

August 27, 2008

Patricia A. Friend, International President
Association of Flight Attendants – CWA, AFL-CIO
501 Third Street NW
Washington, DC 20001

Gregory E. Davidowitch, President
United Master Executive Council
Association of Flight Attendants – CWA, AFL-CIO
6250 North River Road, Suite 4020
Rosemont, IL 60018

Dear Ms. Friend and Mr. Davidowitch:

The economic environment in which our industry operates has changed significantly over the past several months. United, along with other air carriers, is managing through the dramatic impact of record high oil prices and a weaker U.S. economy. This includes reducing capacity and sizing our business to manage in this environment. Other carriers in the industry are taking similar steps.

Reducing capacity has already had an impact in the Onboard Service Division, where we have had to reduce our salaried and management staffing. Looking ahead to the fall when we begin to reduce our flying schedule, we have now begun the difficult, but necessary, work to determine how our capacity reductions will affect our Flight Attendants. After a careful review of our staffing with respect to the upcoming schedule, it is apparent that the steps we are taking to manage through this environment will result in a workforce reduction of 1,550 Flight Attendants. This reduction will be effective October 31, 2008.

Our first preference will be to reach this reduction through voluntary furloughs, pursuant to the UAL/AFA collective bargaining agreement. We sincerely hope that we are able to make the necessary adjustments to staffing through voluntary furloughs. However, in the event that there are not enough qualified bids to award 1,550 voluntary furloughs, it will be necessary to furlough involuntarily in inverse seniority order based on system seniority.

In order to provide notice to Flight Attendants who may be at risk of involuntary furlough, we are at this time sending individual notices to the 550 most junior members on the

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system seniority list. As of September 29, 2008, we will have awarded voluntary furloughs, we will know for certain whether involuntary furloughs are necessary, and if so, who will be involuntarily furloughed. Those persons will receive notification no later than October 1, 2008. The 550 Flight Attendants who will receive notice at this time are based in the following domiciles and modified co-terminal:

United Airlines
Boston Onboard Service
Logan International Airport
300 Terminal C
East Boston, MA 02128

United Airlines IADSW
United Airlines – IADSW
44835 Package Court
Maintenance Bldg
Dulles, VA 20166

United Airlines
LAXSW
6018 Avion Drive
Los Angeles, CA 90045

United Airlines, Onboard Service
Terminal 1 - Heathrow Airport
Middlesex United Kingdom
TW6 1PN

United Airlines
DENSW
8900 Pena Blvd.
Denver, CO 80249

United Airlines
Onboard Service -- LASSW
5875 S. Spencer St., Ste. 110
Las Vegas, NV 89119-2914

United Airlines
JFK International Airport
Building 59, JFKSW
Jamaica, NY 11430

United Airlines – Onboard Service SFOSW
Terminal 3, Mezzanine
San Francisco International Airport
San Francisco, CA 94128

United Airlines
Onboard Service – ORDSW
O'Hare International Airport
Terminal 1, Concourse C, Lower Level
Chicago, IL 60666

Based upon the best available information, at this time we cannot predict whether any involuntary furloughs will be temporary or permanent. However, in light of the present circumstances, they will remain in force for an indefinite period of time.

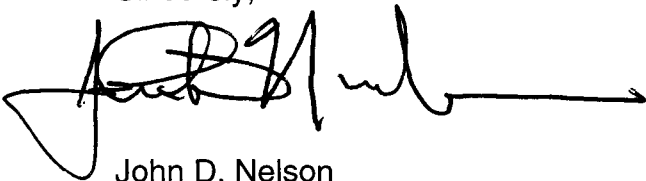
In recent years, many outstanding new Flight Attendants have joined our ranks and have contributed significantly to our providing safe travel and good service to our

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customers. We regret that economic circumstances have resulted in capacity, staffing and Flight Attendant workforce reductions. I am sending the current system seniority list electronically.

Please feel free to contact me with any questions or concerns.

Sincerely,

A handwritten signature in black ink, appearing to read "John D. Nelson", with a long horizontal line extending to the right.

John D. Nelson
Managing Director Labor Relations -- Onboard Service
(847) 700-4393
(224) 520-3340 (Mobile)
john.nelson@united.com

cc: Alex Marren
Doug McKeen