

WILLIAMS KAREN HASTIE  
 Form 4  
 October 05, 2010

**FORM 4**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
 Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
**WILLIAMS KAREN HASTIE**

2. Issuer Name and Ticker or Trading Symbol  
**CONTINENTAL AIRLINES INC /DE/ [CAL]**

5. Relationship of Reporting Person(s) to Issuer  
 (Check all applicable)

(Last) (First) (Middle)  
**1600 SMITH STREET - HQSEO**  
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)  
**10/01/2010**

Director  10% Owner  
 Officer (give title below)  Other (specify below)

**HOUSTON, TX 77002**  
 (City) (State) (Zip)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
|                                 |                                      |  |                                | (A) or (D)  | Price   |  |                                   |
|                                 |                                      |  |                                | Code  | V   | Amount   |                                   |
| Class B Common Stock            | 10/01/2010                           |  | D                              | 3,311   | D   | 0  | D                                 |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

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| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | 8. Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|-------------------------------|
| Stock Option (Right to Buy)                | \$ 49.8  | 10/01/2010                           |  | D                              | 5,000   | 05/15/2001 05/15/2011                                    | Class B Common Stock  | 5,000                         |
| Stock Option (Right to Buy)                | \$ 29.61   | 10/01/2010                           |  | D                              | 5,000   | 04/17/2002 04/17/2012                                    | Class B Common Stock  | 5,000                         |
| Stock Option (Right to Buy)                | \$ 13  | 10/01/2010                           |  | D                              | 5,000   | 03/12/2004 03/12/2014                                    | Class B Common Stock  | 5,000                         |
| Stock Option (Right to Buy)                | \$ 23.62   | 10/01/2010                           |  | D                              | 5,000   | 06/06/2006 06/06/2016                                    | Class B Common Stock  | 5,000                         |
| Stock Option (Right to Buy)                | \$ 34.1  | 10/01/2010                           |  | D                              | 5,000   | 06/12/2007 06/12/2017                                    | Class B Common Stock  | 5,000                         |

## Reporting Owners

| Reporting Owner Name / Address  | Relationships |           |         |       |
|---|---------------|-----------|---------|-------|
|   | Director      | 10% Owner | Officer | Other |
| WILLIAMS KAREN HASTIE<br>1600 SMITH STREET - HQSEO<br>HOUSTON, TX 77002 |               | X         |         |       |

## Signatures

/s/ Sarah Hagy on behalf of Karen Hastie Williams

10/05/2010

\*\*Signature of Reporting Person

Date

## Explanation of Responses:

\* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Disposed of pursuant to the Agreement and Plan of Merger, dated as of May 2, 2010, by and among Continental Airlines, Inc.

(1) ("Continental"), UAL Corporation and JT Merger Sub Inc., in exchange for 1.05 shares of common stock of United Continental Holdings, Inc. ("UAL") per share of Continental B Common Stock on October 1, 2010. Any fractional share will be paid in cash. Shares reported in Table I Column 4 include 2,311 restricted shares that vested on October 1, 2010.

(2) Options were converted pursuant to the Merger Agreement into options to purchase 5,250 shares of UAL common stock at \$47.43 per share, with the same terms and conditions as the original Continental options.

(3) Options were converted pursuant to the Merger Agreement into options to purchase 5,250 shares of UAL common stock at \$28.20 per share, with the same terms and conditions as the original Continental options.

(4) Options were converted pursuant to the Merger Agreement into options to purchase 5,250 shares of UAL common stock at \$12.39 per share, with the same terms and conditions as the original Continental options.

(5) Options were converted pursuant to the Merger Agreement into options to purchase 5,250 shares of UAL common stock at \$22.50 per share, with the same terms and conditions as the original Continental options.

(6) Options were converted pursuant to the Merger Agreement into options to purchase 5,250 shares of UAL common stock at \$32.48 per share, with the same terms and conditions as the original Continental options.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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