

CITY AND COUNTY OF DENVER, COLORADO
for and on behalf of its Department of Aviation
SPECIAL FACILITIES AIRPORT REVENUE REFUNDING BONDS
(UNITED AIRLINES, INC. PROJECT)
SERIES 2017
(Refunding Series 2007A Bonds)

2007A ESCROW AGREEMENT

This 2007A Escrow Agreement is entered into on the date indicated on the City's signature page, by and between the CITY AND COUNTY OF DENVER, COLORADO (the "City"), for and on behalf of its Department of Aviation (the "Department"), ZB, NATIONAL ASSOCIATION, DBA ZIONS BANK, having and exercising full and complete trust powers, duly organized and existing under the laws of the United States of America, being a member of the Federal Deposit Insurance Corporation and the Federal Reserve System and having an office and a principal place of business in Denver, Colorado (the "Escrow Agent") and UNITED AIRLINES, INC., a corporation organized under the laws of the State of Delaware and the successor-in-interest by merger to United Air Lines, Inc. ("United" or the "Company").

Terms used herein and not otherwise defined have the meanings as set forth in the Series 2017 Bond Ordinance or the General Airport Bond Ordinance, each as defined in the Recitals below.

RECITALS

A. The City is a municipal corporation duly organized and existing as a home rule city under Article XX, State Constitution and under the Charter of the City, and is a political subdivision of the State. Subject to certain exceptions, all legislative powers possessed by the City, conferred by Article XX, State Constitution or contained in the Charter, as either has from time to time been amended, or otherwise existing by operation of law, are vested in the City Council of the City.

B. Pursuant to the Charter and its plenary grant of powers as a home rule city, and the Enterprise Ordinance, the City designated the Department as an enterprise within the meaning of Section 20, Article X of the State Constitution. The Enterprise Ordinance provides that the City owns the Department, the Manager is the "governing body" of the Department and the Department has the authority to issue its own bonds or other financial obligations in the name of the City, payable solely from revenues derived or to be derived from the functions, services, benefits or facilities of the Department or from any other available funds, as authorized by ordinance after approval and authorization by the Manager.

C. Pursuant to Article XX of the State Constitution, the Charter, Ordinance No. 626, Series of 1984, as heretofore amended and supplemented (the "General Airport Bond Ordinance"), the Enterprise Ordinance, the Development Revenue Bond Act and the Supplemental Act, the City, for and on behalf of the Department, is empowered to issue Special Facilities Bonds to finance Special Facilities, as such terms are defined in the General Airport Bond Ordinance.

D. Certain Series 1992A Bonds, as authorized by the Series 1992A Bond Ordinance, were issued for the purpose of defraying the cost of acquiring, improving and equipping certain airport facilities and paying certain costs associated therewith and leasing those Facilities to United Air Lines, Inc., predecessor-in-interest to United (“Old United”). As contemplated by the Enterprise Ordinance, at the request of Old United, the City issued its “City and County of Denver, Colorado, for and on behalf of its Department of Aviation, Special Facilities Airport Revenue Refunding Bonds (United Air Lines Project), Series 2007A, as authorized by the General Airport Bond Ordinance, the Series 2007A Bond Ordinance, the Development Revenue Bond Act, the Enterprise Ordinance and the Supplemental Act for the purpose of defraying the cost of refunding (on a current basis) all of the outstanding Series 1992A Bonds. The Series 1992A Bonds were current refunded, redeemed and paid in full from certain of the proceeds of the Series 2007A Bonds and are not Outstanding.

E. Article XII of the Series 2007A Bond Ordinance, captioned “Discharge of Lien of Ordinance,” provides, in relevant part, as follows: “Any Bond shall be deemed to be paid within the meaning of this Article XII when payment of the principal of and premium, if any, on such Bond, plus interest thereon to the due date thereof (whether such due date be by reason of maturity or upon redemption as provided in this Ordinance, or otherwise), either (a) shall have been made or caused to be made in accordance with the terms hereof; or (b) shall have been provided by irrevocably depositing with an Escrow Agent, in trust and irrevocably set aside exclusively for such payment, (i) moneys sufficient to make such payment ... and all necessary and proper fees, compensation and expenses of the Escrow Agent pertaining to the Series 2007A Bonds with respect to which such deposit is made and all other liabilities of the Company under the Lease and the 2007A Bond Guaranty shall have been paid or the payment thereof provided for to the satisfaction of the Treasurer.”

F. As further contemplated by the Enterprise Ordinance and pursuant to the request of the Company that the City current refund, redeem and defease the Series 2007A Bonds and apply the proceeds of the Series 2017 Bonds to the 2017 Refunding Bonds Project, the Manager has executed a resolution approving, authorizing and requesting the issuance by the City, at the request of United, of the issue designated as the “City and County of Denver, Colorado, for and on behalf of its Department of Aviation, Special Facilities Airport Revenue Refunding Bonds (United Airlines, Inc. Project), Series 2017,” as authorized by the General Airport Bond Ordinance, Ordinance No. ____, Series of 2017 and a related Pricing Certificate (together, the “Series 2017 Bond Ordinance”), the Development Revenue Bond Act, the Enterprise Ordinance and the Supplemental Act (the provisions of which were elected to the extent not inconsistent with the Series 2017 Bond Ordinance), for the purpose of defraying the cost of refunding (on a current basis) all of the outstanding Series 2007A Bonds, as more specifically identified in Exhibit 1 hereto (the “Refunded Bonds”).

G. The Council, by the Series 2017 Bond Ordinance, among other matters:

(1) determined that it is in the best interest of the City, for and on behalf of the Department, to issue the Series 2017 Bonds;

(2) formally authorized the execution and delivery of the Bond Purchase Agreement;

(3) authorized the creation of the Series 2007A Escrow Fund to be maintained by the Escrow Agent;

(4) provided for the deposit in the Series 2007A Escrow Fund of a portion of the proceeds of the Series 2017 Bonds; and

(5) authorized the execution and delivery of this Series 2007A Escrow Agreement.

H. The Series 2017 Bonds are to be sold to the Underwriters pursuant to a Bond Purchase Agreement, a proposed draft of which was submitted to the City by the Underwriters at the time of the filing for adoption of the Series 2017 Bond Ordinance and subsequently executed, in final form, by the Company and the City, for and on behalf of the Department by the Treasurer, providing for the purchase of the Series 2017 Bonds. The Bond Purchase Agreement is subject, among other things, to the delivery of an approving opinion of the City's bond counsel, Becker Stowe Partners LLC, Denver, Colorado.

I. Copies of the Series 2017 Bond Ordinance have been delivered to the Escrow Agent and the Company and the provisions set forth therein are herein incorporated by reference as if set forth herein verbatim in full.

J. The Escrow Deposit described in Section 1 of this Series 2007A Escrow Agreement and Exhibit 2 hereof for the Series 2007A Bonds is sufficient to ensure the payment of the principal of and interest on the Refunded Bonds (the "Refunded Debt Service Requirements"), as set forth in Exhibit 2 hereto.

K. The Escrow Agent represents that it is empowered to undertake the obligations and commitments on its part herein set forth and that the undersigned officer of the Escrow Agent is duly authorized to execute and deliver this Series 2007A Escrow Agreement in the Escrow Agent's name and on its behalf. The Escrow Agent is the paying agent for the Series 2007A Bonds and as such, may be called herein the "Series 2007A Paying Agent." As the Series 2007A Paying Agent, in accordance with the provisions of the Series 2007A Bond Ordinance and pursuant to the written notification of the Company and the written direction of the City, the Series 2007A Paying Agent has caused conditional notice of redemption of the Series 2007A Bonds to be given for the redemption, payment in full and discharge of the Series 2007A Bonds on the October 1, 2017 optional redemption date of the Series 2007A Bonds (to be paid on October 2, 2017, the first Business Day after October 1, 2017).

L. The Company represents that it is empowered to undertake the obligations and commitments on its part herein set forth and that the undersigned officer of the Company is duly authorized to execute and deliver this Series 2007A Escrow Agreement in the Company's name and on its behalf.

M. The City, for and on behalf of its Department of Aviation, represents that it is empowered to undertake the obligations and commitments on its part herein set forth and that the undersigned officers of the City are duly authorized to execute and deliver this Series 2007A Escrow Agreement, for and on behalf of its Department.

In consideration of the mutual agreements herein contained in this Series 2007A Escrow Agreement and the fee described in Section 6 of this Series 2007A Escrow Agreement duly paid by the Company to the Escrow Agent at or before the delivery of this Series 2007A Escrow Agreement, the receipt of which is hereby acknowledged, and in order to secure the payment of the Refunded Debt Service Requirements, as the same become due, the parties hereto mutually undertake, promise and agree for themselves, their respective representatives, successors, and assigns, as follows:

Section 1. Creation of Escrow.

A. Simultaneously with the delivery of the Series 2017 Bonds and subject to their issuance, the City, for and on behalf of its Department of Aviation, with \$____,____,____ of proceeds of the Series 2017 Bonds[, together with other available funds in the amount of \$[7,338,156.25] (together, the “Escrow Deposit”), hereby directs the Escrow Agent to deposit the Escrow Deposit to the trust account designated as the “City and County of Denver, Colorado, for and on behalf of its Department of Aviation, Special Facilities Airport Revenue Refunding Bonds, Series 2007A Bonds Escrow Fund” (the “Series 2007A Escrow Fund”), created with the Escrow Agent pursuant to the Series 2017 Bond Ordinance and this Series 2007A Escrow Agreement. Receipt of the total amount of \$____,____,____ from the proceeds of the Series 2017 Bonds [and from such other available funds] to be applied for the purposes described in this Subsection A of this Section 1 is hereby acknowledged by the Escrow Agent.

The Escrow Agent hereby confirms that (i) the Escrow Deposit and its deposit to the Series 2007A Escrow Fund constitutes an irrevocable deposit with an Escrow Agent, in trust, irrevocably set aside exclusively for the payment of the Series 2007A Bonds in full on the October 1, 2017 optional redemption date of the Series 2007A Bonds (to be paid on October 2, 2017, the first Business Day after October 1, 2017), as required under Article XII of the Series 2007A Bond Ordinance, (ii) the moneys constituting the Escrow Deposit shall remain uninvested as cash in the Series 2007A Escrow Fund until used on October 2, 2017, to redeem and pay in full the Series 2007A Bonds and (iii) the Escrow Deposit is in an amount which will at all times be sufficient to pay the Refunded Debt Service Requirements as they shall become due subject to Section 7 hereof.

B. The City, upon written notification by the Company to the City and the Series 2007A Paying Agent, provided written instructions and directions to the Escrow Agent, as the Series 2007A Paying Agent, to provide conditional notice, by not later than September 1, 2017, to the owners of the Refunded Bonds of the call and redemption of the Refunded Bonds and the defeasance of the Series 2007A Bonds in the time and manner required by the Series 2007A Bond Ordinance and substantially in the form of such notice set forth as Exhibit C to the Series 2017 Bond Ordinance. The Escrow Agent, as the Series 2007A Paying Agent, has heretofore provided written conditional notice to the owners of the Series 2007A Bonds of redemption of the Series 2007A Bonds in the time and manner required by the Series 2007A Bond Ordinance and as so directed.

As contemplated by the Series 2017 Bond Ordinance, the Refunded Bonds are expected to be redeemed on October 1, 2017, for payment in full on October 2, 2017, the first Business Day after October 1, 2017.

C. The Escrow Agent shall, within ten (10) business days of the date of this Series 2007A Escrow Agreement, file written notice of redemption and defeasance of the Refunded Bonds with the Municipal Securities Rulemaking Board's Electronic Municipal Market Access (EMMA).

Section 2. Purpose of Escrow. The Escrow Agent shall hold the Escrow Deposit in trust to secure and for the payment of the Refunded Debt Service Requirements, as set forth in Exhibit 2 to this Series 2007A Escrow Agreement, as the same become due at the respective payment, maturity or redemption dates set forth therein.

Section 3. Accounting for Escrow.

A. The Escrow Deposit shall not be subject to checks drawn by the City or otherwise subject to its order except as otherwise provided in Subsection B of Section 1 hereof.

B. The Escrow Agent shall disburse as provided herein (i) from the Series 2007A Escrow Fund, solely from funds available in the Series 2007A Escrow Fund to ZB, National Association, dba Zions Bank (formerly Zions First National Bank), as the Series 2007A Paying Agent, sufficient moneys to permit the payment, without default, of the related Refunded Debt Service Requirements, as the same become due, as provided herein.

Section 4. Transfers for Refunded Debt Service Requirements. As provided in Section 3B hereof, the Escrow Agent shall make such arrangements as will assure, to the extent of money in the Series 2007A Escrow Fund, properly allocable to and available therefor, the timely payment of the Refunded Debt Service Requirements.

Section 5. Termination of Series 2007A Escrow Fund. When payment or provision for payment shall have been made so that all applicable Refunded Debt Service Requirements shall be or shall have been paid in full and discharged, the Escrow Agent shall immediately transfer the moneys, if any, then remaining in the Series 2007A Escrow Fund shall be deposited to the Bond Fund, and the Escrow Agent shall make forthwith a final report to the Treasurer and shall terminate the Series 2007A Escrow Fund.

Section 6. Fees and Costs.

A. The Escrow Agent's total fees and costs for and in carrying out the provisions of this Series 2007A Escrow Agreement have been approved by the parties hereto, which amount is to be billable on or about the date of delivery of the Series 2017 Bonds and treated as payment in full of all charges of the Escrow Agent relating to this Series 2007A Escrow Agreement for services performed hereunder (except as such services relate to any amendment pursuant to Section 10B hereof).

B. Such payment for services rendered and to be rendered by the Escrow Agent shall not be for deposit in the Series 2007A Escrow Fund, and the fees of and costs incurred by the Escrow Agent shall not be deducted from the Series 2007A Escrow Fund.

Section 7. Possible Deficiencies. If at any time it shall appear to the Escrow Agent that the amount calculated as required to be deposited to pay the Refunded Debt Service

Requirements due on October 1, 2017 on deposit in the Series 2007A Escrow Fund is less than the amount so deposited, as the same become due, the Escrow Agent shall notify the City's Treasurer and the Company in writing as soon as reasonably practicable of such fact and the amount of such deficiency; thereupon the Company shall forthwith deposit with the Escrow Agent for deposit in the Series 2007A Escrow Fund, from legally available funds provided by the Company, the amount of such deficiency.

Section 8. Character of Deposit.

A. It is recognized that the moneys accounted for in the Series 2007A Escrow Fund from time to time shall remain vested in the City but subject always to the prior charge and lien thereon of this Series 2007A Escrow Agreement and the use thereof required to be made by the provisions of this Series 2007A Escrow Agreement and the Series 2017 Bond Ordinance.

B. The Escrow Agent shall hold all such money in the Series 2007A Escrow Fund as a special trust fund and account separate and wholly segregated from all other securities and funds of the Escrow Agent, or deposits therein and shall never commingle such money with other securities or money.

Section 9. Purchasers and Registered Owners Not Responsible. The purchasers and registered owners from time to time of the Series 2017 Bonds shall in no manner be responsible for the application or disposition of the proceeds thereof or any moneys accounted for in the Series 2007A Escrow Fund.

Section 10. Amendment.

A. The Series 2017 Bonds shall be issued in reliance upon this Series 2007A Escrow Agreement, and except as provided herein, this Series 2007A Escrow Agreement shall be irrevocable and not subject to amendment after any of the Series 2017 Bonds shall have been issued.

B. The City, the Company and the Escrow Agent may agree upon any amendment to this Series 2007A Escrow Agreement which is necessary to correct any formal (as opposed to substantive) defect, omission, ambiguity or inconsistent provision herein and which does not adversely affect the interest of the registered owners of the Series 2017 Bonds or the registered owners of the Refunded Bonds. If the City, the Company or the Escrow Agent shall find that, by reason of some error or omission or otherwise in the provisions hereof, a substantive amendment is desirable in order to give effect to the true intention and purpose of this Series 2007A Escrow Agreement, one or more amendments may be proposed by the Escrow Agent, the Company or the City, respectively, in a court of competent jurisdiction requesting the consideration and approval of such amendment, provided that no such amendment may be prejudicial to or otherwise adversely affect the rights of the registered owners of the Series 2017 Bonds or the Refunded Bonds. The Company shall pay all reasonable costs of the Escrow Agent and the City, including attorneys' fees, in connection with any such proceeding.

C. When a court has jurisdiction over the parties to such action by proper service of process or otherwise, written notice of the pendency of such action shall be given to registered owners of the Series 2017 Bonds and registered owners of the Refunded Bonds by first-class

mail, as well as such other manner (if any) as may be required by court rule or statute of the jurisdiction.

D. Within a period of thirty (30) days following the notice given as provided in subsection C hereof any registered owner of any Series 2017 Bonds or any registered owner of any Refunded Bond may intervene in such action and ask to be heard.

E. When the court shall have heard all such persons wishing to be heard and shall have considered the evidence and the facts, if it shall enter a judgment finding that the proposed amendment or amendments (1) may legally be made and will effectuate the intention and purposes of this Series 2007A Escrow Agreement, and (2) will not adversely affect the registered owners of the Refunded Bonds, this Series 2007A Escrow Agreement may be so amended, and the amendment or amendments so made shall be effective, subject, however, to a favorable opinion of nationally recognized bond counsel experienced in matters relating to exemption of interest on municipal bonds as to the legality of such amendment or amendments and the effect thereof on the tax status of either the Series 2017 Bonds or the Refunded Bonds and an acceptable sufficiency demonstration in a certified public accountant's report.

Section 11. Exculpatory Provisions.

A. The duties and responsibilities of the Escrow Agent are limited to those expressly and specifically stated in this Series 2007A Escrow Agreement.

B. The Escrow Agent shall not be liable or responsible for any loss resulting from any investment or reinvestment, if any, made pursuant to this Series 2007A Escrow Agreement and made in compliance with the provisions thereof.

C. The Escrow Agent shall not be personally liable or responsible for any act that it may do or omit to do hereunder, while acting with reasonable care, except for duties expressly imposed upon the Escrow Agent hereunder or as otherwise expressly provided herein.

D. The Escrow Agent shall neither be under any obligation to inquire into or be in any way responsible for the performance or nonperformance by the City or the Company of any of their respective obligations, nor shall the Escrow Agent be responsible in any manner for the recitals or statements contained in this Series 2007A Escrow Agreement, in the Series 2017 Bond Ordinance, in the Refunded Bonds, or in any proceedings taken in connection therewith, such recitals and statements being made solely by the City or the Company.

E. Nothing in this Series 2007A Escrow Agreement shall create any obligation or liabilities on the part of the Escrow Agent to anyone other than the City, the Company, the registered owners of the Series 2017 Bonds and the registered owners of the Refunded Bonds.

Section 12. Time of Essence. Time is of the essence in the performance of the obligations from time to time imposed upon the Escrow Agent by this Series 2007A Escrow Agreement.

Section 13. Successors.

A. Whenever in this Series 2007A Escrow Agreement the City, the Company or the Escrow Agent is named or referred to, such provisions are deemed to include any successor of the City, the Company or the Escrow Agent, respectively, immediate or intermediate, whether so expressed or not.

B. All of the stipulations, obligations, and agreements by or on behalf of, and other provisions for the benefit of, the City, the Company or the Escrow Agent contained in this Series 2007A Escrow Agreement:

- (1) Shall bind and inure to the benefit of any such successor, and
- (2) Shall bind and inure to the benefit of any officer, board, authority, agent, or instrumentality to whom or to which there shall be transferred by or in accordance with law any relevant right, power, or duty of the City, the Company or the Escrow Agent, respectively, or of its successor.

Section 14. Counterparts. This Series 2007A Escrow Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the City has caused this Series 2007A Escrow Agreement to be executed by the duly authorized officers on September [29], 2017.

(SEAL)

CITY AND COUNTY OF DENVER, COLORADO,

ATTEST:

Mayor

Debra Johnson,
Clerk and Recorder, *Ex-Officio*
Clerk of the City and County of Denver

APPROVED AS TO FORM:

REGISTERED AND COUNTERSIGNED:

Kristin M. Bronson, Attorney for the
City and County of Denver

Chief Financial Officer/Manager of Finance

By _____
City Attorney

Auditor _____

IN WITNESS WHEREOF, the Escrow Agent has caused this Series 2007A Escrow Agreement to be executed by the duly authorized officer on September [29], 2017.

ZB, NATIONAL ASSOCIATION, DBA ZIONS BANK

By: Stephanie Nicholls
Its: Vice President

IN WITNESS WHEREOF, the Company has caused this Series 2007A Escrow Agreement to be executed by the duly authorized officer on September [29], 2017.

UNITED AIRLINES, INC.

By: _____
Its: _____

EXHIBIT 1

SUMMARY OF REFUNDED BONDS

Series 2007A Bonds to be Refunded

Series 2007A Bonds

<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Par Amount</u>	<u>Redemption Date</u>
October 1, 2032	5.75%	\$100,000,000	10/01/2017
October 1, 2032	5.25%	\$170,025,000	10/01/2017

EXHIBIT 2

REFUNDED DEBT SERVICE REQUIREMENTS

[Debt Service Requirements set forth on following pages]

ESCROW DEPOSIT

Refunded Series 2007A Bonds

Date	Cash Receipts	Cash Disbursements	Cash Balance
[September 29], 2017	[\$277,363,156.25]		[\$277,363,156.25]
[October 2], 2017		(\$ __, __, __. __)	(__, __, __. __)
	<u>[\$277,363,156.25]</u>	<u>(\$ __, __, __. __)</u>	<u>\$0.00</u>