

SABATINO THOMAS J JR
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 *
SABATINO THOMAS J JR

2. Issuer Name and Ticker or Trading Symbol
United Continental Holdings, Inc.
[UAL]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
P.O. BOX 66100 - HDQLD
(Street)

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

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
EVP, Gen Counsel and Corp Sec

CHICAGO, IL 60666

(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 Indirect Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|--|
| | | | Code | V | Amount | (A) or (D) | Price |
| Common Stock | 10/01/2010 | | M | | 40,020 | A | \$ 22.33 <u>(1)</u> |
| Common Stock | 10/01/2010 | | D | | 40,020 | D | \$ 22.33 <u>(1)</u> |

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

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SEC 1474 (9-02)

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

| 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 |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|-------------------------------|
| Restricted Stock Units | (2) | 10/01/2010 | | M | 40,020 | (3) (3) | Common Stock | 40,020 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|-------------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| SABATINO THOMAS J JR P.O. BOX 66100 - HDQLD CHICAGO, IL 60666 | | | EVP, Gen Counsel and Corp Sec | |

Signatures

/s/ Lydia J. Mathas for Thomas J. Sabatino

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).

- Pursuant to the terms of the Management Retention Agreement, upon the closing date of the merger between JT Merger Sub, Inc. and Continental Airlines, Inc., the restricted stock units were converted into a fixed amount in cash based on the average closing price of UAL Corporation common stock over the 20 trading days ended September 30, 2010. The fixed amount in cash will vest upon the same vesting schedule that applied to the underlying restricted stock units, subject to accelerated vesting upon qualifying termination.
- (1) Pursuant to the terms of the Management Retention Agreement, upon the closing date of the merger between JT Merger Sub, Inc. and Continental Airlines, Inc., the restricted stock units were converted into a fixed amount in cash based on the average closing price of UAL Corporation common stock over the 20 trading days ended September 30, 2010. The fixed amount in cash will vest upon the same vesting schedule that applied to the underlying restricted stock units, subject to accelerated vesting upon qualifying termination.
 - (2) Each restricted stock unit represented the economic equivalent of one share of UAL common stock.
 - (3) The restricted stock units vest in three equal annual installments beginning on March 30, 2011.

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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