

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13D

Under the Securities Exchange Act of 1934
(Amendment No. 2)*

Continental Airlines, Inc.
(Name of Issuer)

Class A Common Stock and Class B Common Stock
(Title of Class of Securities)

210795209 and 210795308
(CUSIP Number)

James J. O'Brien
201 Main Street, Suite 2420
Fort Worth, Texas 76102
(817) 871-4000

(Name, Address and Telephone Number of Person Authorized
to Receive Notices and Communications)

March 29, 1996
(Date of Event Which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition which is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(b)(3) or (4), check the following box / /.

Check the following box if a fee is being paid with the statement / /.

*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

**The total number of shares reported herein is 4,267,934 and 4,763,637 of Class A and Class B shares, respectively, which constitutes approximately 54.6% and 19.2%, respectively, of the total number of Class A and Class B shares outstanding. The foregoing ownership percentages set forth herein assume that there are 7,820,790 and 24,869,706 shares of the Class A and Class B Common Stock, respectively, outstanding pursuant to Rule 13d-3(d)(1)(i) under the Act. The number of outstanding shares of the Class A and Class B Common Stock as reported in the Issuer's most recent quarterly report was 6,301,056 and 21,484,074, respectively.

1. Name of Reporting Person:
Air Partners, L.P.
 2. Check the Appropriate Box if a Member of a Group:
(a) / /
(b) /X/
 3. SEC Use Only
 4. Source of Funds: 00-Partnership Contributions
 5. Check Box if Disclosure of Legal Proceedings is Required Pursuant to Item 2(d) or 2(e): / /
 6. Citizenship or Place of Organization: Texas
- | | | |
|---|-----|---|
| Number of
Shares
Beneficially
Owned By
Each
Reporting
Person With | 7. | Sole Voting Power:
Class A - 2,740,000 (1)
Class B - 0 |
| | 8. | Shared Voting Power: -0- |
| | 9. | Sole Dispositive Power:
Class A - 2,740,000 (1)
Class B - 0 |
| | 10. | Shared Dispositive Power: -0- |
11. Aggregate Amount Beneficially Owned by Each Reporting Person:
Class A - 4,259,734 (2)
Class B - 3,382,632 (3)
 12. Check Box if the Aggregate Amount in Row (11) Excludes Certain Shares:
/x/ See Item 2.
 13. Percent of Class Represented by Amount in Row (11):
Class A - 54.5% (2)(4)
Class B - 13.6% (3)(5)
 14. Type of Reporting Person: PN

-
- (1) Power is exercised through its two general partners, 1992 Air GP and Air II General, Inc. Additionally, the voting and dispositive power with respect to the shares of Class A Common Stock held by Air Partners, L.P. may, under certain circumstances, be deemed to be shared with, or may be exercised by, the limited partners of Air Partners, L.P. as further described in Item 6 hereof.
 - (2) Includes 1,519,734 shares of Class A Common Stock that may be acquired upon the exercise of warrants.
 - (3) Includes 3,382,632 shares of Class B Common Stock that may be acquired upon the exercise of warrants.
 - (4) Assumes, pursuant to Rule 13d-3(d)(1)(i) under the Act, that there are 7,820,790 shares of Class A Common Stock outstanding which includes the warrants to purchase shares of Class A Common Stock held by Air Partners, L.P. but does not include warrants held by any other persons.
 - (5) Assumes, pursuant to Rule 13d-3(d)(1)(i) under the Act, that there are 24,866,706 shares of Class B Common Stock outstanding which includes the warrants to purchase shares of Class B Common Stock held by Air Partners, L.P. but does not include warrants held by any other persons.

1. Name of Reporting Person:
1992 Air GP
2. Check the Appropriate Box if a Member of a Group:
(a) / /
(b) /X/
3. SEC Use Only
4. Source of Funds: Not Applicable
5. Check Box if Disclosure of Legal Proceedings is Required Pursuant to Item 2(d) or 2(e): / /
6. Citizenship or Place of Organization: Texas

- | | |
|---|--|
| | 7. Sole Voting Power:
Class A - 0
Class B - 379,194 (1) |
| Number of
Shares
Beneficially
Owned By
Each
Reporting
Person With | 8. Shared Voting Power:
Class A - 2,740,000 (1)(2)
Class B - 0 |
| | 9. Sole Dispositive Power:
Class A - 0
Class B - 379,194 (1) |
| | 10. Shared Dispositive Power:
Class A - 2,740,000 (1)(2)
Class B - 0 |

11. Aggregate Amount Beneficially Owned by Each Reporting Person:

Class A - 4,259,734 (2)(3)
Class B - 3,761,826 (4)(5)

12. Check Box if the Aggregate Amount in Row (11) Excludes Certain Shares:

/x/ See Item 2.

13. Percent of Class Represented by Amount in Row (11):

Class A - 54.5% (3)(6)
Class B - 15.1% (5)(7)

14. Type of Reporting Person: PN

- - - - -
- (1) Power is exercised through its majority general partner, 1992 Air, Inc.
 - (2) Solely in its capacity as one of two general partners of Air Partners, L.P. The voting and dispositive power with respect to the shares of Class A Common Stock held by Air Partners, L.P. may, under certain circumstances, be deemed to be shared with, or may be exercised by, the limited partners of Air Partners, L.P. as further described in Item 6 hereof.
 - (3) Includes 1,519,734 shares of Class A Common Stock that may be acquired upon the exercise of warrants held by Air Partners, L.P.
 - (4) Solely in its capacity as one of two general partners of Air Partners, L.P. with respect to the 3,382,632 shares of Class B Common Stock that may be acquired upon the exercise of warrants held by Air Partners, L.P.
 - (5) Includes 3,382,632 shares of Class B Common Stock that may be acquired upon the exercise of warrants held by Air Partners L.P.
 - (6) Assumes, pursuant to Rule 13d-3(d)(1)(i) under the Act, that there are 7,820,790 shares of Class A Common Stock outstanding which includes the warrants to purchase shares of Class A Common Stock held by Air Partners, L.P. but does not include warrants held by any other persons.
 - (7) Assumes, pursuant to Rule 13d-3(d)(1)(i) under the Act, that there are 24,866,706 shares of Class B Common Stock outstanding which includes the warrants to purchase shares of Class B Common Stock held by Air Partners, L.P. but does not include warrants held by any other persons.

1. Name of Reporting Person:
Air II General, Inc.
2. Check the Appropriate Box if a Member of a Group:
(a) / /
(b) /X/
3. SEC Use Only
4. Source of Funds: Not Applicable
5. Check Box if Disclosure of Legal Proceedings is Required Pursuant to Item 2(d) or 2(e): / /
6. Citizenship or Place of Organization: Texas

- | | |
|---|--|
| | 7. Sole Voting Power:
Class A - 0
Class B - 2,403 (1) |
| Number of
Shares
Beneficially
Owned By
Each
Reporting
Person With | 8. Shared Voting Power:
Class A - 2,740,000 (1)(2)
Class B - 0 |
| | 9. Sole Dispositive Power:
Class A - 0
Class B - 2,403 (1) |
| | 10. Shared Dispositive Power:
Class A - 2,740,000 (1)(2)
Class B - 0 |

11. Aggregate Amount Beneficially Owned by Each Reporting Person:

Class A - 4,259,734 (2)(3)
Class B - 3,385,035 (4)(5)

12. Check Box if the Aggregate Amount in Row (11) Excludes Certain Shares:

/x/ See Item 2.

13. Percent of Class Represented by Amount in Row (11):

Class A - 54.5% (3)(6)
Class B - 13.6% (5)(7)

14. Type of Reporting Person: C0

-
- (1) Power is exercised through its controlling shareholder, David Bonderman.
 - (2) Solely in its capacity as one of two general partners of Air Partners, L.P. The voting and dispositive power with respect to the shares of Class A Common Stock held by Air Partners, L.P. may, under certain circumstances, be deemed to be shared with, or may be exercised by, the limited partners of Air Partners, L.P. as further described in Item 6 hereof.
 - (3) Includes 1,519,734 shares of Class A Common Stock that may be acquired upon the exercise of warrants held by Air Partners, L.P.
 - (4) Solely in its capacity as one of two general partners of Air Partners, L.P. with respect to the 3,382,632 shares of Class B Common Stock that may be acquired upon the exercise of warrants.
 - (5) Includes 3,382,632 shares of Class B Common Stock that may be acquired upon the exercise of warrants held by Air Partners, L.P.
 - (6) Assumes, pursuant to Rule 13d-3(d)(1)(i) under the Act, that there are 7,820,790 shares of Class A Common Stock outstanding which includes the warrants to purchase shares of Class A Common Stock held by Air Partners, L.P. but does not include warrants held by any other persons.
 - (7) Assumes, pursuant to Rule 13d-3(d)(1)(i) under the Act, that there are 24,866,706 shares of Class B Common Stock outstanding which includes the warrants to purchase shares of Class B Common Stock held by Air Partners, L.P. but does not include warrants held by any other persons.

1. Name of Reporting Person:
1992 Air, Inc.
2. Check the Appropriate Box if a Member of a Group:
(a) / /
(b) /X/
3. SEC Use Only
4. Source of Funds: Not Applicable
5. Check Box if Disclosure of Legal Proceedings is Required Pursuant to Item 2(d) or 2(e): / /
6. Citizenship or Place of Organization: Texas

7. Sole Voting Power:
Class A - 0
Class B - 379,194 (1)(2)

Number of Shares Beneficially Owned By Each Reporting Person With

8. Shared Voting Power:
Class A - 2,740,000 (1)(2)
Class B - 0
9. Sole Dispositive Power:
Class A - 0
Class B - 379,194 (1)(2)

10. Shared Dispositive Power:
Class A - 2,740,000 (1)(2)
Class B - 0

11. Aggregate Amount Beneficially Owned by Each Reporting Person:

Class A - 4,259,734 (2)(3)
Class B - 3,761,826 (2)(4)

12. Check Box if the Aggregate Amount in Row (11) Excludes Certain Shares:

/x/ See Item 2.

13. Percent of Class Represented by Amount in Row (11):

Class A - 54.5% (3)(5)
Class B - 15.1% (4)(6)

14. Type of Reporting Person: CO

-
- (1) Power is exercised through its controlling shareholder, David Bonderman.
 - (2) Solely in its capacity as the majority general partner of 1992 Air GP. The voting and dispositive power with respect to the shares of Class A Common Stock held by Air Partners, L.P. may, under certain circumstances, be deemed to be shared with, or may be exercised by, the limited partners of Air Partners, L.P. as further described in Item 6 hereof.
 - (3) Includes 1,519,734 shares of Class A Common Stock that may be acquired upon the exercise of warrants held by Air Partners, L.P.
 - (4) Includes 3,382,632 shares of Class B Common Stock that may be acquired upon the exercise of warrants held by Air Partners, L.P. and 379,194 shares of Class B Common Stock held directly by 1992 Air GP.
 - (5) Assumes, pursuant to Rule 13d-3(d)(1)(i) under the Act, that there are 7,820,790 shares of Class A Common Stock outstanding which includes the warrants to purchase shares of Class A Common Stock held by Air Partners, L.P. but does not include warrants held by any other persons.
 - (6) Assumes, pursuant to Rule 13d-3(d)(1)(i) under the Act, that there are 24,866,706 shares of Class B Common Stock outstanding which includes the warrants to purchase shares of Class B Common Stock held by Air Partners, L.P. but does not include warrants held by any other persons.

1. Name of Reporting Person:
David Bonderman
2. Check the Appropriate Box if a Member of a Group:
(a) / /
(b) /X/
3. SEC Use Only
4. Source of Funds: Not Applicable
5. Check Box if Disclosure of Legal Proceedings is Required Pursuant to Item 2(d) or 2(e): / /
6. Citizenship or Place of Organization: David Bonderman is a citizen of the United States of America.

7. Sole Voting Power:
Class A - 8,200 (1)
Class B - 965,506 (2)

Number of Shares Beneficially Owned By Each Reporting Person With

8. Shared Voting Power:
Class A - 2,740,000 (3)

9. Sole Dispositive Power:
Class A - 8,200(1)
Class B - 965,506 (2)

10. Shared Dispositive Power:
Class A - 2,740,000 (3)

11. Aggregate Amount Beneficially Owned by Each Reporting Person:

Class A - 4,267,934 (1)(3)(4)
Class B - 4,351,138 (2)(5)(6)(9)

12. Check Box if the Aggregate Amount in Row (11) Excludes Certain Shares:

/x/ See Item 2.

13. Percent of Class Represented by Amount in Row (11):

Class A - 54.6% (4)(7)
Class B - 17.5% (2)(6)(8)(9)

14. Type of Reporting Person: IN

-
- (1) Solely in his capacity as general partner of the Bonderman Family Limited Partnership with respect to 8,200 shares.
 - (2) Solely in his capacity as general partner of the Bonderman Family Limited Partnership with respect to 441,225 shares. Solely in his capacity as the controlling shareholder of 1992 Air, Inc., the majority general partner of 1992 Air GP, with respect to 379,194 shares. Solely in his capacity as the controlling shareholder of Air II General, Inc. with respect to 2,403 shares.
 - (3) Solely in his capacities as the controlling shareholder of each of Air II General, Inc. and 1992 Air, Inc. with respect to 2,740,000 shares Class A Common Stock held by Air Partners, L.P. The voting and dispositive power with respect to the shares of Class A Common Stock and Class B Common Stock held by Air Partners, L.P. may, under certain circumstances, be deemed to be shared with, or may be exercised by, the limited partners of Air Partners, L.P. as further described in Item 6 hereof.
 - (4) Includes 1,519,734 shares of Class A Common Stock that may be acquired upon the exercise of warrants held by Air Partners, L.P..
 - (5) Solely in his capacity as the controlling shareholder of each of Air II General, Inc. and 1992 Air, Inc. with respect to the 3,382,632 shares of Class B Common Stock that may be acquired upon the exercise of warrants held by Air Partners, L.P.
 - (6) Includes 3,382,632 shares of Class B Common Stock that may be acquired upon the exercise of warrants held by Air Partners, L.P.
 - (7) Assumes, pursuant to Rule 13d-3(d)(1)(i) under the Act, that there are 7,820,790 shares of Class A Common Stock outstanding which includes the warrants to purchase shares of Class A Common Stock

held by Air Partners, L.P. but does not include warrants held by any other persons.

- (8) Assumes, pursuant to Rule 13d-3(d)(1)(i) under the Act, that there are 24,869,706 shares of Class B Common Stock outstanding which includes the warrants to purchase shares of Class B Common Stock held by Air Partners, L.P. and the director options held by Mr. Bonderman but does not include warrants held by any other persons.
- (9) Includes 3,000 shares of Class B Common Stock that may be acquired by Mr. Bonderman upon the exercise of outside director stock options.

1. Name of Reporting Person:
Bonderman Family Limited Partnership
2. Check the Appropriate Box if a Member of a Group:
(a) / /
(b) /X/
3. SEC Use Only
4. Source of Funds: WC
5. Check Box if Disclosure of Legal Proceedings is Required Pursuant to Item 2(d) or 2(e): / /
6. Citizenship or Place of Organization: Texas

- | | |
|---|--|
| | 7. Sole Voting Power:
Class A - 8,200 (1)
Class B - 441,225 (1) |
| Number of
Shares
Beneficially
Owned By
Each
Reporting
Person With | 8. Shared Voting Power:
Class A - 46,322 (2)
Class B - 0 |
| | 9. Sole Dispositive Power:
Class A - 8,200 (1)
Class B - 441,225 (1) |
| | 10. Shared Dispositive Power:
Class A - 46,322 (2)
Class B - 0 |

11. Aggregate Amount Beneficially Owned by Each Reporting Person:

Class A - 80,215 (2)(3)
Class B - 498,412 (2)(4)

12. Check Box if the Aggregate Amount in Row (11) Excludes Certain Shares:
/x/ See Item 2.

13. Percent of Class Represented by Amount in Row (11):

Class A - 1.3% (3)(5)
Class B - 2.3% (4)(6)

14. Type of Reporting Person: PN

-
- (1) Power is exercised through its general partner, David Bonderman.
 - (2) Bonderman Family Limited Partnership also holds a limited partnership interest in Air Partners, L.P. On the basis of certain provisions of the Partnership Agreement, Bonderman Family Limited Partnership may be deemed to beneficially own the shares of Class A Common Stock and Class B Common Stock beneficially owned by Air Partners, L.P. that are attributable to such limited partnership interest. Pursuant to Rule 13d-4 under the Act, Bonderman Family Limited Partnership disclaims beneficial ownership of all such shares.
 - (3) Includes 25,693 shares of Class A Common Stock that may be acquired upon the exercise of warrants held by Air Partners, L.P. and attributable to the limited partnership interest in Air Partners, L.P. held by Bonderman Family Limited Partnership.
 - (4) Includes 57,187 shares of Class B Common Stock that may be acquired upon the exercise of warrants held by Air Partners, L.P. and attributable to the limited partnership interest in Air Partners, L.P. held by Bonderman Family Limited Partnership.
 - (5) Assumes, pursuant to Rule 13d-3(d)(1)(i) under the Act, that there are 6,326,749 shares of Class A Common Stock outstanding which includes the warrants to purchase Class A Common Stock held by Air Partners, L.P. and attributable to the Bonderman Family Limited Partnership pursuant to the Partnership Agreement but does not include warrants held by any other persons.
 - (6) Assumes, pursuant to Rule 13d-3(d)(1)(i) under the Act, that there are 21,541,261 shares of Class B Common Stock Outstanding which includes the warrants to purchase Class B Common Stock held by Air Partners, L.P. and attributable to the Bonderman Family Limited

Partnership pursuant to the Partnership Agreement but does not include warrants held by any other persons.

1. Name of Reporting Person:
Bondo Air Limited Partnership
2. Check the Appropriate Box if a Member of a Group:
(a) / /
(b) /X/
3. SEC Use Only
4. Source of Funds: Not Applicable
5. Check Box if Disclosure of Legal Proceedings is Required Pursuant to Item 2(d) or 2(e): / /
6. Citizenship or Place of Organization: Texas

- | | |
|---|---|
| Number of
Shares
Beneficially
Owned By
Each
Reporting
Person With | <ol style="list-style-type: none"> 7. Sole Voting Power:
Class A - 0
Class B - 412,499 (1) 8. Shared Voting Power:
Class A - 463,230 (1)
Class B - 0 9. Sole Dispositive Power:
Class A - 0
Class B - 412,499 (1) 10. Shared Dispositive Power:
Class A - 463,230 (1)
Class B - 0 |
|---|---|

11. Aggregate Amount Beneficially Owned by Each Reporting Person:
Class A - 720,159 (1)(2)
Class B - 984,374 (3)(4)

12. Check Box if the Aggregate Amount in Row (11) Excludes Certain Shares:
/X/ See Item 2.

13. Percent of Class Represented by Amount in Row (11):
Class A - 11.0% (2)(5)
Class B - 4.5% (4)(6)

14. Type of Reporting Person: PN

-
- (1) Solely in its capacity as a limited partner of Air Partners, L.P. On the basis of certain provisions of the Partnership Agreement, Bondo Air Limited Partnership ("Bondo Air") may be deemed to beneficially own the shares of Class A Common Stock and Class B Common Stock beneficially owned by Air Partners, L.P. that are attributable to such limited partnership interests. Pursuant to Rule 13d-4 under the Act, Bondo Air disclaims beneficial ownership of all such shares.
 - (2) Includes 256,929 shares of Class A Common Stock that may be acquired upon the exercise of warrants held by Air Partners, L.P. and attributable to the limited partnership interest in Air Partners, L.P. held by Bondo Air.
 - (3) Solely in its capacity as a limited partner of Air Partners, L.P. with respect to 571,875 shares of Class B Common Stock that may be acquired upon the exercise of warrants held by Air Partners and that may be attributable to the limited partnership interests held by Bondo Air pursuant to the Partnership Agreement.
 - (4) Includes 571,875 shares of Class B Common Stock that may be acquired upon the exercise of warrants held by Air Partners, L.P. and attributable to the limited partnership interests in Air Partners, L.P. held by Bondo Air.
 - (5) Assumes, pursuant to Rule 13d-3(d)(1)(i) under the Act, that there are 6,557,985 shares of Class A Common Stock outstanding which includes the warrants to purchase Class A Common Stock held by Air Partners, L.P. and attributable to the limited partnership interest held by Bondo Air pursuant to the Partnership Agreement but does not include warrants held by any other persons.
 - (6) Assumes, pursuant to Rule 13d-3(d)(1)(i) under the Act, that there

are 22,055,949 shares of Class B Common Stock outstanding which includes the warrants to purchase Class B Common Stock held by Air Partners, L.P. and attributable to the limited partnership interest held by Bondo Air pursuant to the Partnership Agreement but does not include warrants held by any other persons.

1. Name of Reporting Person:
Alfredo Brener
2. Check the Appropriate Box if a Member of a Group:
(a) / /
(b) /X/
3. SEC Use Only
4. Source of Funds: Not Applicable
5. Check Box if Disclosure of Legal Proceedings is Required Pursuant to Item 2(d) or 2(e): / /
6. Citizenship or Place of Organization: Alfredo Brener is a citizen of Mexico.

- | | |
|---|--|
| Number of
Shares
Beneficially
Owned By
Each
Reporting
Person With | 7. Sole Voting Power:
Class A - 0
Class B - 406,312 (1) |
| | 8. Shared Voting Power:
Class A - 456,282 (1)
Class B - 0 |
| | 9. Sole Dispositive Power: -0-
Class A - 0
Class B - 406,312 (1) |
| | 10. Shared Dispositive Power:
Class A - 456,282 (1)
Class B - 0 |

11. Aggregate Amount Beneficially Owned by Each Reporting Person:

Class A - 709,357 (1)(2)
Class B - 969,609 (1)(3)

12. Check Box if the Aggregate Amount in Row (11) Excludes Certain Shares:
/x/ See Item 2.

13. Percent of Class Represented by Amount in Row (11):

Class A - 10.8% (2)(4)
Class B - 4.4% (3)(5)

14. Type of Reporting Person: IN

-
- (1) Because Alfredo Brener, through a limited partnership whose corporate general partner he controls, owns warrants to purchase a 98.5% limited partnership interest in Bondo Air, and on the basis of certain provisions of the limited partnership agreement of Bondo Air, Alfredo Brener may be deemed to beneficially own 98.5% of the shares of Class A Common Stock and Class B Common Stock beneficially owned by Bondo Air or that may be deemed to be beneficially owned by Bondo Air that are attributable to Bondo Air's limited partnership interest in Air Partners. Pursuant to Rule 13d-4 under the Act, Mr. Brener disclaims beneficial ownership of all such shares.
 - (2) Includes 253,075 shares of Class A Common Stock that may be acquired upon the exercise of warrants held by Air Partners, L.P. and attributable to 98.5% of the limited partnership interest in Air Partners, L.P. held by Bondo Air.
 - (3) Includes 563,297 shares of Class B Common Stock that may be acquired upon the exercise of warrants held by Air Partners, L.P. and attributable to 98.5% of the limited partnership interest in Air Partners, L.P. held by Bondo Air.
 - (4) Assumes, pursuant to Rule 13d-3(d)(1)(i) under the Act, that there are 6,554,131 shares of Class A Common Stock outstanding which includes the warrants to purchase Class A Common Stock held by Air Partners, L.P. and attributable to Bondo Air Limited Partnership pursuant to the Partnership Agreement but does not include warrants held by any other persons.
 - (5) Assumes, pursuant to Rule 13d-3(d)(1)(i) under the Act, that there are 22,047,371 shares of Class B Common Stock outstanding which

includes the warrants to purchase Class B Common Stock held by Air Partners, L.P. and attributable to Bondo Air Limited Partnership pursuant to the Partnership Agreement but does not include warrants held by any other persons.

Pursuant to Rule 13d-2(a) of Regulation 13D-G of the General Rules and Regulations under the Securities Exchange Act of 1934, as amended (the "Act"), the undersigned hereby amend their Schedule 13D Statement dated August 8, 1995, as amended by Amendment No. 1 dated August 11, 1995 (the "Schedule 13D"), relating to the shares of Class A Common Stock, par value \$.01 per share ("Class A Stock"), and Class B Common Stock, par value \$.01 per share ("Class B Stock"), of Continental Airlines, Inc. (the "Issuer"). Unless otherwise indicated, all defined terms used herein shall have the same meanings respectively ascribed to them in the Schedule 13D.

ITEM 1. SECURITY AND ISSUER.

No material change.

ITEM 2. IDENTITY AND BACKGROUND.

No material change.

ITEM 3. SOURCE AND AMOUNT OF FUNDS OR OTHER CONSIDERATION.

No material change.

ITEM 4. PURPOSE OF TRANSACTION.

No material change.

ITEM 5. INTERESTS IN SECURITIES OF THE ISSUER.

Paragraphs (a)-(c) of Item 5 are hereby amended and restated in their entireties as follows:

(a)

AIR PARTNERS

The aggregate number of shares of the Class A Stock that Air Partners owns beneficially, pursuant to Rule 13d-3 under the Act, is 4,259,734, which constitutes approximately 54.5% of the 7,820,790 shares of such stock deemed outstanding pursuant to Rule 13d-3(d)(1)(i) under the Act. The aggregate number of shares of the Class B Stock that Air Partners owns beneficially, pursuant to Rule 13d-3 under the Act, is 3,382,632, which constitutes approximately 13.6% of the 24,866,706 shares of such stock deemed outstanding pursuant to Rule 13d-3(d)(1)(i) under the Act.

1992 AIR GP

Because of its position as one of two general partners of Air Partners, and because of its direct ownership of 379,194 shares of the Class B Stock, 1992 Air GP may, pursuant to Rule 13d-3 of the Act, be deemed to be the beneficial owner of 4,259,734 shares of the Class A Stock, which constitutes approximately 54.5% of the 7,820,790 shares of such stock deemed outstanding pursuant to Rule 13d-3(d)(1)(i) under the Act, and an aggregate of 3,761,826 shares of the Class B Stock, which constitutes approximately 15.1% of the 24,866,706 shares of such stock deemed outstanding pursuant to Rule 13d-3(d)(1)(i) under the Act.

AIR II

Because of its position as one of two general partners of Air Partners, and because of its direct ownership of 2,403 shares of the Class B Stock Air II may, pursuant to Rule 13d-3 of the Act, be deemed to be the beneficial owner of (i) 4,259,734 shares of the Class A Stock, which constitutes approximately 54.5% of the 7,820,790 shares of such stock deemed outstanding pursuant to Rule 13d-3(d)(1)(i) under the Act, and (ii) an aggregate 3,385,035 shares of the Class B Stock, which constitutes approximately 13.6% of the 24,866,706 shares of such stock deemed outstanding pursuant to Rule 13d-3(d)(1)(i) under the Act.

AIR, INC.

Because of its position as one of two general partners of 1992 Air GP, Air, Inc., may, pursuant to Rule 13d-3 of the Act, be deemed to be the beneficial owner of (i) 4,259,734 shares of the Class A Stock, which constitutes approximately 54.5% of the 7,820,790 shares of such stock deemed outstanding pursuant to Rule 13d-3(d)(1)(i) under the Act, and (ii) 3,761,826 shares of the Class B Stock, which constitutes approximately 15.1% of the 24,866,706 shares of such stock deemed outstanding pursuant to Rule 13d-3(d)(1)(i) under the Act.

BONDERMAN

Because of his position as the controlling shareholder of each of Air II and Air, Inc., and as the general partner of Bonderman Family, and because he holds a director stock option to acquire 3,000 shares of the Class B Stock, and because of his direct ownership of 142,684 shares of the Class B Stock, Bonderman may, pursuant to Rule 13d-3 of the Act, be deemed to be the beneficial owner of (i) 4,267,934 shares of the Class A Stock, which constitutes approximately 54.6% of the 7,820,790 shares of such stock deemed outstanding pursuant to Rule 13d-3(d)(1)(i) under the Act, and (ii) an aggregate 4,351,138 shares of the Class B Stock, which constitutes approximately 17.5% of the 24,869,706 shares of such stock deemed outstanding pursuant to Rule 13d-3(d)(1)(i) under the Act.

BONDERMAN FAMILY

The aggregate number of shares of the Class A Stock that Bonderman Family owns, or may be deemed to own, beneficially, pursuant to Rule 13d-3 under the Act, is 80,215, 8,200 shares of which Bonderman Family owns directly and 72,015 shares of which Bonderman Family may be deemed to own beneficially because of its position as a limited partner of Air Partners, and on the basis of certain provisions of the Partnership Agreement. In the aggregate, such shares of Class A Stock constitute approximately 1.3% of the 6,326,749 shares of such stock deemed outstanding pursuant to Rule 13d-3(d)(1)(i) under the Act. The aggregate number of shares of the Class B Stock that Bonderman Family owns, or may be deemed to own, beneficially, pursuant to Rule 13d-3 under the Act, is 498,412, 441,225 of which Bonderman Family owns directly and 57,187 of which Bonderman Family may be deemed to own beneficially because of its position as a limited partner of Air Partners, and on the basis of certain provisions of the Partnership Agreement. Such shares of Class B Stock in the aggregate constitute approximately 2.3% of the 21,541,261 shares of such stock deemed outstanding pursuant to Rule 13d-3(d)(1)(i) under the Act. Pursuant to Rule 13d-4 under the Act, Bonderman Family disclaims beneficial ownership of all such shares attributable to Bonderman Family's limited partnership interest in Air Partners.

BONDO AIR

Because of its position as a limited partner of Air Partners, and on the basis of certain provisions of the Partnership Agreement, Bondo Air may, pursuant to Rule 13d-3 of the Act, be deemed to own beneficially 720,159 shares of the Class A Stock, which constitutes approximately 11.0% of the 6,557,985 shares of such stock deemed outstanding pursuant to Rule 13d-3(d)(1)(i) under the Act. The aggregate number of shares of the Class B Stock that Bondo Air owns, or may be deemed to own, beneficially, pursuant to Rule 13d-3 under the Act, is 984,374, 412,499 of which Bondo Air owns directly and 571,875 of which Bondo Air may be deemed to own beneficially because of its position as a limited partner of Air Partners, and on the basis of certain provisions of the Partnership Agreement. Such shares of Class B Stock in the aggregate constitute approximately 4.5% of the 22,055,949 shares of such stock deemed outstanding pursuant to Rule 13d-3(d)(1)(i) under the Act. Pursuant to Rule 13d-4 under the Act, Bondo Air disclaims beneficial ownership of all such shares attributable to Bondo Air's limited partnership interest in Air Partners.

BRENER

Because of his ownership, through a limited partnership whose corporate general partner he controls, of warrants to purchase a 98.5% limited partnership interest in Bondo Air, and on the basis of certain provisions of the limited partnership agreement of Bondo Air and the Partnership Agreement, Brener may, pursuant to Rule 13d-3 under the Act, be deemed to be the beneficial owner of 709,357 shares of the Class A Stock, which constitutes approximately 10.8% of the 6,554,131 shares of such stock deemed outstanding pursuant to Rule 13d-3(d)(1)(i) under the Act and 969,608 shares of the Class B Stock, which constitutes approximately 4.4% of the 22,047,371 shares of such stock deemed outstanding pursuant to Rule 13d-3(d)(1)(i) under the Act. Pursuant to Rule 13d-4 under the Act, Brener disclaims beneficial ownership of all such shares attributable to Bondo Air's limited partnership interest in Air Partners.

To the best knowledge of each of the Reporting Persons, other than as set forth above, none of the persons named in response to Item 2(a) herein is the beneficial owner of any shares of the Class A Stock or the Class B Stock.

(b)

AIR PARTNERS

Acting through its two general partners, Air Partners has the sole power to vote or to direct the vote and to dispose or to direct the disposition of 2,740,000 shares of the Class A Stock and has no power to vote or to direct the vote of any shares of the Class B Stock. Additionally, the voting and dispositive power with respect to the shares of Class A Common Stock held by Air Partners may, under certain circumstances, be deemed to be shared with, or may be exercised by, the limited partners of Air Partners as further described in Item 6 hereof.

1992 AIR GP

In its capacity as one of two general partners of Air Partners, and acting through its majority general partner, 1992 Air GP has the shared power to vote or to direct the vote and to dispose or to direct the disposition of 2,740,000 shares of the Class A Stock. Acting through its majority general partner, 1992 Air GP has the sole power to vote or to direct the vote and to dispose or to direct the disposition of 379,194 shares of the Class B Stock.

AIR II

In its capacity as one of two general partners of Air Partners, and acting through its controlling shareholder, Air II has the shared power to vote or to direct the vote and to dispose or to direct the disposition of 2,740,000 shares of the Class A Stock. Acting through its controlling shareholder, Air II has the sole power to vote or to direct the vote and to dispose or to direct the disposition of 2,403 shares of the Class B Stock.

AIR, INC.

In its capacity as the majority general partner of 1992 Air GP, and acting through its controlling shareholder, Air, Inc. has the shared power to vote or to direct the vote and to dispose or to direct the disposition of 2,740,000 shares of the Class A Stock and the sole power to vote or to direct the vote and to dispose or to direct the disposition of 379,194 shares of the Class B Stock.

BONDERMAN

In his capacity as the controlling shareholder of each of Air II and Air, Inc., Bonderman has the shared power to vote or to direct the vote and to dispose or to direct the disposition of 2,740,000 shares of the Class A Stock and the sole power to vote or to direct the vote and to dispose or to direct the disposition of 381,597 shares of the Class B Stock. In his capacity as sole general partner of Bonderman Family, Bonderman has the sole power to vote or to direct the vote and to dispose or to direct the disposition of 8,200 shares of the Class A Stock and 441,225 shares of the Class B Stock. Bonderman has the sole power to vote or to direct the vote and to dispose or to direct the disposition of 142,684 shares of Class B Common Stock. Additionally, because of Bonderman's ownership of direct and indirect limited partnership interests in Air Partners, and on the basis of certain provisions of the Partnership Agreement, Bonderman may be deemed to have shared power to vote or to direct the vote and to dispose or to direct the disposition of shares of Class A Stock beneficially owned by Air Partners attributable to such limited partnership interests in Air Partners.

BONDERMAN FAMILY

Acting through its sole general partner, Bonderman Family has the sole power to vote or to direct the vote and to dispose or to direct the disposition of 8,200 shares of the Class A Stock and 441,225 shares of the Class B Stock. Additionally, because of its ownership of a limited partnership interest in Air Partners, and on the basis of certain provisions of the Partnership Agreement, Bonderman Family may be deemed to have shared power to vote or to direct the vote and to dispose or to direct the disposition of 46,322 shares of Class A Stock.

BONDO AIR

In its capacity as a limited partner of Air Partners, and on the basis of certain provisions of the Partnership Agreement, Bondo Air may be deemed to have shared power to vote or to direct the vote and to dispose or to direct the disposition of 463,230 shares of the Class A Stock attributable to Bondo Air's limited partnership interest in Air Partners. Bondo Air has the sole power to vote or to direct the vote and to dispose or to direct the disposition of 412,499 shares of Class B Stock.

BRENER

Because of his ownership, through a limited partnership whose corporate general partner he controls, of warrants to purchase a 98.5% limited partnership interest in Bondo Air, and on the basis of certain provisions of

the limited partnership agreement of Bondo Air and the Partnership Agreement, Brener may be deemed to have shared power to vote or to direct the vote and to dispose or to direct the disposition of 456,282 shares of the Class A Stock attributable to Bondo Air's limited partnership interest in Air Partners. Because of his ownership, through a limited partnership whose corporate general partner he controls, of warrants to purchase a 98.5% limited partnership interest in Bondo Air, Brener may be deemed to have the sole power to vote or to direct the vote and to dispose or to direct the disposition of 406,312 shares of the Class B Stock held by Bondo Air.

(c) As of March 29, 1996, Air Partners distributed 2,742,773 shares of Class B Stock to its partners in a pro rata in kind distribution, subject to the receipt by the Issuer of the agreements from partners, including the Reporting Persons who are partners, described in Item 6 below. No consideration was paid by the partners in connection with the distribution. In the distribution, each of the following Reporting Persons received the number of shares of Class B Stock set forth opposite his or its name below:

Reporting Person	Shares of Class B Stock
1992 Air GP	379,194
Air II	2,403
Bonderman	142,684
Bonderman Family	41,225
Bondo Air	412,499

The other partners of Air Partners received in the aggregate the remaining 1,764,768 shares of Class B Stock being distributed.

On March 15, 1996 Bonderman Family purchased 150,000 shares of the Class B Stock at the price of \$10.00 per share pursuant to the exercise of an over-the-counter call option contract.

Except as set forth in this paragraph (c), to the best of the knowledge of each of the Reporting Persons, none of the persons named in response to paragraph (a) has effected any transactions in the shares of the Class A Stock or Class B Stock in the previous 60 days.

(d)-(e)

No material change.

ITEM 6. CONTRACTS, ARRANGEMENTS, UNDERSTANDINGS OR RELATIONSHIPS WITH RESPECT TO SECURITIES OF THE ISSUER.

Item 6 is hereby partially amended by adding at the end thereof, the following:

Except as disclosed in this Statement on Schedule 13D (including the original Schedule 13D filing, as amended), the Reporting Persons know of no contracts, arrangements, understandings or relationships between or among themselves, or between the Reporting Persons and any other person, with respect to any securities of the Issuer.

As a condition to the distribution of Class B Stock by Air Partners described in Item 5(c) above, the partners of Air Partners, including the Reporting Persons who are partners, are required to agree with the Issuer (the "Partners Lock Up") (i) to be bound by the restrictions agreed to by Air Partners in a lock up agreement entered into by Air Partners (the "Air Partners Lock Up") in connection with the issuance by the Issuer of its 6-3/4% Convertible Subordinated Notes due April 15, 2006 and (ii) to comply with certain restrictions on the transfer of the Class B Stock received in the distribution so as to avoid the imposition of any restrictions, pursuant to Rule 382 of the Internal Revenue Code of 1986, as amended, on the Issuer's ability to utilize its net operating losses.

In connection with the distribution of Class B Stock by Air Partners described in Item 5(c) above, and subject to the receipt by the Issuer of the agreements from the partners, including the Reporting Persons who are partners, described in this Item 6, Air Partners assigned to each partner in respect of the Class B Stock distributed to it (the "Assignment") the right to certain "piggy-back" registration rights under Section 2.2 of the Registration Rights Agreement among Air Partners, Air Canada and the Issuer dated as of April 27, 1993.

The description set forth in this Item 6 of the Air Partners Lock Up, the Partners Lock Up and the Assignment do not purport to be complete and are qualified in their entirety by reference to such agreements, the form of each of which is being filed as an exhibit to this Schedule 13D Statement.

ITEM 7. MATERIALS TO BE FILED AS EXHIBITS.

- Exhibit 4.1 Subscription and Stockholders' Agreement, dated as of April 27, 1993, among Air Partners, Air Canada and the Issuer, previously filed.
- Exhibit 4.2 Warrant Agreement, dated as of April 27, 1993, by and between the Issuer and the Warrant Agent as defined therein, previously filed.
- Exhibit 4.3 Registration Rights Agreement dated as of April 27, 1993, among Air Partners, Air Canada and the Issuer, previously filed.
- Exhibit 4.4 Form of Lock Up Agreement between Air Partners and Goldman Sachs International, filed herewith.
- Exhibit 4.5 Form of Lock Up Agreement between each Partner of Air Partners and the Issuer, filed herewith.
- Exhibit 4.6 Form of Assignment of Registration Rights by Air Partners in favor of each Partner of Air Partners, filed herewith.
- Exhibit 24.1 Power of Attorney dated August 7, 1995 by Alfredo Brener, previously filed.
- Exhibit 99.1 Agreement pursuant to Rule 13d-1(f)(1)(iii), filed herewith.
- Exhibit 99.2 Amended and Restated Limited Partnership Agreement of Air Partners, L. P., together with the first amendment thereto, previously filed.

After reasonable inquiry and to the best of our knowledge and belief, we certify that the information set forth in this statement is true, complete and correct.

Dated: April 3, 1996

AIR PARTNERS, L.P.

By: 1992 AIR GP,
General Partner

By: 1992 AIR, INC.,
General Partner

By:/s/James J. O'Brien
James J. O'Brien,
Vice President

1992 AIR GP

By: 1992 AIR, INC.,
General Partner

By:/s/James J. O'Brien
James J. O'Brien,
Vice President

AIR II GENERAL, INC.

By:/s/James J. O'Brien
James J. O'Brien,
Vice President

1992 AIR, INC.

By:/s/James J. O'Brien
James J. O'Brien,
Vice President

/s/James J. O'Brien
James J. O'Brien,
Attorney-in-Fact for each of:
DAVID BONDERMAN (1)
ALFREDO BRENER (2)

BONDERMAN FAMILY LIMITED PARTNERSHIP

By: David Bonderman, general partner

By:/s/James J. O'Brien,
Attorney-in-Fact for DAVID BONDERMAN(1)

BONDO AIR LIMITED PARTNERSHIP

By: 1992 AIR, INC.,
General Partner

By:/s/James J. O'Brien
James J. O'Brien,
Vice President

- (1) A Power of Attorney authorizing James J. O'Brien to act on behalf of David Bonderman was previously filed with the Commission.
- (2) A Power of Attorney authorizing James J. O'Brien to act on behalf of Alfredo Brener was previously filed with the Commission.

LOCK UP AGREEMENT

March ____, 1996

GOLDMAN SACHS INTERNATIONAL
 c/o Goldman Sachs & Co.
 85 Broad Street
 New York, New York 10004

Ladies and Gentlemen:

The undersigned have been informed that CONTINENTAL AIRLINES, INC. ("Continental" or the "Company"), proposes to issue \$200,000,000* of its 6-3/4% Convertible Subordinated Notes due April 15, 2006 ("Notes"). The undersigned have been informed that Continental has prepared an Offering Circular regarding the Notes (the "Offering Circular") and will enter into an underwriting agreement (the "Underwriting Agreement") with Goldman Sachs International (the "Underwriter").

To facilitate the sale of the Notes to be sold thereunder and in consideration of the Underwriter's entering into the Underwriting Agreement, the undersigned hereby irrevocably confirms, covenants and agrees for the benefit of Continental and the Underwriter that, except as set forth herein, it will not, directly or indirectly, offer, sell, contract to sell or otherwise dispose of any shares of any class of Continental's common stock registered in the name of, or beneficially owned or controlled by the undersigned on the date hereof, or any securities exchangeable or exercisable for or convertible into shares of any class of common stock of the Company, or any substantially similar securities (collectively, the "Exchangeable Securities"), for a period of 60 days after February 27, 1997, without the prior written consent of Goldman Sachs International, except that the undersigned may (i) convert shares of such common stock or Exchangeable Securities into Continental common stock of another class or other Exchangeable Securities and (ii) transfer any such securities to any of its partners or affiliates if the transferee provides Continental with an executed and binding agreement of such entity to be bound by the agreements set forth herein.

The undersigned further represents to you that as of the date hereof the undersigned is not a party to (nor are any of the shares of any class of Continental's common stock registered in the name of, beneficially owned or controlled by the undersigned or any Exchangeable Securities owned by the undersigned subject to), any option, warrant or other right to acquire such common stock or Exchangeable Securities by any other person or entity other than as provided in the Subscription and Stockholder's Agreement dated as of April 27, 1993 among Continental, Air Canada and Air Partners, L.P.

The undersigned acknowledges and agrees that this agreement shall be binding upon and inure to the benefit of the successors and assigns of the undersigned and you.

Very truly yours,

AIR PARTNERS, L.P.

By: 1992 AIR GP
 General Partner

By: 1992 AIR INC.
 General partner

By: _____

Name:
 Title:

* plus an additional \$30,000,000 issuable upon exercise of the Underwriter's over-allotment option

LETTER OF INSTRUCTION

_____, 1996

CONTINENTAL AIRLINES, INC.
 2929 Allen Parkway
 Suite 2010
 Houston, Texas 77018

Ladies and Gentlemen:

1. Instructions for Issuance of Stock Certificates.

In connection with the distribution (the "Distribution") by Air Partners, L.P. ("Air Partners") to its partners of certain shares of Class B common stock, par value \$.01 per share (the "Class B common stock") of Continental Airlines, Inc. ("Continental"), the undersigned hereby authorizes and directs you to cause certificates representing the Class B common stock to be issued in the name of the undersigned and delivered to the address set forth below:

Mail to:

Address: _____

2. Convertible Debt Lock Up.

The undersigned has been informed that Air Partners entered into a lock up agreement (the "Air Partners Lock Up") for your benefit and the benefit of Goldman Sachs International in connection with your recent issuance of 6-3/4% Convertible Subordinated Notes due April 15, 2006. In consideration of and in order to facilitate the Distribution, the undersigned hereby agrees to be bound by the agreements in the Air Partners Lock Up that are set forth in the following paragraph:

the undersigned hereby irrevocably confirms, covenants and agrees for the benefit of Continental and Goldman Sachs International that, except as set forth herein, it will not, directly or indirectly, offer, sell, contract to sell or otherwise dispose of any shares of any class of Continental's common stock registered in the name of, or beneficially owned or controlled by the undersigned on the date hereof, or any securities exchangeable or exercisable for or convertible into shares of any class of common stock of Continental, or any substantially similar securities (collectively, the "Exchangeable Securities"), for a period of 60 days after February 27, 1996, without the prior written consent of Goldman Sachs International, except that the undersigned may (i) convert shares of such common stock or Exchangeable Securities into Continental common stock of another class or other Exchangeable Securities and (ii) transfer any such securities to any of its partners or affiliates if the transferee provides Continental with an executed and binding agreement of such entity to be bound by the agreement set forth herein.

3. No Private Sales to 5% Stockholders.

In consideration of and in order to facilitate the Distribution, the undersigned further agrees as follows:

(a) For purposes of this paragraph 3, the following terms have the respective meanings set forth below:

"Code" means the Internal Revenue Code of 1986, as amended;

"Five-Percent Stockholder" means Person or group of Persons identified as a "five-percent shareholder" of Continental for purposes of Section 382 of the Code and the Treasury Regulations promulgated thereunder;

"Percentage Stock Ownership" means the percentage of beneficial or legal ownership of Class B common stock as determined in accordance with Section 382 of the Code and the Treasury Regulations promulgated thereunder;

"Person" means an individual, corporation, estate, trust, association, company, partnership or similar organization;

"Transfer" means any sale, transfer, assignment, conveyance, pledge or other disposition or the issuance of any option to sell, transfer, assign, convey, pledge or otherwise dispose; and

"Treasury Regulation Section 1.382" means the final and temporary income tax regulations promulgated under Section 382 of the Code and any successor temporary or final regulation or regulations. Each reference to any subsection of such regulations includes references to any successor to such subsection.

(b) The undersigned will not, directly or indirectly, Transfer legal or beneficial ownership of Class B common stock prior to December 16, 1996 or attempt to Transfer Class B common stock by entering into an agreement (including any arrangement treated as an option under Treasury Regulation Section 1.382-4) prior to December 16, 1996, in each case to the extent that, to the knowledge of the undersigned, as a result of such purported Transfer (or any series of Transfers of which such purported Transfer is a part), either (i) any Person or group of Persons would become a Five-Percent Stockholder or (ii) the Percentage Stock Ownership of any Five-Percent Stockholder would be increased; provided that the foregoing provisions shall not prohibit sales through the facilities of any national securities exchange of Class B common stock listed on such national securities exchange in "brokers transactions" or in direct transactions with a "market maker" (as each such term is used in Rule 144 under the Securities Act of 1933, as amended) unless the undersigned has actual knowledge that the ultimate purchaser in any such transaction (or any series of transactions of which such purported transaction is a part) is (i) a Person or group or Persons that would become a Five-Percent Stockholder as a result of the sale or (ii) an existing Five-Percent Stockholder.

Any purported Transfer of Class B common stock in violation of this Section 3(b), or any purported Transfer of Class B common stock that would violate this Section 3(b) if the phrases "to the knowledge of the undersigned" and "the undersigned has actual knowledge that" contained herein were deleted, shall be null and void and shall not operate to transfer title to, or any interest in, the Class B common stock purportedly Transferred to the purported transferee.

The agreements set forth herein shall be binding upon and inure to the benefit of the successors and assigns of the undersigned and you.

Very truly yours,

Name of Partner:

By: _____
Name:
Title:

ASSIGNMENT OF INCIDENTAL REGISTRATION RIGHTS

This Assignment, dated the 29th day of March, 1996, by Air Partners, L.P., a Texas limited partnership ("Air Partners") in favor of each of the limited partners of Air Partners named on Exhibit "A" hereto (individually, a "Partner" and collectively, the "Partners"). Capitalized terms used but not defined herein shall have the meanings specified in the Registration Rights Agreement among Air Partners, L.P., Air Canada and Continental Airlines, Inc., dated as of April 26, 1993 (the "Registration Rights Agreement").

W I T N E S S E T H :

WHEREAS, pursuant to a memorandum addressed to the Partners dated the date hereof (the "Memorandum"), Air Partners determined to make a distribution to the Partners, effective as of the date hereof, of the shares of Class B common stock of Continental (the "Shares") held by Air Partners; and

WHEREAS, Air Partners has the right to request the incidental registration of the Registrable Shares (which include the Shares) by Continental pursuant to the Registration Rights Agreement;

NOW, THEREFORE, in connection with the distribution of the Shares to the Partners, and subject to the prior execution by each Partner of the Letter of Instruction attached to the Memorandum, Air Partners does hereby assign to each Partner in respect of the Shares distributed to it (i) the right to request incidental registration of such Shares in accordance with Section 2.2 of the Registration Rights Agreement (the "Incidental Registration Rights") and (ii) all other rights under the Registration Rights Agreement necessary solely in connection with any exercise of the Incidental Registration Rights by such Partner; provided that no Partner may assign the Incidental Registration Rights assigned to it hereunder to any other Person.

IN WITNESS WHEREOF, Air Partners has caused this Assignment Agreement to be duly executed and delivered as of the date first above written.

AIR PARTNERS, L.P.

By: _____
Name:
Title:

EXHIBIT "A"

1992 AIR GP

AIR II GENERAL, INC.

DAVID BONDERMAN

BONDERMAN FAMILY LIMITED PARTNERSHIP

ESTATE OF LARRY L. HILLBLOM

DHL MANAGEMENT SERVICES, I

LECTAIR PARTNERS

SUN AMERICA, INC.

ELI BROAD

AMERICAN GENERAL CORPORATION

DONALD STURM

CONAIR LIMITED PARTNERS, L.P.

BONDO AIR L.P.

EXHIBIT 99.1

Pursuant to Rule 13d-1(f)(1)(iii) of Regulation 13D-G of the General Rules and Regulations of the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended, the undersigned agree that the statement to which this Exhibit is attached is filed on behalf of them in the capacities set forth hereinbelow.

AIR PARTNERS, L.P.

By: 1992 AIR GP,
General Partner

By: 1992 AIR, INC.,
General Partner

By:/s/James J. O'Brien
James J. O'Brien,
Vice President

1992 AIR GP

By: 1992 AIR, INC.,
General Partner

By:/s/James J. O'Brien
James J. O'Brien,
Vice President

AIR II GENERAL, INC.

By:/s/James J. O'Brien
James J. O'Brien,
Vice President

1992 AIR, INC.

By:/s/James J. O'Brien
James J. O'Brien,
Vice President

/s/James J. O'Brien
James J. O'Brien,
Attorney-in-Fact for each of:
DAVID BONDERMAN (1)
ALFREDO BRENER (2)

BONDERMAN FAMILY LIMITED PARTNERSHIP

By: David Bonderman, general partner

By:/s/James J. O'Brien,
Attorney-in-Fact for DAVID BONDERMAN(1)

BONDO AIR LIMITED PARTNERSHIP

By: 1992 AIR, INC.,
General Partner

By:/s/James J. O'Brien
James J. O'Brien,
Vice President

- (1) A Power of Attorney authorizing James J. O'Brien to act on behalf of David Bonderman was previously filed with the Commission.
- (2) A Power of Attorney authorizing James J. O'Brien to act on behalf of Alfredo Brener was previously filed with the Commission.