

P. Douglas McKeen*Senior Vice President**Labor Relations*

April 15, 2009

Mr. Gregory J. Junemann
International President
International Federation of Professional and Technical Engineers, AFL-CIO
501 3rd Street, NW Suite 701
Washington, DC 20001

Dear Mr. Junemann:

This letter will serve as United's formal opener of the current UAL – IFPTE Engineers and Related Agreement (the "Agreement") in accordance with the duration provisions of the Agreement and Section 6, Title II of the Railway Labor Act. It sets forth broad proposals supporting United's objectives of providing Engineers and Related employees with competitive compensation while achieving the critical productivity improvements and other contractual modifications that will allow United to achieve long-term profitability. United reserves the right to modify these proposals, or make additional proposals, during the bargaining process. We look forward to discussing these and other issues with you and your team over the coming months.

Our negotiations begin at a critically important time. In an industry and economic environment that remain both extraordinarily challenging and fundamentally changed, we want to provide competitive and rewarding jobs that are less vulnerable to our industry's cyclical downturns. Sustained profitability is essential for United to provide Engineers and Related employees with secure and rewarding jobs and the competitive pay and benefits they deserve. We do not view these as mutually exclusive goals, but rather necessary and interdependent outcomes that new labor agreements can help deliver through:

- Competitive wages, benefits and productivity;
- Meaningful incentive compensation tied to measurable and realistic performance metrics; and
- The flexibility needed to respond to changes in the marketplace, evolving customer expectations and emerging commercial opportunities.

Our intent is to reach a mutually beneficial agreement through good faith bargaining. This will require constructive exchange of ideas and a constant focus on both the needs of customers and the demands of a highly competitive, transformed and dynamic marketplace. The issues are complex and we appreciate that at times there will be different points of view about how best to address them. It would be a disservice to those we collectively serve to allow these differences to become obstacles to our success. United is committed to:

- Being open, honest and fair in our negotiations and fostering a climate of mutual respect and trust;
- Being willing to consider other interests and points of view while working constructively and collaboratively to find common ground;
- Considering all fiscally responsible proposals that are competitive with the industry and consistent with market realities; and
- Concentrating on analytically sound solutions that strengthen the entire enterprise to create opportunities for employees and all of United's stakeholders.

These are the principles that guided the successful work done by the Labor Management Committee ("LMC") in collaboratively resolving issues since the inception of this agreement. These mutually beneficial outcomes serve as an example of what can be achieved when our efforts are forged by common purpose and are focused on delivering results that benefit the entire Company. It is in this same spirit that we enter into these negotiations.

To achieve the above listed objectives, we seek changes to the Agreement in these areas:

Increasing Business Flexibility

We must recognize that restrictions in the Agreement ostensibly intended to create job security frequently inhibit the Company and drive the opposite result. To compete successfully in today's marketplace, it is essential that United maximize its ability to respond rapidly and efficiently to changes within the industry and the overall economic environment. To that end, we will propose contract modifications which support these goals including, among other things, modifications to the job transfer process, a review of paid and unpaid time off provisions as well as certain stipulations under Articles 1 and 14.

Enhancing Customer Service, Operational Performance and Productivity

Our customers have many choices for air travel, so United must provide service and performance that will attract their attention, business and long term loyalty. Thus, because how we run our operation impacts directly our share of the market and revenue, we will propose contract modifications which support these goals. Our proposals will include, among other things, enabling process improvements, review of the layoff and recall procedures, and creation of an LMC sub-committee for Safety as well as certain terms in Article 6.

Scheduling Effectively, Productively and Competitively

It is vital that United have the utmost flexibility as it relates to the staffing and scheduling of our manpower. We will propose changes which will reduce costs and create the most efficient utilization of resources while recognizing the need to balance that with the quality of work life for our employees. Thus we propose a review of Article 7.

Provide Competitive Compensation and Benefits

United will propose a package of competitive pay and benefits that enables performance and incentive based pay initiatives. We will also propose changes to eliminate inefficiencies and unnecessary costs which result from the application of certain provisions in the current Agreements.

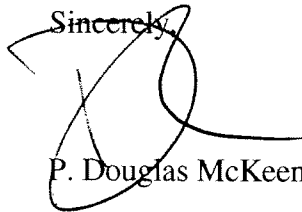
United employees currently enjoy a broad benefits package that rivals many in the United States. We are committed to continuing to provide competitive benefits while bringing benefit costs and administration in line with the best practices within our industry and other leading corporations. To this end we will propose benefit changes that enable flexibility to respond to changes in the marketplace, evolving healthcare trends and emerging opportunities. We will propose changes that establish simple, standard and streamlined processes for the efficient maintenance and administration of benefits while at the same time optimizing benefit offerings around overall employee preferences and needs. We will also propose changes that recognize the importance of employee wellness and long-term health practices.

Enhancing Administrative Efficiencies and Enabling Process Improvements

United will propose other changes in the Agreement to alleviate costly and unnecessary burdens and restrictions. For example we believe amending Article 8.A is appropriate as issues are being handled well by the LMC. We also propose an examination of job descriptions to ensure they provide a current and accurate depiction of IFPTE positions.

The above list of topics is not exclusive and the Company reserves the right to supplement our list as we move forward. We look forward to working with you to craft agreements that will help position United as a respected, industry-leading airline that employees take pride in and that customers and investors value.

Sincerely,

A handwritten signature in black ink, appearing to read 'P. Douglas McKeen', is written over the typed name. The signature is fluid and cursive, with a long horizontal stroke extending to the right.

P. Douglas McKeen