

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13D

Under the Securities Exchange Act of 1934
(Amendment No. 6)*

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)

May 27, 1997
(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 / /.

*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 8,535,868 and 876,818 of Class A and Class B shares, respectively, which constitutes approximately 69.3% and 1.8%, respectively, of the total number of Class A and Class B shares outstanding. The foregoing ownership percentages set forth herein assume that there are 11,628,998 and 49,001,814 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 8,589,530 and 48,992,814, 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

7. Sole Voting Power:
Class A - 5,480,000 (1)

Number of
Shares

Beneficially
Owned By
Each

8. Shared Voting Power: -0-

9. Sole Dispositive Power:

Reporting
Person With

Class A - 5,480,000 (1)

10. Shared Dispositive Power: -0-

11. Aggregate Amount Beneficially Owned by Each Reporting Person:

Class A - 8,519,468 (2)

Class B - 0

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 - 73.3% (2)(3)

Class B - 0%

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 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 3,039,468 shares of Class A Common Stock that may be acquired upon the exercise of warrants.
 - (3) Assumes, pursuant to Rule 13d-3(d)(1)(i) under the Act, that there are 11,628,998 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.

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: -0-
8. Shared Voting Power:
Class A - 5,480,000 (1)(2)
9. Sole Dispositive Power: -0-
10. Shared Dispositive Power:
Class A - 5,480,000 (1)(2)
11. Aggregate Amount Beneficially Owned by Each Reporting Person:
Class A - 8,519,468 (2)(3)
Class B - 0
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 - 73.3% (3)(4)
Class B - 0%
14. Type of Reporting Person: PN

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- (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 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 3,039,468 shares of Class A Common Stock that may be acquired upon the exercise of warrants held by Air Partners, L.P.
 - (4) Assumes, pursuant to Rule 13d-3(d)(1)(i) under the Act, that there are 11,628,998 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.

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: -0-
 8. Shared Voting Power:
Class A - 5,480,000 (1)(2)
 9. Sole Dispositive Power: -0-
 10. Shared Dispositive Power:
Class A - 5,480,000 (1)(2)
11. Aggregate Amount Beneficially Owned by Each Reporting Person:
Class A - 8,519,468 (2)(3)
Class B - 0
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 - 73.3% (3)(4)
Class B - 0%
14. Type of Reporting Person: CO

- - - - -
- (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 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 3,039,468 shares of Class A Common Stock that may be acquired upon the exercise of warrants held by Air Partners, L.P.
 - (4) Assumes, pursuant to Rule 13d-3(d)(1)(i) under the Act, that there are 11,628,998 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.

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: -0-
 8. Shared Voting Power:
Class A - 5,480,000 (1)(2)
 9. Sole Dispositive Power: -0-
 10. Shared Dispositive Power:
Class A - 5,480,000 (1)(2)
11. Aggregate Amount Beneficially Owned by Each Reporting Person:
Class A - 8,519,468 (2)(3)
Class B - 0
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 - 73.3% (3)(4)
Class B - 0%
14. Type of Reporting Person: C0

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- (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 3,039,468 shares of Class A Common Stock that may be acquired upon the exercise of warrants held by Air Partners, L.P.
- (4) Assumes, pursuant to Rule 13d-3(d)(1)(i) under the Act, that there are 11,628,998 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.

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 - 16,400 (1)
Class B - 867,816 (2)

Number of
Shares
Beneficially
Owned By
Each
Reporting
Person With

8. Shared Voting Power:
Class A - 5,480,000 (3)
Class B - 0

9. Sole Dispositive Power:
Class A - 16,400(1)
Class B - 867,816 (2)

10. Shared Dispositive Power:
Class A - 5,480,000 (3)
Class B - 0

11. Aggregate Amount Beneficially Owned by Each Reporting Person:

Class A - 8,535,868 (1)(3)(4)
Class B - 876,816 (2)(7)

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 - 73.4% (4)(5)
Class B - 1.8% (2)(6)(7)

14. Type of Reporting Person: IN

-
- (1) Solely in his capacity as general partner of the Bonderman Family Limited Partnership with respect to 16,400 shares.
 - (2) Solely in his capacity as general partner of the Bonderman Family Limited Partnership with respect to 682,448 shares.
 - (3) Solely in his capacities as the controlling shareholder of each of Air II General, Inc. and 1992 Air, Inc. with respect to 5,480,000 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 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 3,039,468 shares of Class A Common Stock that may be acquired upon the exercise of warrants held by Air Partners, L.P.
 - (5) Assumes, pursuant to Rule 13d-3(d)(1)(i) under the Act, that there are 11,628,998 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 49,001,814 shares of Class B Common Stock outstanding which includes the director options held by Mr. Bonderman.
 - (7) Includes 9,000 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 - 16,400 (1)
Class B - 682,448 (1)
 8. Shared Voting Power:
Class A - 92,645 (2)
Class B - 0
 9. Sole Dispositive Power:
Class A - 16,400 (1)
Class B - 682,448 (1)
 10. Shared Dispositive Power:
Class A - 92,645 (2)
Class B - 0
11. Aggregate Amount Beneficially Owned by Each Reporting Person:
Class A - 160,430 (2)(3)
Class B - 682,448
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 - 1.9% (3)(4)
Class B - 1.4% (5)

14. Type of Reporting Person: PN

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- (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 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 51,385 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) Assumes, pursuant to Rule 13d-3(d)(1)(i) under the Act, that there are 8,640,915 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.
 - (5) Percentage is based on 48,992,814 outstanding shares of Class B Common Stock.

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

7. Sole Voting Power: -0-
8. Shared Voting Power:
Class A - 926,460 (1)
9. Sole Dispositive Power: -0-
10. Shared Dispositive Power:
Class A - 926,460 (1)
- Number of
Shares
Beneficially
Owned By
Each
Reporting
Person With

11. Aggregate Amount Beneficially Owned by Each Reporting Person:

Class A - 1,440,319 (1)(2)
Class B - 0

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 - 15.8% (2)(3)
Class B - 0%

14. Type of Reporting Person: PN

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- (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 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 513,859 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) Assumes, pursuant to Rule 13d-3(d)(1)(i) under the Act, that there are 9,103,389 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.

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.

7. Sole Voting Power: -0-

Number of
Shares
Beneficially
Owned By
Each
Reporting
Person With

8. Shared Voting Power:
Class A - 912,563 (1)

9. Sole Dispositive Power: -0-

10. Shared Dispositive Power:
Class A - 912,563 (1)

11. Aggregate Amount Beneficially Owned by Each Reporting Person:

Class A - 1,418,714 (1)(2)
Class B - 0

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 - 15.6% (2)(3)
Class B - 0%

14. Type of Reporting Person: IN

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- (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 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 506,151 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) Assumes, pursuant to Rule 13d-3(d)(1)(i) under the Act, that there are 9,095,681 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.

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, Amendment No. 2 dated April 3, 1996, Amendment No. 3 dated April 26, 1996, Amendment No. 4 dated May 13, 1996 and Amendment No. 5 dated December 6, 1996 (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 8,519,468, which constitutes approximately 73.3% of the 11,628,998 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, 1992 Air GP may, pursuant to Rule 13d-3 of the Act, be deemed to be the beneficial owner of 8,519,468 shares of the Class A Stock, which constitutes approximately 73.3% of the 11,628,998 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, Air II may, pursuant to Rule 13d-3 of the Act, be deemed to be the beneficial owner of 8,519,468 shares of the Class A Stock, which constitutes approximately 73.3% of the 11,628,998 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 8,519,468 shares of the Class A Stock, which constitutes approximately 73.3% of the 11,628,998 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 director stock options to acquire 9,000 shares of the Class B Stock, and because of his direct ownership of 185,368 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) 8,535,868 shares of the Class A Stock, which constitutes approximately 73.4% of the 11,628,998 shares of such stock deemed outstanding pursuant to Rule 13d-3(d)(1)(i) under the Act, and (ii) an aggregate 876,816 shares of the Class B Stock, which constitutes approximately 1.8% of the 49,001,814 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 160,430, 16,400 shares of which Bonderman Family owns directly and 144,030 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 1.9% of the 8,640,915 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, beneficially, pursuant to Rule 13d-3 under the Act, is 682,448 which constitutes approximately 1.4% of the 48,992,814 shares of such stock outstanding. 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 1,440,319 shares of the Class A Stock, which constitutes approximately 15.8% of the 9,103,389 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 1,418,714 shares of the Class A Stock, which constitutes approximately 15.6% of the 9,095,681 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 5,480,000 shares of the Class A Stock. Additionally, the voting and dispositive power with respect to such 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 5,480,000 shares of the Class A 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 5,480,000 shares of the Class A 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 5,480,000 shares of the Class A 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 5,480,000 shares of the Class A 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 16,400 shares of the Class A Stock and 682,448 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 185,368 shares of Class B 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 16,400 shares of the Class A Stock and 682,448 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 92,645 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 926,460 shares of the Class A Stock 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 be deemed to have shared power to vote or to direct the vote and to dispose or to direct the disposition of 912,563 shares of the Class A Stock attributable to Bondo Air's limited partnership interest in Air Partners.

(c) On May 27, 1997, Air Partners entered into a Warrant Purchase Agreement with the Issuer pursuant to which the Issuer agreed to purchase from Air Partners warrants to purchase 3,842,542 shares of the Class B Stock for an aggregate purchase price of \$94,210,992. The purchase price represents the intrinsic value of the warrants (the difference between the closing market price of the Class B Stock on May 27, 1997, and the applicable exercise price). Air Partners sold to the Issuer 2,314,687 warrants exercisable for \$7.50 per share and 1,527,855 warrants exercisable for \$15.00 per share. Based on the closing price for the Class B Stock of \$35.00 per share on May 27, 1997, the per share price of the warrants was \$27.50 per share for the \$7.50 warrants and \$20.00 per share for the \$15.00 warrants. The transaction closed on June 2, 1997.

The description set forth herein of the Warrant Purchase Agreement is qualified in its entirety by reference to such agreement, which is being filed as an exhibit to this Schedule 13D and is hereby incorporated herein by reference.

On June 2, 1997, Air Partners distributed its remaining warrants to purchase 308,343 shares of Class B Stock to one of its limited partners.

On June 6, 1997, Air Inc. sold 127,304 shares of the Class B Stock in an open market transaction on the New York Stock Exchange at a price of \$35.38 per share.

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 since the most recent filing on Schedule 13D.

(d) No material change.

Paragraph (e) is hereby amended and restated as follows:

(e) On May 27, 1997, the Reporting Persons ceased to be the beneficial owners of more than five percent of the outstanding shares of Class

B Stock.

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:

As described in Item 5(c) herein, Air Partners and the Issuer entered into a Warrant Purchase Agreement dated May 27, 1997, a copy of which is being filed herewith as an exhibit to this Schedule 13D.

The Limited Partnership Agreement of Air partners, as amended by the first amendment thereto (previously filed herewith as Exhibit 99.2), has been further amended by the Second Amendment to the Amended and Restated Limited Partnership Agreement effective as of August 7, 1995 (the "Second Amendment") and the Third Amendment to the Amended and Restated Limited Partnership Agreement effective as of May 22, 1997 (the "Third Amendment"). The descriptions set forth in this Item 6 of the Second and Third Amendments do not purport to be complete and are qualified in their entireties by reference to such Amendments, copies of which are being filed as Exhibit 99.3.

Second Amendment. As previously described in Item 5(c) of Amendment No. 1 to this Schedule 13D filed August 11, 1995, Air Partners purchased from Air Canada certain Anti-Dilution Rights under Article Seventh of the Issuer's Certificate of Incorporation covering an aggregate of 324,453 shares of the Class B Stock, which rights were exercised August 10, 1995 as disclosed in such Amendment No. 1. The Second Amendment provided for the contribution of funds by the Partners of Air Partners to fund such purchase and the attribution of ownership of such shares of Class B Stock purchased on August 11, 1995.

Third Amendment. The Third Amendment was executed in connection with the sale reported herein of warrants to purchase shares of Class B Stock to the Issuer. Pursuant to the Third Amendment, one limited partner elected to receive a distribution of warrants to purchase shares of Class B Stock in lieu of a cash distribution. In addition, certain sums owed to the General Partner under Section 4.09(e)(iv) of the Partnership Agreement will be paid, pursuant to the Third Amendment, in the form of a distribution of shares of Class A Stock or the designation of shares of Class A Stock as Retained Shares of the General Partner (as defined in the Partnership Agreement), as elected by the General Partner.

Except as disclosed in this 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.

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, previously filed.

Exhibit 4.5 Form of Lock Up Agreement between each Partner of Air Partners and the Issuer, previously filed.

Exhibit 4.6 Form of Assignment of Registration Rights by Air Partners in favor of each Partner of Air Partners, previously filed.

Exhibit 4.7 Amendment to Subscription and Stockholders' Agreement, dated as of April 19, 1996, among Air Partners, Air Canada and the Issuer, previously filed.

Exhibit 4.8 Amended and Restated Registration Rights Agreement, dated as of April 19, 1996 among the Issuer, Air Partners, and Air Canada, previously filed.

Exhibit 4.9 Warrant Purchase Agreement, dated as of May 2, 1996, by and

between the Issuer and Air Partners, previously filed.

- Exhibit 4.10 Warrant Purchase Agreement, dated as of May 27, 1997, by and between the Issuer and 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.
- Exhibit 99.3 Second and Third Amendments to the Amended and Restated Limited Partnership Agreement of Air Partners, L.P., filed herewith.

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: June 6, 1997

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.

EXHIBIT INDEX

EXHIBIT NO.	DESCRIPTION
4.1	Subscription and Stockholders' Agreement, dated as of April 27, 1993, among Air Partners, Air Canada and the Issuer, previously filed.
4.2	Warrant Agreement, dated as of April 27, 1993, by and between the Issuer and the Warrant Agent as defined therein, previously filed.
4.3	Registration Rights Agreement dated as of April 27, 1993, among Air Partners, Air Canada and the Issuer, previously filed.
4.4	Form of Lock Up Agreement between Air Partners and Goldman Sachs International, previously filed.
4.5	Form of Lock Up Agreement between each Partner of Air Partners and the Issuer, previously filed.
4.6	Form of Assignment of Registration Rights by Air Partners in favor of each Partner of Air Partners, previously filed.
4.7	Amendment to Subscription and Stockholders' Agreement, dated as of April 19, 1996, among Air Partners, Air Canada and the Issuer, previously filed.
4.8	Amended and Restated Registration Rights Agreement, dated as of April 19, 1996 among the Issuer, Air Partners, and Air Canada, previously filed.
4.9	Warrant Purchase Agreement, dated as of May 2, 1996, by and between the Issuer and Air Partners, previously filed.
4.10	Warrant Purchase Agreement, dated as of May 27, 1997, by and between the Issuer and Air Partners filed herewith.
24.1	Power of Attorney dated August 7, 1995 by Alfredo Brener, previously filed.
99.1	Agreement pursuant to Rule 13d-1(f)(1)(iii), filed herewith.
99.2	Amended and Restated Limited Partnership Agreement of Air Partners, L. P., together with the first amendment thereto, previously filed.
99.3	Second and Third Amendments to the Amended and Restated Limited Partnership Agreement of Air Partners, L.P., filed herewith.

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.

WARRANT PURCHASE AGREEMENT

This WARRANT PURCHASE AGREEMENT, dated as of May 27, 1997 (the "Agreement") is by and between Continental Airlines, Inc., a Delaware corporation (the "Company") and Air Partners, L.P., a Texas limited partnership ("Air Partners").

RECITALS

WHEREAS, Air Partners is the record owner of warrants to purchase up to 4,150,885 shares of Class B common stock, par value \$.01 per share (Class B common stock) of the Company (the "Warrants"), issued pursuant to that certain Warrant Agreement dated as of April 27, 1993 between the Company in its corporate capacity and the Company in its capacity as warrant agent (the "Warrant Agreement"), consisting of (i) Warrants to purchase 2,500,821 shares of Class B common stock having a Warrant Price of \$7.50 per share (the "\$7.50 Warrants") and (ii) Warrants to purchase 1,650,064 shares of Class B common stock having a Warrant Price of \$15.00 per share (the "\$15.00 Warrants"); and

WHEREAS, Air Partners desires to sell, and the Company desires to purchase, certain of the Warrants, on the terms and subject to the conditions hereinafter set forth;

NOW, THEREFORE, in consideration of the premises and mutual covenants and obligations hereinafter set forth, the parties hereto agree as follows:

1. Air Partners agrees to sell, and the Company agrees to purchase, (i) \$7.50 Warrants to purchase 2,314,687 shares of Class B common stock (the "Purchased \$7.50 Warrants") at a price (on a per Warrant basis) equal to the positive difference between the Market Price per Share and \$7.50 (the "Intrinsic Value of the \$7.50 Warrants"), and (ii) \$15.00 Warrants to purchase 1,527,855 shares of Class B common stock (the "Purchased \$15.00 Warrants" and together with the Purchased \$7.50 Warrants, the "Purchased Warrants") at a price (on a per Warrant basis) equal to the positive difference between the Market Price per Share and \$15.00 (the "Intrinsic Value of the \$15.00 Warrants"). As used herein, Market Price per Share shall mean the per share closing price, regular way, of the Class B common stock on the New York Stock Exchange, Inc. on the date hereof, which the parties agree is \$35.00 per share. The closing of the purchase and sale of the Purchased Warrants shall take place on June 2, 1997 (the "Closing Date") at the principal offices of the Company at 2929 Allen Parkway, Suite 2010, Houston, Texas.

2. On the Closing Date, (a) Air Partners will transfer to the Company full right, title and interest in and to the Purchased Warrants, free and clear of any and all mortgages, liens, pledges, charges, security interests, encumbrances or adverse claims of any kind or nature in respect of such Purchased Warrants, and shall deliver to the Company a certificate or certificates representing such Purchased Warrants, in each case duly endorsed for transfer or accompanied by appropriate transfer powers duly endorsed, and (b) the Company shall pay Air Partners, in full payment for the Purchased Warrants, an amount equal to the sum of (i) the Intrinsic Value of the \$7.50 Warrants multiplied by 2,314,687, and (ii) the Intrinsic Value of the \$15.00 Warrants multiplied by 1,527,855, which amount (totalling \$94,210,992.50) shall be wire transferred in immediately available funds to a bank account within the United States specified by Air Partners to the Company in writing prior to the Closing Date.

3. The Company's obligation to purchase the Purchased Warrants shall be subject to the satisfaction or written waiver by Continental of the following condition: (i) no preliminary or permanent injunction or other order against the purchase of the Purchased Warrants issued by any federal, state or other court of competent jurisdiction within or without the United States shall be in effect.

4. (a) This Agreement may be altered or amended only with the written consent of both parties. This Agreement is not assignable, and shall be governed by, and construed in accordance with, the laws of the State of New York. This Agreement is not intended to confer any benefits upon, or create any rights in favor of, any person other than the parties hereto. This Agreement constitutes the entire agreement between the parties hereto relating to the subject matter hereof, and all prior agreements or understandings, written or oral, with respect thereto are superseded hereby. This Agreement may be executed by the parties in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

(b) All notices and other communications required or permitted

hereunder shall be in writing and shall be delivered (i) by personal delivery or (ii) by sending a facsimile transmission of a copy of such writing, addressed as follows:

if to the Company:

Continental Airlines, Inc.
2929 Allen Parkway, Suite 2010
Houston, Texas 77019
Attention: Chief Financial Officer and General Counsel
Fax: 713 834-2687

if to Air Partners:

Air Partners, L.P.
201 Main Street, Suite 2420
Fort Worth, Texas 76102
Attn: James G. Coulter
Fax: 817 871-4010

All notices and other communications hereunder shall be deemed to have been given upon actual delivery when given by personal delivery, and upon receipt of facsimile confirmation when delivered by facsimile transmission.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

CONTINENTAL AIRLINES, INC.

By:/s/ Lawrence W. Kellner
Lawrence W. Kellner
Executive Vice President

AIR PARTNERS, L.P.

By: 1992 Air GP, as General Partner

By: 1992 Air, Inc., as General
Partner

By:/s/ James J. O'Brien
Name: James J. O'Brien
Title: V.P.

SECOND AMENDMENT
TO THE
AMENDED AND RESTATED
LIMITED PARTNERSHIP AGREEMENT
OF
AIR PARTNERS, L.P.

This Second Amendment ("Amendment") to the Amended and Restated Limited Partnership Agreement of Air Partners, L.P. is entered into effective as of the 7th day of August, 1995 (the "Second Amendment Effective Date") by and among 1992 Air GP, a Texas general partnership ("1992 Air") and Air II General, Inc., a Texas corporation ("Air II") as the general partners, and each person executing a counterpart Limited Partner Signature Page as the limited partners.

RECITALS

A. Air Partners, L.P. (the "Partnership") was formed pursuant to that certain Limited Partnership Agreement of the Partnership dated as of August 19, 1992 (the "Original Agreement"). The Original Agreement was amended and restated in its entirety pursuant to that certain Amended and Restated Limited Partnership Agreement of the Partnership (the "Restated Agreement"). The Restated Agreement was amended by that certain First Amendment to the Restated Agreement dated as of July 25, 1995 (the "First Amendment"). The Restated Agreement as amended by the First Amendment is referred to herein as the "Current Agreement").

B. Air Canada has the opportunity to purchase additional Securities (as defined in the Restated Agreement) in New Continental (as defined in the Restated Agreement) and has made such opportunity available to the Partnership as more fully described herein.

C. Certain of the parties hereto desire to provide funding in order for the Partnership to purchase the additional Securities described in B above for the benefit of those parties who fund such purchase.

Now therefore, for and in consideration of the mutual promises contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned hereby agree as follows:

1. All capitalized terms used and not otherwise defined herein shall have the meanings given them in the Current Agreement.

2. Pursuant to Recital B above, the Partnership has the opportunity to acquire the additional Class B shares in New Continental at the prices set forth below:

Shares	Price Per Share	Total Cost
324,453	\$19.236	\$6,241,178

3. The Partnership desires to purchase the Securities described in Section 2 above. Without regard to the limitations set forth in Section 3.01(b) of the Restated Agreement, each of the undersigned listed as a contributing partner has agreed to contribute, in cash or by wire transfer of immediately available funds, to the Partnership as Additional Capital Contributions, on the Second Amendment Effective Date, its pro rata share, by the Percentages shown on Exhibit A hereto, of the amount set forth in Section 2 above as detailed on Exhibit A attached hereto and made a part hereof. The Securities acquired hereunder shall be subject to all of the provisions of the Restated Agreement (as amended hereto) except that they shall be treated for all purposes as a new Securities Type owned solely by those persons making contributions hereunder notwithstanding the fact that such Securities are of the same type as certain of the Initial Securities. The amounts designated under the column "Investment Capital" on Exhibit A shall be treated as Investment Capital contributed on the date contributed for all purposes. The Partners shall receive all rights in the Securities acquired hereunder as are provided for securities of the similar Initial Securities Type under the Restated Agreement; provided that, the newly acquired Securities shall at all times be considered as a separate Securities Type and shall be treated separate from any other Securities held by the Partnership. 1992 Air is hereby authorized to enter into any agreements with Air Canada and New Continental to reflect the foregoing.

4. In the event one or more of the current Partners of the Partnership decline to participate in the opportunity provided in this Amendment, such opportunity shall be offered to each of the other Partners on a pro rata basis (by the percentages shown on Exhibit A). In the event not all of such amount is taken by current Partners, then the General Partner shall be permitted, pursuant to Section 5.04(a)(ii) of the Current Agreement, to admit one or more new Limited Partners to the Partnership to participate solely with respect to

the acquisition described herein (in the amounts to be shown on such Partner(s) Limited Partner Signature Pages and on Exhibit A hereto). Any such New Partner hereby agrees by its execution hereof to be bound by the Current Agreement, as amended hereby, and further acknowledges that it has no claim to any of the Securities acquired by the Partnership prior to the Second Amendment Effective Date. In the event not all of the Partners are funding partners, then once the final funding is determined, the General Partner shall prepare a revised Exhibit A hereto and shall distribute it to each of the Partners.

5. Notwithstanding anything to the contrary contained in the Restated Agreement, the Management Fee payable with respect to the Securities acquired hereunder shall be borne only by those persons participating in the purchase of such additional Securities and shall accrue from the date hereof and be payable only from proceeds and income generated by the Partnership, and shall not be payable from any Capital Contributions of the Partners.

6. 1992 Air shall, upon any disposition of Class B Common Stock of the Partnership, specifically track the Securities being disposed of in order to determine whether such Securities are part of the Securities acquired pursuant to the Restated Agreement and/or the First Amendment and/or this Amendment so that the proper rights with respect to such Securities, including the right to distributions, are provided to the appropriate Partners.

7. Except as amended hereby, the Current Agreement shall remain in full force and effect, and each person executing this Amendment hereby acknowledges the same.

8. Those Partners executing this Agreement who are designated as agreeing to this Amendment but not participating in the acquisition hereby agree to the actions taken hereunder but are not actually participating in the acquisition of the additional Securities.

9. This Amendment may be executed in multiple counterparts, each of which shall be deemed an original for all purposes and all of which when taken together shall constitute a single counterpart instrument. All of the counterpart pages shall be read as though one and shall have the same force and effect as if all of the parties had executed a single signature page.

In witness whereof, each of the undersigned has executed this Amendment to be effective as of the Amendment Effective Date.

GENERAL PARTNERS

1992 AIR GP, a Texas general partnership

By: 1992 Air, Inc., a Texas corporation,
general partner

By: /s/ 1992 Air, Inc.
Title:

AIR II GENERAL, INC., a Texas corporation

By: /s/ Air II General, Inc.
Title:

LIMITED PARTNERS SIGNATURE PAGES INTENTIONALLY OMITTED

EXHIBIT A

PARTNER	INVESTMENT CAPITAL	INITIAL APPORTIONMENT
1992 Air GP	\$ 62,420.	1.0001%
Air II General	6,241.	0.1000%
David Bonderman	440,900.	7.0644%
Bonderman Family LP	124,751.	1.9988%
Larry L. Hillblom	0.	0.0000%
DHL Management Svc.	884,114.	13.5249%
Lectair Partners	714,048.	11.4409%
Sun America	799,082.	12.8034%

Eli Broad	532,711.	8.5354%
American General	0.	0.0000%
Donald Sturm	1,331,811.	21.3391%
Conair Limited Partners	137,590.	2.2046%
Bondo Air	1,248,505.	19.9883%
	\$6,242,174.	100.0000%

THIRD AMENDMENT
TO THE
AMENDED AND RESTATED
LIMITED PARTNERSHIP AGREEMENT
OF
AIR PARTNERS, L.P.

This Third Amendment ("Amendment") to the Amended and Restated Limited Partnership Agreement of Air Partners, L.P. is entered into effective as of the 22nd day of May, 1997 (the "Third Amendment Effective Date") by and among 1992 Air GP, a Texas general partnership ("1992 Air") and Air II General, Inc., a Texas corporation ("Air II") as the general partners, and each person executing a counterpart Limited Partner Signature Page as the limited partners.

RECITALS

A. Air Partners, L.P. (the "Partnership") was formed pursuant to that certain Limited Partnership Agreement of the Partnership dated as of August 19, 1992 (the "Original Agreement"). The Original Agreement was amended and restated in its entirety pursuant to that certain Amended and Restated Limited Partnership Agreement of the Partnership (the "Restated Agreement"). The Restated Agreement was amended by that certain First Amendment to the Restated Agreement dated as of July 25, 1995 (the "First Amendment") and that certain Second Amendment to the Restated Agreement dated as of August 7, 1995. The Restated Agreement as amended by the First Amendment and the Second Amendment is referred to herein as the "Current Agreement".

B. The Partnership currently anticipates the sale of certain Securities held by it, and the Partners desire to make certain provisions with respect thereto.

Now therefore, for and in consideration of the mutual promises contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned hereby agree as follows:

1. All capitalized terms used and not otherwise defined herein shall have the meanings given them in the Current Agreement.

2. The Partners agree that in connection with the sale of Securities and distributions related thereto to occur shortly after the Third Amendment Effective Date, upon the election of a Limited Partner, a deemed distribution of Class A Common Stock of New Continental will be made under Section 4.09(e) with respect to such Limited Partner in an amount, which when made in connection with the cash distributions to be made to such Limited Partner, would equal (based on current values) the amount to be distributed to the General Partner under Section 4.09(e)(iv) as a result of such cash and stock distribution, and such Class A Common Stock of New Continental shall then be distributed to the General Partner or designated as Retained Shares by the General Partner as its share of the 4.09(e)(iv) distribution, and all of the remaining cash left for distribution with respect to such Limited Partner under Section 4.09(e)(iv) shall be distributed to such Limited Partner.

3. Except as amended hereby, the Current Agreement shall remain in full force and effect, and each person executing this Amendment hereby acknowledges the same.

4. This Amendment may be executed in multiple counterparts, each of which shall be deemed an original for all purposes and all of which when taken together shall constitute a single counterpart instrument. All of the counterpart pages shall be read as though one and shall have the same force and effect as if all of the parties had executed a single signature page.

In witness whereof, each of the undersigned has executed this Amendment to be effective as of the Third Amendment Effective Date.

GENERAL PARTNERS

1992 AIR GP, a Texas general partnership

By: 1992 Air, Inc., a Texas corporation,
general partner

By: /s/ 1992 Air, Inc.
Title:

AIR II GENERAL, INC., a Texas corporation

By: /s/ Air II General, Inc.
Title:

[LIMITED PARTNERS SIGNATURE PAGES INTENTIONALLY OMITTED]