuel efficient aircraft.

There can be no assurance that the Company's hedging arrangements will provide any particular level of protection against increases or declines in fuel costs or that its counterparties will be able to perform under the Company's hedging arrangements. Additionally, deterioration in the Company's financial condition could negatively affect its ability to enter into new hedge contracts in the future and may potentially require the Company to post increased amounts of collateral under its fuel hedging agreements.

***Economic and industry conditions constantly change and unfavorable global economic conditions may have a material adverse effect on the Company's business and results of operations.***

The Company's business and results of operations are significantly impacted by general economic and industry conditions. The airline industry is highly cyclical, and the level of demand for air travel is correlated to the strength of the U.S. and global economies. Robust demand for our air transportation services depends largely on favorable economic conditions, including the strength of the domestic and foreign economies, low unemployment levels, strong consumer confidence levels and the availability of consumer and business credit.

## **Table of Contents**

Air transportation is often a discretionary purchase that leisure travelers may limit or eliminate during difficult economic times. In addition, during periods of unfavorable economic conditions, business travelers usually reduce the volume of their travel, either due to cost-saving initiatives or as a result of decreased business activity requiring travel. During the global recession in 2008 and 2009, the Company's business and results of operations were adversely affected due to significant declines in industry passenger demand, particularly with respect to the Company's business and premium cabin travelers, and a reduction in fare levels. In addition to its effect on demand for the Company's services, the recession severely disrupted the global capital markets, resulting in a diminished availability of financing and a higher cost for financing that was obtainable.

While some economic indicators that may reflect an economic recovery have exhibited growth, other economic indicators, such as unemployment, may not improve materially for an extended period of time. Stagnant or worsening global economic conditions either in the United States or in other geographic regions and continued volatility in U.S. and global financial and credit markets may have a material adverse effect on the Company's revenues, results of operations and liquidity. If such economic conditions were to disrupt capital markets in the future, the Company may be unable to obtain financing on acceptable terms (or at all) to refinance certain maturing debt and to satisfy future capital commitments.

### ***The Company is subject to economic and political instability and other risks of doing business globally.***

The Company is a global business with operations outside of the United States from which it derives approximately one-third of its operating revenues, as measured and reported to the U.S. Department of Transportation (the DOT). The Company's operations in Asia, Europe, Latin America, Africa and the Middle East are a vital part of its worldwide airline network. Volatile economic, political and market conditions in these international regions may have a negative impact on the Company's operating results and its ability to achieve its business objectives. In addition, significant or volatile changes in exchange rates between the U.S. dollar and other currencies, and the imposition of exchange controls or other currency restrictions, may have a material adverse impact upon the Company's liquidity, revenues, costs and operating results.

### ***The Company may not be able to maintain adequate liquidity.***

The Company has a significant amount of financial leverage from fixed obligations, including aircraft lease and debt financings, leases of airport property and other facilities, and other material cash obligations. In addition, the Company has substantial non-cancelable commitments for capital expenditures, including the acquisition of new aircraft and related spare engines.

Although the Company's cash flows from operations and its available capital, including the proceeds from financing transactions, have been sufficient to meet these obligations and commitments to date, the Company's future liquidity could be negatively impacted by the risk factors discussed in this Prospectus Supplement under the heading Risk Factors, including, but not limited to, substantial volatility in the price of fuel, adverse economic conditions, disruptions in the global capital markets and catastrophic external events.

If the Company's liquidity is constrained due to the various risk factors discussed in this Prospectus Supplement under the heading Risk Factors or otherwise, the Company's failure to comply with certain financial covenants under its financing and credit card processing agreements, timely pay its debts, or comply with other material provisions of its contractual obligations could result in a variety of adverse consequences, including the acceleration of the Company's indebtedness, increase of required reserves under credit card processing agreements, the withholding of credit card sale proceeds by its credit card service providers and the exercise of other remedies by its creditors and equipment lessors that could result in material adverse effects on the Company's financial position and results of operations. Furthermore, constrained liquidity may limit the Company's ability to withstand competitive pressures and limit its flexibility in responding to changing business and economic conditions, including increased competition and demand for new services, placing the Company at a disadvantage when compared to its competitors that have less debt, and making the Company more vulnerable than its competitors who have less debt to a downturn in the business, industry or the economy in general.

## **Table of Contents**

The Company's substantial level of indebtedness and non-investment grade credit rating, as well as market conditions and the availability of assets as collateral for loans or other indebtedness, may make it difficult to raise additional capital to meet its liquidity needs on acceptable terms, or at all.

### ***Certain of the Company's financing agreements have covenants that impose operating and financial restrictions on the Company and its subsidiaries.***

Certain of the Company's credit facilities and indentures governing its secured notes impose certain operating and financial covenants on the Company, on United and its material subsidiaries, or on Continental and its subsidiaries. Such covenants require the Company, United or Continental, as applicable, to maintain, depending on the particular agreement, minimum fixed charge coverage ratios, minimum liquidity and/or minimum collateral coverage ratios. A decline in the value of collateral could result in a situation where the Company, United or Continental, as applicable, may not be able to maintain the required collateral coverage ratio. In addition, the credit facilities and indentures contain other negative covenants customary for such financings.

The Company's ability to comply with these covenants may be affected by events beyond its control, including the overall industry revenue environment and the level of fuel costs, and the Company may be required to seek waivers or amendments of covenants, repay all or a portion of the debt or find alternative sources of financing. The Company cannot provide assurance that such waivers, amendments or alternative financing could be obtained or, if obtained, would be on terms acceptable to the Company. If the Company fails to comply with these covenants and is unable to obtain a waiver or amendment, an event of default would result which would allow the lenders, among other things, to declare outstanding amounts due and payable. The Company cannot provide assurance that it would have sufficient liquidity to repay or refinance such amounts if they were to become due. In addition, an event of default or declaration of acceleration under any of the credit facilities or indentures could also result in an event of default under certain of the Company's other financing agreements due to cross-default and cross-acceleration provisions.

### ***Extensive government regulation could increase the Company's operating costs and restrict its ability to conduct its business.***

Airlines are subject to extensive regulatory and legal oversight. Compliance with U.S. and international regulations imposes significant costs and may have adverse effects on the Company. Laws, regulations, taxes and airport rates and charges, both domestically and internationally, have been proposed from time to time that could significantly increase the cost of airline operations or reduce airline revenue. The Company cannot provide any assurance that current laws and regulations, or laws or regulations enacted in the future, will not adversely affect its financial condition or results of operations.

Each of United and Continental provides air transportation under certificates of public convenience and necessity issued by the DOT. If the DOT altered, amended, modified, suspended or revoked these certificates, it could have a material adverse effect on the Company's business. The DOT is also responsible for promulgating consumer protection and other regulations that may impose significant compliance costs on the Company. The Federal Aviation Administration (the FAA) regulates the safety of United's and Continental's operations. United and Continental operate pursuant to a single air carrier operating certificate issued by the FAA. From time to time, the FAA also issues orders, airworthiness directives and other regulations relating to the maintenance and operation of aircraft that require material expenditures or operational restrictions by the Company. These FAA orders and directives could include the temporary grounding of an entire aircraft type if the FAA identifies design, manufacturing, maintenance or other issues requiring immediate corrective action. FAA requirements cover, among other things, retirement of older aircraft, security measures, collision avoidance systems, airborne windshear avoidance systems, noise abatement and other environmental concerns, aircraft operation and safety and increased inspections and maintenance procedures to be conducted on older aircraft. These FAA directives or requirements could have a material adverse effect on the Company.

## **Table of Contents**

In addition, the Company's operations may be adversely impacted due to the existing antiquated air traffic control ( ATC ) system utilized by the U.S. government. During peak travel periods in certain markets, the current ATC system's inability to handle existing travel demand has led to short-term capacity constraints imposed by government agencies and resulted in delays and disruptions of air traffic. In addition, the current system will not be able to effectively handle projected future air traffic growth. Imposition of these ATC constraints on a long-term basis may have a material adverse effect on our results of operations. Failure to update the ATC system in a timely manner, and the substantial funding requirements of a modernized ATC system that may be imposed on air carriers may have an adverse impact on the Company's financial condition or results of operations.

The airline industry is subject to extensive federal, state and local taxes and fees that increase the cost of the Company's operations. In addition to taxes and fees that the Company is currently subject to, proposed taxes and fees are currently pending and if imposed, would increase the Company's operating expenses.

Access to landing and take-off rights, or slots, at several major U.S. airports and many foreign airports served by the Company are, or recently have been, subject to government regulation. Certain of the Company's major hubs are among increasingly congested airports in the United States and have been or could be the subject of regulatory action that might limit the number of flights and/or increase costs of operations at certain times or throughout the day. The FAA may limit the Company's airport access by limiting the number of departure and arrival slots at high density traffic airports, which could affect the Company's ownership and transfer rights, and local airport authorities may have the ability to control access to certain facilities or the cost of access to its facilities, which could have an adverse effect on the Company's business. In addition, in 2008, the FAA planned to withdraw and auction a certain number of slots held by airlines at the three primary New York area airports, which the airlines challenged and the FAA terminated in 2009. If the FAA were to plan another auction that survived legal challenge by the airlines, the Company could incur substantial costs to obtain such slots. Further, the Company's operating costs at airports at which it operates, including the Company's major hubs, may increase significantly because of capital improvements at such airports that the Company may be required to fund, directly or indirectly. In some circumstances, such costs could be imposed by the relevant airport authority without the Company's approval and may have a material adverse effect on the Company's financial condition.

The ability of U.S. carriers to operate international routes is subject to change because the applicable arrangements between the United States and foreign governments may be amended from time to time, or because appropriate slots or facilities may not be made available. The Company currently operates on a number of international routes under government arrangements that limit the number of carriers permitted to operate on the route, the capacity of the carriers providing services on the route, or the number of carriers allowed access to particular airports. If an open skies policy were to be adopted for any of these routes, such an event could have a material adverse impact on the Company's financial position and results of operations and could result in the impairment of material amounts of related tangible and intangible assets. In addition, competition from revenue-sharing joint ventures and other alliance arrangements by and among other airlines could impair the value of the Company's business and assets on the open skies routes.

The Company's plans to enter into or expand U.S. antitrust immunized alliances and joint ventures on various international routes are subject to receipt of approvals from applicable U.S. federal authorities and obtaining other applicable foreign government clearances or satisfying the necessary applicable regulatory requirements. There can be no assurance that such approvals and clearances will be granted or continued in effect upon further regulatory review or that changes in regulatory requirements or standards can be satisfied.

Many aspects of the Company's operations are also subject to increasingly stringent federal, state, local and international laws protecting the environment. Future environmental regulatory developments, such as climate change regulations in the United States and abroad could adversely affect operations and increase operating costs in the airline industry. There are certain climate change laws and regulations that have already gone into effect and that apply to the Company, including the European Union Emissions Trading Scheme (subject to



---

**Table of Contents**

international dispute), the State of California's cap and trade regulations, environmental taxes for certain international flights, limited greenhouse gas reporting requirements and land-use planning laws which could apply to airports and could affect airlines in certain circumstances. In addition, there is the potential for additional regulatory actions in regard to the emission of greenhouse gases by the aviation industry. The precise nature of future requirements and their applicability to the Company are difficult to predict, but the financial impact to the Company and the aviation industry would likely be adverse and could be significant.

***The Company relies heavily on technology and automated systems to operate its business and any significant failure or disruption of the technology or these systems could materially harm its business.***

The Company depends on automated systems and technology to operate its business, including computerized airline reservation systems, flight operations systems, telecommunication systems and commercial websites, including www.united.com and www.continental.com. United's and Continental's websites and other automated systems must be able to accommodate a high volume of traffic and deliver important flight and schedule information, as well as process critical financial transactions. These systems could suffer substantial or repeated disruptions due to events beyond the Company's control, including natural disasters, power failures, terrorist attacks, equipment or software failures, computer viruses or cyber security attacks. Substantial or repeated website, reservations systems or telecommunication systems failures or disruptions, including failures or disruptions related to the Company's integration of technology systems, could reduce the attractiveness of the Company's services versus its competitors, materially impair its ability to market its services and operate its flights, result in the unauthorized release of confidential or otherwise protected information, and result in increased costs, lost revenue and the loss or compromise of important data.

***The Company's business relies extensively on third-party service providers. Failure of these parties to perform as expected, or interruptions in the Company's relationships with these providers or their provision of services to the Company, could have an adverse effect on the Company's financial position and results of operations.***

The Company has engaged an increasing number of third-party service providers to perform a large number of functions that are integral to its business, including regional operations, operation of customer service call centers, distribution and sale of airline seat inventory, provision of information technology infrastructure and services, provision of aircraft maintenance and repairs, provision of various utilities and performance of aircraft fueling operations, among other vital functions and services. The Company does not directly control these third-party service providers, although it does enter into agreements with many of them that define expected service performance. Any of these third-party service providers, however, may materially fail to meet their service performance commitments to the Company or agreements with such providers may be terminated. For example, flight reservations booked by customers and travel agencies via third-party global distribution systems (GDS) may be adversely affected by disruptions in the business relationships between the Company and GDS operators. Such disruptions, including a failure to agree upon acceptable contract terms when contracts expire or otherwise become subject to renegotiation, may cause the carriers' flight information to be limited or unavailable for display, significantly increase fees for both the Company and GDS users, and impair the Company's relationships with its customers and travel agencies. The failure of any of the Company's third-party service providers to adequately perform their service obligations, or other interruptions of services, may reduce the Company's revenues and increase its expenses or prevent the Company from operating its flights and providing other services to its customers. In addition, the Company's business and financial performance could be materially harmed if its customers believe that its services are unreliable or unsatisfactory.

***UAL's obligations for funding Continental's defined benefit pension plans are affected by factors beyond UAL's control.***

Continental has defined benefit pension plans covering substantially all of its U.S. employees, other than the employees of its Chelsea Food Services division and Continental Micronesia, Inc. (CMI). The timing and amount of UAL's funding requirements under Continental's plans depend upon a number of factors, including

## **Table of Contents**

labor negotiations with the applicable employee groups and changes to pension plan benefits as well as factors outside of UAL's control, such as the number of applicable retiring employees, asset returns, interest rates and changes in pension laws. Changes to these and other factors that can significantly increase UAL's funding requirements, such as its liquidity requirements, could have a material adverse effect on UAL's financial condition.

***Union disputes, employee strikes or slowdowns, and other labor-related disruptions, as well as the integration of the United and Continental workforces in connection with the Merger, present the potential for a delay in achieving expected Merger synergies, or increased labor costs that could adversely affect the Company's operations and impair its financial performance.***

United and Continental are both highly unionized companies. As of December 31, 2011, the Company and its subsidiaries had approximately 87,000 active employees, of whom approximately 72% were represented by various U.S. labor organizations.

The successful integration of United and Continental and achievement of the anticipated benefits of the combined company depend in part on integrating United and Continental employee groups and maintaining productive employee relations. In order to fully integrate the pre-Merger represented employee groups, the Company must negotiate a joint collective bargaining agreement covering each combined group. The process for integrating the labor groups of United and Continental is governed by a combination of the Railway Labor Act (the RLA), the McCaskill-Bond Amendment, and where applicable, the existing provisions of each company's collective bargaining agreements and union policy. A delay in or failure to integrate the United and Continental employee groups presents the potential for delays in achieving expected Merger synergies, increased labor costs and labor disputes that could adversely affect our operations.

The Company can provide no assurance that a successful or timely resolution of labor negotiations for all amendable collective bargaining agreements will be achieved. There is a risk that unions or individual employees might pursue judicial or arbitral claims arising out of changes implemented as a result of the Merger. Employee dissatisfaction with the results of the seniority integration may lead to litigation that in some cases can delay implementation of the integrated seniority list. There is also a possibility that employees or unions could engage in job actions such as slow-downs, work-to-rule campaigns, sick-outs or other actions designed to disrupt United's and Continental's normal operations, in an attempt to pressure the companies in collective bargaining negotiations. Although the RLA makes such actions unlawful until the parties have been lawfully released to self-help, and United and Continental can seek injunctive relief against premature self-help, such actions can cause significant harm even if ultimately enjoined.

***The airline industry is highly competitive and susceptible to price discounting and changes in capacity, which could have a material adverse effect on the Company.***

The U.S. airline industry is characterized by substantial price competition. In recent years, the market share held by low-cost carriers has increased significantly and is expected to continue to increase. The increased market presence of low-cost carriers, which engage in substantial price discounting, has diminished the ability of large network carriers to achieve sustained profitability in domestic markets.

Airlines also compete for market share by increasing or decreasing their capacity, including route systems and the number of markets served. Several of the Company's domestic competitors have increased their international capacity by including service to some destinations that the Company currently serves, causing overlap in destinations served and therefore increasing competition for those destinations. In addition, the Company and certain of its competitors have implemented significant capacity reductions in recent years in response to the global recession. Further, certain of the Company's competitors may not reduce capacity or may increase capacity, thereby diminishing the expected benefit to the Company from capacity reductions. This increased competition in both domestic and international markets may have a material adverse effect on the Company's results of operations, financial condition or liquidity.

## **Table of Contents**

***The airline industry may undergo further bankruptcy restructuring, industry consolidation, or the creation or modification of alliances or joint ventures, any of which could have a material adverse effect on the Company.***

The Company faces and may to continue to face strong competition from other carriers due to bankruptcy restructuring, industry consolidation, and the creation and modification of alliances and joint ventures. A number of carriers have filed for bankruptcy protection in recent years and other domestic and international carriers could restructure in bankruptcy or threaten to do so in the future to reduce their costs. Most recently, AMR Corporation, the parent company of American Airlines, filed for Chapter 11 bankruptcy protection in November 2011. Carriers operating under bankruptcy protection can operate in a manner that could be adverse to the Company and could emerge from bankruptcy as more vigorous competitors.

Both the U.S. and international airline industries have experienced consolidation through a number of mergers and acquisitions. The Company is also facing stronger competition from expanded airline alliances and joint ventures. Carriers entering into and participating in airline alliances, slot swaps and/or joint ventures may also become strong competitors as they are able to coordinate routes, pool revenues and costs, and enjoy other mutual benefits, achieving many of the benefits of consolidation. Open skies agreements, including the agreements between the United States and the European Union and between the United States and Japan, may also give rise to additional consolidation or better integration opportunities among international carriers.

There is ongoing speculation that further airline industry consolidations or reorganizations could occur in the future. The Company routinely engages in analysis and discussions regarding its own strategic position, including alliances, asset acquisitions and divestitures and may have future discussions with other airlines regarding strategic activities. If other airlines participate in such activities, those airlines may significantly improve their cost structures or revenue generation capabilities, thereby potentially making them stronger competitors of the Company and potentially impairing the Company's ability to realize expected benefits from its own strategic relationships.

***Increases in insurance costs or reductions in insurance coverage may materially and adversely impact the Company's results of operations and financial condition.***

Following the terrorist attacks on September 11, 2001, the Company's insurance costs increased significantly and the availability of third-party war risk (terrorism) insurance decreased significantly. The Company has obtained third-party war risk (terrorism) insurance through a special program administered by the FAA. Should the government discontinue this coverage, obtaining comparable coverage from commercial underwriters could result in substantially higher premiums and more restrictive terms, if such coverage is available at all. If the Company is unable to obtain adequate third-party war risk (terrorism) insurance, its business could be materially and adversely affected.

If any of the Company's aircraft were to be involved in an accident or if the Company's property or operations were to be affected by a significant natural catastrophe or other event, the Company could be exposed to significant liability or loss. If the Company is unable to obtain sufficient insurance (including aviation hull and liability insurance and property and business interruption coverage) to cover such liabilities or losses, whether due to insurance market conditions or otherwise, its results of operations and financial condition could be materially and adversely affected.

***The Company could experience adverse publicity, harm to its brand, reduced travel demand and potential tort liability as a result of an accident or other catastrophe involving its aircraft, the aircraft of its regional carriers or the aircraft of its codeshare partners, which may result in a material adverse effect on the Company's results of operations or financial position.***

An accident or catastrophe involving an aircraft that the Company operates, or an aircraft that is operated by a codeshare partner or one of the Company's regional carriers, could have a material adverse effect on the Company if such accident created a public perception that the Company's operations, or the operations of its

## **Table of Contents**

codeshare partners or regional carriers, are less safe or reliable than other airlines. Such public perception could in turn cause harm to the Company's brand and reduce travel demand on the Company's flights, or the flights of its codeshare partners or regional carriers.

In addition, any such accident could expose the Company to significant tort liability. Although the Company currently maintains liability insurance in amounts and of the type the Company believes to be consistent with industry practice to cover damages arising from any such accident, and the Company's codeshare partners and regional carriers carry similar insurance and generally indemnify the Company for their operations, if the Company's liability exceeds the applicable policy limits or the ability of another carrier to indemnify it, the Company could incur substantial losses from an accident which may result in a material adverse effect on the Company's results of operations or financial position.

### ***The Company's results of operations fluctuate due to seasonality and other factors associated with the airline industry.***

Due to greater demand for air travel during the spring and summer months, revenues in the airline industry in the second and third quarters of the year are generally stronger than revenues in the first and fourth quarters of the year, which are periods of lower travel demand. The Company's results of operations generally reflect this seasonality, but have also been impacted by numerous other factors that are not necessarily seasonal including, among others, the imposition of excise and similar taxes, extreme or severe weather, air traffic control congestion, geological events, natural disasters, changes in the competitive environment due to industry consolidation and other factors and general economic conditions. As a result, the Company's quarterly operating results are not necessarily indicative of operating results for an entire year and historical operating results in a quarterly or annual period are not necessarily indicative of future operating results.

### ***Terrorist attacks or international hostilities, or the fear of terrorist attacks or hostilities, even if not made directly on the airline industry, could negatively affect the Company and the airline industry.***

The terrorist attacks on September 11, 2001 involving commercial aircraft severely and adversely impacted each of United's and Continental's financial condition and results of operations, as well as the prospects for the airline industry. Among the effects experienced from the September 11, 2001 terrorist attacks were substantial flight disruption costs caused by the FAA-imposed temporary grounding of the U.S. airline industry's fleet, significantly increased security costs and associated passenger inconvenience, increased insurance costs, substantially higher ticket refunds and significantly decreased traffic and passenger revenue.

Additional terrorist attacks, even if not made directly on the airline industry, or the fear of or the precautions taken in anticipation of such attacks (including elevated national threat warnings or selective cancellation or redirection of flights) could materially and adversely affect the Company and the airline industry. Wars and other international hostilities could also have a material adverse impact on the Company's financial condition, liquidity and results of operations. The Company's financial resources may not be sufficient to absorb the adverse effects of any future terrorist attacks or other international hostilities.

### ***An outbreak of a disease or similar public health threat could have a material adverse impact on the Company's business, financial position and results of operations.***

An outbreak of a disease that affects travel demand or travel behavior, such as Severe Acute Respiratory Syndrome, avian flu or H1N1 virus, or other illness, or travel restrictions or reduction in the demand for air travel caused by similar public health threats in the future, could have a material adverse impact on the Company's business, financial condition and results of operations.

---

**Table of Contents**

*The Company may never realize the full value of its intangible assets or its long-lived assets causing it to record impairments that may negatively affect its financial position and results of operations.*

In accordance with applicable accounting standards, the Company is required to test its indefinite-lived intangible assets for impairment on an annual basis on October 1 of each year, or more frequently if conditions indicate that an impairment may have occurred. In addition, the Company is required to test certain of its other assets for impairment if conditions indicate that an impairment may have occurred.

During the years ended December 31, 2010 and 2009, the Company performed impairment tests of certain intangible assets and certain long-lived assets (principally aircraft, related spare engines and spare parts). The interim impairment tests were due to events and changes in circumstances that indicated an impairment might have occurred. Certain of the factors deemed by management to have indicated that impairments may have occurred include a significant decrease in actual and forecasted revenues, record high fuel prices, significant losses, a weak U.S. economy, and changes in the planned use of assets. As a result of the impairment testing, the Company recorded significant impairment charges as described in Note 21 to its financial statements for the year ended December 31, 2011, included in its Annual Report on Form 10-K incorporated by reference in this Prospectus Supplement. The Company may be required to recognize additional impairments in the future due to, among other factors, extreme fuel price volatility, tight credit markets, a decline in the fair value of certain tangible or intangible assets, unfavorable trends in historical or forecasted results of operations and cash flows and an uncertain economic environment, as well as other uncertainties. The Company can provide no assurance that a material impairment charge of tangible or intangible assets will not occur in a future period. The value of our aircraft could be impacted in future periods by changes in supply and demand for these aircraft. Such changes in supply and demand for certain aircraft types could result from grounding of aircraft by the Company or other carriers. An impairment charge could have a material adverse effect on the Company's financial position and results of operations.

*The Company's ability to use its net operating loss carryforwards to offset future taxable income for U.S. federal income tax purposes may be significantly limited due to various circumstances, including certain possible future transactions involving the sale or issuance of UAL common stock, or if taxable income does not reach sufficient levels.*

As of December 31, 2011, UAL reported consolidated federal net operating loss ( NOL ) carryforwards of approximately \$10.0 billion.

The Company's ability to use its NOL carryforwards may be limited if it experiences an ownership change as defined in Section 382 ( Section 382 ) of the Internal Revenue Code of 1986, as amended (the Code ). An ownership change generally occurs if certain stockholders increase their aggregate percentage ownership of a corporation's stock by more than 50 percentage points over their lowest percentage ownership at any time during the testing period, which is generally the three-year period preceding any potential ownership change.

There is no assurance that the Company will not experience a future ownership change under Section 382 that may significantly limit or possibly eliminate its ability to use its NOL carryforwards. Potential future transactions involving the sale or issuance of UAL common stock, including the exercise of conversion options under the terms of the Company's convertible debt, repurchase of such debt with UAL common stock, issuance of UAL common stock for cash and the acquisition or disposition of such stock by a stockholder owning 5% or more of UAL common stock, or a combination of such transactions, may increase the possibility that the Company will experience a future ownership change under Section 382.

Under Section 382, a future ownership change would subject the Company to additional annual limitations that apply to the amount of pre-ownership change NOLs that may be used to offset post-ownership change taxable income. This limitation is generally determined by multiplying the value of a corporation's stock immediately before the ownership change by the applicable long-term tax-exempt rate. Any unused annual

## **Table of Contents**

limitation may, subject to certain limits, be carried over to later years, and the limitation may under certain circumstances be increased by built-in gains in the assets held by such corporation at the time of the ownership change. This limitation could cause the Company's U.S. federal income taxes to be greater, or to be paid earlier, than they otherwise would be, and could cause all or a portion of the Company's NOL carryforwards to expire unused. Similar rules and limitations may apply for state income tax purposes. The Company's ability to use its NOL carryforwards will also depend on the amount of taxable income it generates in future periods. Its NOL carryforwards may expire before the Company can generate sufficient taxable income to use them in full.

### **Risk Factors Relating to the Certificates and the Offering**

#### ***The Equipment Notes will not be obligations of UAL or United.***

The Equipment Notes to be held for the Trusts will be the obligations of Continental. None of UAL, United or any of their respective subsidiaries (other than Continental) is required to become an obligor with respect to, or a guarantor of, the Equipment Notes. You should not expect UAL, United or any of their respective subsidiaries (other than Continental) to participate in making payments in respect of the Equipment Notes. Although Continental expects that it and United will be combined as a single legal entity, no assurance can be given that this will occur prior to the final maturity of the Equipment Notes.

#### ***The Appraisals are only estimates of Aircraft value.***

Three independent appraisal and consulting firms have prepared appraisals of the Aircraft. Letters summarizing such appraisals are annexed to this Prospectus Supplement as Appendix II. Such appraisals are based on varying assumptions and methodologies, which differ among the appraisers, and were prepared without physical inspection of the Aircraft. Appraisals that are based on other assumptions and methodologies may result in valuations that are materially different from those contained in such appraisals. See Description of the Aircraft and the Appraisals The Appraisals .

There are particular uncertainties with respect to the appraised value of the Boeing 787-8 aircraft because it is a newly-developed model first delivered to a commercial airline in September 2011. As a result, the performance characteristics of the Boeing 787-8 aircraft have not been demonstrated by extensive commercial airline operations. In addition, secondary market values for the aircraft have not been established. Also, the appraisal and consulting firms that have prepared the appraisals of the Aircraft have less experience appraising Boeing 787-8 aircraft as compared to other aircraft models that have been in operation in greater number for a longer period of time.

An appraisal is only an estimate of value. It does not indicate the price at which an Aircraft may be purchased from the Aircraft manufacturer. Nor should an appraisal be relied upon as a measure of realizable value. The proceeds realized upon a sale of any Aircraft may be less than its appraised value. In particular, the appraisals of the new Aircraft are estimates of values as of delivery dates, most of which are in the future. The value of an Aircraft if remedies are exercised under the applicable Indenture will depend on market and economic conditions, the supply of similar aircraft, the availability of buyers, the condition of the Aircraft and other factors. Accordingly, there can be no assurance that the proceeds realized upon any such exercise of remedies would be sufficient to satisfy in full payments due on the Certificates.

#### ***Certain Certificateholders may not participate in controlling the exercise of remedies in a default scenario.***

If an Indenture Default is continuing, subject to certain conditions, the Loan Trustee under such Indenture will be directed by the Controlling Party in exercising remedies under such Indenture, including accelerating the applicable Equipment Notes or foreclosing the lien on the Aircraft securing such Equipment Notes. See Description of the Certificates Indenture Defaults and Certain Rights Upon an Indenture Default .

## **Table of Contents**

The Controlling Party will be:

The Class A Trustee.

Upon payment of final distributions to the holders of Class A Certificates, the Class B Trustee.

Under certain circumstances, and notwithstanding the foregoing, the Liquidity Provider with the largest amount owed to it. As a result of the foregoing, if the Trustee for a Class of Certificates is not the Controlling Party with respect to an Indenture, the Certificateholders of that Class will have no rights to participate in directing the exercise of remedies under such Indenture.

### ***The exercise of remedies over Equipment Notes may result in shortfalls without further recourse.***

During the continuation of any Indenture Default under an Indenture, the Equipment Notes issued under such Indenture may be sold in the exercise of remedies with respect to that Indenture, subject to certain limitations. See Description of the Intercreditor Agreement Intercreditor Rights Limitation on Exercise of Remedies . The market for Equipment Notes during any Indenture Default may be very limited, and there can be no assurance as to the price at which they could be sold. If any Equipment Notes are sold for less than their outstanding principal amount, certain Certificateholders will receive a smaller amount of principal distributions under the relevant Indenture than anticipated and will not have any claim for the shortfall against Continental, any Liquidity Provider or any Trustee.

### ***Escrowed funds and cash collateral will not be entitled to the benefits of Section 1110, and cross-defaults may not be required to be cured under Section 1110.***

Amounts deposited under the Escrow Agreements are not property of Continental and are not entitled to the benefits of Section 1110 of the U.S. Bankruptcy Code. Any cash collateral held as a result of the cross-collateralization of the Equipment Notes also would not be entitled to the benefits of Section 1110 of the U.S. Bankruptcy Code. Any default arising under an Indenture solely by reason of the cross-default in such Indenture may not be of a type required to be cured under Section 1110 of the U.S. Bankruptcy Code.

### ***Escrowed funds may be returned if they are not used to buy Equipment Notes.***

Under certain circumstances, all of the funds held in escrow as Deposits may not be used to purchase Equipment Notes by the deadline established for purposes of this Offering. See Description of the Deposit Agreements Unused Deposits . If any funds remain as Deposits with respect to any Trust after such deadline, they will be withdrawn by the Escrow Agent for such Trust and distributed, with accrued and unpaid interest but without any premium, to the Certificateholders of such Trust. See Description of the Deposit Agreements Unused Deposits .

### ***Boeing has rescheduled deliveries of Boeing 787-8 aircraft on several occasions, and any further delay in the delivery of aircraft to be financed pursuant to this Offering may extend the period for financings under this Offering and could result in the return of escrowed funds.***

The Boeing 787-8 aircraft is a newly-developed model that was initially certificated by the FAA in August 2011, and the first delivery of such an aircraft to a commercial airline by Boeing occurred in September 2011. During the course of development of this model, Boeing rescheduled deliveries on several occasions.

Continental cannot predict the extent to which deliveries of new Aircraft by Boeing intended to be financed pursuant to this Offering may be further delayed. The March 31, 2013 deadline for purposes of financing Aircraft pursuant to this Offering may be extended to June 30, 2013, if Equipment Notes relating to all Aircraft have not been purchased by the Trustees on or prior to March 31, 2013 due to any reason beyond the control of

**Table of Contents**

Continental and not occasioned by Continental's fault or negligence. These deadlines are subject to further extension of up to 60 days if a labor strike occurs at Boeing during the period for financings pursuant to this Offering. See Description of the Aircraft and Appraisals Timing of Financing the Aircraft . If Equipment Notes relating to all Aircraft have not been purchased by the deadline established for purposes of this Offering, unused funds held in escrow will be returned to Certificateholders. See Escrowed funds may be returned if they are not used to buy Equipment Notes .

***There may be a limited market for resale of Certificates.***

Prior to this Offering, there has been no public market for the Certificates. Neither Continental nor any Trust intends to apply for listing of the Certificates on any securities exchange or otherwise. The Underwriters may assist in resales of the Certificates, but they are not required to do so. A secondary market for the Certificates may not develop. If a secondary market does develop, it might not continue or it might not be sufficiently liquid to allow you to resell any of your Certificates.



**Table of Contents**

**USE OF PROCEEDS**

The proceeds from the sale of the Certificates being offered hereby will be used to purchase Equipment Notes issued by Continental during the Delivery Period. The Equipment Notes will be issued to finance Continental's purchase of 14 new Boeing 737-924ER Aircraft and four new Boeing 787-8 Aircraft and to refinance debt secured by three Boeing 737-924ER Aircraft that Continental acquired in 2009. Such debt to be refinanced bears interest at a floating rate based on the lender's cost of funds plus a margin, which interest rate is currently 5.04% per annum. Such debt to be refinanced has a scheduled maturity date in 2019. Before the proceeds are used to buy Equipment Notes, such proceeds from the sale of the Certificates of each Trust will be deposited with the Depository on behalf of the applicable Escrow Agent for the benefit of the holders of such Certificates.

**THE COMPANY**

Continental is a major United States air carrier engaged in the business of transporting passengers, cargo and mail. Including its regional operations, Continental operates approximately 2,400 flights a day to more than 270 U.S. domestic and international destinations. As of December 31, 2011, Continental served 150 domestic and 129 international destinations and offered additional connecting service through alliances with domestic and foreign carriers. Continental directly served 26 trans-Atlantic destinations, 10 Canadian cities, 22 Caribbean destinations, seven South American cities, and six trans-Pacific destinations from the U.S. mainland as of December 31, 2011. In addition, Continental provides service to more destinations in Mexico and Central America than any other U.S. airline, serving 40 cities. Through its Guam hub, CMI provides extensive service in the western Pacific, including service to more Japanese cities than any other U.S. carrier. Continental's executive offices are located at 1600 Smith Street, Houston, Texas 77002. Continental's telephone number is (713) 324-2950 and its website is [www.united.com](http://www.united.com). Information contained on Continental's website is not part of, and is not incorporated in, this Prospectus Supplement.

On October 1, 2010, Continental became a wholly-owned subsidiary of UAL, as a result of the Merger. Continental expects that Continental and United will be combined as a single legal entity at some subsequent date. In March 2012, Continental and United migrated to a single passenger service system, allowing them to operate using a single carrier code, flight schedule, inventory, website and departure control system.

---

**Table of Contents**

**DESCRIPTION OF THE CERTIFICATES**

The following summary describes the material terms of the Certificates. The summary does not purport to be complete and is qualified in its entirety by reference to all of the provisions of the Basic Agreement, which was filed with the Securities and Exchange Commission (the Commission ) as an exhibit to the Company's Current Report on Form 8-K dated September 25, 1997, and to all of the provisions of the Certificates, the Trust Supplements, the Deposit Agreements, the Escrow Agreements, the Intercreditor Agreement and the trust supplements applicable to the Successor Trusts, each of which will be filed as an exhibit to a Current Report on Form 8-K to be filed by Continental with the Commission. Except as otherwise indicated, the following summary relates to each of the Trusts and the Certificates issued by each Trust. The references to Sections in parentheses in the following summary are to the relevant Sections of the Basic Agreement unless otherwise indicated.

**General**

Each Pass Through Certificate (collectively, the Certificates ) will represent a fractional undivided interest in one of the two Continental Airlines 2012-1 Pass Through Trusts (the Class A Trust and the Class B Trust and, collectively, the Trusts ). (Section 2.01) The Trusts will be formed pursuant to a pass through trust agreement between Continental and Wilmington Trust Company, as trustee (the Trustee ), dated as of September 25, 1997 (the Basic Agreement ), and two separate supplements thereto (each, a Trust Supplement and, together with the Basic Agreement, collectively, the Pass Through Trust Agreements ) relating to such Trusts between Continental and the Trustee, as trustee under the Class A Trust (the Class A Trustee ) and trustee under the Class B Trust (the Class B Trustee ). The Certificates to be issued by the Class A Trust and the Class B Trust are referred to herein as the Class A Certificates and the Class B Certificates .

Each Certificate will represent a fractional undivided interest in the Trust created by the Basic Agreement and the applicable Trust Supplement pursuant to which such Certificate is issued. The Trust Property of each Trust (the Trust Property ) will consist of:

Subject to the Intercreditor Agreement, Equipment Notes acquired under the Note Purchase Agreement and issued on a recourse basis by Continental in a separate secured loan transaction in connection with the financing by Continental of each Aircraft during the Delivery Period and all monies paid on such Equipment Notes and any proceeds from any sale of such Equipment Notes held in such Trust. Equipment Notes held in each Trust will be registered in the name of the Subordination Agent on behalf of such Trust for purposes of giving effect to provisions of the Intercreditor Agreement.

The rights of such Trust to acquire Equipment Notes under the Note Purchase Agreement.

The rights of such Trust under the applicable Escrow Agreement to request the Escrow Agent to withdraw from the Depositary funds sufficient to enable such Trust to purchase Equipment Notes after the initial issuance date of the Certificates (the Issuance Date ) during the Delivery Period.

The rights of such Trust under the Intercreditor Agreement (including all monies receivable in respect of such rights).

All monies receivable under the Liquidity Facility for such Trust.

Funds from time to time deposited with the applicable Trustee in accounts relating to such Trust (such as interest and principal payments on the Equipment Notes held in such Trust).

The Certificates of each Trust will be issued in fully registered form only and will be subject to the provisions described below under Book-Entry; Delivery and Form . The Certificates will be issued only in minimum denominations of \$1,000 or integral multiples thereof, except that one Certificate of each Trust may be issued in a different denomination. (Section 3.01)



---

## **Table of Contents**

The Certificates represent interests in the respective Trusts, and all payments and distributions thereon will be made only from the Trust Property of the related Trust. (Section 3.09) The Certificates do not represent an interest in or obligation of Continental, any Trustee, any of the Loan Trustees, any Liquidity Provider or any affiliate of any of the foregoing.

Pursuant to the Escrow Agreement applicable to each Trust, the Certificateholders of such Trust as holders of the Escrow Receipts affixed to each Certificate are entitled to certain rights with respect to the Deposits relating to such Trust. Accordingly, any transfer of a Certificate will have the effect of transferring the corresponding rights with respect to the Deposits, and rights with respect to the Deposits may not be separately transferred by holders of the Certificates (the Certificateholders). Rights with respect to the Deposits and the Escrow Agreement relating to a Trust, except for the right to request withdrawals for the purchase of Equipment Notes, will not constitute Trust Property of such Trust.

### **Payments and Distributions**

Payments of interest on the Deposits with respect to each Trust and payments of principal, premium (if any) and interest on the Equipment Notes or with respect to other Trust Property held in each Trust will be distributed by the Paying Agent (in the case of the Deposits) or by the Trustee (in the case of Trust Property of such Trust) to Certificateholders of such Trust on the date receipt of such payment is confirmed, except in the case of certain types of Special Payments.

### ***Interest***

The Deposits held with respect to each Trust and the Equipment Notes held in each Trust will accrue interest at the applicable rate per annum for Certificates issued by such Trust set forth on the cover page of this Prospectus Supplement, payable on April 11 and October 11 of each year, commencing on October 11, 2012 (or, in the case of Equipment Notes issued on or after such date, commencing on the first April 11 or October 11 to occur after such Equipment Notes are issued). Such interest payments will be distributed to Certificateholders of such Trust on each such date until the final Distribution Date for such Trust, subject in the case of payments on the Equipment Notes to the Intercreditor Agreement. Interest is calculated on the basis of a 360-day year consisting of twelve 30-day months.

Payments of interest applicable to the Certificates issued by each of the Trusts will be supported by a separate Liquidity Facility to be provided by the Liquidity Provider for the benefit of the holders of such Certificates in an aggregate amount sufficient to pay interest thereon at the Stated Interest Rate for such Trust on up to three successive Regular Distribution Dates (without regard to any future payments of principal on such Certificates), except that no Liquidity Facility will cover interest payable by the Depositary on the Deposits. The Liquidity Facility for any Class of Certificates does not provide for drawings or payments thereunder to pay for principal of or premium, if any, on the Certificates of such Class, any interest on the Certificates of such Class in excess of the Stated Interest Rate for such Certificates, or, notwithstanding the subordination provisions of the Intercreditor Agreement, principal of or interest or premium, if any, on the Certificates of any other Class. Therefore, only the holders of the Certificates to be issued by a particular Trust will be entitled to receive and retain the proceeds of drawings under the Liquidity Facility for such Trust. See Description of the Liquidity Facilities.

### ***Principal***

Payments of principal of the Equipment Notes are scheduled to be received by the Trustees on April 11 and October 11 in certain years depending upon the terms of the Equipment Notes held in such Trust.

Scheduled payments of interest on the Deposits and of interest or principal on the Equipment Notes are herein referred to as Scheduled Payments, and April 11 and October 11 of each year, commencing on

**Table of Contents**

October 11, 2012, until the final expected Regular Distribution Date are herein referred to as Regular Distribution Dates . See Description of the Equipment Notes Principal and Interest Payments . The Final Maturity Date for the Class A Certificates is October 11, 2025 and for the Class B Certificates is October 11, 2021.

***Distributions***

The Paying Agent with respect to each Escrow Agreement will distribute on each Regular Distribution Date to the Certificateholders of the Trust to which such Escrow Agreement relates all Scheduled Payments received in respect of the related Deposits, the receipt of which is confirmed by such Paying Agent on such Regular Distribution Date. The Trustee of each Trust will distribute, subject to the Intercreditor Agreement, on each Regular Distribution Date to the Certificateholders of such Trust all Scheduled Payments received in respect of Equipment Notes held on behalf of such Trust, the receipt of which is confirmed by such Trustee on such Regular Distribution Date. Each Certificateholder of each Trust will be entitled to receive its proportionate share, based upon its fractional interest in such Trust, of any distribution in respect of Scheduled Payments of interest on the Deposits relating to such Trust and, subject to the Intercreditor Agreement, of principal or interest on Equipment Notes held on behalf of such Trust. Each such distribution of Scheduled Payments will be made by the applicable Paying Agent or Trustee to the Certificateholders of record of the relevant Trust on the record date applicable to such Scheduled Payment subject to certain exceptions. (Sections 4.01 and 4.02; Escrow Agreements, Section 2.03) If a Scheduled Payment is not received by the applicable Paying Agent or Trustee on a Regular Distribution Date but is received within five days thereafter, it will be distributed on the date received to such holders of record. If it is received after such five-day period, it will be treated as a Special Payment and distributed as described below.

Any payment in respect of, or any proceeds of, any Equipment Note or Collateral under (and as defined in) any Indenture other than a Scheduled Payment (each, a Special Payment ) will be distributed on, in the case of an early redemption or a purchase of any Equipment Note, the date of such early redemption or purchase (which shall be a Business Day), and otherwise on the Business Day specified for distribution of such Special Payment pursuant to a notice delivered by each Trustee as soon as practicable after such Trustee has received funds for such Special Payment (each, a Special Distribution Date ). Any such distribution will be subject to the Intercreditor Agreement. Any unused Deposits to be distributed after the Delivery Period Termination Date or the occurrence of a Triggering Event, together with accrued and unpaid interest thereon (each, also a Special Payment ), will be distributed on a date 25 days after the Paying Agent has received notice of the event requiring such distribution (also, a Special Distribution Date ). However, if such date is within ten days before or after a Regular Distribution Date, such Special Payment shall be made on such Regular Distribution Date.

Triggering Event means (x) the occurrence of an Indenture Default under all Indentures resulting in a PTC Event of Default with respect to the most senior Class of Certificates then outstanding, (y) the acceleration of all of the outstanding Equipment Notes (provided that during the Delivery Period the aggregate principal amount thereof exceeds \$365 million) or (z) certain bankruptcy or insolvency events involving Continental.

Each Paying Agent, in the case of the Deposits, and each Trustee, in the case of Trust Property, will mail a notice to the Certificateholders of the applicable Trust stating the scheduled Special Distribution Date, the related record date, the amount of the Special Payment and the reason for the Special Payment. In the case of a redemption or purchase of the Equipment Notes held in the related Trust or any distribution of unused Deposits after the Delivery Period Termination Date or the occurrence of a Triggering Event, such notice will be mailed not less than 15 days prior to the date such Special Payment is scheduled to be distributed, and in the case of any other Special Payment, such notice will be mailed as soon as practicable after the applicable Trustee has confirmed that it has received funds for such Special Payment. (Section 4.02(c); Trust Supplements, Section 3.03; Escrow Agreements, Sections 2.03 and 2.06) Each distribution of a Special Payment, other than a final distribution, on a Special Distribution Date for any Trust will be made by the applicable Paying Agent or Trustee, as the case may be, to the Certificateholders of record of such Trust on the record date applicable to such

**Table of Contents**

Special Payment. (Section 4.02(b); Escrow Agreements, Section 2.03) See Indenture Defaults and Certain Rights Upon an Indenture Default and Description of the Equipment Notes Redemption .

Each Pass Through Trust Agreement requires that the related Trustee establish and maintain, for the related Trust and for the benefit of the Certificateholders of such Trust, one or more non-interest bearing accounts (the Certificate Account ) for the deposit of payments representing Scheduled Payments received by such Trustee. Each Pass Through Trust Agreement requires that the related Trustee establish and maintain, for the related Trust and for the benefit of the Certificateholders of such Trust, one or more accounts (the Special Payments Account ) for the deposit of payments representing Special Payments received by such Trustee, which shall be non-interest bearing except in certain circumstances where such Trustee may invest amounts in such account in certain permitted investments. Pursuant to the terms of each Pass Through Trust Agreement, the related Trustee is required to deposit any Scheduled Payments relating to the applicable Trust received by it in the Certificate Account of such Trust and to deposit any Special Payments so received by it in the Special Payments Account of such Trust. (Section 4.01; Trust Supplements, Section 3.02) All amounts so deposited will be distributed by the related Trustee on a Regular Distribution Date or a Special Distribution Date, as appropriate. (Section 4.02; Trust Supplements, Section 3.03)

Each Escrow Agreement requires that the Paying Agent establish and maintain, for the benefit of the Receiptholders, one or more accounts (the Paying Agent Account ), which shall be non-interest bearing. Pursuant to the terms of the Escrow Agreements, the Paying Agent is required to deposit interest on Deposits relating to a Trust and any unused Deposits withdrawn by the Escrow Agent in the related Paying Agent Account. All amounts so deposited will be distributed by the Paying Agent on a Regular Distribution Date or Special Distribution Date, as appropriate.

The final distribution for each Trust will be made only upon presentation and surrender of the Certificates for such Trust at the office or agency of the Trustee specified in the notice given by the Trustee of such final distribution. The Trustee will mail such notice of the final distribution to the Certificateholders of such Trust, specifying the date set for such final distribution and the amount of such distribution. (Trust Supplements, Section 7.01(a)) See Termination of the Trusts below. Distributions in respect of Certificates issued in global form will be made as described in Book-Entry; Delivery and Form below.

If any Distribution Date is a Saturday, Sunday or other day on which commercial banks are authorized or required to close in New York, New York, Chicago, Illinois or Wilmington, Delaware (any other day being a Business Day ), distributions scheduled to be made on such Regular Distribution Date or Special Distribution Date will be made on the next succeeding Business Day, without additional interest.

**Pool Factors**

The Pool Balance for each Trust or for the Certificates issued by any Trust indicates, as of any date, the original aggregate face amount of the Certificates of such Trust less the aggregate amount of all payments as of such date made in respect of the Certificates of such Trust or in respect of Deposits relating to such Trust other than payments made in respect of interest or premium or reimbursement of any costs or expenses incurred in connection therewith. The Pool Balance for each Trust or for the Certificates issued by any Trust as of any Distribution Date shall be computed after giving effect to any special distribution with respect to unused Deposits, if any, payment of principal of the Equipment Notes or payment with respect to other Trust Property held in such Trust and the distribution thereof to be made on that date. (Trust Supplements, Section 2.01)

The Pool Factor for each Trust as of any Distribution Date is the quotient (rounded to the seventh decimal place) computed by dividing (i) the Pool Balance by (ii) the original aggregate face amount of the Certificates of such Trust. The Pool Factor for each Trust or for the Certificates issued by any Trust as of any Distribution Date shall be computed after giving effect to any special distribution with respect to unused Deposits, payment of principal of the Equipment Notes or payments with respect to other Trust Property held in such Trust and the

**Table of Contents**

distribution thereof to be made on that date. (Trust Supplements, Section 2.01) The Pool Factor for each Trust will be 1.0000000 on the date of issuance of the Certificates; thereafter, the Pool Factor for each Trust will decline as described herein to reflect reductions in the Pool Balance of such Trust. The amount of a Certificateholder's pro rata share of the Pool Balance of a Trust can be determined by multiplying the face amount of the holder's Certificate of such Trust by the Pool Factor for such Trust as of the applicable Distribution Date. Notice of the Pool Factor and the Pool Balance for each Trust will be mailed to Certificateholders of such Trust on each Distribution Date. (Trust Supplements, Section 3.01)

The following table sets forth the expected aggregate principal amortization schedule for the Equipment Notes held in each Trust (the Assumed Amortization Schedule) and resulting Pool Factors with respect to such Trust. The scheduled distribution of principal payments for any Trust would be affected if Equipment Notes with respect to any Aircraft are not acquired by such Trust, if the original principal amount of any Equipment Notes held in such Trust is less than the assumed original principal amount, if any Equipment Notes held in such Trust are redeemed or purchased or if a default in payment on such Equipment Notes occurs. Accordingly, the aggregate principal amortization schedule applicable to a Trust and the resulting Pool Factors may differ from those set forth in the following table.

Date	Class A		Class B	
	Scheduled Principal Payments	Expected Pool Factor	Scheduled Principal Payments	Expected Pool Factor
At Issuance	\$ 0.00	1.0000000	\$ 0.00	1.0000000
October 11, 2012	0.00	1.0000000	0.00	1.0000000
April 11, 2013	0.00	1.0000000	0.00	1.0000000
October 11, 2013	18,531,708.55	0.9753906	7,049,234.20	0.9493236
April 11, 2014	18,531,708.55	0.9507813	7,049,234.20	0.8986473
October 11, 2014	18,531,708.53	0.9261719	7,049,234.21	0.8479709
April 11, 2015	18,531,708.56	0.9015626	7,049,234.19	0.7972945
October 11, 2015	18,531,708.55	0.8769532	7,049,234.22	0.7466182
April 11, 2016	18,531,708.52	0.8523438	7,049,234.15	0.6959418
October 11, 2016	18,531,708.47	0.8277345	7,049,234.25	0.6452655
April 11, 2017	18,531,708.57	0.8031251	7,049,234.17	0.5945891
October 11, 2017	18,531,708.56	0.7785158	7,049,234.20	0.5439127
April 11, 2018	18,531,708.55	0.7539064	7,049,234.21	0.4932364
October 11, 2018	18,531,708.54	0.7292971	7,049,234.21	0.4425600
April 11, 2019	18,531,708.52	0.7046877	7,049,234.18	0.3918836
October 11, 2019	18,531,708.55	0.6800783	7,049,234.21	0.3412073
April 11, 2020	18,531,708.55	0.6554690	47,462,955.40	0.0000000
October 11, 2020	18,531,708.55	0.6308596	0.00	0.0000000
April 11, 2021	18,531,708.54	0.6062503	0.00	0.0000000
October 11, 2021	18,531,708.50	0.5816409	0.00	0.0000000
April 11, 2022	18,531,708.58	0.5570315	0.00	0.0000000
October 11, 2022	18,531,708.52	0.5324222	0.00	0.0000000
April 11, 2023	18,531,708.52	0.5078128	0.00	0.0000000
October 11, 2023	18,531,708.52	0.4832035	0.00	0.0000000
April 11, 2024	363,869,120.70	0.0000000	0.00	0.0000000

The Pool Factor and Pool Balance of each Trust will be recomputed if there has been an early redemption, purchase, or default in the payment of principal or interest in respect of one or more of the Equipment Notes held in a Trust, as described in Indenture Defaults and Certain Rights Upon an Indenture Default and Description of the Equipment Notes Redemption, the original principal amount of any Equipment Notes held in such Trust is less than the assumed original principal amount or a special distribution has been made attributable to unused Deposits after the Delivery Period Termination Date or the occurrence of a Triggering

**Table of Contents**

Event, as described in Description of the Deposit Agreements . If the principal payments scheduled for a Regular Distribution Date prior to the Delivery Period Termination Date are changed, notice thereof will be mailed by the Trustee to the Certificateholders by no later than the 15th day prior to such Regular Distribution Date. In the event of (i) any other change in the scheduled repayments from the Assumed Amortization Schedule or (ii) any such redemption, purchase, default or special distribution, the Pool Factors and the Pool Balances of each Trust so affected will be recomputed after giving effect thereto and notice thereof will be mailed by the Trustee to the Certificateholders of such Trust promptly after the Delivery Period Termination Date in the case of clause (i) and promptly after the occurrence of any event described in clause (ii).

**Reports to Certificateholders**

On each Distribution Date, the applicable Paying Agent and Trustee will include with each distribution by it of a Scheduled Payment or Special Payment to Certificateholders of the related Trust a statement setting forth the following information (per \$1,000 face amount of Certificate for such Trust, except as to the amounts described in items (a) and (f) below):

- (a) The aggregate amount of funds distributed on such Distribution Date under the Pass Through Trust Agreement and under the Escrow Agreement, indicating the amount allocable to each source, including any portion thereof paid by the Liquidity Provider.
- (b) The amount of such distribution under the Pass Through Trust Agreement allocable to principal and the amount allocable to premium, if any.
- (c) The amount of such distribution under the Pass Through Trust Agreement allocable to interest.
- (d) The amount of such distribution under the Escrow Agreement allocable to interest.
- (e) The amount of such distribution under the Escrow Agreement allocable to unused Deposits, if any.
- (f) The Pool Balance and the Pool Factor for such Trust. (Trust Supplements, Section 3.01(a))

So long as the Certificates are registered in the name of DTC or its nominee, on the record date prior to each Distribution Date, the applicable Trustee will request that DTC post on its Internet bulletin board a securities position listing setting forth the names of all DTC Participants reflected on DTC's books as holding interests in the Certificates on such record date. On each Distribution Date, the applicable Paying Agent and Trustee will mail to each such DTC Participant the statement described above and will make available additional copies as requested by such DTC Participant for forwarding to Certificate Owners. (Section 4.03(a); Trust Supplements, Section 3.01(a))

In addition, after the end of each calendar year, the applicable Trustee and Paying Agent will furnish to each Certificateholder of each Trust at any time during the preceding calendar year a statement containing the sum of the amounts determined pursuant to clauses (a), (b), (c), (d) and (e) above with respect to such Trust for such calendar year or, in the event such person was a Certificateholder of such Trust during only a portion of such calendar year, for the applicable portion of such calendar year, and such other items as are readily available to such Trustee and which a Certificateholder of such Trust shall reasonably request as necessary for the purpose of such Certificateholder's preparation of its U.S. federal income tax returns. (Trust Supplements, Section 3.01(b)) Such statement and such other items shall be prepared on the basis of information supplied to the applicable Trustee by the DTC Participants and shall be delivered by such Trustee to such DTC Participants to be available for forwarding by such DTC Participants to Certificate Owners in the manner described above. (Trust Supplements, Section 3.01(b)) At such time, if any, as the Certificates are issued in the form of definitive certificates, the applicable Paying Agent and Trustee will prepare and deliver the information described above to each Certificateholder of record of each Trust as the name and period of ownership of such Certificateholder appears on the records of the registrar of the Certificates.

Each Trustee is required to provide promptly to Certificateholders of the related Trust all material non-confidential information received by such Trustee from Continental. (Trust Supplements, Section 3.01(e))



---

**Table of Contents**

**Indenture Defaults and Certain Rights Upon an Indenture Default**

Upon the occurrence and continuation of an Indenture Default under an Indenture, the Controlling Party will direct the Subordination Agent, as the holder of Equipment Notes issued under such Indenture, which in turn will direct the Loan Trustee under such Indenture in the exercise of remedies thereunder and may accelerate and sell all (but not less than all) of the Equipment Notes issued under such Indenture or sell the collateral under such Indenture to any person, subject to certain limitations. See Description of the Intercreditor Agreement Intercreditor Rights Limitation on Exercise of Remedies . The proceeds of any such sale will be distributed pursuant to the provisions of the Intercreditor Agreement. Any such proceeds so distributed to any Trustee upon any such sale shall be deposited in the applicable Special Payments Account and shall be distributed to the Certificateholders of the applicable Trust on a Special Distribution Date. (Sections 4.01 and 4.02) The market for Equipment Notes at the time of the existence of an Indenture Default may be very limited and there can be no assurance as to the price at which they could be sold. If any such Equipment Notes are sold for less than their outstanding principal amount, certain Certificateholders will receive a smaller amount of principal distributions under the relevant Indenture than anticipated and will not have any claim for the shortfall against Continental, any Liquidity Provider or any Trustee.

Any amount, other than Scheduled Payments received on a Regular Distribution Date or within five days thereafter, distributed to the Trustee of any Trust by the Subordination Agent on account of any Equipment Note or Collateral under (and as defined in) any Indenture held in such Trust following an Indenture Default will be deposited in the Special Payments Account for such Trust and will be distributed to the Certificateholders of such Trust on a Special Distribution Date. (Sections 4.01 and 4.02; Trust Supplements, Section 3.02) Any funds representing payments received with respect to any defaulted Equipment Notes, or the proceeds from the sale of any Equipment Notes, held by the applicable Trustee in the Special Payments Account for such Trust will, to the extent practicable, be invested by such Trustee in certain permitted investments pending the distribution of such funds on a Special Distribution Date. (Section 4.04)

Each Pass Through Trust Agreement provides that the Trustee of the related Trust will, within 90 days after the occurrence of any default known to such Trustee, give to the Certificateholders of such Trust notice, transmitted by mail, of such uncured or unwaived default with respect to such Trust known to it, *provided* that, except in the case of default in a payment of principal, premium, if any, or interest on any of the Equipment Notes held in such Trust, the applicable Trustee will be protected in withholding such notice if in good faith determines that the withholding of such notice is in the interests of such Certificateholders. The term *default* as used in this paragraph only with respect to any Trust means the occurrence of an Indenture Default under any Indenture pursuant to which Equipment Notes held by such Trust were issued, as described above, except that in determining whether any such Indenture Default has occurred, any grace period or notice in connection therewith will be disregarded. (Section 7.02)

Each Pass Through Trust Agreement contains a provision entitling the Trustee of the related Trust, subject to the duty of such Trustee during a default to act with the required standard of care, to be offered reasonable security or indemnity by the holders of the Certificates of such Trust before proceeding to exercise any right or power under such Pass Through Trust Agreement or the Intercreditor Agreement at the request of such Certificateholders. (Section 7.03(e))

Subject to certain qualifications set forth in each Pass Through Trust Agreement and to the Intercreditor Agreement, the Certificateholders of each Trust holding Certificates evidencing fractional undivided interests aggregating not less than a majority in interest in such Trust shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee with respect to such Trust or pursuant to the terms of the Intercreditor Agreement, or exercising any trust or power conferred on such Trustee under such Pass Through Trust Agreement or the Intercreditor Agreement, including any right of such Trustee as Controlling Party under the Intercreditor Agreement or as holder of the Equipment Notes. (Section 6.04)

## **Table of Contents**

In certain cases, the holders of the Certificates of a Trust evidencing fractional undivided interests aggregating not less than a majority in interest of such Trust may on behalf of the holders of all the Certificates of such Trust waive any past event of default under such Trust (i.e., any Indenture Default under any Indenture pursuant to which Equipment Notes held by such Trust were issued) and its consequences or, if the Trustee of such Trust is the Controlling Party, may direct such Trustee to instruct the applicable Loan Trustee to waive any past Indenture Default and its consequences, except (i) a default in the deposit of any Scheduled Payment or Special Payment or in the distribution thereof, (ii) a default in payment of the principal, premium, if any, or interest with respect to any of the Equipment Notes and (iii) a default in respect of any covenant or provision of the Pass Through Trust Agreement that cannot be modified or amended without the consent of each Certificateholder of such Trust affected thereby. (Section 6.05) Each Indenture will provide that, with certain exceptions, the holders of the majority in aggregate unpaid principal amount of the Equipment Notes issued thereunder may on behalf of all such holders waive any past default or Indenture Default thereunder. (Indentures, Section 5.06) Notwithstanding such provisions of the Indentures, pursuant to the Intercreditor Agreement only the Controlling Party will be entitled to waive any such past default or Indenture Default. See Description of the Intercreditor Agreement Intercreditor Rights Controlling Party .

### **Purchase Rights of Certificateholders**

Upon the occurrence and during the continuation of a Certificate Buyout Event, with 15 days written notice to the Trustee and each Certificateholder of the same Class:

The Class B Certificateholders will have the right to purchase all but not less than all of the Class A Certificates on the third business day next following the expiry of such 15-day notice period.

If any Additional Junior Certificates are issued, the holders of Additional Junior Certificates will have the right to purchase all but not less than all of the Class A and Class B Certificates and, if Refinancing Certificates are issued, holders of such Refinancing Certificates will have the same right to purchase Certificates as the Class that they refinanced. See Possible Issuance of Additional Junior Certificates and Refinancing of Certificates .

In each case, the purchase price will be equal to the Pool Balance of the relevant Class or Classes of Certificates plus accrued and unpaid interest thereon to the date of purchase, without premium, but including any other amounts then due and payable to the Certificateholders of such Class or Classes. Such purchase right may be exercised by any Certificateholder of the Class or Classes entitled to such right. In each case, if prior to the end of the 15-day notice period, any other Certificateholder of the same Class notifies the purchasing Certificateholder that the other Certificateholder wants to participate in such purchase, then such other Certificateholder may join with the purchasing Certificateholder to purchase the Certificates pro rata based on the fractional undivided interest in the Trust held by each Certificateholder. If Continental or any of its affiliates is a Certificateholder or holder of Additional Junior Certificates or Refinancing Certificates, it will not have the purchase rights described above. (Trust Supplements, Section 4.01)

A Certificate Buyout Event means that a Continental Bankruptcy Event has occurred and is continuing and the following events have occurred: (A) (i) the 60-day period specified in Section 1110(a)(2)(A) of the U.S. Bankruptcy Code (the 60-Day Period ) has expired and (ii) Continental has not entered into one or more agreements under Section 1110(a)(2)(A) of the U.S. Bankruptcy Code to perform all of its obligations under all of the Indentures or, if it has entered into such agreements, has at any time thereafter failed to cure any default under any of the Indentures in accordance with Section 1110(a)(2)(B) of the Bankruptcy Code; or (B) if prior to the expiry of the 60-Day Period, Continental shall have abandoned any Aircraft.

## **Table of Contents**

### **PTC Event of Default**

A Pass Through Certificate Event of Default (a PTC Event of Default ) under each Pass Through Trust Agreement means the failure to pay:

The outstanding Pool Balance of the applicable Class of Certificates within ten Business Days of the Final Maturity Date for such Class.

Interest due on such Class of Certificates within ten Business Days of any Distribution Date (unless the Subordination Agent shall have made Interest Drawings, or withdrawals from the Cash Collateral Account for such Class of Certificates, with respect thereto in an aggregate amount sufficient to pay such interest and shall have distributed such amount to the Trustee entitled thereto). (Section 1.01)

Any failure to make expected principal distributions with respect to any Class of Certificates on any Regular Distribution Date (other than the Final Maturity Date) will not constitute a PTC Event of Default with respect to such Certificates. A PTC Event of Default with respect to the most senior outstanding Class of Certificates resulting from an Indenture Default under all Indentures will constitute a Triggering Event.

### **Merger, Consolidation and Transfer of Assets**

Continental will be prohibited from consolidating with or merging into any other person or transferring all or substantially all of its assets as an entirety to any other person unless:

The surviving successor or transferee person shall be organized and validly existing under the laws of the United States or any state thereof or the District of Columbia.

The surviving successor or transferee person shall be a citizen of the United States (as defined in Title 49 of the United States Code relating to aviation (the Transportation Code )) holding an air carrier operating certificate issued pursuant to Chapter 447 of Title 49, United States Code, if, and so long as, such status is a condition of entitlement to the benefits of Section 1110 of the U.S. Bankruptcy Code.

The surviving successor or transferee person shall expressly assume all of the obligations of Continental contained in the Basic Agreement and any Trust Supplement, the Equipment Notes, the Note Purchase Agreement, the Indentures, the Participation Agreements and any other operative documents.

Continental shall have delivered a certificate and an opinion or opinions of counsel indicating that such transaction, in effect, complies with such conditions.

In addition, after giving effect to such transaction, no Indenture Default shall have occurred and be continuing. (Section 5.02; Indentures, Section 4.07)

The Basic Agreement, the Trust Supplements, the Note Purchase Agreement, the Indentures and the Participation Agreements will not contain any covenants or provisions that may afford any Trustee or Certificateholder protection in the event of a highly leveraged transaction, including transactions effected by management or affiliates, which may or may not result in a change in control of Continental.

### **Modifications of the Pass Through Trust Agreements and Certain Other Agreements**

Each Pass Through Trust Agreement contains provisions permitting, at the request of Continental, the execution of amendments or supplements to such Pass Through Trust Agreement or, if applicable, to the Deposit Agreements, the Escrow Agreements, the Intercreditor Agreement, the Note Purchase Agreement or the Liquidity Facilities, without the consent of the holders of any of the Certificates of the related Trust:

To evidence the succession of another corporation to Continental and the assumption by such corporation of Continental's obligations under such Pass Through Trust Agreement or the Note Purchase Agreement.

S-39

**Table of Contents**

To add to the covenants of Continental for the benefit of holders of such Certificates or to surrender any right or power conferred upon Continental in such Pass Through Trust Agreement, the Intercreditor Agreement, the Note Purchase Agreement or the Liquidity Facilities.

To correct or supplement any provision of such Pass Through Trust Agreement, the Deposit Agreements, the Escrow Agreements, the Intercreditor Agreement, the Note Purchase Agreement or the Liquidity Facilities which may be defective or inconsistent with any other provision in such Pass Through Trust Agreement, the Deposit Agreements, the Escrow Agreements, the Intercreditor Agreement, Note Purchase Agreement or the Liquidity Facilities, as applicable, or to cure any ambiguity or to modify any other provision with respect to matters or questions arising under such Pass Through Trust Agreement, the Deposit Agreements, the Escrow Agreements, the Intercreditor Agreement, the Note Purchase Agreement or the Liquidity Facilities, provided that such action shall not materially adversely affect the interests of the holders of such Certificates; to correct any mistake in such Pass Through Trust Agreement, the Deposit Agreements, the Escrow Agreements, the Intercreditor Agreement, Note Purchase Agreement or the Liquidity Facilities; or, as provided in the Intercreditor Agreement, to give effect to or provide for a Replacement Facility.

To comply with any requirement of the Commission, any applicable law, rules or regulations of any exchange or quotation system on which the Certificates are listed, or any regulatory body.

To modify, eliminate or add to the provisions of such Pass Through Trust Agreement, the Deposit Agreements, the Escrow Agreements, the Intercreditor Agreement, the Note Purchase Agreement or the Liquidity Facilities to such extent as shall be necessary to continue the qualification of such Pass Through Trust Agreement (including any supplemental agreement) under the Trust Indenture Act of 1939, as amended (the Trust Indenture Act ), or any similar federal statute enacted after the execution of such Pass Through Trust Agreement, and to add to such Pass Through Trust Agreement, the Deposit Agreements, the Escrow Agreements, the Intercreditor Agreement, the Note Purchase Agreement or the Liquidity Facilities such other provisions as may be expressly permitted by the Trust Indenture Act.

To evidence and provide for the acceptance of appointment under such Pass Through Trust Agreement, the Deposit Agreements, the Escrow Agreements, the Intercreditor Agreement, the Note Purchase Agreement or the Liquidity Facilities by a successor Trustee and to add to or change any of the provisions of such Pass Through Trust Agreement, the Deposit Agreements, the Escrow Agreements, the Intercreditor Agreement, the Note Purchase Agreement or the Liquidity Facilities as shall be necessary to provide for or facilitate the administration of the Trusts under the Basic Agreement by more than one Trustee.

To provide for the issuance of Additional Junior Certificates or Refinancing Certificates after the Delivery Period Termination Date, subject to certain terms and conditions. See Possible Issuance of Additional Junior Certificates and Refinancing of Certificates . In each case, such modification or supplement may not adversely affect the status of the Trust as a grantor trust under Subpart E, Part I of Subchapter J of Chapter 1 of Subtitle A of the Code, for U.S. federal income tax purposes. (Section 9.01; Trust Supplements, Section 6.02)

**Table of Contents**

Each Pass Through Trust Agreement also contains provisions permitting the execution, with the consent of the holders of the Certificates of the related Trust evidencing fractional undivided interests aggregating not less than a majority in interest of such Trust, of amendments or supplements adding any provisions to or changing or eliminating any of the provisions of such Pass Through Trust Agreement, the Deposit Agreements, the Escrow Agreements, the Intercreditor Agreement, the Note Purchase Agreement or the Liquidity Facilities to the extent applicable to such Certificateholders or of modifying the rights and obligations of such Certificateholders under such Pass Through Trust Agreement, the Deposit Agreements, the Escrow Agreements, the Intercreditor Agreement, the Note Purchase Agreement or the Liquidity Facilities. No such amendment or supplement may, without the consent of the holder of each outstanding Certificate so affected thereby:

Reduce in any manner the amount of, or delay the timing of, any receipt by the Trustee (or, with respect to the Deposits, the Receiptholders) of payments with respect to the Equipment Notes held in such Trust or distributions in respect of any Certificate related to such Trust (or, with respect to the Deposits, payments upon the Deposits), or change the date or place of any payment in respect of any Certificate, or make distributions payable in coin or currency other than that provided for in such Certificates, or impair the right of any Certificateholder of such Trust to institute suit for the enforcement of any such payment when due.

Permit the disposition of any Equipment Note held in such Trust, except as provided in such Pass Through Trust Agreement, or otherwise deprive such Certificateholder of the benefit of the ownership of the applicable Equipment Notes.

Alter the priority of distributions specified in the Intercreditor Agreement in a manner materially adverse to such Certificateholders.

Reduce the percentage of the aggregate fractional undivided interests of the Trust provided for in such Pass Through Trust Agreement, the consent of the holders of which is required for any such supplemental agreement or for any waiver provided for in such Pass Through Trust Agreement.

Modify any of the provisions relating to the rights of the Certificateholders to consent to the amendments or supplements referred to in this paragraph or in respect of certain waivers of Indenture Defaults, except to increase any such percentage or to provide that certain other provisions of such Pass Through Trust Agreement cannot be modified or waived without the consent of each Certificateholder affected thereby.

Adversely affect the status of any Trust as a grantor trust under Subpart E, Part I of Subchapter J of Chapter 1 of Subtitle A of the Code for U.S. federal income tax purposes. (Section 9.02; Trust Supplements, Section 6.03)

In the event that a Trustee, as holder (or beneficial owner through the Subordination Agent) of any Equipment Note in trust for the benefit of the Certificateholders of the relevant Trust or as Controlling Party under the Intercreditor Agreement, receives (directly or indirectly through the Subordination Agent) a request for a consent to any amendment, modification, waiver or supplement under any Indenture, any Participation Agreement, any Equipment Note or any other related document, such Trustee shall forthwith send a notice of such proposed amendment, modification, waiver or supplement to each Certificateholder of the relevant Trust as of the date of such notice, except in the case when consent of Certificateholders is not required under the applicable Pass Through Trust Agreement. Such Trustee shall request from the Certificateholders a direction as to:

Whether or not to take or refrain from taking (or direct the Subordination Agent to take or refrain from taking) any action which a holder of such Equipment Note or the Controlling Party has the option to direct.

Whether or not to give or execute (or direct the Subordination Agent to give or execute) any waivers, consents, amendments, modifications or supplements as a holder of such Equipment Note or as Controlling Party.

Edgar Filing: CONTINENTAL AIRLINES INC /DE/ - Form 424B3

How to vote (or direct the Subordination Agent to vote) any Equipment Note if a vote has been called for with respect thereto.

S-41

---

**Table of Contents**

Provided such a request for Certificateholder direction shall have been made, in directing any action or casting any vote or giving any consent as the holder of any Equipment Note (or in directing the Subordination Agent in any of the foregoing):

Other than as Controlling Party, such Trustee shall vote for or give consent to any such action with respect to such Equipment Note in the same proportion as that of (x) the aggregate face amount of all Certificates actually voted in favor of or for giving consent to such action by such direction of Certificateholders to (y) the aggregate face amount of all outstanding Certificates of the relevant Trust.

As the Controlling Party, such Trustee shall vote as directed in such Certificateholder direction by the Certificateholders evidencing fractional undivided interests aggregating not less than a majority in interest in the relevant Trust.

For purposes of the immediately preceding paragraph, a Certificate shall have been actually voted if the Certificateholder has delivered to the applicable Trustee an instrument evidencing such Certificateholder's consent to such direction prior to one Business Day before such Trustee directs such action or casts such vote or gives such consent. Notwithstanding the foregoing, but subject to certain rights of the Certificateholders under the relevant Pass Through Trust Agreement and subject to the Intercreditor Agreement, a Trustee may, in its own discretion and at its own direction, consent and notify the relevant Loan Trustee of such consent (or direct the Subordination Agent to consent and notify the relevant Loan Trustee of such consent) to any amendment, modification, waiver or supplement under the relevant Indenture, Participation Agreement, any relevant Equipment Note or any other related document, if an Indenture Default under any Indenture shall have occurred and be continuing, or if such amendment, modification, waiver or supplement will not materially adversely affect the interests of the Certificateholders. (Section 10.01)

In determining whether the Certificateholders of the requisite fractional undivided interests of Certificates of any Class have given any direction under a Pass Through Trust Agreement, Certificates owned by Continental or any of its affiliates will be disregarded and deemed not to be outstanding for purposes of any such determination. Notwithstanding the foregoing, (i) if any such person owns 100% of the Certificates of any Class, such Certificates shall not be so disregarded, and (ii) if any amount of Certificates of any Class so owned by any such person have been pledged in good faith, such Certificates shall not be disregarded if the pledgee establishes to the satisfaction of the applicable Trustee the pledgee's right so to act with respect to such Certificates and that the pledgee is not Continental or an affiliate of Continental.

**Obligation to Purchase Equipment Notes**

The Trustees will be obligated to purchase the Equipment Notes issued with respect to the Aircraft during the Delivery Period, subject to the terms and conditions of a note purchase agreement (the Note Purchase Agreement). Under the Note Purchase Agreement, Continental agrees to enter into a secured debt financing with respect to each Aircraft. The Note Purchase Agreement provides for the relevant parties to enter into a participation agreement (each, a Participation Agreement) and an indenture (each, an Indenture) relating to the financing of each Aircraft in substantially the form attached to the Note Purchase Agreement.

The description of such financing agreements in this Prospectus Supplement is based on the forms of such agreements attached to the Note Purchase Agreement. However, the terms of the financing agreements actually entered into may differ from the forms of such agreements and, consequently, may differ from the description of such agreements contained in this Prospectus Supplement. See Description of the Equipment Notes. Although such changes are permitted, under the Note Purchase Agreement, the terms of such agreements must not vary the Required Terms. In addition, Continental is obligated to certify to the Trustees that any substantive modifications do not materially and adversely affect the Certificateholders. Continental must also obtain written confirmation from each Rating Agency that the use of financing agreements modified in any material respect from the forms attached to the Note Purchase Agreement will not result in a withdrawal, suspension or downgrading of the rating of any Class of Certificates. Further, under the Note Purchase Agreement, it is a condition precedent to the



**Table of Contents**

obligation of each Trustee to purchase the Equipment Notes related to the financing of an Aircraft that no Triggering Event shall have occurred. The Trustees will have no right or obligation to purchase Equipment Notes after the Delivery Period Termination Date.

The Required Terms, as defined in the Note Purchase Agreement, mandate that:

The initial principal amount and principal amortization schedule for each of the Equipment Notes issued with respect to each Aircraft shall be as set forth in the applicable table below for that Aircraft or, in the case of the last four scheduled deliveries of the 18 new Boeing 737-924ER aircraft and the last two scheduled deliveries of the six new Boeing 787-8 aircraft eligible for financing under the Note Purchase Agreement, as set forth in the applicable table below for a new aircraft of the same model that has not been and will not be financed under the Note Purchase Agreement:

**Boeing 737-924ER**

Date	Equipment Note Ending Balance		Scheduled Payments of Principal	
	Series A	Series B	Series A	Series B
	Equipment Note	Equipment Note	Equipment Note	Equipment Note
At Issuance	\$ 23,983,000.00	\$ 4,471,000.00	\$ 0.00	\$ 0.00
October 11, 2012	23,983,000.00	4,471,000.00	0.00	0.00
April 11, 2013	23,983,000.00	4,471,000.00	0.00	0.00
October 11, 2013	23,320,273.09	4,210,779.63	662,726.91	260,220.37
April 11, 2014	22,657,546.18	3,950,559.26	662,726.91	260,220.37
October 11, 2014	21,994,819.27	3,690,338.89	662,726.91	260,220.37
April 11, 2015	21,332,092.36	3,430,118.52	662,726.91	260,220.37
October 11, 2015	20,669,365.45	3,169,898.15	662,726.91	260,220.37
April 11, 2016	20,006,638.55	2,909,677.78	662,726.90	260,220.37
October 11, 2016	19,343,911.64	2,649,457.41	662,726.91	260,220.37
April 11, 2017	18,681,184.73	2,389,237.04	662,726.91	260,220.37
October 11, 2017	18,018,457.82	2,129,016.67	662,726.91	260,220.37
April 11, 2018	17,355,730.91	1,868,796.30	662,726.91	260,220.37
October 11, 2018	16,693,004.00	1,608,575.93	662,726.91	260,220.37
April 11, 2019	16,030,277.09	1,348,355.56	662,726.91	260,220.37
October 11, 2019	15,367,550.18	1,088,135.20	662,726.91	260,220.36
April 11, 2020	14,704,823.27	0.00	662,726.91	1,088,135.20
October 11, 2020	14,042,096.36	0.00	662,726.91	0.00
April 11, 2021	13,379,369.45	0.00	662,726.91	0.00
October 11, 2021	12,716,642.55	0.00	662,726.90	0.00
April 11, 2022	12,053,915.64	0.00	662,726.91	0.00
October 11, 2022	11,391,188.73	0.00	662,726.91	0.00
April 11, 2023	10,728,461.82	0.00	662,726.91	0.00
October 11, 2023	10,065,734.91	0.00	662,726.91	0.00
April 11, 2024	0.00	0.00	10,065,734.91	0.00

**Table of Contents**

Date	Equipment Note Ending Balance		Scheduled Payments of Principal	
	Series A	Series B	Series A	Series B
	Equipment Note	Equipment Note	Equipment Note	Equipment Note
At Issuance	\$ 24,041,000.00	\$ 4,483,000.00	\$ 0.00	\$ 0.00
October 11, 2012	24,041,000.00	4,483,000.00	0.00	0.00
April 11, 2013	24,041,000.00	4,483,000.00	0.00	0.00
October 11, 2013	23,376,670.37	4,222,081.21	664,329.63	260,918.79
April 11, 2014	22,712,340.73	3,961,162.42	664,329.64	260,918.79
October 11, 2014	22,048,011.10	3,700,243.63	664,329.63	260,918.79
April 11, 2015	21,383,681.46	3,439,324.83	664,329.64	260,918.80
October 11, 2015	20,719,351.83	3,178,406.04	664,329.63	260,918.79
April 11, 2016	20,055,022.19	2,917,487.25	664,329.64	260,918.79
October 11, 2016	19,390,692.56	2,656,568.46	664,329.63	260,918.79
April 11, 2017	18,726,362.92	2,395,649.67	664,329.64	260,918.79
October 11, 2017	18,062,033.29	2,134,730.88	664,329.63	260,918.79
April 11, 2018	17,397,703.66	1,873,812.08	664,329.63	260,918.80
October 11, 2018	16,733,374.02	1,612,893.29	664,329.64	260,918.79
April 11, 2019	16,069,044.39	1,351,974.50	664,329.63	260,918.79
October 11, 2019	15,404,714.75	1,091,055.71	664,329.64	260,918.79
April 11, 2020	14,740,385.12	0.00	664,329.63	1,091,055.71
October 11, 2020	14,076,055.48	0.00	664,329.64	0.00
April 11, 2021	13,411,725.85	0.00	664,329.63	0.00
October 11, 2021	12,747,396.22	0.00	664,329.63	0.00
April 11, 2022	12,083,066.58	0.00	664,329.64	0.00
October 11, 2022	11,418,736.95	0.00	664,329.63	0.00
April 11, 2023	10,754,407.31	0.00	664,329.64	0.00
October 11, 2023	10,090,077.68	0.00	664,329.63	0.00
April 11, 2024	0.00	0.00	10,090,077.68	0.00

Date	Equipment Note Ending Balance		Scheduled Payments of Principal	
	Series A	Series B	Series A	Series B
	Equipment Note	Equipment Note	Equipment Note	Equipment Note
At Issuance	\$ 24,282,000.00	\$ 4,528,000.00	\$ 0.00	\$ 0.00
October 11, 2012	24,282,000.00	4,528,000.00	0.00	0.00
April 11, 2013	24,282,000.00	4,528,000.00	0.00	0.00
October 11, 2013	23,611,010.77	4,264,462.13	670,989.23	263,537.87
April 11, 2014	22,940,021.53	4,000,924.25	670,989.24	263,537.88
October 11, 2014	22,269,032.30	3,737,386.38	670,989.23	263,537.87
April 11, 2015	21,598,043.06	3,473,848.50	670,989.24	263,537.88
October 11, 2015	20,927,053.83	3,210,310.63	670,989.23	263,537.87
April 11, 2016	20,256,064.59	2,946,772.76	670,989.24	263,537.87
October 11, 2016	19,585,075.36	2,683,234.88	670,989.23	263,537.88
April 11, 2017	18,914,086.13	2,419,697.01	670,989.23	263,537.87
October 11, 2017	18,243,096.89	2,156,159.14	670,989.24	263,537.87
April 11, 2018	17,572,107.66	1,892,621.26	670,989.23	263,537.88
October 11, 2018	16,901,118.42	1,629,083.39	670,989.24	263,537.87
April 11, 2019	16,230,129.19	1,365,545.51	670,989.23	263,537.88
October 11, 2019	15,559,139.95	1,102,007.64	670,989.24	263,537.87
April 11, 2020	14,888,150.72	0.00	670,989.23	1,102,007.64
October 11, 2020	14,217,161.49	0.00	670,989.23	0.00
April 11, 2021	13,546,172.25	0.00	670,989.24	0.00
October 11, 2021	12,875,183.02	0.00	670,989.23	0.00
April 11, 2022	12,204,193.78	0.00	670,989.24	0.00
October 11, 2022	11,533,204.55	0.00	670,989.23	0.00
April 11, 2023	10,862,215.31	0.00	670,989.24	0.00
October 11, 2023	10,191,226.08	0.00	670,989.23	0.00

Edgar Filing: CONTINENTAL AIRLINES INC /DE/ - Form 424B3

April 11, 2024

0.00

0.00

10,191,226.08

0.00

S-44

**Table of Contents**

Date	Equipment Note Ending Balance		Scheduled Payments of Principal	
	Series A	Series B	Series A	Series B
	Equipment Note	Equipment Note	Equipment Note	Equipment Note
At Issuance	\$ 28,626,000.00	\$ 5,286,000.00	\$ 0.00	\$ 0.00
October 11, 2012	28,626,000.00	5,286,000.00	0.00	0.00
April 11, 2013	28,626,000.00	5,286,000.00	0.00	0.00
October 11, 2013	27,916,066.43	5,022,396.70	709,933.57	263,603.30
April 11, 2014	27,206,132.86	4,758,793.41	709,933.57	263,603.29
October 11, 2014	26,496,199.29	4,495,190.11	709,933.57	263,603.30
April 11, 2015	25,786,265.73	4,231,586.82	709,933.56	263,603.29
October 11, 2015	25,076,332.16	3,967,983.52	709,933.57	263,603.30
April 11, 2016	24,366,398.59	3,704,380.23	709,933.57	263,603.29
October 11, 2016	23,656,465.02	3,440,776.93	709,933.57	263,603.30
April 11, 2017	22,946,531.45	3,177,173.64	709,933.57	263,603.29
October 11, 2017	22,236,597.88	2,913,570.34	709,933.57	263,603.30
April 11, 2018	21,526,664.31	2,649,967.05	709,933.57	263,603.29
October 11, 2018	20,816,730.74	2,386,363.75	709,933.57	263,603.30
April 11, 2019	20,106,797.18	2,122,760.46	709,933.56	263,603.29
October 11, 2019	19,396,863.61	1,859,157.16	709,933.57	263,603.30
April 11, 2020	18,686,930.04	0.00	709,933.57	1,859,157.16
October 11, 2020	17,976,996.47	0.00	709,933.57	0.00
April 11, 2021	17,267,062.90	0.00	709,933.57	0.00
October 11, 2021	16,557,129.33	0.00	709,933.57	0.00
April 11, 2022	15,847,195.76	0.00	709,933.57	0.00
October 11, 2022	15,137,262.20	0.00	709,933.56	0.00
April 11, 2023	14,427,328.63	0.00	709,933.57	0.00
October 11, 2023	13,717,395.06	0.00	709,933.57	0.00
April 11, 2024	0.00	0.00	13,717,395.06	0.00

Date	Equipment Note Ending Balance		Scheduled Payments of Principal	
	Series A	Series B	Series A	Series B
	Equipment Note	Equipment Note	Equipment Note	Equipment Note
At Issuance	\$ 28,656,000.00	\$ 5,293,000.00	\$ 0.00	\$ 0.00
October 11, 2012	28,656,000.00	5,293,000.00	0.00	0.00
April 11, 2013	28,656,000.00	5,293,000.00	0.00	0.00
October 11, 2013	27,945,322.42	5,029,047.63	710,677.58	263,952.37
April 11, 2014	27,234,644.84	4,765,095.26	710,677.58	263,952.37
October 11, 2014	26,523,967.27	4,501,142.88	710,677.57	263,952.38
April 11, 2015	25,813,289.69	4,237,190.51	710,677.58	263,952.37
October 11, 2015	25,102,612.11	3,973,238.14	710,677.58	263,952.37
April 11, 2016	24,391,934.53	3,709,285.77	710,677.58	263,952.37
October 11, 2016	23,681,256.96	3,445,333.39	710,677.57	263,952.38
April 11, 2017	22,970,579.38	3,181,381.02	710,677.58	263,952.37
October 11, 2017	22,259,901.80	2,917,428.65	710,677.58	263,952.37
April 11, 2018	21,549,224.22	2,653,476.28	710,677.58	263,952.37
October 11, 2018	20,838,546.64	2,389,523.90	710,677.58	263,952.38
April 11, 2019	20,127,869.07	2,125,571.53	710,677.57	263,952.37
October 11, 2019	19,417,191.49	1,861,619.16	710,677.58	263,952.37
April 11, 2020	18,706,513.91	0.00	710,677.58	1,861,619.16
October 11, 2020	17,995,836.33	0.00	710,677.58	0.00
April 11, 2021	17,285,158.75	0.00	710,677.58	0.00
October 11, 2021	16,574,481.18	0.00	710,677.57	0.00
April 11, 2022	15,863,803.60	0.00	710,677.58	0.00
October 11, 2022	15,153,126.02	0.00	710,677.58	0.00
April 11, 2023	14,442,448.44	0.00	710,677.58	0.00
October 11, 2023	13,731,770.87	0.00	710,677.57	0.00

Edgar Filing: CONTINENTAL AIRLINES INC /DE/ - Form 424B3

April 11, 2024

0.00

0.00

13,731,770.87

0.00

S-45

**Table of Contents**

Date	Equipment Note Ending Balance		Scheduled Payments of Principal	
	Series A	Series B	Series A	Series B
	Equipment Note	Equipment Note	Equipment Note	Equipment Note
At Issuance	\$ 28,656,000.00	\$ 5,293,000.00	\$ 0.00	\$ 0.00
October 11, 2012	28,656,000.00	5,293,000.00	0.00	0.00
April 11, 2013	28,656,000.00	5,293,000.00	0.00	0.00
October 11, 2013	27,945,322.42	5,029,047.63	710,677.58	263,952.37
April 11, 2014	27,234,644.84	4,765,095.26	710,677.58	263,952.37
October 11, 2014	26,523,967.27	4,501,142.88	710,677.57	263,952.38
April 11, 2015	25,813,289.69	4,237,190.51	710,677.58	263,952.37
October 11, 2015	25,102,612.11	3,973,238.14	710,677.58	263,952.37
April 11, 2016	24,391,934.53	3,709,285.77	710,677.58	263,952.37
October 11, 2016	23,681,256.96	3,445,333.39	710,677.57	263,952.38
April 11, 2017	22,970,579.38	3,181,381.02	710,677.58	263,952.37
October 11, 2017	22,259,901.80	2,917,428.65	710,677.58	263,952.37
April 11, 2018	21,549,224.22	2,653,476.28	710,677.58	263,952.37
October 11, 2018	20,838,546.64	2,389,523.90	710,677.58	263,952.38
April 11, 2019	20,127,869.07	2,125,571.53	710,677.57	263,952.37
October 11, 2019	19,417,191.49	1,861,619.16	710,677.58	263,952.37
April 11, 2020	18,706,513.91	0.00	710,677.58	1,861,619.16
October 11, 2020	17,995,836.33	0.00	710,677.58	0.00
April 11, 2021	17,285,158.75	0.00	710,677.58	0.00
October 11, 2021	16,574,481.18	0.00	710,677.57	0.00
April 11, 2022	15,863,803.60	0.00	710,677.58	0.00
October 11, 2022	15,153,126.02	0.00	710,677.58	0.00
April 11, 2023	14,442,448.44	0.00	710,677.58	0.00
October 11, 2023	13,731,770.87	0.00	710,677.57	0.00
April 11, 2024	0.00	0.00	13,731,770.87	0.00

Date	Equipment Note Ending Balance		Scheduled Payments of Principal	
	Series A	Series B	Series A	Series B
	Equipment Note	Equipment Note	Equipment Note	Equipment Note
At Issuance	\$ 28,727,000.00	\$ 5,305,000.00	\$ 0.00	\$ 0.00
October 11, 2012	28,727,000.00	5,305,000.00	0.00	0.00
April 11, 2013	28,727,000.00	5,305,000.00	0.00	0.00
October 11, 2013	28,014,561.60	5,040,449.21	712,438.40	264,550.79
April 11, 2014	27,302,123.20	4,775,898.42	712,438.40	264,550.79
October 11, 2014	26,589,684.80	4,511,347.63	712,438.40	264,550.79
April 11, 2015	25,877,246.40	4,246,796.84	712,438.40	264,550.79
October 11, 2015	25,164,808.00	3,982,246.05	712,438.40	264,550.79
April 11, 2016	24,452,369.60	3,717,695.26	712,438.40	264,550.79
October 11, 2016	23,739,931.20	3,453,144.46	712,438.40	264,550.80
April 11, 2017	23,027,492.80	3,188,593.67	712,438.40	264,550.79
October 11, 2017	22,315,054.40	2,924,042.88	712,438.40	264,550.79
April 11, 2018	21,602,616.00	2,659,492.09	712,438.40	264,550.79
October 11, 2018	20,890,177.60	2,394,941.30	712,438.40	264,550.79
April 11, 2019	20,177,739.20	2,130,390.51	712,438.40	264,550.79
October 11, 2019	19,465,300.81	1,865,839.72	712,438.39	264,550.79
April 11, 2020	18,752,862.41	0.00	712,438.40	1,865,839.72
October 11, 2020	18,040,424.01	0.00	712,438.40	0.00
April 11, 2021	17,327,985.61	0.00	712,438.40	0.00
October 11, 2021	16,615,547.21	0.00	712,438.40	0.00
April 11, 2022	15,903,108.81	0.00	712,438.40	0.00
October 11, 2022	15,190,670.41	0.00	712,438.40	0.00
April 11, 2023	14,478,232.01	0.00	712,438.40	0.00
October 11, 2023	13,765,793.61	0.00	712,438.40	0.00

Edgar Filing: CONTINENTAL AIRLINES INC /DE/ - Form 424B3

April 11, 2024

0.00

0.00

13,765,793.61

0.00

S-46

**Table of Contents**

Date	Equipment Note Ending Balance		Scheduled Payments of Principal	
	Series A	Series B	Series A	Series B
	Equipment Note	Equipment Note	Equipment Note	Equipment Note
At Issuance	\$ 28,727,000.00	\$ 5,305,000.00	\$ 0.00	\$ 0.00
October 11, 2012	28,727,000.00	5,305,000.00	0.00	0.00
April 11, 2013	28,727,000.00	5,305,000.00	0.00	0.00
October 11, 2013	28,014,561.60	5,040,449.21	712,438.40	264,550.79
April 11, 2014	27,302,123.20	4,775,898.42	712,438.40	264,550.79
October 11, 2014	26,589,684.80	4,511,347.63	712,438.40	264,550.79
April 11, 2015	25,877,246.40	4,246,796.84	712,438.40	264,550.79
October 11, 2015	25,164,808.00	3,982,246.05	712,438.40	264,550.79
April 11, 2016	24,452,369.60	3,717,695.26	712,438.40	264,550.79
October 11, 2016	23,739,931.20	3,453,144.46	712,438.40	264,550.80
April 11, 2017	23,027,492.80	3,188,593.67	712,438.40	264,550.79
October 11, 2017	22,315,054.40	2,924,042.88	712,438.40	264,550.79
April 11, 2018	21,602,616.00	2,659,492.09	712,438.40	264,550.79
October 11, 2018	20,890,177.60	2,394,941.30	712,438.40	264,550.79
April 11, 2019	20,177,739.20	2,130,390.51	712,438.40	264,550.79
October 11, 2019	19,465,300.81	1,865,839.72	712,438.39	264,550.79
April 11, 2020	18,752,862.41	0.00	712,438.40	1,865,839.72
October 11, 2020	18,040,424.01	0.00	712,438.40	0.00
April 11, 2021	17,327,985.61	0.00	712,438.40	0.00
October 11, 2021	16,615,547.21	0.00	712,438.40	0.00
April 11, 2022	15,903,108.81	0.00	712,438.40	0.00
October 11, 2022	15,190,670.41	0.00	712,438.40	0.00
April 11, 2023	14,478,232.01	0.00	712,438.40	0.00
October 11, 2023	13,765,793.61	0.00	712,438.40	0.00
April 11, 2024	0.00	0.00	13,765,793.61	0.00

Date	Equipment Note Ending Balance		Scheduled Payments of Principal	
	Series A	Series B	Series A	Series B
	Equipment Note	Equipment Note	Equipment Note	Equipment Note
At Issuance	\$ 28,758,000.00	\$ 5,311,000.00	\$ 0.00	\$ 0.00
October 11, 2012	28,758,000.00	5,311,000.00	0.00	0.00
April 11, 2013	28,758,000.00	5,311,000.00	0.00	0.00
October 11, 2013	28,044,792.79	5,046,150.00	713,207.21	264,850.00
April 11, 2014	27,331,585.58	4,781,300.00	713,207.21	264,850.00
October 11, 2014	26,618,378.37	4,516,450.00	713,207.21	264,850.00
April 11, 2015	25,905,171.16	4,251,600.00	713,207.21	264,850.00
October 11, 2015	25,191,963.95	3,986,750.00	713,207.21	264,850.00
April 11, 2016	24,478,756.75	3,721,900.00	713,207.20	264,850.00
October 11, 2016	23,765,549.54	3,457,050.00	713,207.21	264,850.00
April 11, 2017	23,052,342.33	3,192,200.00	713,207.21	264,850.00
October 11, 2017	22,339,135.12	2,927,350.00	713,207.21	264,850.00
April 11, 2018	21,625,927.91	2,662,500.00	713,207.21	264,850.00
October 11, 2018	20,912,720.70	2,397,650.00	713,207.21	264,850.00
April 11, 2019	20,199,513.49	2,132,800.00	713,207.21	264,850.00
October 11, 2019	19,486,306.28	1,867,950.00	713,207.21	264,850.00
April 11, 2020	18,773,099.07	0.00	713,207.21	1,867,950.00
October 11, 2020	18,059,891.86	0.00	713,207.21	0.00
April 11, 2021	17,346,684.65	0.00	713,207.21	0.00
October 11, 2021	16,633,477.45	0.00	713,207.20	0.00
April 11, 2022	15,920,270.24	0.00	713,207.21	0.00
October 11, 2022	15,207,063.03	0.00	713,207.21	0.00
April 11, 2023	14,493,855.82	0.00	713,207.21	0.00
October 11, 2023	13,780,648.61	0.00	713,207.21	0.00



Edgar Filing: CONTINENTAL AIRLINES INC /DE/ - Form 424B3

April 11, 2024

0.00

0.00

13,780,648.61

0.00

S-47

**Table of Contents**

Date	Equipment Note Ending Balance		Scheduled Payments of Principal	
	Series A	Series B	Series A	Series B
	Equipment Note	Equipment Note	Equipment Note	Equipment Note
At Issuance	\$ 28,758,000.00	\$ 5,311,000.00	\$ 0.00	\$ 0.00
October 11, 2012	28,758,000.00	5,311,000.00	0.00	0.00
April 11, 2013	28,758,000.00	5,311,000.00	0.00	0.00
October 11, 2013	28,044,792.79	5,046,150.00	713,207.21	264,850.00
April 11, 2014	27,331,585.58	4,781,300.00	713,207.21	264,850.00
October 11, 2014	26,618,378.37	4,516,450.00	713,207.21	264,850.00
April 11, 2015	25,905,171.16	4,251,600.00	713,207.21	264,850.00
October 11, 2015	25,191,963.95	3,986,750.00	713,207.21	264,850.00
April 11, 2016	24,478,756.75	3,721,900.00	713,207.20	264,850.00
October 11, 2016	23,765,549.54	3,457,050.00	713,207.21	264,850.00
April 11, 2017	23,052,342.33	3,192,200.00	713,207.21	264,850.00
October 11, 2017	22,339,135.12	2,927,350.00	713,207.21	264,850.00
April 11, 2018	21,625,927.91	2,662,500.00	713,207.21	264,850.00
October 11, 2018	20,912,720.70	2,397,650.00	713,207.21	264,850.00
April 11, 2019	20,199,513.49	2,132,800.00	713,207.21	264,850.00
October 11, 2019	19,486,306.28	1,867,950.00	713,207.21	264,850.00
April 11, 2020	18,773,099.07	0.00	713,207.21	1,867,950.00
October 11, 2020	18,059,891.86	0.00	713,207.21	0.00
April 11, 2021	17,346,684.65	0.00	713,207.21	0.00
October 11, 2021	16,633,477.45	0.00	713,207.20	0.00
April 11, 2022	15,920,270.24	0.00	713,207.21	0.00
October 11, 2022	15,207,063.03	0.00	713,207.21	0.00
April 11, 2023	14,493,855.82	0.00	713,207.21	0.00
October 11, 2023	13,780,648.61	0.00	713,207.21	0.00
April 11, 2024	0.00	0.00	13,780,648.61	0.00

Date	Equipment Note Ending Balance		Scheduled Payments of Principal	
	Series A	Series B	Series A	Series B
	Equipment Note	Equipment Note	Equipment Note	Equipment Note
At Issuance	\$ 28,791,000.00	\$ 5,317,000.00	\$ 0.00	\$ 0.00
October 11, 2012	28,791,000.00	5,317,000.00	0.00	0.00
April 11, 2013	28,791,000.00	5,317,000.00	0.00	0.00
October 11, 2013	28,076,974.38	5,051,850.79	714,025.62	265,149.21
April 11, 2014	27,362,948.76	4,786,701.58	714,025.62	265,149.21
October 11, 2014	26,648,923.14	4,521,552.37	714,025.62	265,149.21
April 11, 2015	25,934,897.52	4,256,403.16	714,025.62	265,149.21
October 11, 2015	25,220,871.90	3,991,253.95	714,025.62	265,149.21
April 11, 2016	24,506,846.28	3,726,104.74	714,025.62	265,149.21
October 11, 2016	23,792,820.67	3,460,955.54	714,025.61	265,149.20
April 11, 2017	23,078,795.05	3,195,806.33	714,025.62	265,149.21
October 11, 2017	22,364,769.43	2,930,657.12	714,025.62	265,149.21
April 11, 2018	21,650,743.81	2,665,507.91	714,025.62	265,149.21
October 11, 2018	20,936,718.19	2,400,358.70	714,025.62	265,149.21
April 11, 2019	20,222,692.57	2,135,209.49	714,025.62	265,149.21
October 11, 2019	19,508,666.95	1,870,060.28	714,025.62	265,149.21
April 11, 2020	18,794,641.33	0.00	714,025.62	1,870,060.28
October 11, 2020	18,080,615.71	0.00	714,025.62	0.00
April 11, 2021	17,366,590.09	0.00	714,025.62	0.00
October 11, 2021	16,652,564.47	0.00	714,025.62	0.00
April 11, 2022	15,938,538.85	0.00	714,025.62	0.00
October 11, 2022	15,224,513.24	0.00	714,025.61	0.00
April 11, 2023	14,510,487.62	0.00	714,025.62	0.00
October 11, 2023	13,796,462.00	0.00	714,025.62	0.00

Edgar Filing: CONTINENTAL AIRLINES INC /DE/ - Form 424B3

April 11, 2024

0.00

0.00

13,796,462.00

0.00

S-48

**Table of Contents**

Date	Equipment Note Ending Balance		Scheduled Payments of Principal	
	Series A	Series B	Series A	Series B
	Equipment Note	Equipment Note	Equipment Note	Equipment Note
At Issuance	\$ 28,791,000.00	\$ 5,317,000.00	\$ 0.00	\$ 0.00
October 11, 2012	28,791,000.00	5,317,000.00	0.00	0.00
April 11, 2013	28,791,000.00	5,317,000.00	0.00	0.00
October 11, 2013	28,076,974.38	5,051,850.79	714,025.62	265,149.21
April 11, 2014	27,362,948.76	4,786,701.58	714,025.62	265,149.21
October 11, 2014	26,648,923.14	4,521,552.37	714,025.62	265,149.21
April 11, 2015	25,934,897.52	4,256,403.16	714,025.62	265,149.21
October 11, 2015	25,220,871.90	3,991,253.95	714,025.62	265,149.21
April 11, 2016	24,506,846.28	3,726,104.74	714,025.62	265,149.21
October 11, 2016	23,792,820.67	3,460,955.54	714,025.61	265,149.20
April 11, 2017	23,078,795.05	3,195,806.33	714,025.62	265,149.21
October 11, 2017	22,364,769.43	2,930,657.12	714,025.62	265,149.21
April 11, 2018	21,650,743.81	2,665,507.91	714,025.62	265,149.21
October 11, 2018	20,936,718.19	2,400,358.70	714,025.62	265,149.21
April 11, 2019	20,222,692.57	2,135,209.49	714,025.62	265,149.21
October 11, 2019	19,508,666.95	1,870,060.28	714,025.62	265,149.21
April 11, 2020	18,794,641.33	0.00	714,025.62	1,870,060.28
October 11, 2020	18,080,615.71	0.00	714,025.62	0.00
April 11, 2021	17,366,590.09	0.00	714,025.62	0.00
October 11, 2021	16,652,564.47	0.00	714,025.62	0.00
April 11, 2022	15,938,538.85	0.00	714,025.62	0.00
October 11, 2022	15,224,513.24	0.00	714,025.61	0.00
April 11, 2023	14,510,487.62	0.00	714,025.62	0.00
October 11, 2023	13,796,462.00	0.00	714,025.62	0.00
April 11, 2024	0.00	0.00	13,796,462.00	0.00

Date	Equipment Note Ending Balance		Scheduled Payments of Principal	
	Series A	Series B	Series A	Series B
	Equipment Note	Equipment Note	Equipment Note	Equipment Note
At Issuance	\$ 28,987,000.00	\$ 5,347,000.00	\$ 0.00	\$ 0.00
October 11, 2012	28,987,000.00	5,347,000.00	0.00	0.00
April 11, 2013	28,987,000.00	5,347,000.00	0.00	0.00
October 11, 2013	28,268,113.52	5,080,354.74	718,886.48	266,645.26
April 11, 2014	27,549,227.04	4,813,709.49	718,886.48	266,645.25
October 11, 2014	26,830,340.56	4,547,064.23	718,886.48	266,645.26
April 11, 2015	26,111,454.08	4,280,418.98	718,886.48	266,645.25
October 11, 2015	25,392,567.60	4,013,773.72	718,886.48	266,645.26
April 11, 2016	24,673,681.12	3,747,128.47	718,886.48	266,645.25
October 11, 2016	23,954,794.65	3,480,483.21	718,886.47	266,645.26
April 11, 2017	23,235,908.17	3,213,837.96	718,886.48	266,645.25
October 11, 2017	22,517,021.69	2,947,192.70	718,886.48	266,645.26
April 11, 2018	21,798,135.21	2,680,547.45	718,886.48	266,645.25
October 11, 2018	21,079,248.73	2,413,902.19	718,886.48	266,645.26
April 11, 2019	20,360,362.25	2,147,256.94	718,886.48	266,645.25
October 11, 2019	19,641,475.77	1,880,611.68	718,886.48	266,645.26
April 11, 2020	18,922,589.29	0.00	718,886.48	1,880,611.68
October 11, 2020	18,203,702.81	0.00	718,886.48	0.00
April 11, 2021	17,484,816.33	0.00	718,886.48	0.00
October 11, 2021	16,765,929.85	0.00	718,886.48	0.00
April 11, 2022	16,047,043.37	0.00	718,886.48	0.00
October 11, 2022	15,328,156.89	0.00	718,886.48	0.00
April 11, 2023	14,609,270.42	0.00	718,886.47	0.00
October 11, 2023	13,890,383.94	0.00	718,886.48	0.00

Edgar Filing: CONTINENTAL AIRLINES INC /DE/ - Form 424B3

April 11, 2024

0.00

0.00

13,890,383.94

0.00

S-49

**Table of Contents**

Date	Equipment Note Ending Balance		Scheduled Payments of Principal	
	Series A	Series B	Series A	Series B
	Equipment Note	Equipment Note	Equipment Note	Equipment Note
At Issuance	\$ 28,987,000.00	\$ 5,347,000.00	\$ 0.00	\$ 0.00
October 11, 2012	28,987,000.00	5,347,000.00	0.00	0.00
April 11, 2013	28,987,000.00	5,347,000.00	0.00	0.00
October 11, 2013	28,268,113.52	5,080,354.74	718,886.48	266,645.26
April 11, 2014	27,549,227.04	4,813,709.49	718,886.48	266,645.25
October 11, 2014	26,830,340.56	4,547,064.23	718,886.48	266,645.26
April 11, 2015	26,111,454.08	4,280,418.98	718,886.48	266,645.25
October 11, 2015	25,392,567.60	4,013,773.72	718,886.48	266,645.26
April 11, 2016	24,673,681.12	3,747,128.47	718,886.48	266,645.25
October 11, 2016	23,954,794.65	3,480,483.21	718,886.47	266,645.26
April 11, 2017	23,235,908.17	3,213,837.96	718,886.48	266,645.25
October 11, 2017	22,517,021.69	2,947,192.70	718,886.48	266,645.26
April 11, 2018	21,798,135.21	2,680,547.45	718,886.48	266,645.25
October 11, 2018	21,079,248.73	2,413,902.19	718,886.48	266,645.26
April 11, 2019	20,360,362.25	2,147,256.94	718,886.48	266,645.25
October 11, 2019				

&amp;nb