

## **GUARANTY**

GUARANTY dated as of \_\_\_\_\_, 2017, by UNITED AIRLINES, INC., a corporation organized under the laws of the State of Delaware, as successor in interest to United Air Lines, Inc., (the “**Guarantor**”), delivered to ZB, National Association, dba Zions Bank organized and existing under the laws of the United States (the “**Paying Agent**”), as Paying Agent under Ordinance No. \_\_\_\_, Series of 2017 (the “**Ordinance**”), enacted by the CITY AND COUNTY OF DENVER, COLORADO (the “**City**”), for the benefit of the beneficial owners (the “**Bondowners**”) of the City’s Department of Aviation, Special Facilities Airport Revenue Refunding Bonds (United Airlines, Inc. Project), Series 2017 in the aggregate principal amount of \$ \_\_\_\_\_ (the “**Bonds**”).

## **BACKGROUND**

At the request of the Guarantor, the City proposes to issue the Bonds under the Ordinance. The net proceeds of the Bonds (exclusive of accrued interest thereon, if any) will be used to refinance certain airport special facilities (the “**Facilities**”) owned by the City and (i) leased to the Guarantor pursuant to an Amended and Restated Special Facilities and Ground Lease dated as of \_\_\_\_\_, 2017, between the City, as landlord, and Guarantor, as tenant (the “**Lease**”), and (ii) to pay the costs of issuance related to the Bonds. The Guarantor is willing to enter into this Guaranty as an inducement to the purchase of the Bonds by all who may at any time become Bondowners. Terms used herein and not otherwise defined shall have the meanings ascribed to such terms in the Ordinance.

## **GUARANTY**

**Section 1.01 The Guaranty.** In consideration of the foregoing and in order to enhance the marketability of the Bonds and thereby achieve interest cost and other savings to the Guarantor and as an inducement to the purchase of the Bonds by all who may at any time become Bondowners, the Guarantor hereby unconditionally guarantees payment to the Bondowners, in accordance with the terms hereof, of all amounts required for (a) the full and prompt payment of the principal of and redemption premium, if any, of the Bonds when and as the same shall become due and payable, whether at the stated maturity thereof, by acceleration, by prior redemption or otherwise, and (b) the full and prompt payment of any premium due in connection with any redemption of the Bonds and of any interest accrued on the Bonds when and as the same shall become due and payable (collectively, “**Guaranteed Obligations**”). All payments by the Guarantor shall be paid in lawful money of the United States of America. Each and every default in payment of the principal of, premium if any, or interest on, any Bond shall give rise to a separate cause of action hereunder, and separate suits may be brought hereunder as each cause of action arises, subject to the limitation that a Bondowner or agent therefor may pursue any remedy hereunder only to the extent such Bondowner then has the right to pursue an individual remedy under the provisions of Section 8.3 of the Ordinance and subject to consolidation of suits. The Guarantor agrees further to pay in each case all expenses and charges (including court costs and reasonable attorneys’ fees) paid or incurred by the Bondowners or an agent therefor in realizing upon any of the payments hereby guaranteed or in enforcing this Guaranty.

Section 1.02 Obligations Absolute and Unconditional. The obligations of the Guarantor under this Guaranty are binding upon the Guarantor and its successors and assigns, are absolute and unconditional and remain in full force and effect until the Guaranteed Obligations have been paid or provided for and are no longer deemed to be outstanding under the Ordinance, and such Guaranteed Obligations are not affected, modified or impaired upon the happening from time to time of any event, including without limitation any of the following:

(a) the compromise, settlement, release or termination of any or all of the obligations, covenants or agreements of the City or the Guarantor under the Lease or the Ordinance;

(b) the default or failure of the Guarantor fully to perform any of its obligations set forth in this Guaranty;

(c) the waiver of the payment, performance or observance by the City or the Guarantor of any of the obligations, covenants or agreements of either of them contained in the Ordinance, the Lease or this Guaranty;

(d) the extension of the time for payment of any principal of, premium, if any, or interest on, any Bond under this Guaranty or of the time for performance of any other obligations, covenants or agreements under or arising out of the Ordinance, the Lease or this Guaranty or the extension or the renewal of any such documents;

(e) the modification or amendment (whether material or otherwise) of any obligation, covenant or agreement set forth in the Lease or the Ordinance, except to the extent consented to by the Bondowners as provided therein;

(f) the taking or the omission of any of the actions referred to in the Ordinance or the Lease and any actions under this Guaranty;

(g) any failure, omission, delay or lack on the part of the City to enforce, assert or exercise any right, power or remedy conferred on the City, the Paying Agent, or the Bondowners in the Ordinance or in the Guaranty, as applicable, or any other act or acts on the part of the City, the Paying Agent, or any of the Bondowners from time to time;

(h) the voluntary or involuntary liquidation, dissolution, sale or other disposition of all or substantially all the assets, marshalling of assets and liabilities, receivership, insolvency, bankruptcy, assignment for the benefit of creditors, reorganization, arrangement, composition with creditors or readjustment of, or other similar proceedings affecting the Guarantor or any of its assets, or any allegation or contest of the validity of this Guaranty in any such proceeding;

(i) to the extent permitted by law, the release or discharge of the Guarantor from the performance or observance of any obligation, covenant or agreement contained in this Guaranty by operation of law;

(j) the damage or destruction of any of the Facilities by casualty or the seizure of the Facilities or any portion thereof by eminent domain, or any defect in or failure of the City's title to the Facilities or any part thereof; or

(k) any other circumstances, occurrence or condition, whether similar or dissimilar to any of the foregoing, that might be raised in avoidance of or in defense against any action to enforce the obligations of the Guarantor under the provisions hereof.

Section 1.03 No Right of Set-off. No set-off, counterclaim, reduction or diminution of any obligation, or any defense of any kind or nature which the Guarantor has or may come to have against the City, the Paying Agent or any Bondowner shall be available hereunder to the Guarantor; provided that nothing contained herein shall prohibit the Guarantor from asserting any claim against the City, the Paying Agent or any Bondowner in a separate proceeding, which proceeding shall in no way delay the prompt performance by the Guarantor of its obligations hereunder, and the Guarantor shall receive full credit against its payment obligations under this Guaranty for any and all corresponding rental payments made by the Guarantor pursuant to Section 6.1 of the Lease, including any prepayments or reductions in or credits against Facilities Rentals under Section 6.4 of the Lease. To the extent any Guaranty payments are made hereunder, such payments shall satisfy the Guarantor's obligation to pay those amounts as rental payments pursuant to Section 6.1 of the Lease.

Section 1.04 Payment Upon Default; Need Not Exhaust Other Remedies. In the event of a default (a) in the payment of principal of any Bond when and as the same shall become due, whether at the stated maturity thereof, by acceleration, upon prior redemption or otherwise, or (b) in the payment of any premium or interest on any Bond when and as the same shall become due, and regardless of the reason for any such default, the Guarantor shall, upon demand by the Bondowners, pay the full amount in default to the Paying Agent for deposit to the Bond Fund (as defined in the Ordinance) for the benefit of the Bondowners. To the extent the Bondowners are authorized under Section 8.3 of the Ordinance to seek remedies for enforcement of the Bonds, the Bondowners in their sole discretion may proceed directly against the Guarantor under this Guaranty without proceeding against or exhausting any other remedies which the Paying Agent or Bondowners may have. The Guarantor agrees to pay all reasonable costs, expenses and fees, including all reasonable attorneys' fees (computed at not more than the hourly rates normally charged for matters not reimbursed by any third party, without premium of any kind), which may be incurred by Bondowners in enforcing this Guaranty following any default on the part of the Guarantor hereunder, whether the same shall be enforced by suit or otherwise.

Section 1.05 Guaranty Benefits Bondowners. This Guaranty is given by the Guarantor for the benefit of the Bondowners from time to time. This Guaranty shall not be deemed to create any right, or to be in whole or in part for the benefit of any person other than the Guarantor or the Bondowners from time to time and their permitted successors or assigns.

Section 1.06 Discharge of Guaranty. Anything contained in this Guaranty to the contrary notwithstanding, except as provided herein with respect to the expenses incurred in connection with the enforcement hereof and in accordance with the Lease and the Ordinance, the obligations of the Guarantor hereunder shall be satisfied in full and discharged upon the payment by the Guarantor to the Paying Agent of an amount equal to the principal of, premium, if any,

and interest due on the Bonds less all amounts theretofore deposited with the Paying Agent, whether under the Ordinance or otherwise, for the payment thereof and (b) the Bonds having been paid or deemed paid within the meaning of Article XII of the Ordinance.

Section 1.07 Subrogation. The payment by the Guarantor of any amount pursuant to this Guaranty shall not in any way entitle the Guarantor to any right, title or interest (whether by way of subrogation or otherwise) in and to the Bonds, the Ordinance or any proceeds thereof, or any security therefore, unless and until the full amount of the principal, premium, if any, and interest owing on the Bonds has been paid, but when such amounts have been fully paid, the Guarantor shall be subrogated as to any payments made by the Guarantor to the rights of the Bondowners under the Bonds or the Ordinance.

### MISCELLANEOUS

Section 2.01 Representations of the Guarantor. The Guarantor hereby represents that it is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware, with corporate power to execute, deliver and perform its obligations under this Guaranty; that the Guarantor has duly authorized this Guaranty and no approval or other action by any governmental authority is required in connection therewith; and that neither the making nor the performance of this Guaranty will conflict with or violate the Guarantor's Certificate of Incorporation or By-Laws or any material indenture, agreement or other instrument to which the Guarantor is a party or by which it may be bound and which conflict or violation would have an adverse impact on this Guaranty or the Guarantor's obligations hereunder.

Section 2.02 Maintenance of Corporate Existence; Exceptions. The Guarantor covenants that while any Bonds remain outstanding, it will maintain its corporate existence and will not dissolve or otherwise dispose of all or substantially all of its assets; except, however, that the Guarantor may consolidate with or merge into another corporation or sell or otherwise transfer to another corporation all or substantially all of its assets and thereafter dissolve, provided (1) that the surviving, resulting or transferee corporation, as the case may be, is not "insolvent" within the meaning of the Colorado Uniform Commercial Code, (2) the Paying Agent is provided with a certificate from the Chief Financial Officer of the resulting, surviving or transferee corporation stating that such corporation has not ceased to pay its debts in the ordinary course of business and can pay its debts as they become due and is not insolvent within the meaning of the federal bankruptcy law, (3) the surviving, resulting or transferee corporation assumes in writing all of the obligations of the Guarantor herein contained or referred to, and (4) the Paying Agent receives an opinion of counsel satisfactory to it to the effect that such consolidation, merger, sale or transfer complies with this Section 2.02.

Section 2.03 Remedies Not Exclusive; Waiver. No remedy herein conferred upon or reserved to the Bondowners is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Guaranty or now or hereafter existing at law or equity. No delay or omission to exercise any right or power accruing upon any default, omission or failure of performance hereunder shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Bondowners to exercise any remedy reserved to it or

them in this Guaranty, it shall not be necessary to give any notice to the Guarantor prior to the demand for payment. In the event any provision contained in this Guaranty should be breached by the Guarantor and thereafter duly waived by the Bondowners, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder. No waiver, amendment, release or modification of this Guaranty shall be established by conduct, custom or course of dealing.

Section 2.04 Amendment of the Guaranty. Without the consent of the Bondowners, the Paying Agent may consent to any amendment, change or modification of this Guaranty to cure any ambiguity, defect, omission or inconsistent provision, or to make any other change that does not adversely affect the interests of the Bondowners. With consent of Bondowners holding beneficial ownership of at least a majority in aggregate principal amount of the outstanding Bonds, the Paying Agent may consent to any other amendment, change or modification of this Guaranty; provided, however, that no amendment shall be consented to by the Paying Agent which would (1) decrease the amounts payable under this Guaranty, (2) change the date of payment, or (3) change any provisions with respect to amendment hereof. This Guaranty shall not be amended in any respect except by a writing signed by the parties hereto.

Section 2.05 Notices. Any notices required to be sent pursuant to this Guaranty shall be sent in the manner and to the parties as described in the Lease.

Section 2.06 Headings Not Part of the Guaranty. Any headings preceding the text of the several sections hereof shall be solely for convenience of reference and shall not constitute a part of this Guaranty, nor shall they affect its meaning, construction or effect.

Section 2.07 Severability. The invalidity or unenforceability of any one or more provisions in this Guaranty shall not affect the validity or enforceability of the remaining portions of this Guaranty, or any part thereof.

Section 2.08 Governing Law. This Guaranty shall be governed by and construed in accordance with the laws of the State of Colorado.

Section 2.09 Counterparts. This Guaranty may be executed and accepted in counterparts, each of which when so executed or accepted and delivered shall be an original; but such counterparts shall together constitute but one and the same original.

Section 2.10 Entire Agreement. This Guaranty constitutes the entire agreement and supersedes all prior agreements and understandings, both written and oral, between the parties with respect to the subject matter hereof.

**IN WITNESS WHEREOF**, the Guarantor, intending to be legally bound, has caused this Guaranty to be executed and delivered to the Paying Agent for the benefit of Bondowners in its name and behalf, by its duly authorized officer as of the date first above written.

ACCEPTED as of the date first written above, by

ZB, National Association, dba Zions Bank  
as Paying Agent

UNITED AIRLINES, INC.

By: \_\_\_\_\_  
Authorized Officer

By: \_\_\_\_\_  
Senior Vice President Finance,  
Procurement and Treasurer

STATE OF ILLINOIS )  
 )ss.  
CITY AND COUNTY OF COOK )

This foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2017,  
by \_\_\_\_\_ as \_\_\_\_\_ of UNITED  
AIRLINES, INC., a Delaware corporation.

Witness my hand and official seal.

\_\_\_\_\_  
Notary Public

My commission expires: \_\_\_\_\_