

Tentative Agreement

<date>

Captain David Bourne
Director, Airline Division
International Brotherhood of Teamsters
25 Louisiana Avenue, N.W.
Washington, DC 20001

Dear Captain Bourne:

This will confirm our conversation regarding our commitment to maintain the Continental Airlines Retirement Plan for Technicians and related employees.

We have agreed that the current Continental Airlines Retirement Plan shall be maintained as is for Technicians and related employees, except that the Company may amend the provisions to conform to or accommodate changes in the Employee Retirement Income Security Act of 1974, as amended, or the Internal Revenue Codes. Notwithstanding the foregoing sentence, any such amendments shall not include reductions in accrued benefits or future accruals.

Additionally, notwithstanding the above, if the Company seeks to freeze the Continental Airlines Retirement Plan for Technicians and related employees, it will provide reasonable advance notice to the Union and shall fully discuss the issue. Upon notice of the Company's desire to freeze the plan, the Union may, in its sole discretion, reopen the Agreement for the limited purpose of negotiating a replacement defined benefit plan covering the Technicians and related employees. Such negotiations shall be pursuant to and governed by the provisions of Section 6 of the Railway Labor Act, but shall not encompass any topics other than those related to the establishment of a replacement defined benefit plan (including buy-outs), unless through mutual agreement the parties agree to expand the scope of topics covered by the reopener.

The parties agree that in the event the reopener negotiations remain unresolved through the negotiation and mediation procedures of Section 6, and the National Mediation Board proffers interest arbitration pursuant to Section 5, 7, and 8 of the Railway Labor Act, the parties shall both accept interest arbitration and resolve the dispute pursuant to the dispute procedures of Section 7 and 8.

The Company further agrees that it will not freeze the Continental Airlines Retirement Plan for Technicians and related employees until a replacement plan is agreed upon or established as a result of interest arbitration and such plan is implemented.

Sincerely,

_____/S/
Joe Ferreira
Vice President, Technical Operations