

**LETTER OF AGREEMENT  
BETWEEN  
UNITED AIRLINES, INC  
AND  
THE FLIGHT ATTENDANTS  
IN THE SERVICE OF  
UNITED AIRLINES, INC.  
AS REPRESENTED BY  
THE ASSOCIATION OF FLIGHT ATTENDANTS -- CWA**

THIS LETTER OF AGREEMENT is made and entered into in accordance with the Railway Labor Act by and between UNITED AIRLINES, INC. (hereinafter referred to as the "Company") and the ASSOCIATION OF FLIGHT ATTENDANTS – CWA, AFL-CIO (hereinafter referred to as the "Association").


The Company shall offer eligible Flight Attendants a one-time opportunity to separate voluntarily from the Company with a severance payment and full retiree pass travel benefits (hereinafter referred to as the "Early Out Program" or "Early Out Package") as set forth below:

1. Eligibility: Up to 600 Flight Attendants who satisfy the following conditions:  
a) are on active payroll or on approved leaves of absences, and b) as of August 1, 2008, will be at least 45 years of age with at least 15 years of service to the Company as a Flight Attendant. If more than 600 eligible Flight Attendants apply, Early Out Packages will be awarded to the 600 senior eligible applicants based on system seniority.
2. Pass Travel Benefit: Commencing August 1, 2008, participants in the Early Out Program shall be entitled to retiree pass travel benefits on the same terms and subject to the same conditions, present and future, as retirees.
3. Severance Payment: Participants in the Early Out Program shall receive a severance payment of \$500.00 per full year of service to the Company as a Flight Attendant, up to a maximum of \$12,500.00. Severance payments shall be divided into 12 equal installments. Participants shall be paid one installment on or about the first business day of each calendar month of 2009. All payments will be subject to applicable taxation and withholding.
4. Separation from Employment: Participants in the Early Out Program shall terminate their employment with the Company effective August 1, 2008 (i.e., last day of employment shall be July 31, 2008).

5. Application Process: Participation in the Early Out Program is voluntary. Applications for Early Out Packages must be received on or before July 7, 2008, and applicants will be notified of their inclusion or exclusion on or before July 15, 2008. The Company will meet and confer with the Association regarding other details of the application process.
6. Forfeiture for Conduct: If an eligible Flight Attendant is awarded an Early Out Package, but before August 1, 2008, is charged with conduct that could lead to discharge, the Flight Attendant's Early Out Package shall be held in abeyance pending a hearing pursuant to Section 26 A. of the UAL/AFA Flight Attendant Agreement, which shall be conducted as soon as practicable. If the outcome of the hearing is anything other than termination of employment, the Flight Attendant retains the Early Out Package. If the outcome of the hearing is termination of employment, the Flight Attendant forfeits the Early Out Package. In a case of termination, if the System Board of Adjustment orders reinstatement, the Flight Attendant shall have the option of receiving the Early Out Package in lieu of reinstatement.
7. No Implied Changes to Flight Attendant Agreement: This Letter of Agreement does not modify the UAL/AFA Flight Attendant Agreement except as specifically provided herein.

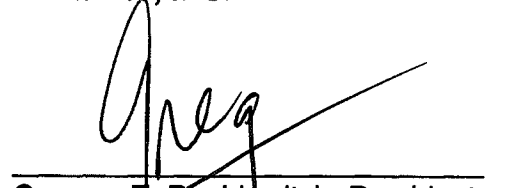
IN WITNESS WHEREOF, the parties have signed this Letter of Agreement this 5th day of June 2008.

**FOR UNITED AIRLINES, INC.**



John D. Nelson  
Managing Director  
Labor Strategy

**FOR THE FLIGHT ATTENDANTS  
IN THE SERVICE OF UNITED  
AIRLINES, INC.**



Gregory E. Davidowitch, President  
United Master Executive Council  
Association of Flight Attendants -- CWA,  
AFL-CIO