

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

In re:) **Chapter 11**
)
UAL CORPORATION, et al.,) **Case No. 02-B-02-48191**
) **(Jointly Administered)**
Debtors.)
) **Honorable Eugene R. Wedoff**

ORDER (A) AUTHORIZING BUT NOT DIRECTING THE DEBTORS TO CONTINUE TO PAY WAGES, SALARIES AND OTHER COMPENSATION IN THE ORDINARY COURSE OF BUSINESS INCLUDING THE PAYMENT OF PREPETITION OBLIGATIONS AND (B) AUTHORIZING BUT NOT DIRECTING THE DEBTORS TO CONTINUE TO MAINTAIN THEIR BENEFIT PROGRAMS IN THE ORDINARY COURSE OF BUSINESS INCLUDING THE PAYMENT OF PREPETITION OBLIGATIONS AND (C) AUTHORIZING AND DIRECTING APPLICABLE BANKS AND OTHER FINANCIAL INSTITUTIONS TO RECEIVE, PROCESS, HONOR AND PAY ALL CHECKS PRESENTED FOR PAYMENT AND TO HONOR ALL FUNDS TRANSFER REQUESTS MADE BY THE DEBTORS RELATING TO THE FOREGOING

Upon the Motion¹ of the Debtors; and it appearing that the relief requested is essential to the continued operation of the Debtors' businesses and in the best interest of the Debtors' estates and creditors; and it appearing that this Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and it appearing that this proceeding is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A), (M) and (O); and it appearing that venue is proper in this District pursuant to 28 U.S.C. §§ 1408 and 1409; and adequate notice of the Motion having been given; and it appearing that no other notice need be given; and after due deliberation and sufficient cause appearing therefor, it is hereby ORDERED THAT:

1. The Motion is granted.

¹ Capitalized terms used but not defined herein shall have the same meaning as in the Motion.

2. The Debtors are authorized, but not directed, to continue to pay wages, salaries and other compensation in the ordinary course of business including prepetition amounts.

3. The Debtors are authorized, but not directed, to continue their Benefit Programs in the ordinary course of business including the payment of prepetition obligations.

4. The Debtors are authorized to continue their Other Severance Policies with respect to their Current and Former Non-Executive Employees, to continue their Executive Severance Policies with respect to their Former Executives and their Non-Covered Current Executives, and to continue their Executive Severance Policies with their Reduced Officers, in the ordinary course of business.

5. In accordance with this Order and any other order of this Court, each of the banks and financial institutions at which the Debtors maintain their accounts is authorized and directed to honor checks presented for payment, and to honor all funds transfer requests made by the Debtors related to the payments authorized by this Order, to the extent that sufficient funds are on deposit in such accounts or related funding accounts.

6. The Debtors shall serve a copy of this Order upon: (a) the creditors listed on the Consolidated List of Creditors Holding 20 Largest Unsecured Claims filed in these Chapter 11 Cases; (b) the United States Trustee; (c) counsel to the Debtors' debtor in possession lender(s); (d) counsel to the official committee of unsecured creditors (the "Committee") upon the Committee's formation and retention of counsel; and (e) persons who have filed requests for notice pursuant to Bankruptcy Rule 2002 on or before the date that is five (5) days after the entry of this Order.

7. This Order is final, except with respect to the relief sought in Paragraph No. 4 of this Order which relief is granted on an conditional basis. Any party-in-interest may object to (i) the relief sought in Paragraph No. 4 of this Order, (ii) the payment of any funds under this Order to insiders (as defined in the Bankruptcy Code) that is in excess of the cap contained in 11 U.S.C. § 507(a)(3), and/or (iii) the payment of any funds under this Order to the Debtors' former employees, if such objection is filed with the Court and served so as to actually be received by the (a) the United States Trustee, (b) counsel to the Debtors and (c) counsel to the Debtors' debtor in possession lender(s) on or before 4:30 p.m. prevailing central time on December 26, 2002; provided, however, that any official Committee shall have seven (7) days, or such further time as the Debtors may agree, after the date of such official Committee's formation to file such an objection. If any objection is timely filed and properly served, the objection shall be heard on the 30th day of December, 2002 at 1:30 p.m. (prevailing Central Time). Any conditional paragraph of this Order to which no objection has been timely filed and properly served shall become final without further order of this Court or any other act. This Order shall remain in full force and effect notwithstanding any objection thereto unless and until there is a further order of this Court. The subsequent modification or vacation of this Order shall not impair or otherwise affect the validity of any action taken pursuant to the Order prior to its modification or vacation.

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

9. Notwithstanding the possible applicability of Bankruptcy Rules 6004(g), 7062, 9014, or otherwise, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

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

Dated: Chicago, Illinois
December __, 2002

ENTERED

DEC 10 2002

EUGENE R. WEDOFF
BANKRUPTCY JUDGE

United States Bankruptcy Judge