



September 8, 2011

Captain Wendy Morse  
Chairperson  
United Air Lines Master Executive Council  
Air Line Pilots Association, International  
9550 W. Higgins Road, Suite 1000  
Rosemont, IL 60018

Captain Jay Pierce  
Chairman  
Continental Airlines Master Executive Council  
Air Line Pilots Association, International  
3808A World Houston Parkway  
Houston, TX 77032

Dear Captain Morse and Captain Pierce:

Your response to our proposal of August 15, 2011 is disappointing.

We had offered a negotiations process that virtually guaranteed that we would have a joint collective bargaining agreement finished by year-end, delivering improved wages and benefits for our pilots. Both our pilots' and the company's interests would have been protected appropriately by the parameters we would have agreed to in guiding and restricting the arbitrator's determination regarding any issues we could not agree upon during the intensive negotiation period we proposed. Both of you as leaders and your respective MECs could have assured delivery of a good contract on a timely basis for your pilots, and shown leadership by being the first workgroup to reach a joint agreement.

Your statement that a binding arbitration commitment is premature misses the fundamental point of our two-step process proposal. The backstop of arbitration would have served as a tool to catalyze agreement and ensure that the parties crystalized key issues in defining the parameters under which the arbitrator would have decided open issues- steps which would have served to heighten the likelihood of success in negotiations and frame a successful outcome.

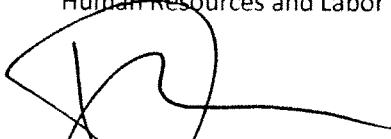
Although your prior claims of management "footdragging" regarding the pace of contract negotiations have not had factual foundation, we believe your response to the company's proposal clearly removes your ability to claim that it is management's actions that are delaying an agreement.

In the spirit of good faith, we will discuss the timeline and approach you have suggested in hopes that we will be able to make timely progress.

Sincerely,



Mike Bonds  
Executive Vice President  
Human Resources and Labor Relations



Doug McKeen  
Senior Vice President  
Labor Relations