



Continental Airlines Negotiations Update

August 27, 2010

Dear Members,

Your negotiating committee held meetings in Houston, Texas during the weeks of July 26th and August 2nd in order to prepare for the upcoming mediation sessions of August 23rd. During the prior two weeks the negotiating committee finalized a comprehensive economic proposal, along with the assistance of an independent economist, Norm Weintraub. Prior to our mediation session of this week an electronic version of our comprehensive economic proposal was sent to the company awaiting response in Newark.

Formal mediation sessions began on Monday, August 23rd in Newark, New Jersey and continued into Friday, August 27th. The mediation was overseen and under the behest of Mediator Gerry McGuckin. Introduced into this week's session and accompanying Mediator McGuckin was Mediator Michael Kellerher. Mediator Kellerher was there to assist Mr. McGuckin in facilitating discussions and further advancing the negotiation process.

Since this week's session were exclusively geared towards economic issues, IBT Airline Division Director, Captain David Bourne, IBT attorney Ed Gleason and economist Norm Weintraub for the Union and Mike Bonds and Continental economists Mauricio Angel and Adeem Usman participated in assisting the negotiation process for the week.

The negotiating committee and the company negotiated open items that remain in Article 1 – Scope, Article 8 – Holidays, Article 9 – Vacation, Article 11 – Sick Leave, Article 15 – Compensation (to include Appendix A), Article 16 – Benefits, Article 22 - Duration of the Agreement, LOA #1 – 401(k) Match, LOA #22 – Furlough Protection, LOA #26 – Retirement Plan and New LOA – Commuter Protection. We made significant progress and will meet once again with the Company in the next few weeks in an effort to resolve all open items (dates to be determined).

All will be updated once future meetings take place.

Union participants:

Clacy Griswold, Chairman, Robert Rasch – Co-Chairman, David Bourne, IBT Airline Division Director, IBT Attorneys Ed Gleason and Nick Manicone, Paul Alves, Airline Division Representative, Economist Norm Weintraub, Business Agents: Angel Cantu, Dave Elmore, Daisy Gonzalez, Justin Muraki, Ralph Salzano. Negotiation Committee Members: Chris Carouthers, Robert Clever, Dominic DePaolo, Tommy Esposito, Vinny Graziano, Jack Harran, Craig Larson, Carl Levenson, Mike Meglich, Audrey Scates and Shawn Vernon

Company participants:

Jeff Wall, Mike Bonds, Joe Ferreira, Mike Hansen, Dixon McKinzie, Benny King, Jim Montgomery, Adeem Usman, Mauricio Angel, Nick Klym and Jodi Herrera

In Solidarity,

Robert Rasch
President Teamsters Local 19, Committee Co-Chair