



Sam Risoli
Senior Vice President
Inflight Services

July 12, 2011

To all Flight Attendants,

As we announced in the spring, based on current flying projections the United subsidiary may have roughly 1,800 excess flight attendants when the current voluntary furlough ends March 2, 2012.

At the same time, the Continental subsidiary needs to add approximately 900 flight attendants to staff aircraft the Continental subsidiary ordered prior to the merger. Those aircraft will be delivered next year, so we must plan for the staffing now. Our collective bargaining agreements restrict flight attendants to working flights on their own subsidiary's aircraft.

We are committed to negotiating a fair joint collective bargaining agreement that covers the combined United and Continental flight attendants. When that is complete, we don't expect to have a staffing imbalance, but we cannot predict how long it will take to negotiate that agreement and we need to begin the training process very soon. United proposed the voluntary "cross-over" program to address this potential staffing imbalance in a mutually beneficial way.

Under the voluntary "cross-over" program, subsidiary United flight attendants could voluntarily transfer to the Continental subsidiary. These flight attendants would join Continental at the bottom of the current Continental seniority list, but also retain and accrue their United seniority for purposes of integration of all flight attendants on a single seniority list. They would also receive CO rates of pay based on their current seniority. The idea was to offer certain advantages to interested United flight attendants with an opportunity to work without risk of involuntary furlough.

I thought it made sense to offer this opportunity to our current flight attendants first, before we fill the Continental vacancies externally. This approach is also consistent with the approach we have taken with other work groups including pilots and mechanics. Over the last month, I heard positive feedback from many of you, and some of you told me that you would be interested in transferring if given the chance.

I am disappointed to report to you that AFA rejected this cross-over proposal. Thus, we will not be able to offer the program, and we will immediately move to hire and train new Continental flight attendants from outside the company.

We will continue to make it our priority to let you know about changes and issues that impact you. Should you have any questions, please contact your Base Management.

Sincerely,

A handwritten signature in black ink that reads "Sam".