AGREEMENT

This Settlement Agreement ("Agreement") is made and entered into by and between the Attorney General of Ohio (hereinafter, "Attorney General"), Continental Airlines, Inc. ("Continental") and UAL Corporation ("United" or the "Merged Company").

WHEREAS, Continental and United have entered into an Agreement and Plan of merger, dated as of May 2, 2010, providing for a proposed merger (the "Merger") of Continental with a subsidiary of United; and

WHEREAS, the Attorney General, in conjunction with the Attorneys General of several other states, has been conducting an investigation into whether the Merger would violate Section 7 of the Clayton Act, 15 U.S.C. Section 18; and

WHEREAS, the Attorney General and Continental and United wish to resolve any and all issues, allegations and/or claims of the Attorney General of Ohio based upon the foregoing investigation ("Investigation"); and

WHEREAS, Continental and UAL Corporation intend to bind themselves and the Merged Company to the undertakings hereunder by execution of this Agreement; and

WHEREAS, the Attorney General finds that the relief and other provisions contained in this Agreement are appropriate and in the public interest of the State of Ohio:

NOW THEREFORE, Continental, United, and the Attorney General, hereby enter into this Agreement, and agree as follows:

I. CONTINENTAL AND UNITED COMMITMENTS TO CLE OPERATIONS

A. Minimum Departures Commitment: For the next two (2) years following the date of the legal closing of the Merger (the "Merger Closing Date"), the Merged Company will maintain minimum average daily departures from Cleveland Hopkins International Airport ("CLE"), measured on an annual basis, at no less than ninety percent (90%) of Continental's and United's (including their Code-Share Affiliates'²) average daily

All references herein to the departures of the Merged Company shall include departures of its Code-Share Affiliates.

[&]quot;Code-Share Affiliates" means any regional air carrier that provides scheduled air transportation services for the benefit of Continental or United, as a subsidiary or pursuant to a contractual agreement with Continental or United (including its subsidiary United Air Lines), but solely with respect to flights operated pursuant to such agreement.

departures in the year prior to the Merger Closing Date (the "Base Departures Commitment").³

- B. Additional Three-Year Commitment: For the three (3) years following the period set out in Section I.A above (Commitment Years 3, 4, and 5), the Merged Company's minimum departures commitment will be the Base Departures Commitment, provided, however, that in each such year, the Merged Company may reduce its CLE departures below the Base Departures Commitment on the bases specified in subsections (1) or (2) below. The Merged Company shall not reduce its CLE departures below the Base Departures Commitment any sooner than thirty (30) days following notice to the Attorney General, unless the Attorney General specifies an earlier date.
- (1) If the Merged Company demonstrates a system-wide reduction in departures in a Commitment Year under this Section I.B, then the Merged Company may reduce its CLE departures below the Base Departures Commitment, provided that any such reduction in departures at CLE below the Base Departures Commitment shall be no more than 25% greater than the average weighted percentage reduction of domestic departures by the Merged Company at its other domestic mainland hub airports (presently EWR, IAH, DEN, ORD, IAD, LAX, and SFO); or
- (2) If the Merged Company demonstrates that the performance of CLE departures meets the criteria specified in any one of the following subsections (i), (ii), (iii) or (iv) below, then the Merged Company may reduce its CLE departures below the Base Departures Commitment in the subsequent Commitment Years, as described below:
 - (i) If (a) CLE segment profitability is more than fifteen (15) percentage points below segment profitability for the network as a whole (excluding CLE) and (b) CLE loses more than \$25 million, as measured by CLE segment profitability, then the minimum departures commitment shall be 75% of the Base Departures Commitment;
 - (ii) If CLE segment profitability is negative and is more than twenty-five (25) percentage points below segment profitability for the network as a whole (excluding CLE), then the minimum departures commitment shall be terminated;
 - (iii) If CLE loses more than \$40 million in Commitment Year 2, as measured by CLE segment profitability, then (a) the minimum departures in Commitment Year 3 shall be 50% of the Base Departures Commitment;

³ "Departures" means flights on regularly-scheduled passenger service on the types of aircraft and families of aircraft operated by United, Continental, or their Code-Share Affiliates as of the date of this Agreement.

- and (b) in Commitment Years 4 and 5, the minimum departures commitment shall be 15% of the Base Departures Commitment; or
- (iv) If CLE loses more than \$40 million in Commitment Year 3 or 4, as measured by CLE segment profitability, then the minimum departures commitment in any subsequent year shall be 15% of the Base Departures Commitment.

The performance of CLE departures for a Commitment Year shall be determined on an annual Commitment Year basis according to Continental's standard method of measuring profitability on a uniform basis across all segments of the Merged Company's system, and is subject to an independent audit by an auditor selected by and under the supervision of the Attorney General, in consultation with City of Cleveland and CLE, in accordance with the terms of Section I.D below.

- C. Subsequent Commitments: If at the end of the five (5) year period provided for in Sections A and B above the Merged Company's departures remain at seventy-five (75) percent or more of the Base Departures Commitment, the Merged Company and the Attorney General, in consultation with City of Cleveland and CLE, shall engage in good faith discussions regarding the Merged Company's continuing service at CLE, at the level of departures achieved in the fifth year.
- D. Independent Audit: The Attorney General may hire, at the cost and expense of the Merged Company, such consultants as are reasonably necessary for the Attorney General to carry out his or her duties and responsibilities regarding independent audits pursuant to Section I. The compensation of any person retained by the Attorney General shall be based on reasonable and customary terms commensurate with the individual's experience and responsibilities. The total cost charged to the Merged Company shall not exceed \$80,000 annually. The Attorney General will undertake to keep all costs associated with the audit at a minimum. No person so hired shall have a conflict of interest that could prevent him or her from performing his or her duties in a fair and unbiased manner. The consultants employed will be permitted reasonable access to the Merged Company's books and records as necessary to perform the audits.
- E. Maintenance Facility Commitment: The Merged Company commits to continuing operation of Continental's current CLE aircraft maintenance facility at a level of operations commensurate with the 12-month period immediately preceding the merger, determined on an annual basis; provided, however, that any reduction in the number of departures permitted pursuant to this Agreement may result in a commensurate reduction in the required maintenance operations at CLE.
- F. Force Majeure: The Merged Airline shall not be deemed in violation of this Agreement if it reduces operations at CLE below the levels set forth herein due to force majeure events including, without limitation, strikes, boycotts, labor disputes, embargoes, acts of God, acts of the public enemy, acts of a governmental authority, terrorism, riots, rebellion, sabotage, quarantine restrictions, lockouts, war, epidemics, volcanic eruptions, wild fires, or extraordinary security requirements. Should any such force majeure event

necessitate the operation of materially fewer departures than the Base Departure Commitment, the Merged Company will provide notice to the Attorney General and to CLE as soon as reasonably practicable, and documentation of the circumstances necessitating reductions under this paragraph as reasonably requested by the Attorney General. In addition, to the extent the force majeure events are of limited duration or significance, the Merged Airline will resume its obligations hereunder as soon as reasonably practicable, provided, however, the minimum departures commitment shall be measured against the level then prevailing and adjustments shall be made to eliminate the effects of any such extraordinary reductions in departures when computing the minimum departures required to comply with Section I.A and B above.

II. CLEVELAND AIR SERVICE WORKING GROUP

Continental and the Merged Company commit to the continuation and enhancement of the Cleveland Air Service Working Group during the period of the commitments set forth above.

III. INSPECTION RIGHTS

- A. The Attorney General, in consultation with City of Cleveland and CLE, shall have responsibility for enforcing this Agreement, subject to the legal remedies available to the parties in a court proceeding to enforce this Agreement.
- B. If the Attorney General determines there is reason to believe the Merged Company is not in compliance with this Agreement, the Attorney General shall notify the Merged Company in writing of the specific nature of the concern and may request information from the Merged Company that is reasonably necessary to verify compliance, which the Merged Company shall be required to provide to the Attorney General in writing within sixty (60) days of receipt of the Attorney General's notification.
- C. The Attorney General may request, and if requested the Merged Company will supply, reports and data on segment profitability and minimum departures commitments on a quarterly basis.
- D. The Attorney General shall not disclose any information or documents obtained from the Merged Company under this Agreement except for the purpose of securing compliance with this Agreement, in a legal proceeding or as otherwise required by law. Such information and documents, including information and documents obtained pursuant to an audit pursuant to Section I.D, shall be deemed trade secrets pursuant to Ohio Revised Code Sections 1333.61 *et seq*.

IV. ENFORCEMENT AND REMEDIES

A. In the event of a breach of this Agreement, the parties hereto may take such action as necessary to enforce or interpret the provisions of this Agreement. Any such action

may be brought in any federal court within the state of Ohio in which venue is proper, and the parties hereto consent to the jurisdiction of such Court and the parties waive any and all rights to a jury trial. Parties will make efforts to explore expeditious mediation of any dispute arising under this Agreement.

- B. Continental and United agree for themselves and for the Merged Company that this Agreement constitutes a voluntary undertaking on their part and that it may be enforced under the laws of the State of Ohio. Except as set forth in Section IV.C below, the Parties reserve all rights regarding any and all remedies that may be sought. Continental and the Merged Company recognize that the Attorney General's remedy at law for a violation of this Agreement may be inadequate. Continental and the Merged Company agree that, in any action to enforce the terms of this Agreement, a court shall have the authority to award equitable relief, including specific performance for future commitments required under this Agreement.
- C. For breaches of the terms of this Agreement set forth in Section I above for any Commitment Year, as the exclusive remedy, the Merged Company shall remit to the Attorney General the amount equal to the percentage by which the Merged Company has been found, by a court or through mediation, to have breached its minimum departures commitments, of \$20 million. For example, for the sake of clarity, if the Merged Company is found to be in breach by 5%, the Merged Company would pay 5% of \$20 million.

V. NOTICES

- A. To the extent reasonably practicable, the Merged Company shall provide three (3) months notice to the Attorney General and to CLE of any reductions in departures permitted under this Agreement.
- B. All notices required or permitted under this Agreement shall be provided in writing to:

For the Attorney General of Ohio:

Attorney General of Ohio Chief, Antitrust Section 150 East Gay Street, 23rd Floor Columbus, Ohio 43215

For Cleveland Hopkins International Airport:

Airport Director Cleveland Airport System 5300 Riverside Drive P.O. Box 81009 Cleveland, Ohio 44818-0009

For the Merged Company:

General Counsel United Continental Holdings Inc. 77 W.Wacker Drive Chicago, IL 60601

VI. MISCELLANEOUS PROVISIONS

- A. Conditions Precedent: The obligations of the Attorney General, Continental, United and the Merged Company in this Agreement are conditioned upon Continental and United closing the Merger.
- B. Modification or Termination: Continental, United and the Merged Company may seek to modify or terminate this Agreement. In the event of severe adverse economic conditions during Commitment Years 1 and 2, which conditions are unrelated to a force majeure event covered by Paragraph I.F, above, the Merged Company may request the Attorney General's consent to a modification or termination of the Base Departures Commitment, which may be granted in the sole discretion of the Attorney General acting in good faith.
- C. No Third Party Beneficiaries Intended: This Agreement is not intended to confer upon any person other than the parties hereto any rights or remedies, including rights as a third party beneficiary. This Agreement is not intended to create a private right of action on the part of any person or entity other than the parties hereto.
- *D. Reimbursement of Costs:* The Merged Company agrees to reimburse to the Attorney General all funds disbursed to investigate this proposed merger pursuant to the State Attorneys General Milk Fund Application. Those amounts shall not exceed \$100,000.00.
- E. Other Agreements: This Agreement shall have no effect on the provisions of existing agreements between the City of Cleveland and Continental or United, which shall continue in effect in accordance with their terms.
- F. Entire Agreement: This Agreement constitutes the entire agreement and supersedes all prior agreements and understandings, both written and oral, among the parties with respect to the Merger and the other matters covered by this Agreement.
- G. Counterparts: This Agreement may be signed in one or more counterparts, each of which shall be deemed an original. Facsimile copies of this Agreement and the signatures hereto may be used with the same force and effect as an original.

Continental-United Merger

Dated: September 13, 2010

Chairman, President, and CEO Continental Airlines, Inc.

Dated: September 13, 2010

Chairman, President, and CEO

UAL Corporation

Dated: September 13, 2010

Richard Cordray

Attorney General of Ohio