

DATE: September 10, 2010 TO: Permit Holders FROM: Scott Speer

RE: Continental Airlines, Inc. Class B ("CAL") Proposed Merger

with UAL Corporation ("UAUA")

Shareholders of Continental Airlines, Inc. Class B ("CAL") will vote on Friday, September 17, 2010, to approve a proposed Merger between CAL and JT Merger Sub Inc., a wholly owned subsidiary of UAL Corporation ("UAUA"). Pursuant to the terms of the Merger, each share of CAL Common Stock outstanding immediately prior to the consummation of the Merger will be converted into the right to receive **1.05 shares** of UAUA Common Stock. The Merger is expected to become effective on or about October 1, 2010.

THE FOREGOING IS AN UNOFFICIAL SUMMARY OF THE TERMS OF THE MERGER, PREPARED BY CBOE FOR THE CONVENIENCE OF ITS MEMBERS. CBOE ACCEPTS NO RESPONSIBILITY FOR THE ACCURACY OR COMPLETENESS OF THE SUMMARY. MEMBERS SHOULD REFER TO THE CONTINENTAL AIRLINES, INC. AND UAL CORPORATION JOINT PROXY STATEMENT/PROSPECTUS DATED AUGUST 18, 2010, FOR THE AUTHORITATIVE DESCRIPTION OF THE MERGER AND ALL OF ITS TERMS AND CONDITIONS.

Contract Adjustments

Pursuant to Article VI, Section 11, of OCC's By-Laws, all outstanding CAL options shall be adjusted as follows. On the business day immediately following the Effective Time of the Merger each adjusted Continental Airlines, Inc. Class B contract will require the receipt or delivery of 105 shares of UAUA Common Stock. Premiums for the adjusted Continental Airlines, Inc. Class B options will continue to be calculated on the basis of a multiplier of 100, i.e., for premium and strike-price extensions, 1.00 will equal \$100. The Continental Airlines, Inc. Class B option symbol will change to UAUA1. [Any FLEX series that may exist will be adjusted in a similar manner to the standardized option.]

Adjusted Option Symbols

On the business day immediately following the Effective Time of the Merger, trading in the CAL option series will be on an adjusted basis. At 8:30 A.M., Chicago time, the following symbol adjustments to the options will be effected:

	EXIST	TING SERIES	ADJUSTED SERIES*					
CAL	16.00	2010-10-16	C/P	=>	UAUA1	16.00	2010-10-16	C/P
CAL	17.00	2010-10-16	C/P	=>	UAUA1	17.00	2010-10-16	C/P
CAL	18.00	2010-10-16	C/P	=>	UAUA1	18.00	2010-10-16	C/P
CAL	19.00	2010-10-16	C/P	=>	UAUA1	19.00	2010-10-16	C/P
CAL	20.00	2010-10-16	C/P	=>	UAUA1	20.00	2010-10-16	C/P
CAL	21.00	2010-10-16	C/P	=>	UAUA1	21.00	2010-10-16	C/P
CAL	22.00	2010-10-16	C/P	=>	UAUA1	22.00	2010-10-16	C/P

	EXIST	TING SERIES				ADJUST		
CAL	23.00	2010-10-16	C/P	=>	UAUA1	23.00	2010-10-16	C/P
CAL	24.00	2010-10-16	C/P	=>	UAUA1	24.00	2010-10-16	C/P
CAL	25.00	2010-10-16	C/P	=>	UAUA1	25.00	2010-10-16	C/P
CAL	26.00	2010-10-16	C/P	=>	UAUA1	26.00	2010-10-16	C/P
CAL	27.00	2010-10-16	C/P	=>	UAUA1	27.00	2010-10-16	C/P
CAL	28.00	2010-10-16	C/P	=>	UAUA1	28.00	2010-10-16	C/P
CAL	2.50	2010-12-18	C/P	=>	UAUA1	2.50	2010-12-18	C/P
CAL	5.00	2010-12-18	C/P	=>	UAUA1	5.00	2010-12-18	C/P
CAL	7.50	2010-12-18	C/P	=>	UAUA1	7.50	2010-12-18	C/P
CAL	10.00	2010-12-18	C/P	=>	UAUA1	10.00	2010-12-18	C/P
CAL	12.50	2010-12-18	C/P	=>	UAUA1	12.50	2010-12-18	C/P
CAL	15.00	2010-12-18	C/P	=>	UAUA1	15.00	2010-12-18	C/P
CAL	16.00	2010-12-18	C/P	=>	UAUA1	16.00	2010-12-18	C/P
CAL	17.00	2010-12-18	C/P	=>	UAUA1	17.00	2010-12-18	C/P
CAL	18.00	2010-12-18	C/P	=>	UAUA1	18.00	2010-12-18	C/P
CAL	19.00	2010-12-18	C/P	=>	UAUA1	19.00	2010-12-18	C/P
CAL	20.00	2010-12-18	C/P	=>	UAUA1	20.00	2010-12-18	C/P
CAL	21.00	2010-12-18	C/P	=>	UAUA1	21.00	2010-12-18	C/P
CAL	22.00	2010-12-18	C/P	=>	UAUA1	22.00	2010-12-18	C/P
CAL	23.00	2010-12-18	C/P	=>	UAUA1	23.00	2010-12-18	C/P
CAL	24.00	2010-12-18	C/P	=>	UAUA1	24.00	2010-12-18	C/P
CAL	25.00	2010-12-18	C/P	=>	UAUA1	25.00	2010-12-18	C/P
CAL	26.00	2010-12-18	C/P	=>	UAUA1	26.00	2010-12-18	C/P
CAL	27.00	2010-12-18	C/P	=>	UAUA1	27.00	2010-12-18	C/P
CAL	29.00	2010-12-18	C/P	=>	UAUA1	29.00	2010-12-18	C/P
CAL	30.00	2010-12-18	C/P	=>	UAUA1	30.00	2010-12-18	C/P
CAL	35.00	2010-12-18	C/P	=>	UAUA1	35.00	2010-12-18	C/P
CAL	40.00	2010-12-18	C/P	=>	UAUA1	40.00	2010-12-18	C/P
CAL	2.50	2011-01-22	C/P	=>	UAUA1	2.50	2011-01-22	C/P
CAL	5.00	2011-01-22	C/P	=>	UAUA1	5.00	2011-01-22	C/P
CAL	7.50	2011-01-22	C/P	=>	UAUA1	7.50	2011-01-22	C/P
CAL	10.00	2011-01-22	C/P	=>	UAUA1	10.00	2011-01-22	C/P
CAL	12.50	2011-01-22	C/P	=>	UAUA1	12.50	2011-01-22	C/P
CAL	15.00	2011-01-22	C/P	=>	UAUA1	15.00	2011-01-22	C/P
CAL	16.00	2011-01-22	C/P	=>	UAUA1	16.00	2011-01-22	C/P
CAL	17.50	2011-01-22	C/P	=>	UAUA1	17.50	2011-01-22	C/P
CAL	19.00	2011-01-22	C/P	=>	UAUA1	19.00	2011-01-22	C/P
CAL	20.00	2011-01-22	C/P	=>	UAUA1	20.00	2011-01-22	C/P
CAL	21.00	2011-01-22	C/P	=>	UAUA1	21.00	2011-01-22	C/P
CAL	22.50	2011-01-22	C/P	=>	UAUA1	22.50	2011-01-22	C/P
CAL	25.00	2011-01-22	C/P	=>	UAUA1	25.00	2011-01-22	C/P
CAL	26.00	2011-01-22	C/P	=>	UAUA1	26.00	2011-01-22	C/P
CAL	27.00	2011-01-22	C/P		UAUA1	27.00	2011-01-22	C/P
CAL	28.00		C/P		UAUA1		2011-01-22	C/P
CAL	29.00	2011-01-22		=>	UAUA1		2011-01-22	C/P
CAL	30.00	2011-01-22	C/P	=>	UAUA1	30.00	2011-01-22	C/P

EXISTING SERIES						ADJUSTED SERIES*				
	CAL	35.00	2011-01-22	C/P	=>	UAUA1	35.00	2011-01-22	C/P	
	CAL	40.00	2011-01-22	C/P	=>	UAUA1	40.00	2011-01-22	C/P	
	CAL	45.00	2011-01-22	C/P	=>	UAUA1	45.00	2011-01-22	C/P	
	CAL	50.00	2011-01-22	C/P	=>	UAUA1	50.00	2011-01-22	C/P	
	CAL	12.50	2011-03-19	C/P	=>	UAUA1	12.50	2011-03-19	C/P	
	CAL	15.00	2011-03-19	C/P	=>	UAUA1	15.00	2011-03-19	C/P	
	CAL	16.00	2011-03-19	C/P	=>	UAUA1	16.00	2011-03-19	C/P	
	CAL	17.00	2011-03-19	C/P	=>	UAUA1	17.00	2011-03-19	C/P	
	CAL	18.00	2011-03-19	C/P	=>	UAUA1	18.00	2011-03-19	C/P	
	CAL	19.00	2011-03-19	C/P	=>	UAUA1	19.00	2011-03-19	C/P	
	CAL	20.00	2011-03-19	C/P	=>	UAUA1	20.00	2011-03-19	C/P	
	CAL	21.00	2011-03-19	C/P	=>	UAUA1	21.00	2011-03-19	C/P	
	CAL	22.00	2011-03-19	C/P	=>	UAUA1	22.00	2011-03-19	C/P	
	CAL	23.00	2011-03-19	C/P	=>	UAUA1	23.00	2011-03-19	C/P	
	CAL	24.00	2011-03-19	C/P	=>	UAUA1	24.00	2011-03-19	C/P	
	CAL	25.00	2011-03-19	C/P	=>	UAUA1	25.00	2011-03-19	C/P	
	CAL	26.00	2011-03-19	C/P	=>	UAUA1	26.00	2011-03-19	C/P	
	CAL	27.00	2011-03-19	C/P	=>	UAUA1	27.00	2011-03-19	C/P	
	CAL	28.00	2011-03-19	C/P	=>	UAUA1	28.00	2011-03-19	C/P	
	CAL	29.00	2011-03-19	C/P	=>	UAUA1	29.00	2011-03-19	C/P	
	CAL	30.00	2011-03-19	C/P	=>	UAUA1	30.00	2011-03-19	C/P	
	CAL	35.00	2011-03-19	C/P	=>	UAUA1	35.00	2011-03-19	C/P	
2012 LEAPS										
	CAL	2.50	2012-01-21	C/P	=>	UAUA1	2.50	2012-01-21	C/P	
	CAL	7.50	2012-01-21	C/P	=>	UAUA1	7.50	2012-01-21	C/P	
	CAL	10.00	2012-01-21	C/P	=>	UAUA1	10.00	2012-01-21	C/P	
	CAL	12.50	2012-01-21	C/P	=>	UAUA1	12.50	2012-01-21	C/P	
	CAL	15.00	2012-01-21	C/P	=>	UAUA1	15.00	2012-01-21	C/P	
	CAL	17.50	2012-01-21	C/P	=>	UAUA1	17.50	2012-01-21	C/P	
	CAL	20.00	2012-01-21	C/P	=>	UAUA1	20.00	2012-01-21	C/P	
	CAL	22.50	2012-01-21	C/P	=>	UAUA1	22.50	2012-01-21	C/P	
	CAL	25.00	2012-01-21	C/P	=>	UAUA1	25.00	2012-01-21	C/P	
	CAL	30.00	2012-01-21	C/P	=>	UAUA1	30.00	2012-01-21	C/P	
	CAL	35.00	2012-01-21	C/P	=>	UAUA1	35.00	2012-01-21	C/P	

^{*} Any additional CAL series that are added prior to the effective time of the merger will also be adjusted in the manner described above.

<u>Settlement</u>

The OCC will delay settlement of UAUA1 exercise and assignment activity until the end of "when issued" trading in UAUA, if any.

Hypothetical Pricing Example

Based on a 1.05 Exchange Ratio, the Continental Airlines, Inc. Class B adjusted contract deliverable is 105 shares of UAUA Common Stock. Under these circumstances a hypothetical adjusted UAUA1 underlying "price" may be determined as follows:

UAUA1 = 1.05(UAUA), rounded to the nearest $1/100^{th}$. For example, if UAUA closes at \$20.75, the underlying "per-share price" of UAUA1 would be:

- 1.05(\$20.75)
- = \$21.7875
- = \$21.79 (rounded to the nearest $1/100^{th}$)

In this hypothetical example, an UAUA1 20 Call contract would be \$179.00 in the money (difference of strike amount of $$20 \times 100 = $2,000.00$ and the underlying deliverable "value" of $$2,179.00 = 21.79×100).

GTC Order Conversion

On the Effective Date of the Merger, immediately after the CBOE close, the system will convert or cancel all resting orders in the CAL order book. If your firm has requested, all booked orders (phone, wire, and electronic) and all ORS orders residing outside the book (booth or crowd routed) will be converted reflecting the adjustments. If your firm has requested, all booked orders and ORS orders residing outside of the book will be canceled. If your firm receives CXL drops, the CXL confirms will print at your booth at 3:15 p.m. ORS CXLs will also be transmitted electronically to your branches.

A report will be available at the Help Desk listing the orders that are converted or canceled. If converted, this list will also show how the new orders will be adjusted. This report will be available on request anytime during the day prior to the night of the adjustment.

Questions regarding this memo can be addressed to Options Industry Services at 1-888-OPTIONS (1-888-678-4667). CBOE contract adjustment memos can also be accessed from CBOE.com at the following web address:

http://www.cboe.com/ContractAdjustments