

September 24, 1991

Ms. V. Diane Robertson, President
 UAL/AFA Master Executive Council
 Association of Flight Attendants
 6400 Shafer Court, Suite 740
 Rosemont, IL 60018

Dear Ms. Robertson:

This is to confirm that during discussion leading to the 1987 - 1996 Agreement, the parties agreed that Flight Attendant paychecks will be mailed in accordance with the following procedures:

1. The paychecks will be mailed the day before their due date.
2. The paychecks will be mailed to the Flight Attendant's UG-100 address.
3. Each Flight Attendant may opt once a year, during a designated time period, to have her/his paycheck sent to her/his UG-100 address or to the domicile office for pick-up.
4. The Company will establish a fee amounting to first class postage plus fifteen percent (15)% to cover mailing costs for participating Flight Attendants.

It is understood that this procedure will be implemented on a trial basis. In the event the Company incurs additional administrative costs due to increased requests for stop payments, incorrect addresses, etc., the Company may terminate the procedure, after discussion with the Association.

Sincerely,

/s/ John R. Samolis
 John R. Samolis
 Vice President
 Employee Relations

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

THIS LETTER OF AGREEMENT is made and entered into in accordance with the Railway Labor Act by and between UNITED AIR LINES, INC. (hereinafter referred to as the "Company") and the ASSOCIATION OF FLIGHT ATTENDANTS (hereinafter referred to as "AFA" or the "Association").

WHEREAS during the negotiations between the Company and Association (collectively, the "parties") leading to the Restructuring Agreement, dated May 1, 2003, the parties agreed to implement a Preferential Bidding System (hereinafter referred to as "PBS"),

THEREFORE the parties to this Letter of Agreement hereby agree that the PBS will include the following conditions:

A. Ad Opt or Similar

The Company will use the AD OPT or a similar mutually agreed upon product. The Company may require that any outside vendor be the same for Onboard and Flight Operations PBS systems. The Company will not make any changes to this system unless mutually agreed upon.

B. Contract Modifications

Prior to implementation, the parties will meet and agree on changes to the provisions of the Agreement consistent with the bidding process necessary to implement the PBS system.

C. Value of Absences

The value of all absences other than sick leave and vacation will be paid at 2.8 hours (two hours forty-eight minutes [2:48]) per day before preferencing and at the actual value after preferencing.

D. Implementation of PBS schedule consistent with the following:

1. A Joint Implementation Committee (JIC) consisting of representatives from AFA, the Company and the vendor will be established. This committee will develop the Detailed Requirements Document (DRD) including criteria for preferencing. It is anticipated this committee will meet as needed during the development and implementation period. After implementation is complete the committee will meet on an as needed basis to review the system.
2. Parallel testing of the system will occur before implementation. The JIC will monitor the progress of this parallel testing to determine if additional testing is needed prior to implementation.
3. Phase in may occur on a domicile basis consistent with the needs of the Company.
4. The parties agree that the above provisions will not unnecessarily delay the implementation of PBS.

E. Interim Line Construction And Bidding Timeline

Until such time as PBS is implemented, the Company and AFA will meet and agree on modifications to Section 3 and related Sections of the Agreement in order to condense the Flight Attendant schedule construction and bid process timeline to allow for a 12 – days later handoff from aircraft scheduling. The parties agree that the implementation of an interim line construction and bidding process timeline will not be unduly delayed and will be no later than the first schedule month following the implementation of the Flight Operation PBS system. The parties will develop solutions, which will include the following goals:

1. Identify the best role for the Central Schedule Committee and the Local Schedule Committee in the interim line construction and bid process.

2. Find solutions for distributing lines of flying.
3. Automation of the lines of flying and reserve lines construction consistent with Section 3.N.3.
4. Condense AFA's review of the line construction process, consistent with Section 3.N.3.
5. Eliminate paper bid cards and require all bidding to be done via electronic means.
6. Develop other solutions, which may include modifying the Section 9.C.3.a. bidding timeline and the elimination or reduction of the requirement to produce and distribute paper bid materials.

The parties to this Letter of Agreement hereby agree that it shall run concurrently with the 2005-2010 Agreement, and shall be concurrently subject to the provisions pertaining to duration and amendment contained therein.

The parties hereto have signed this Letter of Agreement this 7th day of January, 2005.

FOR UNITED AIR LINES, INC:

Peter B. Kain
Vice President – Labor Relations

FOR THE FLIGHT ATTENDANTS
IN THE SERVICE OF UNITED
AIR LINES, INC.

Patricia Friend, International President
Association of Flight Attendants

Gregory E. Davidowitch, President
UAL/AFA Master Executive Council
Association of Flight Attendants