

**CONTINENTAL AIRLINES, INC.**  
**CORPORATE GOVERNANCE GUIDELINES**  
**(Revised Effective May 27, 2009)**

**Board Composition**

1. Director Independence. A majority of the Board of Directors (the “Board”) of Continental Airlines, Inc., a Delaware corporation (the “Company”), shall consist of independent directors who meet the criteria for independence required by the New York Stock Exchange (the “NYSE”). The Board is responsible for making an affirmative determination that each individual nominated or appointed for service on the Board or any committee of the Board satisfies all independence criteria required by the NYSE and, as applicable, all such criteria required by the Securities and Exchange Commission. The Board will consider all relevant facts and circumstances in making an independence determination, and any relationships considered by the Board in connection with its determination that a director is independent shall be disclosed to stockholders as required by the NYSE.

2. Director Qualification Standards. The Corporate Governance Committee (the “Corporate Governance Committee”) of the Board is charged with the responsibility of identifying individuals qualified to become members of the Board and recommending to the Board the slate of directors to be nominated by the Board at the annual meeting of stockholders of the Company or any director to be appointed by the Board in the event of any vacancy on the Board. The Corporate Governance Committee is also responsible for recommending to the Board members to be appointed to committees of the Board, including in the event of vacancies, and developing and recommending to the Board these Corporate Governance Guidelines (and any amendments thereto). In addition to any other factors established by the Board, the following criteria should be considered by the Board in the nomination or appointment of members of the Board and its committees:

- (a) reputation, integrity and (for non-management directors) independence;
- (b) business, government or other professional experience and acumen;
- (c) the number of other public companies for which the person serves as a director and the availability of the person’s time and commitment to the Company;
- (d) diversity;
- (e) knowledge of a major geographical area in which the Company operates (such as a hub) or another area of the Company’s operational environment;
- (f) age (it being the policy of the Company that no person shall be nominated by the Board to serve as a director, or be elected by the Board to fill a vacancy on the Board, if that person is, or would be on the date of his or her election, age 70 or older);

- (g) tenure as a member of the Company's Board; and
- (h) whether the person has a material, non-ordinary course (direct or indirect) investment in a direct competitor of the Company.

In the case of incumbent directors being considered for renomination, the Board should also take into account the director's history of attendance at Board and committee meetings, the director's preparation for and participation in such meetings, and the director's history of attendance at annual meetings of stockholders.

3. Director Resignation Policy. The Corporate Governance Committee will not recommend for renomination, and the Board will not nominate for re-election, any incumbent director unless and until such director has submitted in writing his or her irrevocable resignation as a director substantially in the form approved from time to time by the Board, which resignation would be effective upon (a) such person receiving a greater number of "withhold" votes than votes "for" such person's re-election in an uncontested election of directors and (b) the acceptance of such resignation by the Board (or a committee designated by the Board) following consideration thereof in accordance with the Company's bylaws. The Board expects the director whose resignation is under consideration to abstain from participating in any decision regarding that resignation, unless all director nominees who previously tendered conditional resignations received more "withhold" votes than "for" votes, in which case all directors shall participate in the review of such resignations. The term "uncontested election" as used in these guidelines refers to an election of directors where the only nominees are those nominated by the Board.

4. Occupational Change. A director's principal employment is one of many factors considered by the Board in the selection of nominees. Consequently, the Board does not believe that a director who experiences a job change or retires from his or her principal employment or position should necessarily resign from the Board. However, each director shall be required to submit his or her offer to resign to the Chair of the Corporate Governance Committee upon cessation of, or a material decrease in responsibilities with respect to, the director's principal employment or position. Upon receipt of such offer to resign, the Corporate Governance Committee shall review the circumstances surrounding the employment change and such other matters as it shall deem appropriate and make a recommendation to the Board concerning acceptance or rejection of the director's offer to resign. The Board shall then make a determination concerning the acceptance or rejection of the director's offer to resign.

5. Board Memberships. The Board believes that service on the board of directors of other public companies enhances the experience and perspective of its directors. However, depending on the demands associated with other directorships, such service may also limit the ability of the directors to fulfill their responsibilities to the Company. Consequently, no director of the Company who is employed or engaged on a full-time basis shall be permitted to serve on the board of directors of more than two (2) public companies, in addition to his or her service on the Board, and no director of the Company who is employed or engaged on less than a full-time basis shall be permitted to serve on the board of directors of more than four (4) public companies, in addition to his or her service on the Board. For purposes of calculating the number of public company boards of directors on which a director serves, (a) service on the

board of directors of charitable, philanthropic and non-profit organizations shall be excluded; (b) service on the board of directors of affiliated companies which hold joint or concurrent meetings shall be considered service on one (1) board of directors; and (c) service on the board of directors of the director's principal employer, or an affiliate of such employer, shall be excluded. The term "affiliate" as used in these guidelines refers to an entity that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, another specified entity. To ensure compliance with these guidelines, prior to accepting nomination to or membership on the board of directors of another public company, a director shall notify the Chairman of the Board and the Chair of the Corporate Governance Committee.

6. Former Chief Executive Officer. When the employment of the Company's Chief Executive Officer terminates, it is anticipated that he or she will also resign from the Board. An exception to a request for such resignation may be made by the Board.

### **Board Meetings**

7. Frequency. The Board generally meets in four regular meetings each year. Additional meetings may be called in accordance with the Company's bylaws.

8. Agenda and Materials. The Chairman of the Board oversees the preparation of the agenda for each meeting. Any director may request the inclusion of an item on the agenda. Appropriate briefing materials should be sent to Board members sufficiently in advance of the meeting to allow meaningful preparation for the meeting, subject to any appropriate redactions reserved for discussion at the meeting.

9. Presentation and Attendance. The Chairman of the Board, in consultation with senior management, determines the individuals who will present material at each meeting and may invite additional employees or advisors as appropriate.

10. Executive Sessions. The members of the Board who are not employees of the Company (non-management members) shall meet in executive session regularly as determined by the presiding director. Such sessions may be held in connection with any Board meeting at which employee directors are present or at other times. The presiding director for such sessions shall be the Chair of the Executive Committee of the Board, who will at all times be a non-management member of the Board. In the event that the Chair of the Executive Committee will be unavailable for a particular session, he or she shall appoint another non-management member of the Board to preside over such session. The presiding director may coordinate with such officers of the Company as he or she deems appropriate to prepare any briefing materials to be used in the applicable session. The presiding director shall communicate to the Chief Executive Officer any concerns or issues discussed at the executive session. No minutes need be kept of such sessions.

## Board Committees

11. Required and Other Committees. The Board shall at all times maintain the Audit, Executive, Human Resources, Finance and Corporate Governance Committees, and shall promptly fill any vacancy that may arise in any such committee so as to comply with its charter. The Board may, in accordance with the Company's bylaws, appoint such other committees from time to time as it deems appropriate. Each committee of the Board shall have a written charter approved by the Board setting forth the Committee's duties and responsibilities, and shall act in accordance with its charter and the Company's bylaws.

12. Agenda and Materials. The chairperson of each committee oversees the preparation of the agenda for the meetings of such committee. Any committee member may request the inclusion of an item on the agenda. Appropriate briefing materials should be sent to committee members sufficiently in advance of the meeting to allow meaningful preparation for the meeting, subject to any appropriate redactions reserved for discussion at the meeting.

## General

13. Director Compensation. The Human Resources Committee of the Board is responsible for reviewing the compensation and benefits of non-management members of the Board from time to time and recommending to the Board any appropriate changes thereto. The compensation should be an appropriate mix of cash and Company equity-related compensation consistent with the customary practices of other similarly-situated companies, and any benefits should be consistent with historical practices of the Company and the customary practices of other similarly-situated companies. The Company will not provide tax reimbursement on perquisites following the termination of a non-management director's service on the Board, unless such director had an existing contractual right to such benefit as of May 26, 2009.

14. Stock Ownership. The Board believes that requiring directors and senior officers to have a financial stake in the Company will further align their interests with those of the Company's stockholders. Accordingly, the Company's directors, chief executive officer, president and executive vice presidents are each required to beneficially own at least the minimum number of shares of the Company's Class B common stock specified below, subject to a one-year transition period for newly-elected directors:

- (a) Chief Executive Officer – 5,000 shares;
- (b) President – 5,000 shares;
- (c) Executive Vice Presidents – 2,000 shares; and
- (d) Directors – 1,000 shares.

Beneficial ownership for purposes of this requirement includes shares of restricted stock and shares underlying stock options exercisable within 60 days.

15. Director Responsibilities. Each director is expected to diligently fulfill his or her fiduciary duties to stockholders, including by preparing for, attending and participating in meetings of the Board and the committees of which the director is a member. Directors must maintain the confidentiality of the Company's non-public information and abide by applicable law.

16. Conflicts of Interest.

- (a) Each director owes a duty of loyalty to the Company. If a director's association with or financial interest in another person or entity could reasonably be expected to interfere with the director's independent judgment in the Company's best interest, that association or financial interest creates a conflict of interest. Because of the varied interests and affiliations of directors, circumstances may often exist that could give rise to an actual or potential conflict of interest. A director should disclose to the Chair of the Corporate Governance Committee (the "CGC Chair") any associations and interests that the director believes may constitute a conflict of interest. Any director who believes that circumstances exist that may raise actual or potential conflict of interest issues should consult with the CGC Chair with regard to such circumstances. The CGC Chair shall review the circumstances, consult with such others he or she may deem appropriate and determine whether there may be a conflict and the extent of any such conflict, and shall determine the appropriate course of action, including broader consultation, recusal of the director from portions of meetings or votes of the Board or such other actions as the CGC Chair determines is appropriate. Such determination by the CGC Chair is subject to ratification by the Corporate Governance Committee.
- (b) In addition, if any director or senior executive believes that a conflict of interest may exist for any other director, the concerned director or executive is encouraged to consult with the CGC Chair concerning such belief. If requested, the CGC Chair shall keep such consultations confidential. The CGC Chair shall review the circumstances, consult with such others he or she may deem appropriate and determine whether there may be a conflict and the extent of any such conflict, and shall determine the appropriate course of action, including broader consultation, recusal of the director from portions of meetings or votes of the Board or such other actions as the CGC Chair determines is appropriate. Such determination by the CGC Chair is subject to ratification by the Corporate Governance Committee.
- (c) Any waiver of the obligations set forth in this Section may be made only by the Corporate Governance Committee and must be promptly disclosed to the Company's stockholders.

17. Performance Reviews. The Corporate Governance Committee will at least annually review (a) the adequacy of these guidelines, (b) the Board's compliance with these guidelines and (c) the Board's (including committees') performance. The Corporate Governance Committee will make appropriate recommendations to the Board following such reviews, including areas in which the Board can better contribute to the governance and success of the Company. The purpose of the review of the Board's and committees' performance is to improve

the Board's and the committees' performance generally and not to target the performance of individual directors. The Corporate Governance Committee may use the results of its review in determining the criteria for directors to be considered to fill any vacancies in the Board or on committees and for inclusion in the slate of directors to be recommended by the Board at the annual meeting of stockholders of the Company (or recommendations for committee membership). The Human Resources Committee of the Board is responsible for annually evaluating the performance of the Chief Executive Officer and other senior officers of the Company as set forth in its charter, as well as ensuring that necessary succession planning is in place for senior management, and for making related recommendations to the Board.

18. Access to Management and Independent Advisors. The Board has access to any member of management. The Board has expressly acknowledged in the charters of its committees the authority of the committees to retain consultants or advisors as they deem necessary or appropriate. The authority of the Board to retain consultants or advisors as it deems necessary or appropriate is also hereby expressly acknowledged.

19. Orientation and Continuing Education of Directors. All new directors are expected to participate in a Company orientation program as soon as practicable after the meeting at which they are elected. The program will include presentations by senior management and independent auditors to familiarize new directors with the Company's strategic plans, its financial statements, and its key policies and practices. Members of the Board are provided flight benefits, including airport lounge access, to enable them to monitor the Company's service levels and to interact with employees and customers. Directors may also visit other facilities of the Company (such as training, maintenance and operations facilities) as they desire. Directors are expected to keep abreast of developments in the airline industry and of any other matters they deem pertinent in fulfilling their responsibilities. The Chairman of the Board, and, as appropriate, the chairpersons of the committees of the Board, will ensure that developments in the industry and legal developments affecting the responsibilities of Board and committee members are timely discussed at the meetings of the Board and/or committees. Additionally, directors may (but will not be required to) participate in director education programs and director institutes offered by third parties.

20. Public Communications. Management speaks for the Company and is responsible for communications with the press, analysts, regulators and other constituencies. From time to time members of the Board may be requested to communicate with one or more of those constituencies. It is anticipated that such communication will be coordinated with the Company's corporate communications department.

21. Communications with the Board. Stockholders or other interested parties can contact any director or committee of the board by writing to them c/o the Company's Chief Compliance Officer. All complaints and concerns will be received by the Chief Compliance Officer. Stockholders or other interested parties can report their complaints or concerns anonymously and/or confidentially via e-mail to [ethics@coair.com](mailto:ethics@coair.com) or by completing and submitting the Confidential Activity Report attached to the Company's Ethics and Compliance Guidelines. Complaints or concerns relating to the Company's accounting, internal accounting controls or auditing matters will also be referred to members of the Audit Committee.

22. Right to Amend. Except as otherwise provided by applicable law, the Board reserves the right to amend and/or restate, from time to time in its sole discretion, any charter, bylaw, guideline, policy, resolution or other document originally adopted or established by the Board or any Committee or Subcommittee thereof, including without limitation:

- (a) these Corporate Governance Guidelines;
- (b) the Ethics and Compliance Guidelines; and
- (c) the Charter of any Committee of the Board.