

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

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2022

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission File Number **001-33166**



Allegiant Travel Company

(Exact Name of Registrant as Specified in Its Charter)

Nevada

(State or Other Jurisdiction of Incorporation or Organization)

**1201 North Town Center Drive
Las Vegas, Nevada**

(Address of Principal Executive Offices)

20-4745737

(IRS Employer Identification No.)

89144

(Zip Code)

Registrant's Telephone Number, Including Area Code: **(702) 851-7300**

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol</u>	<u>Name of each exchange on which registered</u>
Common stock, par value \$0.001	ALGT	NASDAQ Stock Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
Emerging growth company	☐		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of October 24, 2022, the registrant had 18,398,569 shares of common stock, \$0.001 par value per share, outstanding.

ALLEGiant TRAVEL COMPANY
FORM 10-Q
TABLE OF CONTENTS

PART I.	FINANCIAL INFORMATION	
ITEM 1.	Consolidated Financial Statements	3
ITEM 2.	Management's Discussion and Analysis of Financial Condition and Results of Operations	20
ITEM 3.	Quantitative and Qualitative Disclosures About Market Risk	33
ITEM 4.	Controls and Procedures	33
PART II.	OTHER INFORMATION	
ITEM 1.	Legal Proceedings	34
ITEM 1A.	Risk Factors	34
ITEM 2.	Unregistered Sales of Equity Securities and Use of Proceeds	34
ITEM 3.	Defaults Upon Senior Securities	34
ITEM 4.	Mine Safety Disclosures	34
ITEM 5.	Other Information	34
ITEM 6.	Exhibits	35
	Signatures	36

PART I. FINANCIAL INFORMATION

Item 1. Consolidated Financial Statements

**ALLEGiant TRAVEL COMPANY
CONSOLIDATED BALANCE SHEETS**
(in thousands)

	September 30, 2022 (unaudited)	December 31, 2021
CURRENT ASSETS		
Cash and cash equivalents	\$ 240,528	\$ 363,378
Restricted cash	30,671	37,323
Short-term investments	761,362	819,478
Accounts receivable	79,150	62,659
Expendable parts, supplies and fuel, net	39,070	27,500
Prepaid expenses and other current assets	46,772	28,073
TOTAL CURRENT ASSETS	1,197,553	1,338,411
Property and equipment, net	2,738,516	2,259,507
Long-term investments	—	2,231
Deferred major maintenance, net	148,719	146,850
Operating lease right-of-use assets, net	116,471	130,087
Deposits and other assets	209,705	113,987
TOTAL ASSETS:	\$ 4,410,964	\$ 3,991,073
CURRENT LIABILITIES		
Accounts payable	\$ 51,394	\$ 43,566
Accrued liabilities	256,429	162,892
Current operating lease liabilities	19,792	19,081
Air traffic liability	429,924	307,453
Current maturities of long-term debt and finance lease obligations, net of related costs	152,550	130,053
TOTAL CURRENT LIABILITIES	910,089	663,045
Long-term debt and finance lease obligations, net of current maturities and related costs	1,840,000	1,612,486
Deferred income taxes	332,506	346,137
Noncurrent operating lease liabilities	100,111	115,067
Other noncurrent liabilities	39,285	30,786
TOTAL LIABILITIES:	3,221,991	2,767,521
SHAREHOLDERS' EQUITY		
Common stock, par value \$0.001	25	25
Treasury shares	(633,332)	(638,057)
Additional paid in capital	703,633	692,053
Accumulated other comprehensive income, net	1,154	2,056
Retained earnings	1,117,493	1,167,475
TOTAL EQUITY:	1,188,973	1,223,552
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY:	\$ 4,410,964	\$ 3,991,073

The accompanying notes are an integral part of these consolidated financial statements.

ALLEGiant TRAVEL COMPANY
CONSOLIDATED STATEMENTS OF INCOME
(in thousands, except per share amounts)
(unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
OPERATING REVENUES:				
Passenger	\$ 516,476	\$ 423,796	\$ 1,573,041	\$ 1,124,237
Third party products	27,132	24,541	77,399	61,164
Fixed fee contracts	15,881	11,117	38,186	23,943
Other	836	15	1,654	1,682
Total operating revenues	560,325	459,469	1,690,280	1,211,026
OPERATING EXPENSES:				
Aircraft fuel	208,175	118,370	629,600	310,674
Salaries and benefits	137,336	125,799	411,027	365,655
Station operations	66,302	70,943	198,954	171,246
Depreciation and amortization	50,092	46,399	145,618	134,095
Maintenance and repairs	32,177	30,451	91,120	76,419
Sales and marketing	25,815	22,047	75,462	51,288
Aircraft lease rental	5,905	5,670	17,489	15,507
Other	30,292	22,379	83,137	55,655
Payroll Support Programs grant recognition	—	(49,210)	—	(202,181)
Special charges	35,142	332	35,426	2,924
Total operating expenses	591,236	393,180	1,687,833	981,282
OPERATING INCOME (LOSS)	(30,911)	66,289	2,447	229,744
OTHER (INCOME) EXPENSES:				
Interest expense	34,242	16,595	78,530	50,174
Capitalized interest	(4,296)	(401)	(7,594)	(401)
Interest income	(4,918)	(375)	(7,909)	(1,338)
Other, net	223	239	318	(164)
Total other expenses	25,251	16,058	63,345	48,271
INCOME (LOSS) BEFORE INCOME TAXES	(56,162)	50,231	(60,898)	181,473
INCOME TAX PROVISION (BENEFIT)	(9,703)	10,977	(10,916)	40,323
NET INCOME (LOSS)	\$ (46,459)	\$ 39,254	\$ (49,982)	\$ 141,150
Earnings (loss) per share to common shareholders:				
Basic	\$ (2.58)	\$ 2.18	\$ (2.78)	\$ 8.18
Diluted	\$ (2.58)	\$ 2.18	\$ (2.78)	\$ 8.18
Shares used for computation:				
Basic	18,014	17,766	17,985	17,005
Diluted	18,014	17,767	17,985	17,015
Cash dividends declared per share:	\$ —	\$ —	\$ —	\$ —

The accompanying notes are an integral part of these consolidated financial statements.

ALLEGiant TRAVEL COMPANY
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(in thousands)
(unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
NET INCOME (LOSS)	\$ (46,459)	\$ 39,254	\$ (49,982)	\$ 141,150
Other comprehensive income:				
Change in available for sale securities, net of tax	(1,590)	774	(902)	676
Total other comprehensive income (loss)	(1,590)	774	(902)	676
TOTAL COMPREHENSIVE INCOME (LOSS)	<u>\$ (48,049)</u>	<u>\$ 40,028</u>	<u>\$ (50,884)</u>	<u>\$ 141,826</u>

The accompanying notes are an integral part of these consolidated financial statements.

ALLEGIANT TRAVEL COMPANY
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(in thousands)
(unaudited)

Three Months Ended September 30, 2022							
	Common stock outstanding	Par value	Additional paid-in capital	Accumulated other comprehensive income (loss)	Retained earnings	Treasury shares	Total shareholders' equity
Balance at June 30, 2022	18,180	\$ 25	\$ 698,982	\$ 2,744	\$ 1,163,952	\$ (633,332)	\$ 1,232,371
Share-based compensation	122	—	4,651	—	—	—	4,651
Other comprehensive (loss)	—	—	—	(1,590)	—	—	(1,590)
Net (loss)	—	—	—	—	(46,459)	—	(46,459)
Balance at September 30, 2022	18,302	\$ 25	\$ 703,633	\$ 1,154	\$ 1,117,493	\$ (633,332)	\$ 1,188,973

Nine Months Ended September 30, 2022							
	Common stock outstanding	Par value	Additional paid-in capital	Accumulated other comprehensive income (loss)	Retained earnings	Treasury shares	Total shareholders' equity
Balance at December 31, 2021	18,111	\$ 25	\$ 692,053	\$ 2,056	\$ 1,167,475	\$ (638,057)	\$ 1,223,552
Share-based compensation	161	—	11,580	—	—	—	11,580
Stock issued under employee stock purchase plan	30	—	—	—	—	4,725	4,725
Other comprehensive income	—	—	—	(902)	—	—	(902)
Net (loss)	—	—	—	—	(49,982)	—	(49,982)
Balance at September 30, 2022	18,302	\$ 25	\$ 703,633	\$ 1,154	\$ 1,117,493	\$ (633,332)	\$ 1,188,973

Three Months Ended September 30, 2021							
	Common stock outstanding	Par value	Additional paid-in capital	Accumulated other comprehensive income (loss)	Retained earnings	Treasury shares	Total shareholders' equity
Balance at June 30, 2021	17,986	\$ 25	\$ 671,893	\$ (125)	\$ 1,117,518	\$ (642,177)	\$ 1,147,134
Share-based compensation	59	—	3,902	—	—	—	3,902
Other comprehensive income	—	—	—	774	—	—	774
Net income	—	—	—	—	39,254	—	39,254
Balance at September 30, 2021	18,045	\$ 25	\$ 675,795	\$ 649	\$ 1,156,772	\$ (642,177)	\$ 1,191,064

Nine Months Ended September 30, 2021							
	Common stock outstanding	Par value	Additional paid-in capital	Accumulated other comprehensive income	Retained earnings	Treasury shares	Total shareholders' equity
Balance at December 31, 2020	16,405	\$ 23	\$ 329,753	\$ (27)	\$ 1,015,622	\$ (646,008)	\$ 699,363
Share-based compensation	71	—	10,800	—	—	—	10,800
Issuance of common stock, net of forfeitures	1,553	2	335,137	—	—	—	335,139
Stock issued under employee stock purchase plan	16	—	—	—	—	3,831	3,831
Other comprehensive income	—	—	—	676	—	—	676
Payroll Support Programs warrant issuance	—	—	105	—	—	—	105
Net income	—	—	—	—	141,150	—	141,150
Balance at September 30, 2021	18,045	\$ 25	\$ 675,795	\$ 649	\$ 1,156,772	\$ (642,177)	\$ 1,191,064

ALLEGiant TRAVEL COMPANY
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)
(unaudited)

	Nine Months Ended September 30,	
	2022	2021
Cash flows from operating activities:		
Net income (loss)	\$ (49,982)	\$ 141,150
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	145,618	134,095
Special charges	35,426	2,924
Other adjustments	9,206	26,778
Changes in certain assets and liabilities:		
Air traffic liability	122,471	44,014
Other - net	(40,917)	24,634
Net cash provided by operating activities	221,822	373,595
Cash flows from investing activities:		
Purchase of investment securities	(968,064)	(1,028,481)
Proceeds from maturities of investment securities	1,024,861	679,588
Aircraft pre-delivery deposits	(88,500)	(3,300)
Purchase of property and equipment	(304,956)	(163,202)
Other investing activities	1,037	2,062
Net cash (used in) investing activities	(335,622)	(513,333)
Cash flows from financing activities:		
Proceeds from the issuance of debt and finance lease obligations	745,800	106,657
Principal payments on debt and finance lease obligations	(666,046)	(239,644)
Debt issuance costs	(12,681)	(705)
Proceeds from issuance of common stock	—	335,139
Other financing activities	(82,775)	3,936
Net cash provided by (used in) by financing activities	(15,702)	205,383
NET CHANGE IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH	(129,502)	65,645
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH AT BEGINNING OF PERIOD	400,701	170,319
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH AT END OF PERIOD	\$ 271,199	\$ 235,964
CASH PAYMENTS (RECEIPTS) FOR:		
Interest paid, net of amount capitalized	\$ 60,452	\$ 30,739
Income tax payments (refunds)	36	(12,762)
SUPPLEMENTAL DISCLOSURE OF NONCASH TRANSACTIONS:		
Right-of-use (ROU) assets acquired	\$ —	\$ 23,157
Flight equipment acquired under finance leases	172,507	40,826
Purchases of property and equipment in accrued liabilities	82,359	12,727

The accompanying notes are an integral part of these consolidated financial statements.

ALLEGIANT TRAVEL COMPANY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

Note 1 — Summary of Significant Accounting Policies

Basis of Presentation

The accompanying unaudited consolidated financial statements include the accounts of Allegiant Travel Company (the "Company") and its majority-owned operating subsidiaries. The Company's investments in unconsolidated affiliates, which are 50 percent or less owned, are accounted for under the equity or cost method, and are insignificant to the consolidated financial statements. All intercompany balances and transactions have been eliminated.

These unaudited consolidated financial statements reflect all normal recurring adjustments which management believes are necessary to present fairly the financial position, results of operations, and cash flows of the Company for the respective periods presented. Certain information and footnote disclosures normally included in the annual consolidated financial statements prepared in accordance with U.S. generally accepted accounting principles ("U.S. GAAP") have been omitted pursuant to the rules and regulations of the Securities and Exchange Commission for Form 10-Q. These unaudited interim consolidated financial statements should be read in conjunction with the audited consolidated financial statements of the Company and notes thereto included in the annual report of the Company on Form 10-K for the year ended December 31, 2021 and filed with the Securities and Exchange Commission.

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from these estimates.

The Company reclassified certain prior period amounts to conform to the current period presentation. Unless otherwise noted, all amounts disclosed are stated before consideration of income taxes.

Note 2 — Hurricane Ian

As a result of Hurricane Ian's direct hit on the southwest coast of Florida on September 28, 2022, the construction site of Sunseeker Resort at Charlotte Harbor (the "Resort" or "Sunseeker Resort") was damaged.

Within days after the hurricane, the Company began to assess the damage to the Resort. Insurance claim adjustors representing the Company and the insurance carriers are assessing the extent of the damages and the costs to restore the Resort to its condition prior to the hurricane and determining the extent of construction interruption.

The Company has significant levels of insurance in place to cover the losses resulting from Hurricane Ian including for physical damage due to a named windstorm or flood (storm surge), business interruption and an OCIP (owner-controlled insurance program).

The Company recognized a special charge of \$35.0 million during the quarter associated with the estimated loss incurred from Hurricane Ian, which charge also reduced the carrying amount of the Resort. The estimate is preliminary and subject to change as the damage assessment continues. The amount of the loss will be offset in future periods by amounts to be recovered from the Company's insurance policies.

Note 3 — Revenue Recognition

Passenger Revenue

Passenger revenue is the most significant category in the Company's reported operating revenues, as outlined below:

(in thousands)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Scheduled service	\$ 254,545	\$ 195,225	\$ 775,740	\$ 552,765
Ancillary air-related charges	252,080	224,170	765,096	558,687
Loyalty redemptions	9,851	4,401	32,205	12,785
Total passenger revenue	<u>\$ 516,476</u>	<u>\$ 423,796</u>	<u>\$ 1,573,041</u>	<u>\$ 1,124,237</u>

Sales of passenger tickets not yet flown are recorded in air traffic liability. Passenger revenue is recognized when transportation is provided. As of September 30, 2022, the air traffic liability balance was \$429.9 million, of which approximately \$367.8 million was related to forward bookings, with the remaining \$62.1 million related to credit vouchers for future travel.

The normal contract term of passenger tickets is 12 months and passenger revenue associated with future travel will principally be recognized within this time frame. Of the \$307.5 million that was recorded in the air traffic liability balance as of December 31, 2021, approximately 75.1 percent was recognized into passenger revenue during the nine months ended September 30, 2022.

In 2020, the Company announced that credit vouchers issued for canceled travel beginning in January 2020 would have an extended expiration date of two years from the original booking date. This policy continued for vouchers issued through June 30, 2021. Effective July 1, 2021, vouchers issued have an expiration date of one year from the original booking date.

The Company periodically evaluates the estimated amount of credit vouchers expected to expire unused and any adjustment is removed from air traffic liability and included in passenger revenue in the period in which the evaluation is complete. Estimates of passenger revenue to be recognized from air traffic liability for credit voucher breakage may be subject to variability and differ from historical experience due to the change in contract duration and uncertainty regarding demand for future air travel.

Loyalty redemptions

In relation to the travel component of the Allways® Allegiant World Mastercard® contract with Bank of America, the Company has a performance obligation to provide cardholders with points to be used for future travel award redemptions. Therefore, consideration received from Bank of America related to the travel component is deferred based on its relative selling price and is recognized into passenger revenue when the points are redeemed and the transportation is provided. Similarly, in relation to the Allways Rewards program, points earned through the program are deferred based on the stand-alone selling price and recognized into passenger revenue when the points are redeemed and the underlying service has been provided.

The following table presents the activity of the point liability for the periods indicated:

(in thousands)	Nine Months Ended September 30,	
	2022	2021
Points balance at January 1	\$ 40,490	\$ 21,841
Points awarded (deferral of revenue)	54,678	23,319
Points redeemed (recognition of revenue)	(32,205)	(12,785)
Points balance at September 30	<u>\$ 62,963</u>	<u>\$ 32,375</u>

As of September 30, 2022 and 2021, \$34.0 million and \$15.9 million, respectively, of the current points liability is reflected in accrued liabilities and represents the current estimate of revenue to be recognized in the next 12 months based on historical trends, with the remaining balance reflected in other noncurrent liabilities expected to be recognized into revenue in periods thereafter.

Note 4 — Property and Equipment

The following table summarizes the Company's property and equipment as of the dates indicated:

(in thousands)	September 30, 2022	December 31, 2021
Flight equipment, including pre-delivery deposits	\$ 2,892,277	\$ 2,573,657
Computer hardware and software	194,983	160,237
Land and buildings/leasehold improvements	60,036	59,735
Other property and equipment	91,199	78,192
Sunseeker Resort	277,315	83,864
Total property and equipment	3,515,810	2,955,685
Less accumulated depreciation and amortization	(777,294)	(696,178)
Property and equipment, net	\$ 2,738,516	\$ 2,259,507

Accrued capital expenditures as of September 30, 2022 and December 31, 2021 were \$82.4 million and \$17.7 million, respectively.

Note 5 — Long-Term Debt

The following table summarizes the Company's long-term debt and finance lease obligations as of the dates indicated:

(in thousands)	September 30, 2022	December 31, 2021
Fixed-rate debt and finance lease obligations due through 2032	\$ 1,624,432	\$ 827,382
Variable-rate debt due through 2029	368,118	915,157
Total debt and finance lease obligations, net of related costs	1,992,550	1,742,539
Less current maturities, net of related costs	152,550	130,053
Long-term debt and finance lease obligations, net of current maturities and related costs	\$ 1,840,000	\$ 1,612,486
Weighted average fixed-interest rate on debt	6.5%	5.8%
Weighted average variable-interest rate on debt	4.5%	2.5%

Maturities of long-term debt and finance lease obligations for the remainder of 2022 and for the next four years and thereafter, in the aggregate, are: remaining in 2022 - \$34.2 million; 2023 - \$152.5 million; 2024 - \$299.8 million; 2025 - \$145.2 million; 2026 - \$138.8 million; and \$1,222.0 million thereafter.

Senior Secured Notes

In August, 2022, the Company issued \$550.0 million in aggregate principal amount of its 7.250% Senior Secured Notes due 2027 (the "Notes") pursuant to an Indenture, dated as of August 17, 2022. The Notes are secured by first priority security interests in, subject to permitted liens, substantially all of the property and assets of the Company and its subsidiaries (other than Sunseeker Resort and its subsidiaries) (excluding aircraft, aircraft engines, real property and certain other assets). The collateral also secures the Company's existing \$150.0 million 8.500% Senior Secured Notes due 2024 and the Company's new revolving credit facility through Barclays Bank, PLC (described below), on a *pari passu* basis. The Notes bear interest at a fixed rate of 7.25 percent per annum, payable in cash on February 15 and August 15 of each year, beginning February 15, 2023. The Notes will mature on August 15, 2027.

The Notes contain certain covenants that limit the ability of the Company to, among other things: (i) make restricted payments; (ii) incur indebtedness or issue preferred stock; (iii) create or incur certain liens; (iv) dispose of loyalty program or brand intellectual property collateral; (v) merge, consolidate or sell all or substantially all assets and (vi) enter into certain transactions with affiliates.

The Notes also require the Company to comply with certain affirmative covenants, including to maintain a minimum aggregate amount of liquidity of \$300.0 million. If the Company fails to satisfy the minimum liquidity requirement, then the Company will be required to pay additional interest on all outstanding Notes in an amount equal to 2.0% per annum of the principal amount of such Notes until the Company demonstrates compliance with the liquidity requirement.

The Company used the net proceeds from the sale of the Notes to repay the Company's Term Loan B, which had an outstanding principal amount of \$533.0 million, and to pay costs and expenses of the transaction.

Senior Secured Revolving Credit Facilities

In August, 2022, the Company entered into a credit agreement with MUFG Bank, Ltd under which the Company is entitled to borrow up to \$100.0 million. The revolving credit facility has a term of 24 months and the borrowing ability is based on the value of aircraft and engines placed into the collateral pool. The notes under the facility bear interest at a floating rate based on SOFR. As of September 30, 2022, the facility remains undrawn.

In August, 2022, the Company entered into a credit agreement with certain lenders and Barclays Bank PLC as administrative agent and lead arranger that provides a senior secured revolving loan facility of \$75.0 million. The facility is secured by the same collateral that secures the Notes, has a term of 57 months and notes under the facility bear interest at a floating rate based on SOFR. As of September 30, 2022, the facility remains undrawn.

In September, 2022, the Company entered into a credit agreement with Norddeutsche Landesbank Girozentrale (acting through its New York branch) and Landesbank Hessen-Thüringen Girozentrale (the "Lenders") under which the Company is entitled to borrow up to \$300.0 million. The revolving credit facility has a term of 24 months and the borrowing ability is based on the amount of pre-delivery deposits paid with respect to up to twenty (20) 737-MAX aircraft, the purchase rights for which the Company may choose to place in the collateral pool. The Facility is secured by the purchase rights for the applicable aircraft. The commitment amount at the time of signing is \$200.0 million and the facility may be increased to \$300.0 million subject to agreement between the Company and the Lenders. Any notes under the Facility will bear interest at a floating rate based on SOFR and all borrowings will be due no later than December 31, 2024 or upon delivery of the applicable aircraft. As of September 30, 2022, the facility remains undrawn.

Note 6 — Income Taxes

The Company recorded a \$9.7 million income tax benefit at an effective tax rate of 17.3 percent and an \$11.0 million income tax expense at a 21.9 percent effective tax rate for the three months ended September 30, 2022 and 2021, respectively. The effective tax rate for the three months ended September 30, 2022 differed from the statutory Federal income tax rate of 21.0 percent primarily due to state income taxes and the impact of permanent tax differences. While the Company expects its effective tax rate to be fairly consistent in the near term, it will vary depending on recurring items such as the amount of income earned in each state and the state tax rate applicable to such income. Discrete items during interim periods may also affect the Company's tax rates.

The Company recorded a \$10.9 million income tax benefit at an effective tax rate of 17.9 percent and a \$40.3 million income tax expense at a 22.2 percent effective tax rate for the nine months ended September 30, 2022 and 2021, respectively. The effective tax rate for the nine months ended September 30, 2022 differed from the statutory Federal income tax rate of 21.0 percent primarily due to state income taxes and the impact of permanent tax differences, none of which are individually significant.

Note 7 — Fair Value Measurements

The Company utilizes the market approach to measure the fair value of its financial assets. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable assets. The assets classified as Level 2 primarily utilize quoted market prices or alternative pricing sources including transactions involving identical or comparable assets and models utilizing market observable inputs for valuation of these securities. No changes in valuation techniques or inputs occurred during the nine months ended September 30, 2022.

Financial instruments measured at fair value on a recurring basis:

(in thousands)	September 30, 2022			December 31, 2021		
	Total	Level 1	Level 2	Total	Level 1	Level 2
Cash equivalents						
Money market funds	\$ 49,106	\$ 49,106	\$ —	\$ 25,019	\$ 25,019	\$ —
Commercial Paper	70,450	—	70,450	179,455	—	179,455
Municipal debt securities	16,398	—	16,398	63,875	—	63,875
Total cash equivalents	135,954	49,106	86,848	268,349	25,019	243,330
Short-term						
Commercial paper	450,529	—	450,529	419,469	—	419,469
Corporate debt securities	196,962	—	196,962	234,436	—	234,436
Municipal debt securities	20,965	—	20,965	165,573	—	165,573
Federal agency debt securities	92,906	—	92,906	—	—	—
Total short-term	761,362	—	761,362	819,478	—	819,478
Long-term						
Municipal debt securities	—	—	—	2,231	—	2,231
Total long-term	—	—	—	2,231	—	2,231
Total financial instruments	\$ 897,316	\$ 49,106	\$ 848,210	\$ 1,090,058	\$ 25,019	\$ 1,065,039

None of the Company's debt is publicly held and as a result, the Company has determined the estimated fair value of these notes to be Level 3. Certain inputs used to determine fair value are unobservable and, therefore, could be sensitive to changes in inputs. The Company utilizes the discounted cash flow method to estimate the fair value of Level 3 debt.

Carrying value and estimated fair value of long-term debt, excluding finance leases, including current maturities and without reduction for related costs, are as follows:

(in thousands)	September 30, 2022		December 31, 2021		Hierarchy Level
	Carrying Value	Estimated Fair Value	Carrying Value	Estimated Fair Value	
Non-publicly held debt	\$ 1,538,638	\$ 1,457,343	\$ 1,447,462	\$ 1,261,170	3

Due to their short-term nature, the carrying amounts of cash, restricted cash, accounts receivable and accounts payable approximate fair value.

Note 8 — Earnings (Loss) per Share

Basic and diluted earnings (loss) per share are computed pursuant to the two-class method. Under this method, the Company attributes net income (loss) to two classes: common stock and unvested restricted stock. Unvested restricted stock awards granted to employees under the Company's Long-Term Incentive Plan are considered participating securities as they receive non-forfeitable rights to cash dividends at the same rate as common stock.

Diluted net income per share is calculated using the more dilutive of the two methods. Under both methods, the exercise of employee stock options is assumed using the treasury stock method. The assumption of vesting of restricted stock, however, differs:

1. Assume vesting of restricted stock using the treasury stock method.
2. Assume unvested restricted stock awards are not vested, and allocate earnings to common shares and unvested restricted stock awards using the two-class method.

For the three months and nine months ended September 30, 2022, basic and diluted income (loss) per share are the same because of the (loss) position.

The following table sets forth the computation of net income (loss) per share, on a basic and diluted basis, for the periods indicated (share count and dollar amounts other than per-share amounts in the table are in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Basic:				
Net income (loss)	\$ (46,459)	\$ 39,254	\$ (49,982)	\$ 141,150
Less income allocated to participating securities	—	(573)	—	(2,028)
Net income (loss) attributable to common stock	\$ (46,459)	\$ 38,681	\$ (49,982)	\$ 139,122
Earnings (loss) per share, basic	\$ (2.58)	\$ 2.18	\$ (2.78)	\$ 8.18
Weighted-average shares outstanding	18,014	17,766	17,985	17,005
Diluted:				
Net income (loss)	\$ (46,459)	\$ 39,254	\$ (49,982)	\$ 141,150
Less income allocated to participating securities	—	(573)	—	(2,027)
Net income (loss) attributable to common stock	\$ (46,459)	\$ 38,681	\$ (49,982)	\$ 139,123
Earnings (loss) per share, diluted	\$ (2.58)	\$ 2.18	\$ (2.78)	\$ 8.18
Weighted-average shares outstanding	18,014	17,766	17,985	17,005
Dilutive effect of stock options and restricted stock	—	103	—	121
Adjusted weighted-average shares outstanding under treasury stock method	18,014	17,869	17,985	17,126
Participating securities excluded under two-class method	—	(102)	—	(111)
Adjusted weighted-average shares outstanding under two-class method	18,014	17,767	17,985	17,015

Note 9 — Contingencies

The Company is subject to certain legal and administrative actions it considers routine to its business activities. The Company believes the ultimate outcome of any potential and pending legal or administrative matters will not have a material adverse impact on its financial position, liquidity or results of operations.

Note 10 — Segments

Operating segments are components of a company for which separate financial and operating information is regularly evaluated and reported to the Chief Operating Decision Maker ("CODM"), and is used to allocate resources and analyze performance. The Company's CODM is the executive leadership team, which reviews information about the Company's two operating segments: Airline and Sunseeker Resort.

Airline Segment

The Airline segment operates as a single business unit and includes all scheduled service air transportation, ancillary air-related products and services, third party products and services, fixed fee contract air transportation and other airline-related revenue. The CODM evaluation includes, but is not limited to, route and flight profitability data, ancillary and third party product and service offering statistics, and fixed fee contract information when making resource allocation decisions with the goal of optimizing consolidated financial results.

Sunseeker Resort Segment

The Sunseeker Resort segment represents activity related to the development and construction of Sunseeker Resort in Southwest Florida, as well as the renovation of Aileron Golf Course (formerly known as Kingsway Golf Course). Plans for the resort include a 500-room hotel and two towers offering more than 180 one, two and three-bedroom suites, bar and restaurant options, and other amenities. The golf course is a short drive from the resort site and is considered, from a planning and strategic perspective, to be an additional resort amenity. The construction of Sunseeker Resort is an extension of the Company's leisure travel focus and it is expected that many customers flying to Southwest Florida on Allegiant will elect to stay at this resort and enjoy its amenities.

Selected information for the Company's segments and the reconciliation to the consolidated financial statement amounts are as follows:

(in thousands)	Airline		Sunseeker Resort ⁽¹⁾		Consolidated
Three Months Ended September 30, 2022					
Operating revenue:					
Passenger	\$	516,476	\$	—	\$ 516,476
Third party products		27,132		—	27,132
Fixed fee contract		15,881		—	15,881
Other		836		—	836
Operating income (loss)		6,844		(37,755)	(30,911)
Interest expense, net		18,882		1,134	20,016
Depreciation and amortization		50,064		28	50,092
Capital expenditures		165,814		91,076	256,890
Three Months Ended September 30, 2021					
Operating revenue:					
Passenger	\$	423,796	\$	—	\$ 423,796
Third party products		24,541		—	24,541
Fixed fee contract		11,117		—	11,117
Other		15		—	15
Operating income (loss)		68,641		(2,352)	66,289
Interest expense, net		16,220		(401)	15,819
Depreciation and amortization		46,363		36	46,399
Capital expenditures		54,032		12,622	66,654

⁽¹⁾ Includes \$35.0 million special charge in the third quarter 2022 relating to Hurricane Ian damage to Sunseeker Resort. The amount of the loss will be offset in future periods by amounts to be recovered under the Company's insurance policies.

(in thousands)	Airline	Sunseeker Resort ⁽¹⁾	Consolidated
Nine Months Ended September 30, 2022			
Operating revenue:			
Passenger	\$ 1,573,041	\$ —	\$ 1,573,041
Third party products	77,399	—	77,399
Fixed fee contract	38,186	—	38,186
Other	1,654	—	1,654
Operating income (loss)	44,902	(42,455)	2,447
Interest expense, net	52,111	5,904	58,015
Depreciation and amortization	145,573	45	145,618
Capital expenditures	404,015	228,452	632,467
Nine Months Ended September 30, 2021			
Operating revenue:			
Passenger	\$ 1,124,237	\$ —	\$ 1,124,237
Third party products	61,164	—	61,164
Fixed fee contract	23,943	—	23,943
Other	1,682	—	1,682
Operating income (loss)	235,340	(5,596)	229,744
Interest expense, net	48,765	(401)	48,364
Depreciation and amortization	133,984	111	134,095
Capital expenditures	192,747	12,622	205,369

⁽¹⁾ Includes \$35.0 million special charge in the third quarter 2022 relating to Hurricane Ian damage to Sunseeker Resort. The amount of the loss will be offset in future periods by amounts to be recovered under the Company's insurance policies.

Total assets were as follows as of the dates indicated:

(in thousands)	As of September 30, 2022	As of December 31, 2021
Airline	\$ 4,012,922	\$ 3,872,041
Sunseeker Resort	398,042	119,032
Consolidated	\$ 4,410,964	\$ 3,991,073

Note 11 — Subsequent Events

In October 2022, the lender funded an additional \$87.5 million into the construction disbursement account for the Sunseeker project and the Company received a disbursement of \$87.5 million from the account. After these transactions, the construction disbursement account has a balance of approximately \$117.5 million, which is recorded as a deposit on the Company's balance sheet.

The Company has a \$50.0 million loan to Viva Aerobus in deposits and other assets on the balance sheet which is to convert to equity upon approval of the joint alliance from the Mexican Federal Economic Competition Commission. This approval was obtained on October 6, 2022.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis presents factors that had a material effect on our results of operations during the three and nine months ended September 30, 2022 and 2021. Also discussed is our financial position as of September 30, 2022 and December 31, 2021. You should read this discussion in conjunction with our unaudited consolidated financial statements, including the notes thereto, appearing elsewhere in this Form 10-Q and our consolidated financial statements appearing in our annual report on Form 10-K for the year ended December 31, 2021. This discussion and analysis contains forward-looking statements. Please refer to the section below entitled "Cautionary Note Regarding Forward-Looking Statements" for a discussion of the uncertainties, risks and assumptions associated with these statements.

Third Quarter 2022 Review

Highlights:

- Total operating revenue was \$560.3 million, up 28.4 percent year over three-year
- Total average fare of \$125.95 up 15.5% from the third quarter 2019.
 - Total average fare - air-related charges of \$58.40, up 16.7 percent from 2019, driven predominantly by strength in bundled ancillary
 - Total average fare - third party products of \$6.29, up 29.7 percent year over three-year driven by Allways Allegiant World Mastercard strength
- Load factor of 88.5 percent, a 2.5 percentage point increase from the third quarter of 2019
- Acquired 38 thousand new Allways Allegiant World Mastercard holders during the quarter, the strongest third quarter acquisition since the program's inception
- Allegiant World Mastercard® and Allegiant Allways Rewards® were voted as the No. 1 Best Airline Credit Card and Best Frequent Flyer Program in USA Today's 10 Best 2022 Loyalty/Rewards Readers' Choice Awards
- In October, named to Newsweek's Top 100 Most Loved Workplaces® list for the second consecutive year
- Donated \$100,000 to the American Red Cross for critical disaster relief to communities in the aftermath of Hurricane Ian

AIRCRAFT

The following table sets forth the aircraft in service and operated by us as of the dates indicated:

	September 30, 2022	December 31, 2021
A319	35	35
A320 ⁽¹⁾	81	73
Total	116	108

⁽¹⁾ Does not include ten aircraft of which we have taken delivery as of September 30, 2022, but were not yet in service as of that date.

As of September 30, 2022, we are party to forward purchase agreements for 52 aircraft with five aircraft scheduled for delivery in 2023 and the remainder under contract thereafter. Additionally, we are party to a finance lease for one aircraft which has now been delivered in October 2022.

NETWORK

As of September 30, 2022, we were selling 583 routes versus 598 as of the same date in 2021 and 466 as of September 30, 2019, which represents a 2.5 percent decrease and 25.1 percent increase, respectively. Our total active number of origination cities and leisure destinations were 94 and 32, respectively, as of September 30, 2022.

Our unique model is predicated around expanding and contracting capacity to meet seasonal travel demands.

TRENDS

COVID-19

The COVID-19 pandemic significantly impacted our operating results in 2020 and 2021 and we suffered numerous cancellations due to the effect of the Omicron variant on flight crews into first quarter 2022. COVID-19 may continue to impact our operations into the future. We believe that demand in the foreseeable future could fluctuate in response to fluctuations in COVID-19 cases, variants of the virus, hospitalizations, deaths, treatment efficacy, the availability of vaccines, CDC recommendations, and government restrictions.

Strong Demand Momentum

As concerns over COVID-19 have declined, we have seen significant increases in load factors and average total fare per passenger beginning in March and continuing through the year to date.

Aircraft Fuel

The cost of fuel is volatile, as it is subject to many economic and geopolitical factors we can neither control nor predict. Significant increases in fuel costs could materially affect our operating results and profitability. We have not sought to use financial derivative products to hedge our exposure to fuel price volatility, nor do we have any plans to do so in the future.

The cost per gallon of fuel began to increase significantly in 2021 and the increases were exacerbated by the geopolitical impact of the war in Ukraine. As a result, the average fuel cost per gallon increased by 75.0 percent in third quarter 2022 over third quarter 2021 and 78.2 percent over third quarter 2019. We expect high fuel costs will continue to impact our total costs and operating results.

Boeing Agreement

In December 2021, we signed an agreement with The Boeing Company to purchase 50 newly manufactured 737MAX aircraft scheduled to be delivered in 2023 to 2025 with options to purchase an additional 50 737's. We believe this new aircraft purchase is complimentary with our low cost strategy based on our intent to retain ownership of the aircraft, the longer useful life for depreciation purposes, expected fuel savings and operational reliability from the use of these new aircraft.

Operations

Staffing challenges continue to impact our operations and costs and we have pulled back some of our planned growth for fourth quarter 2022 and into 2023 as a result. We believe these issues are not unique to Allegiant nor do we believe they are systemic. Our irregular operations costs are also impacted by our policy to compensate passengers for their inconvenience in addition to the ticket price, not generally done in the airline industry.

We are investing incrementally in our employee hiring and retention and our operations in an attempt to improve performance and this may put pressure on unit costs in the near term. However, if these problems persist, we may suffer reputational damage and incur higher costs for irregular operations.

Union Negotiations

The collective bargaining agreement with our pilots is currently amendable and the parties have begun to discuss the terms of a new labor agreement for this work group. We are also in the process of negotiating a new contract with the union representing our flight attendants. The terms of any new collective bargaining agreement will impact our costs over the term of the contract.

Pilot Scarcity

The supply of pilots necessary for airline industry growth may be a limiting factor. The pandemic resulted in more than 3,000 early pilot retirements across U.S. mainline and cargo carriers and the pipeline for new pilots does not appear at the present time to be sufficiently robust to replace retired pilots and to allow for projected industry growth. The ability to hire and retain pilots will be critical to our and the industry's growth.

Engagement of Schneider Electric as ESG Consultant

We have entered into a three-year partnership with Schneider Electric to help us develop an Environmental, Social and Governance (ESG) program including:

- Identifying and prioritizing relevant ESG topics through a materiality assessment
- Establishing ESG goals and environmental goal achievement plans
- Developing an inaugural ESG report referencing the Global Reporting Initiative (GRI) and Sustainability Accounting Standards Board (SASB) frameworks
- Providing ongoing carbon emissions reporting of Scope 1, 2 and 3 greenhouse gas (GHG) emissions
- Supporting the communications efforts around our ESG program

VivaAerobus Alliance

In December 2021, we announced plans for a fully-integrated commercial alliance agreement with VivaAerobus, designed to expand options for nonstop leisure air travel between our markets in the United States and Mexico. We and VivaAerobus have submitted a joint application to the DOT requesting approval of and antitrust immunity for the alliance. VivaAerobus has received approval from the Mexican Federal Economic Competition Commission to proceed with the alliance.

We and VivaAerobus currently expect to offer new routes under the alliance beginning in the first half of 2023, pending U.S. governmental approval of the applications and the return of Mexico to Category 1.

Sunseeker Resort

Near the end of September 2022, Hurricane Ian cut a destructive path through Florida and Charlotte County, in particular. Sunseeker Resort suffered damage from the Hurricane, to a large extent attributable to subcontractor cranes which fell onto the buildings.

We have begun and will continue to evaluate damage caused by the Hurricane and have engaged outside specialists, including structural engineers, to evaluate the damage and advise as to the course of action to assure the safe completion of the Resort. We maintain robust insurance coverage against damage from hurricanes and business interruption insurance and are pursuing claims to recover losses.

The Resort was previously selling rooms for as early as May 2023. Realizing there will be some delays caused by the Hurricane, the Resort has now pushed back the selling date to September 2023. As the extent of the damage is not yet known nor can the Company predict how quickly resources will be available to complete the construction, it is too early to tell whether the delays will be longer or shorter.

RESULTS OF OPERATIONS

Comparison of three months ended September 30, 2022 to three months ended September 30, 2021

As comparisons of our 2022 results to periods during 2021 reflect disproportionate changes due to the continued impact of the pandemic on air travel during 2021, we have also provided analysis of certain revenue and expense line items to 2019 results where helpful to understand trends in our performance.

Operating Revenue

Passenger revenue. For the third quarter 2022, passenger revenue increased 21.9 percent compared to the same period in 2021 as scheduled service passengers were up 12.5 percent due to stronger passenger demand. In addition, stronger passenger demand resulted in a 17.7 percent increase in scheduled service average base fare. We reduced the number of departures year-over-year to support operational reliability. Capacity was flat year-over-year as an increase in the average stage length and a slight increase in average seats per departure offset the reduction in departures.

Passenger revenue for the third quarter 2022, as compared to third quarter 2019, increased by 32.0 percent, as passengers increased by 15.0 percent on a 17.0 percent increase in capacity and average stage length increased by 4.4 percent, resulting in a 2.5 percentage point increase in load factor. Average total fare per scheduled service passenger increased by 15.5 percent over the same period in 2019 as a result of a 16.7 percent increase in ancillary air-related revenue per passenger and a 29.7 percent increase in ancillary third party revenue per passenger.

The increase in ancillary air-related revenue per passenger over the same period in 2019 was primarily driven by increased revenue from the sale of bundled products as bundled products were not offered during the same period in 2019.

Third party products revenue. Third party products revenue for the third quarter 2022 increased 10.6 percent compared to the third quarter 2021 and 49.0 percent compared to the third quarter 2019. The increase from 2021 is primarily the result of greater travel demand for hotels over the same period and increased Allways® Rewards Program revenues. Increased rental car and hotel rates also contributed to the increase over 2021.

The substantial increase from 2019 is attributable to increased rental car rates (which more than offset the impact of fewer rental car days) and growth in our Allways® Rewards Program revenues.

Fixed fee contract revenue. Fixed fee contract revenue for the third quarter 2022 increased 42.9 percent compared to the same period in 2021 as a result of an 8.1 percent increase in fixed fee departures when compared to lower charter activity during the 2021 quarter impacted by the pandemic. In addition, fuel per gallon pass throughs (which are accounted for as fixed fee contract revenue) increased 75.0 percent as compared to 2021.

Fixed fee contract revenue for the third quarter 2022, as compared to 2019, decreased by 19.8 percent as a result of a 28.5 percent decrease in fixed fee revenue departures partially offset by an increase in fuel pass throughs treated as revenue.

Operating Expenses

We primarily evaluate our expense management by comparing our costs per available seat mile (ASM) across different periods, which enables us to assess trends in each expense category. The following table presents unit costs on a per ASM basis, or CASM, for the indicated periods, 2019 being included as a more representative pre-pandemic third quarter comparison. Excluding fuel on a per ASM basis provides management and investors the ability to measure and monitor our cost performance absent fuel price volatility. Both the cost and availability of fuel are subject to many economic and political factors beyond our control.

Unitized costs (in cents)	Three Months Ended September 30,			Percent Change	
	2022	2021	2019	YoY	Yo3Y
Aircraft fuel	4.68 ¢	2.67 ¢	2.69 ¢	75.3 %	74.0 %
Salaries and benefits	3.09	2.83	2.77	9.2	11.6
Station operations	1.49	1.60	1.12	(6.9)	33.0
Depreciation and amortization	1.13	1.04	1.01	8.7	11.9
Maintenance and repairs	0.72	0.69	0.64	4.3	12.5
Sales and marketing	0.58	0.50	0.45	16.0	28.9
Aircraft lease rentals	0.13	0.13	—	—	NM
Other	0.67	0.50	0.69	34.0	(2.9)
Payroll Support Programs grant recognition	—	(1.12)	—	NM	NM
Special charges	0.79	0.01	—	NM	NM
CASM	13.28 ¢	8.85 ¢	9.37 ¢	50.1	41.7
Operating CASM, excluding fuel	8.60 ¢	6.18 ¢	6.68 ¢	39.2	28.7
Sunseeker Resort CASM	0.85	0.05	0.04	NM	NM
Operating CASM, excluding fuel and Sunseeker Resort activity	7.75 ¢	6.13 ¢	6.64 ¢	26.4	16.7

NM - Not meaningful

Aircraft fuel expense. Aircraft fuel expense increased \$89.8 million, or 75.9 percent, for the third quarter 2022 compared to third quarter 2021. This is primarily due to a 75.0 percent increase in average fuel cost per gallon.

When compared to the same period in 2019, aircraft fuel expense increased by 99.1 percent as average fuel cost per gallon increased 78.2 percent and fuel gallons consumed increased 11.6 percent on a 14.5 percent increase in capacity.

Salaries and benefits expense. Salaries and benefits expense increased \$11.5 million, or 9.2 percent, for the third quarter 2022 when compared to the same period in 2021. The increase is primarily due to a 24.2 percent increase in the number of full time equivalent employees from the third quarter 2021.

When compared to the same period in 2019, salaries and benefits expense increased by \$29.8 million or 27.7 percent on a 24.1 percent increase in the number of full time equivalent employees year over three-year. On a per ASM basis, salaries and benefits expense increased 11.6 percent. The cost increases primarily relate to increases in crew pay and increased salaries and benefit costs associated with irregular operations.

Station operations expense. Station operations expense for the third quarter 2022 decreased \$4.6 million, or 6.5 percent compared to the same period in 2021 due to decreased departures of 4.0 percent.

As compared to the same period in 2019, station operations expense increased by \$22.8 million or 52.3 percent due to a 6.2 percent increase in departures, increased costs associated with irregular operations and increased airport fees.

Depreciation and amortization expense. Depreciation and amortization expense for the third quarter 2022 increased by 8.0 percent as compared to the third quarter 2021 as the average number of aircraft owned and in service increased 6.6 percent year-over-year.

Compared to the same period in 2019, depreciation and amortization expense increased \$10.7 million or 27.0 percent as the average number of aircraft owned and in service increased 17.3 percent and our deferred major maintenance balance increased 49.4 percent for the period ended September 30, 2022 as compared to September 30, 2019.

Maintenance and repairs expense. Maintenance and repairs expense for the third quarter 2022 increased \$1.7 million, or 5.7 percent, compared to the same period in 2021. Routine maintenance costs increased as the average number of aircraft in service increased 9.0 percent year-over-year and as a result of increased costs related to outsourced labor in 2022 (largely attributable to our smaller bases and outstations).

Compared to the same period in 2019, maintenance and repairs expense increased by \$7.4 million or 29.9 percent primarily due to a 31.4 percent increase in the average number of aircraft in service and as a result of increased costs related to outsourced labor in 2022.

Sales and marketing expense. Sales and marketing expense for the third quarter 2022 increased by 17.1 percent compared to the same period in 2021, due to an increase in net credit card fees as a result of a 21.9 percent increase in passenger revenue year-over-year.

Compared to the same period in 2019, sales and marketing expense increased by 46.8 percent primarily due to an increase in net credit card fees as a result of a 32.0 percent increase in passenger revenue compared to the same period in 2019 as well as our entrance into new marketing agreements.

Other operating expense. Other expense increased \$7.9 million or 35.4 percent for the third quarter 2022 compared to the third quarter 2021 attributable to incremental increases in our employee training activity.

Payroll Support Programs grant recognition. During 2021, we received \$203.9 million in funds through the payroll support programs and recognized \$49.2 million as an offset to operating expense on our statement of income during the third quarter of 2021. The funds were fully utilized in 2021. There were no such funds received in 2022.

Special charges. Special charges of \$35.1 million were recorded within operating expenses for the third quarter 2022 compared to \$0.3 million for the same period 2021. The special charges in 2022 relate to an estimated loss incurred from the impact of Hurricane Ian. The amount of the loss will be offset in future periods by amounts to be recovered under our insurance policies. The charges in 2021 include accelerated depreciation on an airframe resulting from an accelerated retirement plan. See Note 2 of Notes to Consolidated Financial Statements (unaudited) for further information on the special charge recorded in 2022 related to Hurricane Ian.

Interest Expense

Interest expense for the quarter ended September 30, 2022 increased by \$17.6 million, or 106.3 percent over third quarter 2021, due to new fixed rate debt and finance lease transactions entered into since third quarter 2021 as well as a 2.1 percentage point increase in the weighted average variable interest rate year-over-year as general interest rates have risen. During the third quarter 2022, we recognized a loss on debt extinguishment of \$5.0 million in relation to the prepayment of our Term Loan B.

Income Tax Expense

We recorded a \$9.7 million income tax benefit at an effective tax rate of 17.3 percent and an \$11.0 million income tax expense at a 21.9 percent effective tax rate for the three months ended September 30, 2022 and 2021, respectively. The effective tax rate for the three months ended September 30, 2022 differed from the statutory Federal income tax rate of 21.0 percent primarily due to state income taxes and the impact of permanent tax differences.

Comparison of nine months ended September 30, 2022 to nine months ended September 30, 2021

As comparisons of our 2022 results to periods during 2021 reflect disproportionate changes due to the continued impact of the pandemic on air travel during 2021, we have also provided analysis of certain revenue and expense line items to 2019 results where helpful to understand trends in our performance.

Operating Revenue

Passenger revenue. For the nine months ended September 30, 2022, passenger revenue increased 39.9 percent compared with the same period in 2021 as scheduled service passengers were up 29.5 percent due to stronger passenger demand in general and when compared to lower passenger demand related to COVID-19 during the first nine months of 2021. In addition, stronger passenger demand resulted in a 10.4 percent increase in scheduled service average base fare.

Passenger revenue for the first nine months of 2022, as compared to the first nine months of 2019 increased by 24.3 percent, as scheduled service passengers increased by 12.6 percent on a 16.2 percent increase in capacity and average stage length increased by 3.3 percent, resulting in a 0.5 percentage point increase in load factor. Average total fare per scheduled service passenger increased by 11.0 percent over the same period in 2019 primarily driven by a 16.5 percent increase in ancillary air related revenue per passenger and a 28.3 percent increase in ancillary third party revenue per passenger.

The increase in ancillary air related revenue per passenger over the same period in 2019 was primarily driven by increased revenue from the sale of bundled products as bundled products were not offered in the 2019 period.

Third party products revenue. Third party products revenue for the nine months ended September 30, 2022 increased 26.5 percent over the same period in 2021 and 44.5 percent when compared to 2019. The increase from 2021 is primarily the result of greater travel demand for rental cars and hotels and increased Allways® Rewards Program revenues. Increased rental car and hotel rates combined with a 11.0 percent increase in rental car days sold and a 13.7 percent increase in room nights sold contributed to the substantial increase over 2021.

The increase from 2019 is attributable to increased rental car and hotel room rates (which more than offset the impact of fewer rental car days and hotel room nights) and substantial growth in our Allways® Rewards Program revenues.

Fixed fee contract revenue. Fixed fee contract revenue for the nine months ended September 30, 2022 increased 59.5 percent compared to the same period in 2021 as a result of an 11.1 percent increase in fixed fee departures largely due to lower charter activity during the pandemic in the same period of 2021. In addition, fuel per gallon pass throughs (which are accounted for as fixed fee contract revenue) increased 84.8 percent as compared to the same period in 2021.

Fixed fee contract revenue for the nine months ended September 30, 2022, as compared to 2019, decreased by 10.9 percent as a result of a 22.7 percent decrease in fixed fee departures, partially offset by higher charter rates and higher fuel cost pass throughs.

Operating Expenses

The following table presents unit costs on a per ASM basis, defined as Operating CASM, for the indicated periods:

Unitized costs (in cents)	Nine Months Ended September 30,			Percent Change	
	2022	2021	2019	YoY	Yo3Y
Aircraft fuel	4.48 ¢	2.38 ¢	2.65 ¢	88.2 %	69.1 %
Salaries and benefits	2.92	2.80	2.78	4.3	5.0
Station operations	1.41	1.31	1.05	7.6	34.3
Depreciation and amortization	1.04	1.03	0.93	1.0	11.8
Maintenance and repairs	0.65	0.59	0.56	10.2	16.1
Sales and marketing	0.54	0.39	0.48	38.5	12.5
Aircraft lease rentals	0.12	0.12	—	—	NM
Other	0.59	0.43	0.60	37.2	(1.7)
Payroll Support Programs grant recognition	—	(1.55)	—	NM	NM
Special charges	0.25	0.02	—	NM	NM
CASM	12.00 ¢	7.52 ¢	9.05 ¢	59.6	32.6
Operating CASM, excluding fuel ⁽²⁾	7.52 ¢	5.14 ¢	6.40 ¢	46.3	17.5
Sunseeker Resort CASM	0.30	0.04	0.05	NM	NM
Operating CASM, excluding fuel and Sunseeker Resort activity	7.22 ¢	5.10 ¢	6.35 ¢	41.6	13.7

Aircraft fuel expense. Aircraft fuel expense increased \$318.9 million, or 102.7 percent, for the nine months ended September 30, 2022 compared to the same period in 2021. This is primarily driven by a 84.8 percent increase in average fuel cost per gallon. In addition, ASMs increased by 7.7 percent contributing to a 9.6 percent increase in fuel gallons consumed.

Aircraft fuel expense increased by \$305.3 million or 94.2 percent for the nine months ended September 30, 2022 compared to the same period in 2019. This is primarily driven by an increase in average fuel cost per gallon of 72.9 percent in addition to a 14.8 percent increase in ASMs resulting in a 12.1 percent increase in fuel gallons consumed.

Salaries and benefits expense. Salaries and benefits expense increased \$45.4 million, or 12.4 percent, for the nine months ended September 30, 2022 compared to the same period in 2021. The increase is primarily due to a 24.2 percent increase in the number of full time equivalent employees from the same period in 2021, offset by the employee retention tax credit recognized in the first quarter of 2022.

Salaries and benefits expense for the nine months ended September 30, 2022 increased by \$70.4 million or 20.7 percent as compared to the same period in 2019. The increase is primarily due to a 24.1 percent increase in the number of full time equivalent employees from same period in 2019, offset by the employee retention tax credit recognized in the first quarter of 2022. On a per ASM basis, salaries and benefits expense increased 5.0 percent. The cost increases primarily relate to increases in crew pay and increased salaries and benefits costs associated with irregular operations.

Station operations expense. Station operations expense for the nine months ended September 30, 2022 increased \$27.7 million or 16.2 percent due to a 2.5 percent increase in departures, increased costs associated with irregular operations, and increased airport and landing fees.

As compared to the nine month period ended September 30, 2019, station operations expense increased by \$70.6 million or 55.0 percent due to a 7.9 percent increase in departures, increased costs associated with irregular operations and increased airport fees.

Irregular operations costs in 2022 were significantly attributable to COVID absences due to the Omicron variant in January and February. These absences resulted in numerous flight cancellations. Higher than usual cancellations continued into the third quarter as a result of staffing challenges and other factors. The amount of irregular operations costs is significantly impacted by our decision to compensate impacted passengers for their inconvenience in addition to the ticket price.

Depreciation and amortization expense. Depreciation and amortization expense for the nine months ended September 30, 2022 increased \$11.5 million or 8.6 percent as compared to the same period in 2021 due to a 7.6 percent increase in the average number of aircraft owned and in service.

When compared to the nine months ended September 30, 2019, depreciation and amortization expense increased 27.6 percent as the average number of aircraft owned and in service increased 20.3 percent and our deferred major maintenance balance increased 61.6 percent.

Maintenance and repairs expense. Maintenance and repairs expense for the nine months ended September 30, 2022 increased by \$14.7 million or 19.2 percent compared to the same period in 2021. Routine maintenance costs increased as the average number of aircraft in service increased 10.9 percent year-over-year and as a result of increased costs related to outsourced labor in 2022.

As compared to the nine months ended September 30, 2019, maintenance and repairs expense increased by \$22.7 million or 33.1 percent as the number of aircraft in service increased by 34.0 percent and increased costs related to outsourced labor in 2022 (largely attributable to our smaller bases and outstations).

Sales and marketing expense. Sales and marketing expense for the nine months ended September 30, 2022 increased 47.1 percent compared to the same period in 2021, due to an increase in net credit card fees as a result of a 39.9 percent increase in passenger revenue year-over-year.

Compared to the nine months ended September 30, 2019, sales and marketing expense increased 27.8 percent due to an increase in net credit card fees as a result of a 24.3 percent increase in passenger revenue.

Other expense. Other expense for the nine months ended September 30, 2022 increased by \$27.5 million or 49.4 percent year-over-year, due to increased service, incremental increases in our employee training activity and offset by decreased activity in our non-airline subsidiaries due to the sale of Teesnap in the second quarter of 2021.

Payroll Support Programs grant recognition. During 2021, we received \$203.9 million in funds through the payroll support programs and recognized \$202.2 million as an offset to operating expense on our income statement for the nine month period ending September 30, 2021. The funds were fully utilized in 2021. There were no such funds received in 2022.

Special charges. Special charges of \$35.4 million were recorded within operating expenses for the nine months ended September 30, 2022 compared to \$2.9 million for the same period in 2021. The special charges in 2022 relate to the estimated

loss incurred from the impact of Hurricane Ian. The amount of the loss will be offset in future periods by amounts to be recovered under our insurance policies. The charges in 2021 include accelerated retirements of five airframes and eight engines and an impairment loss on a building associated with the Allegiant Nonstop family entertainment line of business. See Note 2 of the Notes to Consolidated Financial Statement (unaudited) for further information on the special charge recorded in 2022 related to Hurricane Ian.

Income Tax Expense

We recorded a \$10.9 million income tax benefit at an effective rate of 17.9 percent compared to a \$40.3 million tax expense at a 22.2 percent effective tax rate for the nine months ended September 30, 2022 and 2021, respectively. The 17.9 percent effective tax rate for the nine months ended September 30, 2022 differed from the statutory federal income tax rate of 21.0 percent primarily due to state income taxes and the impact of permanent tax differences. The 22.2 percent effective tax rate for the nine months ended September 30, 2021 differed from the statutory federal income tax rate of 21.0 percent primarily due to state income taxes and the impact of ASU 2016-09 related to share-based payments.

Comparative Consolidated Operating Statistics

The following tables set forth our operating statistics for the periods indicated:

	Three Months Ended September 30,			Percent Change ⁽¹⁾	
	2022	2021	2019	YoY	Yo3Y
Operating statistics (unaudited):					
Total system statistics:					
Passengers	4,359,417	3,872,651	3,806,369	12.6 %	14.5 %
Available seat miles (ASMs) (thousands)	4,450,595	4,441,201	3,888,400	0.2	14.5
Operating expense per ASM (CASM) (cents)	13.28 ¢	8.85 ¢	9.37 ¢	50.1	41.7
Fuel expense per ASM (cents)	4.68 ¢	2.67 ¢	2.69 ¢	75.3	74.0
Operating CASM, excluding fuel (cents)	8.60 ¢	6.18 ¢	6.68 ¢	39.2	28.7
Sunseeker Resort CASM (cents) ⁽²⁾	0.85 ¢	0.05 ¢	0.04 ¢	NM	NM
Operating CASM, excluding fuel and Sunseeker Resort activity (cents)	7.75 ¢	6.13 ¢	6.64 ¢	26.4	16.7
ASMs per gallon of fuel	82.4	82.5	80.3	(0.1)	2.6
Departures	29,432	30,663	27,707	(4.0)	6.2
Block hours	67,277	67,398	59,678	(0.2)	12.7
Average stage length (miles)	857	829	823	3.4	4.1
Average number of operating aircraft during period	115.1	105.6	87.6	9.0	31.4
Average block hours per aircraft per day	6.4	7.0	7.4	(8.6)	(13.5)
Full-time equivalent employees at end of period	5,294	4,261	4,267	24.2	24.1
Fuel gallons consumed (thousands)	54,044	53,850	48,443	0.4	11.6
Average fuel cost per gallon	\$ 3.85	\$ 2.20	\$ 2.16	75.0	78.2
Scheduled service statistics:					
Passengers	4,316,163	3,834,956	3,753,611	12.5	15.0
Revenue passenger miles (RPMs) (thousands)	3,820,339	3,302,519	3,170,826	15.7	20.5
Available seat miles (ASMs) (thousands)	4,315,984	4,312,893	3,687,473	0.1	17.0
Load factor	88.5 %	76.6 %	86.0 %	11.9	2.5
Departures	28,436	29,593	26,238	(3.9)	8.4
Block hours	65,182	65,296	56,576	(0.2)	15.2
Average seats per departure	175.8	174.3	170.8	0.9	2.9
Yield (cents) ⁽³⁾	6.92 ¢	6.04 ¢	6.42 ¢	14.6	7.8
Total passenger revenue per ASM (TRASM) (cents) ⁽⁴⁾	12.60 ¢	10.40 ¢	11.10 ¢	21.2	13.5
Average fare - scheduled service ⁽⁵⁾	\$ 61.26	\$ 52.05	\$ 54.20	17.7	13.0
Average fare - air-related charges ⁽⁵⁾	\$ 58.40	\$ 58.45	\$ 50.03	(0.1)	16.7
Average fare - third party products	\$ 6.29	\$ 6.40	\$ 4.85	(1.7)	29.7
Average fare - total	\$ 125.95	\$ 116.91	\$ 109.08	7.7	15.5
Average stage length (miles)	860	834	824	3.1	4.4
Fuel gallons consumed (thousands)	52,491	52,249	46,038	0.5	14.0
Average fuel cost per gallon	\$ 3.84	\$ 2.19	\$ 2.17	75.3	77.0
Rental car days sold	364,481	366,407	482,944	(0.5)	(24.5)
Hotel room nights sold	71,205	66,626	99,991	6.9	(28.8)
Percent of sales through website during period	96.1 %	95.4 %	93.1 %	0.7	3.0

⁽¹⁾ Except load factor and percent of sales through website during period, which are presented as a percentage point change.

⁽²⁾ Includes a \$35.0 million special charge in the third quarter 2022 relating to Hurricane Ian damage to Sunseeker Resort. The amount of the loss will be offset in future periods by amounts to be recovered under our insurance policies.

⁽³⁾ Defined as scheduled service revenue divided by revenue passenger miles.

⁽⁴⁾ Various components of this measure do not have a direct correlation to ASMs. This measure is provided on a per ASM basis so as to facilitate comparison with airlines reporting revenues on a per ASM basis.

⁽⁵⁾ Reflects division of passenger revenue between scheduled service (base fare) and air-related charges in our booking path.

Comparative Consolidated Operating Statistics

The following tables set forth our operating statistics for the periods indicated:

	Nine Months Ended September 30,			Percent Change ⁽¹⁾	
	2022	2021	2019	YoY	Yo3Y
Operating statistics (unaudited):					
Total system statistics:					
Passengers	12,834,078	9,906,371	11,426,183	29.6 %	12.3 %
Available seat miles (ASMs) (thousands)	14,060,825	13,049,732	12,245,704	7.7	14.8
Operating expense per ASM (CASM) (cents)	12.00 ¢	7.52 ¢	9.05 ¢	59.6	32.6
Fuel expense per ASM (cents)	4.48 ¢	2.38 ¢	2.65 ¢	88.2	69.1
Operating CASM, excluding fuel (cents)	7.52 ¢	5.14 ¢	6.40 ¢	46.3	17.5
Sunseeker Resort CASM (cents) ⁽²⁾	0.30 ¢	0.04 ¢	0.05 ¢	NM	NM
Operating CASM, excluding fuel and Sunseeker Resort activity (cents)	7.22 ¢	5.10 ¢	6.35 ¢	41.6	13.7
ASMs per gallon of fuel	84.2	85.6	82.2	(1.6)	2.4
Departures	90,064	87,854	83,454	2.5	7.9
Block hours	212,403	197,581	187,829	7.5	13.1
Average stage length (miles)	885	852	858	3.9	3.1
Average number of operating aircraft during period	112.7	101.6	84.1	10.9	34.0
Average block hours per aircraft per day	6.9	7.1	8.2	(2.8)	(15.9)
Full-time equivalent employees at end of period	5,294	4,261	4,267	24.2	24.1
Fuel gallons consumed (thousands)	167,070	152,464	148,980	9.6	12.1
Average fuel cost per gallon	\$ 3.77	\$ 2.04	\$ 2.18	84.8	72.9
Scheduled service statistics:					
Passengers	12,736,268	9,838,512	11,307,004	29.5	12.6
Revenue passenger miles (RPMs) (thousands)	11,646,212	8,657,151	9,964,948	34.5	16.9
Available seat miles (ASMs) (thousands)	13,716,838	12,739,769	11,800,788	7.7	16.2
Load factor	84.9 %	68.0 %	84.4 %	16.9	0.5
Departures	87,475	85,303	80,149	2.5	9.1
Block hours	206,868	192,481	180,674	7.5	14.5
Average seats per departure	175.7	173.8	171.0	1.1	2.7
Yield (cents) ⁽³⁾	6.94 ¢	6.53 ¢	6.85 ¢	6.3	1.3
Total passenger revenue per ASM (TRASM) (cents) ⁽⁴⁾	12.03 ¢	9.30 ¢	11.18 ¢	29.4	7.6
Average fare - scheduled service ⁽⁵⁾	\$ 63.44	\$ 57.48	\$ 60.40	10.4	5.0
Average fare - air-related charges ⁽⁵⁾	\$ 60.07	\$ 56.79	\$ 51.56	5.8	16.5
Average fare - third party products	\$ 6.08	\$ 6.22	\$ 4.74	(2.3)	28.3
Average fare - total	\$ 129.59	\$ 120.49	\$ 116.70	7.6	11.0
Average stage length (miles)	889	857	861	3.7	3.3
Fuel gallons consumed (thousands)	162,933	148,578	143,433	9.7	13.6
Average fuel cost per gallon	\$ 3.77	\$ 2.03	\$ 2.17	85.7	73.7
Rental car days sold	1,161,579	1,046,751	1,495,502	11.0	(22.3)
Hotel room nights sold	222,334	195,535	319,197	13.7	(30.3)
Percent of sales through website during period	96.2 %	94.3 %	93.4 %	1.9	2.8

⁽¹⁾ Except load factor and percent of sales through website during period, which are presented as a percentage point change.

⁽²⁾ Includes \$35.0 million special charge in the third quarter 2022 relating to Hurricane Ian damage to Sunseeker Resort. The amount of the loss will be offset in future periods by amounts to be recovered under our insurance policies.

⁽³⁾ Defined as scheduled service revenue divided by revenue passenger miles.

⁽⁴⁾ Various components of this measure do not have a direct correlation to ASMs. This measure is provided on a per ASM basis so as to facilitate comparison with airlines reporting revenues on a per ASM basis.

⁽⁵⁾ Reflects division of passenger revenue between scheduled service (base fare) and air-related charges in our booking path.

LIQUIDITY AND CAPITAL RESOURCES

Current liquidity

Cash, cash equivalents and investment securities (short-term and long-term) decreased to \$1.00 billion at September 30, 2022, from \$1.19 billion at December 31, 2021. Investment securities represent highly liquid marketable securities which are available-for-sale.

Restricted cash represents escrowed funds under fixed fee contracts, escrowed airport project funds and cash collateral against letters of credit required by hotel properties for guaranteed room availability, airports and certain other parties. Under our fixed fee flying contracts, we require our customers to prepay for flights to be provided by us. The prepayments are escrowed until the flight is completed and are recorded as restricted cash with a corresponding amount reflected as air traffic liability.

We believe we have more than adequate liquidity resources through our cash balances, operating cash flows and borrowings to meet our future contractual obligations. We will continue to consider raising funds through debt financing on an opportunistic basis.

Debt

Our debt and finance lease obligations balance, without reduction for related issuance costs, increased from \$1.77 billion as of December 31, 2021 to \$2.02 billion as of September 30, 2022. During the nine months ended September 30, 2022, we entered into debt and finance leases for \$918.3 million including debt of \$550.0 million to refinance our term loan due 2024. During this period, we made principal payments of \$666.0 million, including a \$531.7 million prepayment of our term loan due 2024, \$24.7 million prepayment of our payroll support program loans and \$1.7 million prepayment of debt secured by aircraft.

As of September 30, 2022, approximately 82 percent of our debt and finance lease obligations are fixed-rate.

Sources and Uses of Cash

Operating Activities. Operating cash inflows are primarily derived from providing air transportation and related ancillary products and services to customers. During the nine months ended September 30, 2022, our operating activities provided \$221.8 million of cash compared to \$373.6 million during the same period 2021. This change is mostly attributable to a \$191.1 million decrease in net income offset by changes in current assets and liability accounts.

Investing Activities. Cash used for investing activities was \$335.6 million during the nine months ended September 30, 2022 compared to \$513.3 million used for investing activities during the same period in 2021. The change is due to a \$405.7 million increase in proceeds from maturities, net of purchases, of investment securities during the nine months ended September 30, 2022 as proceeds from maturities exceeded purchases of investment securities in the nine months ended September 30, 2022 but not in the same period of 2021. This was offset by a \$227.0 million increase in purchases of property and equipment, including \$88.5 million related to aircraft pre-delivery deposits during the nine months ended September 30, 2022.

Financing Activities. Cash used for financing activities for the nine months ended September 30, 2022 was \$15.7 million, compared to \$205.4 million cash provided by financing activities for the same period in 2021. The change resulted from \$335.1 million of proceeds from the issuance of common stock in the first nine months of 2021 offset by an increase in proceeds from debt issuance in excess of principal payments and debt issuance costs of \$200.8 million compared to the same period in 2021 as debt proceeds exceeded principal payments and debt issuance costs in the nine months ended September 30, 2022 but not in the same period of 2021. The \$82.8 million in other financing activities is largely attributable to the deposit of \$87.5 million of loan proceeds into a construction disbursement account and as such, is a direct offset to \$87.5 million of proceeds from the issuance of debt obligations for Sunseeker Resort.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

We have made forward-looking statements in this quarterly report on Form 10-Q, and in the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations," that are based on our management's beliefs and assumptions, and on information currently available to our management. Forward-looking statements include our statements regarding number of contracted aircraft to be placed in service in the future, the timing of aircraft deliveries and retirements, the implementation of a joint alliance with VivaAerobus, the development of our Sunseeker Resort, as well as other information concerning future results of operations, business strategies, financing plans, competitive position, industry environment, potential growth opportunities, the effects of future regulation and the effects of competition. Forward-looking statements include all statements that are not historical facts and can be identified by the use of forward-looking terminology such as the words "believe," "expect," "anticipate," "intend," "plan," "estimate," "project," "hope" or similar expressions.

Forward-looking statements involve risks, uncertainties and assumptions. Actual results may differ materially from those expressed in the forward-looking statements. Important risk factors that could cause our results to differ materially from those expressed in the forward-looking statements may be found in our periodic reports filed with the Securities and Exchange Commission at www.sec.gov. These risk factors include, without limitation, the impact of Hurricane Ian on our Florida markets and on completion of Sunseeker Resort, the impact and duration of the COVID-19 pandemic on airline travel and the economy, liquidity issues resulting from the effect of the COVID-19 pandemic on our business, restrictions imposed on us as a result of accepting government grants under the government payroll support programs, an accident involving, or problems with, our aircraft, public perception of our safety, our reliance on our automated systems, our reliance on third parties to deliver aircraft under contract to us on a timely basis, risk of breach of security of personal data, volatility of fuel costs, labor issues and costs, the ability to obtain regulatory approvals as needed, the effect of economic conditions on leisure travel, debt covenants and balances, the ability to finance aircraft to be acquired, the ability to obtain necessary government approvals to implement the announced alliance with VivaAerobus and to otherwise prepare to offer international service, terrorist attacks, risks inherent to airlines, our competitive environment, our reliance on third parties who provide facilities or services to us, the possible loss of key personnel, economic and other conditions in markets in which we operate, the ability to successfully develop a resort in Southwest Florida, governmental regulation, increases in maintenance costs and cyclical and seasonal fluctuations in our operating results.

Any forward-looking statements are based on information available to us today and we undertake no obligation to publicly update any forward-looking statements, whether as a result of future events, new information or otherwise.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

There have been no material changes to our critical accounting estimates during the nine months ended September 30, 2022. For information regarding our critical accounting policies and estimates, see disclosures in the Consolidated Financial Statements and accompanying notes contained in our 2021 Form 10-K, and in Note 1 of Notes to Consolidated Financial Statements (unaudited).

Item 3. Quantitative and Qualitative Disclosures About Market Risk

We are subject to certain market risks, including commodity prices (specifically aircraft fuel). The adverse effects of changes in these markets could pose potential losses as discussed below. The sensitivity analysis provided does not consider the effects that such adverse changes may have on overall economic activity, nor does it consider additional actions we may take to mitigate our exposure to such changes. Actual results may differ.

Aircraft Fuel

Our results of operations can be significantly impacted by changes in the price and availability of aircraft fuel. Aircraft fuel expense for the nine months ended September 30, 2022 represented 37.3 percent of our total operating expenses. Increases in fuel prices, or a shortage of supply, could have a material impact on our operations and operating results. Based on our fuel consumption for the nine months ended September 30, 2022, a hypothetical ten percent increase in the average price per gallon of fuel would have increased fuel expense by approximately \$63.7 million. We have not hedged fuel price risk for many years.

Interest Rates

As of September 30, 2022, we had \$371.7 million of variable-rate debt, including current maturities and without reduction for \$3.6 million in related costs. A hypothetical 100 basis point change in interest rates would have affected interest expense on variable rate debt by approximately \$6.1 million for the nine months ended September 30, 2022 as the amount of our variable rate debt during the year was much higher prior to the prepayment of our term loan in August 2022.

Item 4. Controls and Procedures

As of September 30, 2022, under the supervision and with the participation of our management, including our chief executive officer ("CEO") and chief financial officer ("CFO"), we evaluated the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934, as amended, or the "Exchange Act") as of the end of the period covered by this report. Based on that evaluation, management, including our CEO and CFO, has concluded that our disclosure controls and procedures are designed, and are effective, to give reasonable assurance that the information we are required to disclose is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and is accumulated and communicated to the Company's management, including the CEO and the CFO, as appropriate to allow timely decisions regarding required disclosure.

There were no changes in our internal control over financial reporting that occurred during the quarter ending September 30, 2022, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

We are subject to certain legal and administrative actions we consider routine to our business activities. We believe the ultimate outcome of any pending legal or administrative matters will not have a material adverse impact on our financial position, liquidity or results of operations.

Item 1A. Risk Factors

We have evaluated our risk factors and determined there are no changes to those set forth in Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2021 and filed with the Commission on March 1, 2022 other than to include the following risk factor:

The damage caused by Hurricane Ian may impact air traffic to those areas of Florida impacted by the storm and the damage to our Sunseeker Resort may result in delays and additional costs.

Near the end of September 2022, Hurricane Ian struck Southwest Florida and moved across the State of Florida causing substantial damage in its wake. All airports in the affected areas were closed for a period of time, but have now reopened. Particular areas in Southwest Florida suffered damage which may take years to restore. These areas include the tourist destinations of Fort Myers Beach, Sanibel Island and Captiva Island among others, to which many of our customers travel when flying on our network. There is no assurance that passenger travel to our leisure destinations in Punta Gorda, Sarasota and Key West will not be impacted, or to what extent, as a result of the lingering effects of the damage and recovery from Hurricane Ian.

Hurricane Ian also caused significant damage to our Sunseeker Resort. We are in the process of evaluating the extent of the damage and our insurance coverages. While we do not at this time believe the delay to the completion of the Resort will be longer than a few months, this will depend on the availability of workers and materials and other factors which are beyond our control.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Our Repurchases of Equity Securities

(a) During third quarter 2022, we issued 17,876 shares of restricted stock to Scott Sheldon, our president and chief operating Officer, 16,812 shares of restricted stock to Gregory Anderson, our president and chief financial officer, 9,949 shares to Scott DeAngelo, our executive vice president and chief marketing officer, and 11,244 shares to Rob Wilson, our executive vice president and chief information officer under their respective employment agreements. These shares of restricted stock represent the base equity grant for the period under their employment agreements and vest over three years. All of these shares were issued in reliance upon an exemption from registration pursuant to Section 4(a)(2) of the Securities Act of 1933, as amended, on the basis that the issuance did not involve a public offering.

(b) Not applicable

(c) We did not repurchase any common stock during the third quarter 2022.

Item 3. Defaults Upon Senior Securities

None

Item 4. Mine Safety Disclosures

Not applicable

Item 5. Other Information

None

Item 6. Exhibits

<u>3.1</u>	<u>Articles of Incorporation of Allegiant Travel Company, (Incorporated by reference to Exhibit 3.1 to Registration Statement No. 333-134145 filed with the Commission on July 6, 2006).</u>
<u>3.2</u>	<u>Bylaws of Allegiant Travel Company as amended on October 18, 2021. (Incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K, filed with the Commission on July 28, 2022.</u>
<u>10.1</u>	<u>Employment Agreement dated as of August 1, 2022 between the Company and Scott Sheldon.</u>
<u>10.2</u>	<u>Employment Agreement dated as of August 1, 2022 between the Company and Gregory Anderson.</u>
<u>10.3</u>	<u>Employment Agreement dated as of August 1, 2022 between the Company and Scott DeAngelo.</u>
<u>10.4</u>	<u>Employment Agreement dated as of August 1, 2022 between the Company and Robert Wilson, III.</u>
<u>10.5</u>	<u>PDP Credit Agreement dated as of September 30, 2022 among Allegiant Air, LLC, Norddeutsche Landesbank Girozentrale (acting through its New York branch) and Landesbank Hessen-Thüringen Girozentrale as Original Lenders and Bank of Utah as security trustee. (1)</u>
<u>10.6</u>	<u>Purchase Agreement Assignment and Security Agreement dated as of September 30, 2022, between Allegiant Air, LLC and Bank of Utah as security trustee. (1)</u>
<u>10.7</u>	<u>Definitions Relating to the PDP Credit Agreement and the Security Agreement referenced in items 10.5 and 10.6. (1)</u>
<u>10.8</u>	<u>Allegiant Guarantee Agreement dated as of September 30, 2022 between the Company and Bank of Utah as security trustee.</u>
<u>31.1</u>	<u>Rule 13a - 14(a) / 15d - 14(a) Certification of Principal Executive Officer</u>
<u>31.2</u>	<u>Rule 13a - 14(a) / 15d - 14(a) Certification of Principal Financial Officer</u>
<u>32</u>	<u>Section 1350 Certifications</u>
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Labels Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document

(1) Certain confidential information in this agreement has been omitted because it (i) is not material and (ii) would be competitively harmful if publicly disclosed.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ALLEGiant TRAVEL COMPANY

Date: November 3, 2022

By: /s/ Gregory Anderson
Gregory Anderson, as duly authorized officer of the Company (President and Chief Financial Officer) and as Principal Financial Officer

**AMENDED AND RESTATED
EMPLOYMENT AGREEMENT**

THIS AMENDED AND RESTATED EMPLOYMENT AGREEMENT ("Agreement") is made and entered into effective as of the 1st day of August, 2022 by and between D. SCOTT SHELDON (hereinafter "Executive"), whose address is 1201 N. Town Center Drive, Las Vegas, Nevada 89144, and ALLEGIANT TRAVEL COMPANY, a Nevada corporation (hereinafter "the Company"), whose address is 1201 N. Town Center Drive, Las Vegas, Nevada 89144. This Agreement restates and amends in its entirety that certain Employment Agreement between the parties dated as of August 1, 2020 (the "Prior Agreement").

W I T N E S S E T H

WHEREAS, the Company desires to employ Executive as its president and chief operating officer, and Executive desires to be so employed pursuant to and in accordance with the terms and conditions hereinafter set forth; and

WHEREAS, this Agreement supersedes the Prior Agreement as of the Effective Date;

NOW, THEREFORE, for and in consideration of the above premises, the terms and covenants herein contained, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by Executive and the Company, it is hereby agreed as follows:

1. Employment. The Company hereby employs Executive and Executive hereby accepts employment by the Company upon all of the terms and conditions as are hereinafter set forth. Terms of employment with the Company are also governed by the Company's employment policies in effect from time to time. The Company shall provide a copy of such employment policies to Executive upon request. In the event of any conflict between the terms of this Agreement and the generally applicable employment policies, the terms of this Agreement shall prevail.

2. Scope of Services.

A. Executive shall be employed by the Company as a president and chief operating officer of the Company and its operating subsidiaries. Executive shall report to the Company's Chief Executive Officer or such other officer as the Company's Board of Directors may designate ("Supervising Officer"). Executive's duties shall include those indicated above and such other duties assigned to him by the Supervising Officer from time to time.

Executive's services are mutually agreed to be unique personal services. Executive acknowledges that the Company is relying upon Executive's experience, expertise and other qualifications in entering into this Agreement. Executive shall not assign or delegate any right, obligation or duty hereunder to any other person or entity without the express written consent of the Company.

B. During Executive's period of service hereunder, Executive agrees to perform such services not inconsistent with Executive's position as shall from time to time be assigned to Executive by the Supervising Officer. During the term of this Agreement, except for disability, illness and vacation periods, Executive shall devote Executive's full productive time, attention and energies to the positions of president and chief financial officer of the Company and its operating subsidiaries.

C. Executive shall be required to reside in Las Vegas, Nevada during his employment under this Agreement.

D. Executive's expenditure of reasonable amounts of time in connection with outside activities, not competitive with the business of the Company, such as outside directorships or charitable activities, shall not be considered in contravention of this Agreement so long as such activities do not interfere with his performance of this Agreement. Further, it is understood and agreed by the parties hereto that Executive is entitled to engage in passive and personal investment activities not interfering with his performance of this Agreement.

3. Limitations of Duties. Executive shall not, without consent first being given by the Company, which consent may be general authority from the Company:

A. Take part in activities detrimental to the best interests of the Company, including rendering any services to any other firm or entity which conflict or interfere with the performance of Executive's duties hereunder.

B. Exceed any limitations on his authority that may be established by the Board.

C. Enter into any contract, oral or written, in the name of, for or on behalf of the Company other than in the ordinary course of business.

D. Use any money belonging to the Company or pledge its credit other than in the ordinary course of business.

E. Commit or suffer to be committed any act whereby the Company's property may be subject to attachment or seizure.

F. Cause the Company to become a guarantor, surety or endorser or give any note for the benefit of any other person whomsoever.

Upon a breach of any provision under this Item 3, the Company shall have the right to terminate this Agreement for Cause as set forth in Item 6E hereof and to pursue any other remedies available to the Company as a result of such breach.

Executive shall indemnify and hold the Company harmless from and against any and all damages, actions, causes of action, claims and other liabilities, contingent or otherwise, directed toward the Company by others as a result of Executive's violation of any of the provisions of this Item 3.

4. Compensation.

A. Compensation Through March 31, 2023. During the period from the Effective Date through March 31, 2023, the following provisions shall apply:

(1) Base Compensation. As base compensation (“Base Salary”) for providing services hereunder, Executive shall be paid at the rate of Two Hundred Sixty Thousand Dollars (\$260,000) per annum to be paid monthly or in more frequent installments as may be agreed upon by the Company and Executive. The salary payable to Executive shall be inclusive of any fees received by Executive as an officer of the Company or any other company or corporate body in which Executive holds an office as a nominee or representative of the Company.

(2) Annual Bonus. Subject to the limitations in Paragraph 4D(8) below, Executive shall be entitled to participate in the Company’s annual bonus program (if any) as in effect from time to time and subject to meeting any requirements established for participation in the bonus program and may also be granted a discretionary bonus in such amount as may be determined by the Board of Directors (the “Board”) in its sole discretion.

(3) Time-Based Restricted Stock. Executive will be granted shares of restricted stock (the “T-B Restricted Stock”) under the Company’s 2022 Long-Term Incentive Plan (the “LTIP”) as follows: on August 1, 2022 (if the Executive remains actively employed as of such date), a number of shares equal to \$2,100,000 divided by the closing price of the Company’s stock on such date. This grant of T-B Restricted Stock will vest in three (3) equal annual installments commencing on the first anniversary of each date of grant. In other words, the 2022 grant of T-B Restricted Stock will vest in 2023, 2024 and 2025. Each grant of T-B Restricted Stock will be subject to the terms of a Restricted Stock Agreement to be entered into between the Company and Executive to evidence this grant. Executive shall be entitled to vote all vested and unvested shares of T-B Restricted Stock and to the extent allowed by the LTIP, receive all dividends paid thereon, until and unless such time as such shares of T-B Restricted Stock are forfeited in accordance with the terms of the Restricted Stock Agreement evidencing such grant.

B. Grant on Expiration of CARES Act Compensation Limitations. As a recipient of financial support under the Coronavirus Aid, Relief, and Economic Security Act of 2020 and subsequent payroll support programs (collectively, the “PSPs”), the Company is subject to certain restrictions on executive compensation for employees who made over \$425,000 in 2019. These restrictions will continue to apply until at least April 1, 2023 and possibly longer. At such time as the Company is no longer subject to the restrictions on executive compensation under the PSPs, the Company shall grant to Executive an additional 10,000 shares of restricted stock (the “PSP Expiration Grant”) under the Company’s LTIP provided that the Executive remains actively employed as of such date. The PSP

Expiration Grant will vest on the first anniversary of the date of grant. The PSP Expiration Grant will be subject to the terms of a Restricted Stock Agreement to be entered into between the Company and Executive to evidence this grant. From and after grant, Executive shall be entitled to vote all vested and unvested shares of the Additional Restricted Stock and to the extent allowed by the LTIP, to receive all dividends paid thereon, until and unless such time as such shares of the PSP Expiration Grant are forfeited in accordance with the terms of the Restricted Stock Agreement evidencing such grant.

C. Compensation for Period from April 1, 2023 through December 31, 2026. During the period from April 1, 2023 through December 31, 2026, the following provisions shall apply:

- (1) No Base Salary. The equity grants described below are intended to be the sole base compensation payable to Executive during this period under this Agreement. As such, Executive shall not be entitled to any base salary.
- (2) No Participation in Annual Cash Bonus Plan. The equity grants and cash bonus opportunity based on stock price performance described below are intended to be the sole compensation payable to Executive during this period. As such, Executive shall not be entitled to participation in the Company's annual cash bonus plan. However, Executive may be granted a discretionary cash bonus for extraordinary performance in such amount as may be determined by the Board in its sole discretion.
- (3) Base Compensation Grant. In lieu of cash compensation in the form of base salary or under the annual cash bonus plan), on April 3, 2023, Executive shall receive a restricted stock grant in the amount of 84,000 shares and on January 1, 2024, a restricted stock grant in the amount of 13,000 shares (collectively, the "Base Compensation Grant") under the Company's LTIP provided that Executive remains actively employed by the Company as of such date. The 2023 Base Compensation Grant shall vest as follows: (i) 25,869 shares on April 3, 2024 ; (ii) 12,933 shares on October 1, 2024; (iii) 11,200 shares on April 1, 2025; (iv) 11,200 shares on October 1, 2025; (v) 11,200 shares on April 1, 2026; (vi) 11,200 shares on October 1, 2026; and (vii) the final 398 shares on January 1, 2027, in each case, only if the Executive remains actively employed by the Company as of the respective date. The 2024 Base Compensation Grant shall vest as follows: (i) 1,733 shares on each of April 1, 2025, October 1, 2025, April 1, 2026 and October 1, 2026; and (ii) the remaining 6,068 shares on January 1, 2027, in each case, only if the Executive remains actively employed by the Company as of the respective date. The Base Compensation Grants will be subject to the terms of Restricted Stock Agreements to be entered into between the Company and the Executive to evidence the grants. From and after grant, Executive shall be entitled to vote all vested and unvested shares of the Base Compensation Grant and to the extent allowed by the LTIP, to receive all dividends paid thereon, until and unless such time as such shares of the Base Compensation Grant are forfeited

in accordance with the terms of this Agreement and the Restricted Stock Agreement evidencing such grant.

- (4) Performance Based Cash Bonus. Each calendar year from 2023 through 2026, Executive shall be entitled to receive a cash bonus if the average closing price of the Company's stock during any twenty (20) consecutive trading day period during the last six months of the year equals or exceeds the stock price threshold set forth below, in each case, based only on the highest stock price threshold met during the last six months of the year. If any stock price threshold for a year is met, then the cash bonus shall be equal to the Applicable Number of Shares for such year (from the chart below), multiplied by the highest stock price threshold met for such year and with the result multiplied by the Applicable Percentage for the stock price threshold met (from the chart below). If no stock price threshold is met for any year, then no cash bonus shall be paid for such year.

<u>Year</u>	<u>Applicable Number of Shares</u>	<u>Stock Price Threshold</u>	<u>Applicable Percentage</u>
2023	6,000	\$140	25%
	6,000	\$150	50%
	6,000	\$160	75%
	6,000	\$170	100%
2024	7,000	\$180	25%
	7,000	\$190	50%
	7,000	\$200	75%
	7,000	\$210	100%
2025	8,000	\$225	25%
	8,000	\$235	50%
	8,000	\$245	75%
	8,000	\$255	100%
2026	9,000	\$265	25%
	9,000	\$275	50%
	9,000	\$285	75%
	9,000	\$295	100%

By way of example, if the highest average closing price of the Company's stock during a 20 consecutive day period during the last six months of 2023 exceeds \$170 per share, then the cash bonus for 2023 would be: 6,000 X \$170 X 100% = \$1,020,000.

By way of further example, if the highest average closing price of the Company's stock during a 20 consecutive day period during the last six months of 2025 exceeds \$245 per share (but not \$255 per share), then the cash bonus for 2025 would be: $8,000 \times \$245 \times 75\% = \$1,470,000$.

For purposes of these cash bonus provisions, the average closing price will be calculated as the arithmetic average of the 20 closing prices during the 20 consecutive day period and without regard for trading volume.

Any cash bonus earned will be payable within fifteen (15) days after the end of the applicable year. The Company may choose to prepay any portion of the cash bonus to the extent earned (that is, once the stock price has met the stock price threshold for a 25%, 50% or 75% Applicable Percentage payment) with any prepayment to reduce the amount of the final payment for such year.

If Executive's employment terminates prior to the end of any year, Executive shall be entitled to any cash bonus earned by virtue of meeting a stock price threshold in the last six months of the year and prior to the date of termination, but not further or otherwise.

(5) Stock Options. The Company shall grant Executive stock options as follows:

- (a) As of April 3, 2023 (provided Executive remains in the active employ of the Company as of such date), options to purchase 6,000 shares at \$170 per share exercisable only during 2023;
- (b) As of January 1, 2024 (provided Executive remains in the active employ of the Company as of such date), options to purchase 7,000 shares at \$210 per share exercisable only during 2024;
- (c) As of January 1, 2024 (provided Executive remains in the active employ of the Company as of such date), options to purchase 8,000 shares at \$255 per share exercisable only during 2025; and
- (d) As of January 1, 2024 (provided Executive remains in the active employ of the Company as of such date), options to purchase 9,000 shares at \$295 per share exercisable only during 2026.

Notwithstanding the above, the option price for any shares shall not be less than the closing price of the Company's stock as of the date of grant. The options shall be exercisable only during the term of Executive's employment with the Company or within 90 days thereafter and shall be subject to the terms of stock option agreements to be entered into between Executive and the Company.

D. Generally Applicable Provisions. The following provisions shall apply throughout the term of this Agreement:

(1) No Participation in Future Equity Grants. Executive shall not be eligible to receive any further equity grants during the term of this Agreement.

(2) Fringe Benefits. The Company shall provide Executive health and dental insurance for Executive and his spouse (if married) and family and such vacation time, sick leave and other fringe benefits, including but not limited to participation in any pension, 401(k) and employee benefit plans that may be maintained by the Company from time to time as are made generally available to other management employees of the Company in accordance with Company policies. The Company reserves the right to change the benefits available under its benefit plans at any time or times.

(3) Positive Space Travel. In recognition of Executive's service in a senior management role for the Company for many years, the following benefit is provided. During the term of his employment with the Company and for a period of five (5) years thereafter, Executive shall be entitled to passes for air travel on the flights of the Company (and any successor-in-interest to the Company) for Executive, his wife and children (up to age 21) on a positive space basis at no cost to Executive.

(4) Expense Reimbursement. In addition, the Company shall reimburse Executive for any expenses incurred by Executive in connection with the business of the Company, as approved by the Company. These expenses may include expenses for travel, business promotion, association memberships, and any other expenses as may be approved by the Supervising Officer from time to time. The Company shall reimburse Executive for such out-of-pocket expenses by the tenth (10th) day of the month following the month in which such expenses were incurred (and appropriate documentation thereof has been provided to the Company). The Company may issue to Executive a company credit card. In such event, Executive agrees to use such card only for the expenses reimbursable under this paragraph. Executive agrees to keep the card securely. In the event of loss or theft, the issuing authority and the Company shall be informed immediately. The card shall be returned to the Company forthwith on the termination of Executive's employment for any reason whatsoever.

(5) Payroll Taxes. Executive shall bear full responsibility for the employee portion of all payroll taxes. Such amounts may be paid, at Executive's request, by the cancellation of such number of shares of Restricted Stock as may be necessary to fund the payroll tax obligation based on a value equal to the closing stock price of the Company's stock on the last trading day prior to the date of vesting.

(6) Deductions. Deductions shall be made from Executive's salary for social security, Medicare, federal and state withholding taxes, and any other such taxes as may from time to time be required by governmental authority.

(7) Clawback Agreement. In accordance with the Company's clawback policy, Executive hereby agrees to reimburse the Company for all or any portion of any bonuses or incentive or equity-based compensation if the Compensation Committee in good faith determines: (a) the payment or grant was based on the achievement of certain financial results that were subsequently the subject of a material financial restatement (other than as a result of a change in accounting principles) and a lower payment or award would have occurred based upon the restated financial results; or (b) the Executive engaged in fraud or intentional misconduct related to the Company or its business. In each such instance, the Company will, to the extent practicable and allowable under applicable law, require reimbursement of any bonus or incentive or equity based compensation awarded or effect the cancellation of any unvested or deferred stock awards previously granted to the Executive in the amount by which the Executive's bonus or incentive or equity based compensation for the relevant period exceeded the lower payment that would have been made based on the restated financial results, or such other amount as determined by the Compensation Committee, provided that the Company will not be entitled to recover bonuses or incentive or equity based compensation paid more than three years prior to the date the applicable restatement is disclosed.

(8) PSPs Limitations on Compensation. Notwithstanding anything herein to the contrary, in no event shall any cash or stock-based compensation under this Agreement (whether upon payment, grant, vesting or accelerated vesting) exceed the limitations imposed upon the Company by virtue of accepting support from the U.S. Treasury under the PSPs so long as those restrictions remain in effect. In the event of any such restriction, the parties agree to use good faith to negotiate an arrangement to provide the same value of compensation to Executive at a later time or on other terms but in compliance with the PSPs.

(9) Release Required for Post-Termination Benefits. Notwithstanding anything herein to the contrary, the acceleration of vesting of Restricted Stock, continued payment of salary after termination and other post-termination benefits shall be available to Executive under Items 4A(3), 4B, 4C(3), 4C(4), 4D(3), 6A, 6C and 6D in each case, if and only if Executive has executed and delivered to the Company a release in the form attached hereto as Exhibit A or in such other form agreed to by the parties and only so long as Executive has not revoked such general release.

(10) Adjustments on Stock Splits or Dividends. In the event of any stock dividend, stock split, combination or other similar recapitalization affecting shares of the Company or in the event of a merger or acquisition affecting the Company's outstanding shares, the number of shares of restricted stock and stock

options to be granted as of any subsequent date shall be adjusted accordingly and, with respect to the performance based cash bonus, the stock price threshold to be met with respect to the current or any subsequent calendar year shall also be adjusted accordingly, each as determined by the Compensation Committee in good faith, with such determination being final and binding.

5. Term. The initial term of this Agreement shall commence as of the date hereof (the "Effective Date") and shall continue until December 31, 2026. The term of the Agreement shall expire on such date absent a renewal signed by both parties.

6. Termination:

A. This Agreement shall be terminated upon Executive's death or upon a physician certified disability which permanently or indefinitely renders Executive unable to perform his usual duties on behalf of the Company. In the event of Executive's termination of employment as a result of death or such a disability, the vesting of the following shares of restricted stock shall be accelerated: all shares of Time-Based Restricted Stock, the PSP Expiration Grant and the Base Compensation Grant, but only to the extent granted prior to the date of death or disability and only to the extent such shares would have vested within three (3) years after the date of death or disability.

B. Executive may, without "Good Reason" (as defined in paragraph D below), terminate this Agreement by giving to the Company sixty (60) days written notice and such termination shall be effective on the date specified by Executive but in no event earlier than the sixtieth (60th) day following the date of such notice. In such event, Executive shall continue to render his services up to the Termination Date (as hereinafter defined) if so requested by the Company. In the event of such a resignation without Good Reason, all then unvested stock options, restricted stock grants and stock appreciation rights held by Executive as of the Termination Date shall be immediately forfeited.

C. The Company may, without "Cause" (as defined in paragraph E below), terminate this Agreement at any time by giving to Executive written notice and such termination shall be effective on the date specified by the Company. At the option of the Company, Executive shall immediately cease performing his duties hereunder upon receipt of the notice. If terminated without Cause pursuant to this paragraph C, Executive shall continue to receive his full base salary through March 31, 2023 (if the termination is effective prior to that date) and fringe benefits for the remaining term of this Agreement (but in no event for less than six (6) months following Executive's termination and the vesting of the following shares of restricted stock shall be accelerated: all shares of Time-Based Restricted Stock, the PSP Expiration Grant and the Base Compensation Grant, but only to the extent granted prior to the date of termination and only to the extent such shares would have vested within three (3) years after the date of termination.

D. Executive may terminate this Agreement immediately for "Good Reason". For purposes of this Agreement, Good Reason shall be defined as (i) failure of the Company to make any payment or provide any benefit to Executive hereunder, which failure is not cured within thirty (30) days after the Company's receipt of written notice of such default, or (ii) a material diminution of Executive's duties and responsibilities or his title without Executive's consent, or (iii) the principal location at which Executive is to perform his duties is relocated to a place more than fifty (50) miles from Las Vegas, Nevada. Any termination under this paragraph D shall take effect immediately upon the Company's receipt of written notice from Executive after the expiration of any applicable cure period. If Executive terminates this Agreement for "Good Reason" pursuant to this paragraph D, Executive shall continue to receive his full base salary through March 31, 2023 (if the termination is effective prior to such date) and fringe benefits for the remaining term of this Agreement but in no event less than six (6) months following Executive's termination and the vesting of the following shares of restricted stock shall be accelerated: all shares of Time-Based Restricted Stock, the PSP Expiration Grant and the Base Compensation Grant, but only to the extent granted prior to the date of termination and only to the extent such shares would have vested within three (3) years after the date of termination.

E. The Company may terminate this Agreement immediately for "Cause". For purposes of this Agreement, "Cause" shall be defined as any of the following: (i) Executive shall commit a felony or other act involving moral turpitude, which other act is materially detrimental to the Company; (ii) Executive shall knowingly commit any act of prohibited conduct as set forth in Item 3 of this Agreement; (iii) Executive shall commit any act, specifically including but not limited to drug or alcohol abuse, which act is materially harmful to the Company, or which in the reasonable opinion of the Company's Board brings the Company into disrepute; (iv) Executive shall commit any act of fraud, dishonesty, theft or misappropriation, whether or not related to his activities on behalf of the Company, including providing false reports or accounts to the Company or deliberately making false statements about the Company, its services, employees, customers or suppliers; (v) intentional or repeated material neglect of Executive's duties; (vi) breach by Executive of any other material provision of this Agreement; (vii) Executive shall become the subject of a bankruptcy proceeding or otherwise make an arrangement or composition with creditors generally; (viii) Executive shall engage in anti-social behavior (such as fighting, indecency, harassment, sexual or racial harassment or discrimination, intimidation of others, physical violence or assault) during the course of performing duties for the Company or against another employee outside of work; (ix) Executive shall have possession of illegal drugs at the Company's workplace; or (x) Executive shall perform duties in a negligent or dangerous manner which causes or is likely to cause material loss or injury. This Agreement may not be terminated by the Company under subclause (v), (vi) or (x) of this Item unless and until the Company has provided Executive with written notice of such violative conduct and Executive has failed to cure (or fails to commence and thereafter diligently pursue the cure) such act within thirty (30) days after Executive's receipt of such written notice; provided, however, that no right to cure shall be available for a second or subsequent violation of the same provision within any twelve (12) month period. Any termination under this paragraph E shall take effect immediately upon Executive's receipt of written notice from the Company or expiration of any applicable cure period, whichever is later. The failure of the Company to terminate this Agreement for cause as a result of any of the foregoing at any one or more times shall not affect the Company's ability to terminate this

Agreement for cause as a result of the subsequent occurrence of any act giving rise to "cause" hereunder, provided that Executive is still provided with a notice to cure if applicable in accordance with the above. In the event of a termination for Cause, all then unvested stock options, restricted stock grants and stock appreciation rights held by Executive shall be immediately forfeited.

F. Upon termination, Executive shall have no obligation to provide any additional services, and except as expressly provided above, the Company shall only be obligated pay to Executive the portion of any amounts due as of the termination date, together with all unreimbursed out-of-pocket expenses incurred by Executive.

G. Termination of Executive's Obligations. In the event of the termination of Executive's employment during the term of this Agreement, Executive's obligations under Item 7 of this Agreement shall survive the expiration of the term of this Agreement without renewal and termination of Executive's employment as provided in such Item. Unless the parties to this Agreement mutually agree to extend the term of this Agreement, the restrictions under Item 7 of this Agreement shall no longer apply after the expiration of the term of this Agreement if Executive continues to be employed by the Company at that time.

H. Resignation of Positions upon Termination. On the termination of this Agreement for any reason whatsoever, Executive shall at the request of the Company immediately resign (without prejudice to any claims which Executive may have against the Company arising out of this Agreement or the termination thereof) from all and any offices which Executive may hold as an officer or member of the Board of the Company and from all other appointments or offices which Executive holds as a nominee or representative of the Company and if Executive should fail to do so, the Company is hereby irrevocably authorized to appoint another person in Executive's name and on Executive's behalf to sign any documents or do anything necessary or requisite to effect such resignation(s) and/or transfers.

I. Termination Date. For all purposes of this Agreement the "Termination Date" shall refer to the effective date of termination as set forth above.

7. Restrictive Covenants. As a material inducement to the Company's employment of Executive, the provisions of this Item 7 shall apply.

A. For purposes of this Item, the following terms and provisions shall have the following meanings:

(i) "Prohibited Time Period" shall mean the period beginning on the date of execution hereof and ending on the date that is twelve (12) months after the termination of employment for any reason whatsoever of Executive.

(ii) "Prohibited Business" shall mean the business of providing charter or scheduled airline service. The Prohibited Business shall include, but is not limited to, employment with an existing airline or with a group which within one (1) year prior to the termination of Executive's employment or after the termination of employment, begins to take steps to form a start-up airline.

(iii) "Prohibited Geographic Area" shall mean the conduct of the Prohibited Business within the United States or between the United States and Mexico, Canada or the Caribbean, whether he is physically located in the Prohibited Geographic Area or whether he is in contact with others located in the Prohibited Geographic Area. Executive acknowledges that he and the Company have agreed that Executive's services will benefit the Company throughout the Prohibited Geographic Area.

(iv) "Prohibited Capacity" shall mean service in the capacity of an executive or in such other management position or as a significant equity owner or consultant, in which capacities Executive acknowledges that he has served or will serve the Company and its subsidiaries during the course of his employment for the Company.

(v) "Prohibited Party" shall mean all travel partners of the Company who (a) have contracted for regular chartered air service with the Company during the one (1) year period prior to the date of termination of employment, or (b) whose services are sold by the Company to produce ancillary third party revenue (such as Enterprise Rent-a-Car), (c) have been solicited as potential travel partners of the Company at a meeting held at any time during the one (1) year period prior to the date of termination of employment of Executive.

(vi) "Prohibited Employee" means any employee, independent contractor or consultant of the Company who worked for the Company at any time within six (6) months prior to the termination of employment of Executive; provided, however, that the term "Prohibited Employee" shall not include any employee who had not been employed by the Company within the one (1) year period immediately preceding the date contacted by Executive for subsequent employment.

B. Executive agrees that during the Prohibited Time Period, he shall not, for any reason, without the prior written consent of the Company, on his own behalf or in the service or on behalf of others, serve in a Prohibited Capacity in the Prohibited Business in the Prohibited Geographic Area.

C. Executive covenants and agrees that during the Prohibited Time Period, he shall not, for any reason, directly or indirectly (whether as officer, director, consultant, employee, representative, agent, partner, owner, stockholder or otherwise), (i) solicit charter air services from, or market charter air services to, any Prohibited Party, or (ii) enter into a transaction with such Prohibited Party as a result of which the Prohibited Party does, or is likely to, reduce the amount of business between the Prohibited Party and the Company.

D. Executive agrees that during the Prohibited Time Period, he shall not, for any reason, without the prior written consent of the Company, on his own behalf or in the service or on behalf of others, hire any Prohibited Employee or request or induce any Prohibited Employee to terminate that person's employment or relationship with the Company or to accept employment with any other person.

E. The parties agree that: (i) the covenants and agreements of Executive contained in this Item are reasonably necessary to protect the interests of the Company in whose favor said covenants and agreements are imposed in light of the nature of the Company's

business and the professional involvement of Executive in such business; (ii) the restrictions imposed by this Item are not greater than are necessary for the protection of the Company in light of the substantial harm that the Company will suffer should Executive breach any of the provisions of said covenants or agreements; (iii) the covenants and agreements of Executive contained in this Item have been independently negotiated between the parties and served as a material inducement for the Company to enter into this Agreement; (iv) the period and geographical area of restriction referred to in this Item are fair and reasonably required for the protection of the Company; and (v) the nature, kind and character of the activities Executive is prohibited to engage in are reasonable and necessary to protect the Company in that the Company will rely on Executive for those important aspects of its business.

F. Executive acknowledges that a material breach by Executive of any part of this Item will result in irreparable and continuing damage to the Company and any material breach or threatened breach of the covenants provided in this Item shall be subject to specific performance by temporary as well as permanent injunction or any other equitable remedies of any court of competent jurisdiction.

G. The covenants and agreements on the part of Executive contained in this Item shall be construed as agreements independent of any other agreement between Executive and the Company. The existence of any claim or cause of action of Executive against the Company, whether predicated on this Agreement or otherwise, shall not constitute a defense to the enforcement by the Company of each of such covenants and agreements or otherwise affect the remedies to which the Company is entitled hereunder.

H. If the provisions of this Item 7 should ever be adjudicated to exceed the time, geographic or other limitations permitted by applicable law in any jurisdiction, then such provisions shall be deemed reformed in such jurisdiction to the maximum time, geographic or other limitation permitted by applicable law.

I. Nothing contained in this Item shall restrict Executive from being a not more than 1% stockholder (but not an officer, director, employee, consultant or advisor) of any corporation that directly or indirectly competes with the Company provided the stock of such competing corporation is publicly held and listed on a national stock exchange.

8. Confidential Information.

A. During the period beginning on the execution date of this Agreement and ending on the fifth (5th) anniversary of any termination or expiration of this Agreement, Executive agrees that he shall not, except in pursuit of the Company's business or with the prior written consent of the Company, for his own benefit or for the benefit of any other person or entity:

(i) directly or indirectly disclose, reveal, report, duplicate or transfer any Confidential Information to any other person or entity outside of the Company;

(ii) directly or indirectly aid, encourage, direct or allow any other person or entity outside of the Company to gain possession of or access to Confidential Information;

(iii) directly or indirectly copy or reproduce Confidential Information, except as required as part of Executive's duties; or

(iv) directly or indirectly use, sell or exploit any Confidential Information or aid, encourage, direct or allow any other person or entity to use, sell or exploit any Confidential Information.

This covenant shall not apply to any Confidential Information now or hereafter voluntarily disseminated by the Company to the public, or which otherwise has become part of the public domain through means other than a breach of Executive's duty of confidentiality hereunder. "Confidential Information", for purposes of this Agreement, shall mean information of the Company that constitutes a trade secret or confidential information under Nevada law and shall include, but not be limited to, all relevant information (whether or not reduced to writing and in any and all stages of development), concerning the Company and its services, plans, business practices, methods of operation, financial information, names or lists of names of employees, contractors, suppliers and customers, employee compensation and benefits, other personal employee information, interpretations, surveys, forecasts, marketing plans, development plans, notes, reports, market analyses, specialized software and databases and other information related to suppliers and customers that could be used as a competitive advantage by competitors if revealed or disclosed to such competitors or to persons or entities revealing or disclosing same to such competitors; together with any and all extracts, summaries and photo, electronic or other copies or reproductions, in whole or in part, stored in whatever medium. Confidential Information also includes business information of the Company now known by Executive, or in Executive's possession, or hereafter learned or acquired by Executive that derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by other persons who can obtain economic value from its disclosure or use. Confidential Information may be written or oral, expressed in electronic media or otherwise disclosed, and may be tangible or intangible. Confidential Information also includes any information made available to the Company by its customers or other third parties and which the Company is obligated to keep confidential. Executive acknowledges that the Confidential Information is secret, confidential and proprietary to the Company and has been or will be disclosed to and/or obtained by Executive in confidence and trust for the sole purpose of using the same for the sole benefit of the Company.

B. Executive hereby acknowledges and agrees that (i) the Company has expended considerable and substantial time, effort and capital resources to develop the Confidential Information, (ii) the Confidential Information is innovative and must receive confidential treatment to protect the Company's competitive position in the market and the Company's proprietary interest therein from irreparable damage, (iii) Executive, by virtue of his relationship with the Company, has had and will have access to the Confidential Information, and (iv) the Confidential Information and all physical embodiments or other repositories of the same shall be and at all times remain the sole and exclusive property of the Company.

C. Since irreparable harm will otherwise result to the Company in the event of a breach or threatened breach by Executive of the provisions of Item 8A, the Company shall be entitled to an injunction restraining Executive from disclosing, in whole or in part, any Confidential Information, or from rendering any services to any person, firm, company,

association or other entity to whom such Confidential Information, in whole or in part, has been disclosed or is threatened to be disclosed. Executive waives any requirement for the Company to post a bond or prove actual economic damage prior to seeking injunctive relief.

9. Company Property.

A. Executive acknowledges that all recorded information, including without limitation all notes, memoranda, records, documents, papers, computer disks, tapes, text or email messages, Teams messages, visual presentations or other storage media and all other papers and documents whatsoever which may have been prepared by Executive or have come into Executive's possession or control in the course of employment with the Company (the "Documents") and other materials owned or used by the Company shall at all times remain the sole property of the Company.

B. Executive agrees to promptly, upon request of the Company and in any event upon the termination of Executive's employment with the Company for any reason whatsoever, forthwith return to the Company all property whatsoever belonging to the Company including, without limitation, any laptop computer belonging to the Company, security passes, credit cards and all copies of the Documents which have come into Executive's possession or control in the course of employment with the Company and Executive shall not be entitled to and shall not retain any copies thereof.

10. Professional Responsibility.

A. Executive agrees that he will provide in connection with the performance of all services under this Agreement the skill and diligence normally provided by competent professionals in the performance of services similar to that contemplated by this Agreement.

B. Both parties acknowledge and agree that a fiduciary and confidential relationship has commenced and will continue to exist between them and that said relationship will continue during the term of this Agreement.

C. Executive represents that he has no conflicts of interest in rendering his professional services to the Company.

D. Executive shall not during the course of his employment (except as a representative or nominee of the Company or otherwise with the prior consent in writing of the Supervising Officer) be directly or indirectly engaged, concerned or interested in any other business which: (i) is wholly or partly in competition with any business carried on by the Company by itself or in partnership, common ownership or as a joint venture with any third party; or (ii) is a supplier to or customer of the Company, provided that Executive may own not more than one percent (1%) of the issued shares of any company which is publicly held and listed on a national stock exchange or on the Nasdaq Stock Market.

E. Subject to any regulations from time to time issued by the Company, Executive shall not receive or obtain directly or indirectly any discount, rebate, commission or other inducement in respect of any sale or purchase of any goods or services effected or other business transacted (whether or not by Executive) by or on behalf of the Company and if

Executive (or any firm or company in which Executive is directly or indirectly engaged, concerned or interested) shall obtain any such discount, rebate, commission or inducement, Executive shall account to the Company for the amount received by Executive or the amount received by such firm or company.

F. As an inducement to the Company to enter into this Agreement, Executive represents and warrants that: (i) he is not a party to any other agreement or obligation for personal services (other than the Prior Agreement); (ii) there exist no impediments or restraints, contractual or otherwise, on Executive's power, right or ability to enter into this Agreement and to perform his duties and obligations hereunder; (iii) the performance of his obligations under this Agreement do not and will not violate or conflict with any agreement relating to confidentiality, non-competition or exclusive employment to which Executive is or was subject; and (iv) Executive has not been involved in any legal proceedings that would be required to be disclosed in response to Item 401(f) of Regulation S-K promulgated under the Securities Act of 1933, as amended. As an inducement to Executive to enter into this Agreement, the Company represents and warrants that there exist no impediments or restraints, contractual or otherwise, on the Company's power, right or ability to enter into this Agreement and to perform its duties and obligations hereunder.

11. Ownership of Works and Materials.

A. Executive agrees that all Works (as defined below) and Materials (as defined below) are the sole and exclusive property of the Company.

B. Executive also specifically acknowledges and agrees that any tangible expression of any Works or Materials were developed, made or invented exclusively for the benefit of and are the sole and exclusive property of the Company or its successors and assigns as "works for hire" under Section 201 of Title 17 of the United States Code.

C. In the event that any Works or Materials are deemed not to be a work for hire, Executive agrees to assign, and does hereby irrevocably assign, to the Company all of his right, title and interest in and to such Works and Materials. Executive further agrees to take any actions, including the execution of documents or instruments, which the Company may reasonably require to effect Executive's assignment of rights pursuant to this Item 11C, and Executive hereby constitutes and appoints, with full power of substitution and resubstitution, the Company as Executive's attorney-in-fact to execute and deliver any documents or instruments which Executive has agreed to execute and deliver pursuant to this Item 11C.

D. Executive hereby waives and releases in favor of Company all rights in and to the Works and Materials and agrees that Company shall have the right to revise, condense, abridge, expand, adapt, change, modify, add to, subtract from, re-title or otherwise modify the Works and Materials without Executive's consent.

E. For purposes of this Item 11, "Works" means any work, studies, reports or analyses devised, developed, designed, formulated or reduced to writing by Executive at any time while Executive is or has been employed by the Company, including, without limitation any and

all compositions or works of authorship, concepts, compilations, abridgments, or other form in which Executive may directly or indirectly recast, transform or adapt any of the foregoing.

F. For purposes of this Item 11, "Materials" means any product, model, document, instrument, report, plan, proposal, specification, manual, tape, and all reproductions, copies or facsimiles thereof, or any other tangible item which in whole or in part contains, embodies or manifests, whether in printed, handwritten, coded, magnetic, digital or other form, any Works.

G. In order to avoid any ambiguity in connection with the creation of any Work which Executive claims is not covered by this Agreement, Executive agrees to disclose in writing to the Company complete details on any Works that are devised, developed, designed, formulated or reduced to writing by Executive at any time while Executive is or has been employed by the Company. Such disclosure shall be made promptly upon development, design or formulation with respect to any Works created while Executive is employed by the Company, and shall be disclosed in writing pursuant to such form as the Company may from time to time provide

12. Business Opportunities. For so long as Executive is employed by the Company, Executive will not, without the prior written consent of the Company (which consent may be withheld by the Company in the exercise of its absolute discretion), engage, directly or indirectly, in any business, venture or activity that Executive is aware or reasonably should be aware that the Company or any affiliate of the Company is engaged in, intends at any time to become engaged in, or might become engaged in if offered the opportunity, or in any other business, venture or activity if the Company reasonably determines that such activity would adversely affect the business of the Company or any affiliate thereof or the performance by Executive of any of Executive's duties or obligations to the Company.

13. Privacy Waivers.

A. The Company reserves the right to stop and search any employee or property of any employee when entering or leaving the Company's premises.

B. The Company reserves the right to monitor at any time telephone calls, electronic communications and information transmitted on Company networks or on computer equipment which is owned by the Company or on computers on Company premises that are used for Company business.

14. Notice. All notices required or sent hereunder shall be sent by personal delivery, by overnight priority mail via a nationally recognized overnight delivery company, or by certified mail, return receipt requested to the address of the party entitled to receive the notice as set forth above. Notices sent in accordance with this paragraph shall be deemed received upon personal delivery, one (1) business day after delivery to a nationally recognized overnight delivery company or five (5) days after mailed, as aforesaid.

15. Breach by the Company. If there is a dispute regarding the payment of any sum by the Company hereunder, the Company shall not be deemed to have failed to have made a payment hereunder if pending the resolution of such dispute, the Company pays the amount in

dispute into court or into an escrow account at the Company's bank or with the Company's counsel.

16. Remedies Not Exclusive. The rights, remedies and benefits herein expressly specified are cumulative and not exclusive of any rights, remedies or benefits which any party may otherwise have.

17. Invalid Provisions. The invalidity of any one or more of the clauses or words contained in this Agreement shall not affect the reasonable enforceability of the remaining provisions of this Agreement, all of which are inserted herein conditionally upon being valid in law; and in the event that one or more of the words or clauses contained herein shall be invalid, this instrument shall be construed as if such invalid words or clauses had not been inserted or, alternatively, said words or clauses shall be reasonably limited to the extent that the applicable court interpreting the provisions of this Agreement considers to be reasonable.

18. Binding Effect. This Agreement, as it relates to restrictions applicable to Executive, is a personal contract and the rights and interests of Executive hereunder may not be sold, transferred, assigned, pledged or hypothecated. However, this Agreement shall inure to the benefit of and be binding upon Company and its successors and assigns including, without limitation, any corporation or other entity into which Company is merged or which acquires all or substantially all of the outstanding ownership interests or assets of Company.

19. Jurisdiction. Each of the undersigned further agrees that any action or proceeding brought or initiated in respect of this Agreement may be brought or initiated in the United States District Court for the State of Nevada or in any District Court located in Clark County, Nevada, and each of the undersigned consents to the exercise of personal jurisdiction and the placement of venue in any of such courts, or in any jurisdiction allowed by law, in any such action or proceeding and further consents that service of process may be effected in any such action or proceeding in the manner provided in Section 14.065 of the Nevada Revised Statutes or in such other manner as may be permitted by law. Each of the undersigned further agrees that no such action shall be brought against any party hereunder except in one of the courts above named.

20. Attorney's Fees. In the event an action is taken by either party to enforce this Agreement or resolve a dispute in connection herewith, the prevailing party shall be entitled to recover the costs incurred with the prosecution and defense of such action, including reasonable attorney's fees.

21. Miscellaneous. This Agreement shall be construed under and governed by the laws of the State of Nevada other than its conflicts of laws principles. This Agreement contains the complete understanding of the parties with respect to the subject matter of this Agreement and supersedes all other prior agreements, understandings and negotiations relating to the same subject matter. This Agreement may only be modified by a written instrument signed by each of the parties hereto. No provisions of this Agreement will be interpreted in favor of, or against, any of the parties hereto by reason of the extent to which any such party or its counsel participated in the drafting thereof or by reason of the extent to which any such provision is inconsistent with any prior draft hereof or thereof. Failure to require strict compliance with any term or provision of this Agreement shall not constitute a waiver of a party's right to insist upon

strict compliance with each and every provision of this Agreement. No waiver of any terms and conditions of this Agreement shall be deemed to be a waiver of any subsequent breach of that or any other term of condition. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and same instrument. The provisions of Item 3 (the last paragraph), 4D(3), 4D(7), 4D(8), 6H, 7, 8, 9, 11 and 14 through 21 shall survive the termination of this Agreement and Executive's employment with the Company. This Agreement may be executed by any party by delivery of a facsimile signature, which signature shall have the same force as an original signature. Any party which delivers a facsimile signature shall promptly thereafter deliver an originally executed signature to the other party; provided, however, that the failure to deliver an original signature page shall not affect the validity of any signature delivered by facsimile. The paragraph headings contained in this Agreement are for reference only and shall not be deemed to impart substantive meaning to any provision of this Agreement. Each party has had the opportunity to be represented by counsel of its choice in negotiating this Agreement. This Agreement shall therefore be deemed to have been negotiated and prepared at the joint request and direction of the parties, at arm's length, with the advice and participation of counsel, and shall be interpreted in accordance with its terms and without favor to any party.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, this Agreement has been signed, sealed and delivered as of the date and year first above written.

EXECUTIVE:

D. SCOTT SHELDON

COMPANY:

ALLEGIANT TRAVEL COMPANY

By: _____

Title: _____

Exhibit A

Form of Release

THIS RELEASE (the “Release”) is entered into between D. Scott Sheldon (“Executive”) and Allegiant Travel Company, a Nevada corporation (the “Company”), for the benefit of the Company. The entering into and non-revocation of this Release is a condition to Executive’s right to receive certain payments under Items 4A(3), 4B, 4C(3), 4C(4), 4D(3), 6A, 6C and 6D of the Employment Agreement entered into by and between Executive and the Company, effective as of August 1, 2022 (the “Employment Agreement”). Capitalized terms used and not defined herein shall have the meaning provided in the Employment Agreement.

Accordingly, Executive and the Company agree as follows.

1. In consideration for the compensation and other benefits provided to Executive under Items 4A(3), 4B, 4C(3), 4C(4), 4D(3), 6A, 6C and 6D (as applicable) of the Employment Agreement to which Executive would not otherwise be entitled, Executive represents and agrees, as follows:

(a) Executive, for himself, his heirs, administrators, representatives, executors, successors and assigns (collectively “Releasors”), hereby irrevocably and unconditionally releases, acquits and forever discharges and agrees not to sue the Company or any of its subsidiaries, divisions, affiliates and related entities and its current and former directors, officers, shareholders, trustees, employees, consultants, independent contractors, representatives, agents, servants, successors and assigns and all persons acting by, through or under or in concert with any of them (collectively “Releasees”), from all claims, rights and liabilities up to and including the date of this Release arising from or relating to Executive’s employment with, or termination of employment from, the Company, under the Employment Agreement and from any and all charges, complaints, claims, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of actions, suits, rights, demands, costs, losses, debts and expenses of any nature whatsoever, known or unknown, suspected or unsuspected and any claims of wrongful discharge, breach of contract, implied contract, promissory estoppel, defamation, slander, libel, tortious conduct, employment discrimination or claims under any federal, state or local statute, law, order or ordinance, including any rights or claims arising under Title VII of the Civil Rights Act of 1964, as amended, the Age Discrimination in Employment Act of 1967, as amended, 29 U.S.C. § 621 et seq. (“ADEA”), or any other federal, state or municipal ordinance. Nothing contained herein shall restrict the parties’ rights to enforce the terms of this Release.

(b) To the maximum extent permitted by law, Executive agrees that he has not filed, nor will he ever file, a lawsuit asserting any claims which are released by this Release.

(c) Notwithstanding the foregoing, this Release specifically excludes (i) any unpaid compensation or benefits accrued through the date of Executive’s termination of employment, (ii) Executive’s rights and the Company’s obligations under Items 4A(3), 4B, 4C(3), 4C(4), 4D(3), 6A, 6C and 6D (as applicable) of the Employment Agreement, (iii) claims for unemployment benefits, (iv) Executive’s vested account balance, if any, in the Company’s 401(k) plan, and (v) Executive’s right, if any, to elect continued group health coverage for himself and

his eligible family members under Part 6 of Title I of ERISA. Nothing contained in this Release shall release Executive from his obligations, including any obligations to abide by restrictive covenants under the Employment Agreement or any other agreement that continue or are to be performed following termination of employment.

(d) The parties agree that this Release shall not affect the rights and responsibilities of the US Equal Employment Opportunity Commission (hereinafter "EEOC") to enforce ADEA and other laws. In addition, the parties agree that this Release shall not be used to justify interfering with Executive's protected right to file a charge or participate in an investigation or proceeding conducted by the EEOC. The parties further agree that Executive knowingly and voluntarily waives all rights or claims (that arose prior to Executive's execution of this Release) the Releasers may have against the Releasees, or any of them, to receive any benefit or remedial relief (including, but not limited to, reinstatement, back pay, front pay, damages, attorneys' fees, experts' fees) as a consequence of any investigation or proceeding conducted by the EEOC.

2. Executive acknowledges that the Company has specifically advised him of the right to seek the advice of an attorney concerning the terms and conditions of this Release. Executive further acknowledges that he has been furnished with a copy of this Release, and he has been afforded twenty-one (21) days in which to consider the terms and conditions set forth above prior to this Release. By executing this Release, Executive affirmatively states that he has had sufficient and reasonable time to review this Release and to consult with an attorney concerning his legal rights prior to the final execution of this Release. Executive further agrees that he has carefully read this Release and fully understands its terms. Executive understands that he may revoke this Release within seven (7) days after signing this Release. Revocation of this Release must be made in writing and must be received by [●] at [●] within the time period set forth above.

3. This Release will be governed by and construed in accordance with the laws of the state of Nevada, without giving effect to any choice of law or conflicting provision or rule (whether of the state of Nevada or any other jurisdiction) that would cause the laws of any jurisdiction other than the state of Nevada to be applied. In furtherance of the foregoing, the internal law of the state of Nevada will control the interpretation and construction of this agreement, even if under such jurisdiction's choice of law or conflict of law analysis, the substantive law of some other jurisdiction would ordinarily apply. The provisions of this Release are severable, and if any part or portion of it is found to be unenforceable, the other paragraphs shall remain fully valid and enforceable. This Release shall become effective and enforceable on the eighth day following its execution by Executive, provided he does not exercise his right of revocation as described above. If Executive fails to sign and deliver this Release or revokes his signature, this Release will be without force or effect, and Executive shall not be entitled to those payments or benefits under Items 4A(3), 4B, 4C(3), 4C(4), 4D(3), 6A, 6C or 6D of the Employment Agreement, as applicable, which are conditioned upon the execution of this Release.

**AMENDED AND RESTATED
EMPLOYMENT AGREEMENT**

THIS AMENDED AND RESTATED EMPLOYMENT AGREEMENT ("Agreement") is made and entered into effective as of the 1st day of August, 2022 by and between GREGORY C. ANDERSON (hereinafter "Executive"), whose address is 1201 N. Town Center Drive, Las Vegas, Nevada 89144, and ALLEGIANT TRAVEL COMPANY, a Nevada corporation (hereinafter "the Company"), whose address is 1201 N. Town Center Drive, Las Vegas, Nevada 89144. This Agreement restates and amends in its entirety that certain Employment Agreement between the parties dated as of August 1, 2020 (the "Prior Agreement").

W I T N E S S E T H

WHEREAS, the Company desires to employ Executive as its president and chief financial officer, and Executive desires to be so employed pursuant to and in accordance with the terms and conditions hereinafter set forth; and

WHEREAS, this Agreement supersedes the Prior Agreement as of the Effective Date;

NOW, THEREFORE, for and in consideration of the above premises, the terms and covenants herein contained, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by Executive and the Company, it is hereby agreed as follows:

1. Employment. The Company hereby employs Executive and Executive hereby accepts employment by the Company upon all of the terms and conditions as are hereinafter set forth. Terms of employment with the Company are also governed by the Company's employment policies in effect from time to time. The Company shall provide a copy of such employment policies to Executive upon request. In the event of any conflict between the terms of this Agreement and the generally applicable employment policies, the terms of this Agreement shall prevail.

2. Scope of Services.

A. Executive shall be employed by the Company as a president and the chief financial officer of the Company and its operating subsidiaries. Executive shall report to the Company's Chief Executive Officer or such other officer as the Company's Board of Directors may designate ("Supervising Officer"). Executive's duties shall include those indicated above and such other duties assigned to him by the Supervising Officer from time to time.

Executive's services are mutually agreed to be unique personal services. Executive acknowledges that the Company is relying upon Executive's experience, expertise and other qualifications in entering into this Agreement. Executive shall not assign or delegate any right, obligation or duty hereunder to any other person or entity without the express written consent of the Company.

B. During Executive's period of service hereunder, Executive agrees to perform such services not inconsistent with Executive's position as shall from time to time be assigned to Executive by the Supervising Officer. During the term of this Agreement, except for disability, illness and vacation periods, Executive shall devote Executive's full productive time, attention and energies to the positions of president and chief financial officer of the Company and its operating subsidiaries.

C. Executive shall be required to reside in Las Vegas, Nevada during his employment under this Agreement.

D. Executive's expenditure of reasonable amounts of time in connection with outside activities, not competitive with the business of the Company, such as outside directorships or charitable activities, shall not be considered in contravention of this Agreement so long as such activities do not interfere with his performance of this Agreement. Further, it is understood and agreed by the parties hereto that Executive is entitled to engage in passive and personal investment activities not interfering with his performance of this Agreement.

3. Limitations of Duties. Executive shall not, without consent first being given by the Company, which consent may be general authority from the Company:

A. Take part in activities detrimental to the best interests of the Company, including rendering any services to any other firm or entity which conflict or interfere with the performance of Executive's duties hereunder.

B. Exceed any limitations on his authority that may be established by the Board.

C. Enter into any contract, oral or written, in the name of, for or on behalf of the Company other than in the ordinary course of business.

D. Use any money belonging to the Company or pledge its credit other than in the ordinary course of business.

E. Commit or suffer to be committed any act whereby the Company's property may be subject to attachment or seizure.

F. Cause the Company to become a guarantor, surety or endorser or give any note for the benefit of any other person whomsoever.

Upon a breach of any provision under this Item 3, the Company shall have the right to terminate this Agreement for Cause as set forth in Item 6E hereof and to pursue any other remedies available to the Company as a result of such breach.

Executive shall indemnify and hold the Company harmless from and against any and all damages, actions, causes of action, claims and other liabilities, contingent or otherwise, directed toward the Company by others as a result of Executive's violation of any of the provisions of this Item 3.

4. Compensation.

A. Compensation Through March 31, 2023. During the period from the Effective Date through March 31, 2023, the following provisions shall apply:

(1) Base Compensation. As base compensation (“Base Salary”) for providing services hereunder, Executive shall be paid at the rate of Two Hundred Sixty Thousand Dollars (\$260,000) per annum to be paid monthly or in more frequent installments as may be agreed upon by the Company and Executive. The salary payable to Executive shall be inclusive of any fees received by Executive as an officer of the Company or any other company or corporate body in which Executive holds an office as a nominee or representative of the Company.

(2) Annual Bonus. Subject to the limitations in Paragraph 4D(8) below, Executive shall be entitled to participate in the Company’s annual bonus program (if any) as in effect from time to time and subject to meeting any requirements established for participation in the bonus program and may also be granted a discretionary bonus in such amount as may be determined by the Board of Directors (the “Board”) in its sole discretion.

(3) Time-Based Restricted Stock. Executive will be granted shares of restricted stock (the “T-B Restricted Stock”) under the Company’s 2022 Long-Term Incentive Plan (the “LTIP”) as follows: on August 1, 2022 (if the Executive remains actively employed as of such date), a number of shares equal to \$1,975,000 divided by the closing price of the Company’s stock on such date. This grant of T-B Restricted Stock will vest in three (3) equal annual installments commencing on the first anniversary of each date of grant. In other words, the 2022 grant of T-B Restricted Stock will vest in 2023, 2024 and 2025. Each grant of T-B Restricted Stock will be subject to the terms of a Restricted Stock Agreement to be entered into between the Company and Executive to evidence this grant. Executive shall be entitled to vote all vested and unvested shares of T-B Restricted Stock and to the extent allowed by the LTIP, receive all dividends paid thereon, until and unless such time as such shares of T-B Restricted Stock are forfeited in accordance with the terms of the Restricted Stock Agreement evidencing such grant.

B. Grant on Expiration of CARES Act Compensation Limitations. As a recipient of financial support under the Coronavirus Aid, Relief, and Economic Security Act of 2020 and subsequent payroll support programs (collectively, the “PSPs”), the Company is subject to certain restrictions on executive compensation for employees who made over \$425,000 in 2019. These restrictions will continue to apply until at least April 1, 2023 and possibly longer. At such time as the Company is no longer subject to the restrictions on executive compensation under the PSPs, the Company shall grant to Executive an additional 10,000 shares of restricted stock (the “PSP Expiration Grant”) under the Company’s LTIP provided that the Executive remains actively employed as of such date. The PSP

Expiration Grant will vest on the first anniversary of the date of grant. The PSP Expiration Grant will be subject to the terms of a Restricted Stock Agreement to be entered into between the Company and Executive to evidence this grant. From and after grant, Executive shall be entitled to vote all vested and unvested shares of the Additional Restricted Stock and to the extent allowed by the LTIP, to receive all dividends paid thereon, until and unless such time as such shares of the PSP Expiration Grant are forfeited in accordance with the terms of the Restricted Stock Agreement evidencing such grant.

C. Compensation for Period from April 1, 2023 through December 31, 2026.

During the period from April 1, 2023 through December 31, 2026, the following provisions shall apply:

- (1) No Base Salary. The equity grants described below are intended to be the sole base compensation payable to Executive during this period under this Agreement. As such, Executive shall not be entitled to any base salary.
- (2) No Participation in Annual Cash Bonus Plan. The equity grants and cash bonus opportunity based on stock price performance described below are intended to be the sole compensation payable to Executive during this period. As such, Executive shall not be entitled to participation in the Company's annual cash bonus plan. However, Executive may be granted a discretionary cash bonus for extraordinary performance in such amount as may be determined by the Board in its sole discretion.
- (3) Base Compensation Grant. In lieu of cash compensation in the form of base salary or under the annual cash bonus plan), on April 3, 2023, Executive shall receive a restricted stock grant in the amount of 84,000 shares and on January 1, 2024, a restricted stock grant in the amount of 13,000 shares (collectively, the "Base Compensation Grant") under the Company's LTIP provided that Executive remains actively employed by the Company as of such date. The 2023 Base Compensation Grant shall vest as follows: (i) 25,869 shares on April 3, 2024 ; (ii) 12,933 shares on October 1, 2024; (iii) 11,200 shares on April 1, 2025; (iv) 11,200 shares on October 1, 2025; (v) 11,200 shares on April 1, 2026; (vi) 11,200 shares on October 1, 2026; and (vii) the final 398 shares on January 1, 2027, in each case, only if the Executive remains actively employed by the Company as of the respective date. The 2024 Base Compensation Grant shall vest as follows: (i) 1,733 shares on each of April 1, 2025, October 1, 2025, April 1, 2026, and October 1, 2026; and (ii) the remaining 6,068 shares on January 1, 2027, in each case, only if the Executive remains actively employed by the Company as of the respective date. The Base Compensation Grants will be subject to the terms of Restricted Stock Agreements to be entered into between the Company and the Executive to evidence the grants. From and after grant, Executive shall be entitled to vote all vested and unvested shares of the Base Compensation Grant and to the extent allowed by the LTIP, to receive all dividends paid thereon, until and unless such time as such shares of the Base Compensation Grant are forfeited

in accordance with the terms of this Agreement and the Restricted Stock Agreement evidencing such grant.

- (4) Performance Based Cash Bonus. Each calendar year from 2023 through 2026, Executive shall be entitled to receive a cash bonus if the average closing price of the Company's stock during any twenty (20) consecutive trading day period during the last six months of the year equals or exceeds the stock price threshold set forth below, in each case, based only on the highest stock price threshold met during the last six months of the year. If any stock price threshold for a year is met, then the cash bonus shall be equal to the Applicable Number of Shares for such year (from the chart below), multiplied by the highest stock price threshold met for such year and with the result multiplied by the Applicable Percentage for the stock price threshold met (from the chart below). If no stock price threshold is met for any year, then no cash bonus shall be paid for such year.

<u>Year</u>	<u>Applicable Number of Shares</u>	<u>Stock Price Threshold</u>	<u>Applicable Percentage</u>
2023	6,000	\$140	25%
	6,000	\$150	50%
	6,000	\$160	75%
	6,000	\$170	100%
2024	7,000	\$180	25%
	7,000	\$190	50%
	7,000	\$200	75%
	7,000	\$210	100%
2025	8,000	\$225	25%
	8,000	\$235	50%
	8,000	\$245	75%
	8,000	\$255	100%
2026	9,000	\$265	25%
	9,000	\$275	50%
	9,000	\$285	75%
	9,000	\$295	100%

By way of example, if the highest average closing price of the Company's stock during a 20 consecutive day period during the last six months of 2023 exceeds \$170 per share, then the cash bonus for 2023 would be: 6,000 X \$170 X 100% = \$1,020,000.

By way of further example, if the highest average closing price of the Company's stock during a 20 consecutive day period during the last six months of 2025 exceeds \$245 per share (but not \$255 per share), then the cash bonus for 2025 would be: $8,000 \times \$245 \times 75\% = \$1,470,000$.

For purposes of these cash bonus provisions, the average closing price will be calculated as the arithmetic average of the 20 closing prices during the 20 consecutive day period and without regard for trading volume.

Any cash bonus earned will be payable within fifteen (15) days after the end of the applicable year. The Company may choose to prepay any portion of the cash bonus to the extent earned (that is, once the stock price has met the stock price threshold for a 25%, 50% or 75% Applicable Percentage payment) with any prepayment to reduce the amount of the final payment for such year.

If Executive's employment terminates prior to the end of any year, Executive shall be entitled to any cash bonus earned by virtue of meeting a stock price threshold in the last six months of the year and prior to the date of termination, but not further or otherwise.

(5) Stock Options. The Company shall grant Executive stock options as follows:

- (a) As of April 3, 2023 (provided Executive remains in the active employ of the Company as of such date), options to purchase 6,000 shares at \$170 per share exercisable only during 2023;
- (b) As of January 1, 2024 (provided Executive remains in the active employ of the Company as of such date), options to purchase 7,000 shares at \$210 per share exercisable only during 2024;
- (c) As of January 1, 2024 (provided Executive remains in the active employ of the Company as of such date), options to purchase 8,000 shares at \$255 per share exercisable only during 2025; and
- (d) As of January 1, 2024 (provided Executive remains in the active employ of the Company as of such date), options to purchase 9,000 shares at \$295 per share exercisable only during 2026.

Notwithstanding the above, the option price for any shares shall not be less than the closing price of the Company's stock as of the date of grant. The options shall be exercisable only during the term of Executive's employment with the Company or within 90 days thereafter and shall be subject to the terms of stock option agreements to be entered into between Executive and the Company.

D. Generally Applicable Provisions. The following provisions shall apply throughout the term of this Agreement:

(1) No Participation in Future Equity Grants. Executive shall not be eligible to receive any further equity grants during the term of this Agreement.

(2) Fringe Benefits. The Company shall provide Executive health and dental insurance for Executive and his spouse (if married) and family and such vacation time, sick leave and other fringe benefits, including but not limited to participation in any pension, 401(k) and employee benefit plans that may be maintained by the Company from time to time as are made generally available to other management employees of the Company in accordance with Company policies. The Company reserves the right to change the benefits available under its benefit plans at any time or times.

(3) Positive Space Travel. In recognition of Executive's service in a senior management role for the Company for many years, the following benefit is provided. During the term of his employment with the Company and for a period of five (5) years thereafter, Executive shall be entitled to passes for air travel on the flights of the Company (and any successor-in-interest to the Company) for Executive, his wife and children (up to age 21) on a positive space basis at no cost to Executive.

(4) Expense Reimbursement. In addition, the Company shall reimburse Executive for any expenses incurred by Executive in connection with the business of the Company, as approved by the Company. These expenses may include expenses for travel, business promotion, association memberships, and any other expenses as may be approved by the Supervising Officer from time to time. The Company shall reimburse Executive for such out-of-pocket expenses by the tenth (10th) day of the month following the month in which such expenses were incurred (and appropriate documentation thereof has been provided to the Company). The Company may issue to Executive a company credit card. In such event, Executive agrees to use such card only for the expenses reimbursable under this paragraph. Executive agrees to keep the card securely. In the event of loss or theft, the issuing authority and the Company shall be informed immediately. The card shall be returned to the Company forthwith on the termination of Executive's employment for any reason whatsoever.

(5) Payroll Taxes. Executive shall bear full responsibility for the employee portion of all payroll taxes. Such amounts may be paid, at Executive's request, by the cancellation of such number of shares of Restricted Stock as may be necessary to fund the payroll tax obligation based on a value equal to the closing stock price of the Company's stock on the last trading day prior to the date of vesting.

(6) Deductions. Deductions shall be made from Executive's salary for social security, Medicare, federal and state withholding taxes, and any other such taxes as may from time to time be required by governmental authority.

(7) Clawback Agreement. In accordance with the Company's clawback policy, Executive hereby agrees to reimburse the Company for all or any portion of any bonuses or incentive or equity-based compensation if the Compensation Committee in good faith determines: (a) the payment or grant was based on the achievement of certain financial results that were subsequently the subject of a material financial restatement (other than as a result of a change in accounting principles) and a lower payment or award would have occurred based upon the restated financial results; or (b) the Executive engaged in fraud or intentional misconduct related to the Company or its business. In each such instance, the Company will, to the extent practicable and allowable under applicable law, require reimbursement of any bonus or incentive or equity based compensation awarded or effect the cancellation of any unvested or deferred stock awards previously granted to the Executive in the amount by which the Executive's bonus or incentive or equity based compensation for the relevant period exceeded the lower payment that would have been made based on the restated financial results, or such other amount as determined by the Compensation Committee, provided that the Company will not be entitled to recover bonuses or incentive or equity based compensation paid more than three years prior to the date the applicable restatement is disclosed.

(8) PSPs Limitations on Compensation. Notwithstanding anything herein to the contrary, in no event shall any cash or stock-based compensation under this Agreement (whether upon payment, grant, vesting or accelerated vesting) exceed the limitations imposed upon the Company by virtue of accepting support from the U.S. Treasury under the PSPs so long as those restrictions remain in effect. In the event of any such restriction, the parties agree to use good faith to negotiate an arrangement to provide the same value of compensation to Executive at a later time or on other terms but in compliance with the PSPs.

(9) Release Required for Post-Termination Benefits. Notwithstanding anything herein to the contrary, the acceleration of vesting of Restricted Stock, continued payment of salary after termination and other post-termination benefits shall be available to Executive under Items 4A(3), 4B, 4C(3), 4C(4), 4D(3), 6A, 6C and 6D in each case, if and only if Executive has executed and delivered to the Company a release in the form attached hereto as Exhibit A or in such other form agreed to by the parties and only so long as Executive has not revoked such general release.

(10) Adjustments on Stock Splits or Dividends. In the event of any stock dividend, stock split, combination or other similar recapitalization affecting shares of the Company or in the event of a merger or acquisition affecting the Company's outstanding shares, the number of shares of restricted stock and stock

options to be granted as of any subsequent date shall be adjusted accordingly and, with respect to the performance based cash bonus, the stock price threshold to be met with respect to the current or any subsequent calendar year shall also be adjusted accordingly, each as determined by the Compensation Committee in good faith, with such determination being final and binding.

5. Term. The initial term of this Agreement shall commence as of the date hereof (the "Effective Date") and shall continue until December 31, 2026. The term of the Agreement shall expire on such date absent a renewal signed by both parties.

6. Termination:

A. This Agreement shall be terminated upon Executive's death or upon a physician certified disability which permanently or indefinitely renders Executive unable to perform his usual duties on behalf of the Company. In the event of Executive's termination of employment as a result of death or such a disability, the vesting of the following shares of restricted stock shall be accelerated: all shares of Time-Based Restricted Stock, the PSP Expiration Grant and the Base Compensation Grant, but only to the extent granted prior to the date of death or disability and only to the extent such shares would have vested within three (3) years after the date of death or disability.

B. Executive may, without "Good Reason" (as defined in paragraph D below), terminate this Agreement by giving to the Company sixty (60) days written notice and such termination shall be effective on the date specified by Executive but in no event earlier than the sixtieth (60th) day following the date of such notice. In such event, Executive shall continue to render his services up to the Termination Date (as hereinafter defined) if so requested by the Company. In the event of such a resignation without Good Reason, all then unvested stock options, restricted stock grants and stock appreciation rights held by Executive as of the Termination Date shall be immediately forfeited.

C. The Company may, without "Cause" (as defined in paragraph E below), terminate this Agreement at any time by giving to Executive written notice and such termination shall be effective on the date specified by the Company. At the option of the Company, Executive shall immediately cease performing his duties hereunder upon receipt of the notice. If terminated without Cause pursuant to this paragraph C, Executive shall continue to receive his full base salary through March 31, 2023 (if the termination is effective prior to that date) and fringe benefits for the remaining term of this Agreement (but in no event for less than six (6) months following Executive's termination and the vesting of the following shares of restricted stock shall be accelerated: all shares of Time-Based Restricted Stock, the PSP Expiration Grant and the Base Compensation Grant, but only to the extent granted prior to the date of termination and only to the extent such shares would have vested within three (3) years after the date of termination.

D. Executive may terminate this Agreement immediately for "Good Reason". For purposes of this Agreement, Good Reason shall be defined as (i) failure of the Company to make any payment or provide any benefit to Executive hereunder, which failure is not cured within thirty (30) days after the Company's receipt of written notice of such default, or (ii) a material diminution of Executive's duties and responsibilities or his title without Executive's consent, or (iii) the principal location at which Executive is to perform his duties is relocated to a place more than fifty (50) miles from Las Vegas, Nevada. Any termination under this paragraph D shall take effect immediately upon the Company's receipt of written notice from Executive after the expiration of any applicable cure period. If Executive terminates this Agreement for "Good Reason" pursuant to this paragraph D, Executive shall continue to receive his full base salary through March 31, 2023 (if the termination is effective prior to such date) and fringe benefits for the remaining term of this Agreement but in no event less than six (6) months following Executive's termination and the vesting of the following shares of restricted stock shall be accelerated: all shares of Time-Based Restricted Stock, the PSP Expiration Grant and the Base Compensation Grant, but only to the extent granted prior to the date of termination and only to the extent such shares would have vested within three (3) years after the date of termination.

E. The Company may terminate this Agreement immediately for "Cause". For purposes of this Agreement, "Cause" shall be defined as any of the following: (i) Executive shall commit a felony or other act involving moral turpitude, which other act is materially detrimental to the Company; (ii) Executive shall knowingly commit any act of prohibited conduct as set forth in Item 3 of this Agreement; (iii) Executive shall commit any act, specifically including but not limited to drug or alcohol abuse, which act is materially harmful to the Company, or which in the reasonable opinion of the Company's Board brings the Company into disrepute; (iv) Executive shall commit any act of fraud, dishonesty, theft or misappropriation, whether or not related to his activities on behalf of the Company, including providing false reports or accounts to the Company or deliberately making false statements about the Company, its services, employees, customers or suppliers; (v) intentional or repeated material neglect of Executive's duties; (vi) breach by Executive of any other material provision of this Agreement; (vii) Executive shall become the subject of a bankruptcy proceeding or otherwise make an arrangement or composition with creditors generally; (viii) Executive shall engage in anti-social behavior (such as fighting, indecency, harassment, sexual or racial harassment or discrimination, intimidation of others, physical violence or assault) during the course of performing duties for the Company or against another employee outside of work; (ix) Executive shall have possession of illegal drugs at the Company's workplace; or (x) Executive shall perform duties in a negligent or dangerous manner which causes or is likely to cause material loss or injury. This Agreement may not be terminated by the Company under subclause (v), (vi) or (x) of this Item unless and until the Company has provided Executive with written notice of such violative conduct and Executive has failed to cure (or fails to commence and thereafter diligently pursue the cure) such act within thirty (30) days after Executive's receipt of such written notice; provided, however, that no right to cure shall be available for a second or subsequent violation of the same provision within any twelve (12) month period. Any termination under this paragraph E shall take effect immediately upon Executive's receipt of written notice from the Company or expiration of any applicable cure period, whichever is later. The failure of the Company to terminate this Agreement for cause as a result of any of the foregoing at any one or more times shall not affect the Company's ability to terminate this

Agreement for cause as a result of the subsequent occurrence of any act giving rise to "cause" hereunder, provided that Executive is still provided with a notice to cure if applicable in accordance with the above. In the event of a termination for Cause, all then unvested stock options, restricted stock grants and stock appreciation rights held by Executive shall be immediately forfeited.

F. Upon termination, Executive shall have no obligation to provide any additional services, and except as expressly provided above, the Company shall only be obligated pay to Executive the portion of any amounts due as of the termination date, together with all unreimbursed out-of-pocket expenses incurred by Executive.

G. Termination of Executive's Obligations. In the event of the termination of Executive's employment during the term of this Agreement, Executive's obligations under Item 7 of this Agreement shall survive the expiration of the term of this Agreement without renewal and termination of Executive's employment as provided in such Item. Unless the parties to this Agreement mutually agree to extend the term of this Agreement, the restrictions under Item 7 of this Agreement shall no longer apply after the expiration of the term of this Agreement if Executive continues to be employed by the Company at that time.

H. Resignation of Positions upon Termination. On the termination of this Agreement for any reason whatsoever, Executive shall at the request of the Company immediately resign (without prejudice to any claims which Executive may have against the Company arising out of this Agreement or the termination thereof) from all and any offices which Executive may hold as an officer or member of the Board of the Company and from all other appointments or offices which Executive holds as a nominee or representative of the Company and if Executive should fail to do so, the Company is hereby irrevocably authorized to appoint another person in Executive's name and on Executive's behalf to sign any documents or do anything necessary or requisite to effect such resignation(s) and/or transfers.

I. Termination Date. For all purposes of this Agreement the "Termination Date" shall refer to the effective date of termination as set forth above.

7. Restrictive Covenants. As a material inducement to the Company's employment of Executive, the provisions of this Item 7 shall apply.

A. For purposes of this Item, the following terms and provisions shall have the following meanings:

(i) "Prohibited Time Period" shall mean the period beginning on the date of execution hereof and ending on the date that is twelve (12) months after the termination of employment for any reason whatsoever of Executive.

(ii) "Prohibited Business" shall mean the business of providing charter or scheduled airline service. The Prohibited Business shall include, but is not limited to, employment with an existing airline or with a group which within one (1) year prior to the termination of Executive's employment or after the termination of employment, begins to take steps to form a start-up airline.

(iii) "Prohibited Geographic Area" shall mean the conduct of the Prohibited Business within the United States or between the United States and Mexico, Canada or the Caribbean, whether he is physically located in the Prohibited Geographic Area or whether he is in contact with others located in the Prohibited Geographic Area. Executive acknowledges that he and the Company have agreed that Executive's services will benefit the Company throughout the Prohibited Geographic Area.

(iv) "Prohibited Capacity" shall mean service in the capacity of an executive or in such other management position or as a significant equity owner or consultant, in which capacities Executive acknowledges that he has served or will serve the Company and its subsidiaries during the course of his employment for the Company.

(v) "Prohibited Party" shall mean all travel partners of the Company who (a) have contracted for regular chartered air service with the Company during the one (1) year period prior to the date of termination of employment, or (b) whose services are sold by the Company to produce ancillary third party revenue (such as Enterprise Rent-a-Car), (c) have been solicited as potential travel partners of the Company at a meeting held at any time during the one (1) year period prior to the date of termination of employment of Executive.

(vi) "Prohibited Employee" means any employee, independent contractor or consultant of the Company who worked for the Company at any time within six (6) months prior to the termination of employment of Executive; provided, however, that the term "Prohibited Employee" shall not include any employee who had not been employed by the Company within the one (1) year period immediately preceding the date contacted by Executive for subsequent employment.

B. Executive agrees that during the Prohibited Time Period, he shall not, for any reason, without the prior written consent of the Company, on his own behalf or in the service or on behalf of others, serve in a Prohibited Capacity in the Prohibited Business in the Prohibited Geographic Area.

C. Executive covenants and agrees that during the Prohibited Time Period, he shall not, for any reason, directly or indirectly (whether as officer, director, consultant, employee, representative, agent, partner, owner, stockholder or otherwise), (i) solicit charter air services from, or market charter air services to, any Prohibited Party, or (ii) enter into a transaction with such Prohibited Party as a result of which the Prohibited Party does, or is likely to, reduce the amount of business between the Prohibited Party and the Company.

D. Executive agrees that during the Prohibited Time Period, he shall not, for any reason, without the prior written consent of the Company, on his own behalf or in the service or on behalf of others, hire any Prohibited Employee or request or induce any Prohibited Employee to terminate that person's employment or relationship with the Company or to accept employment with any other person.

E. The parties agree that: (i) the covenants and agreements of Executive contained in this Item are reasonably necessary to protect the interests of the Company in whose favor said covenants and agreements are imposed in light of the nature of the Company's

business and the professional involvement of Executive in such business; (ii) the restrictions imposed by this Item are not greater than are necessary for the protection of the Company in light of the substantial harm that the Company will suffer should Executive breach any of the provisions of said covenants or agreements; (iii) the covenants and agreements of Executive contained in this Item have been independently negotiated between the parties and served as a material inducement for the Company to enter into this Agreement; (iv) the period and geographical area of restriction referred to in this Item are fair and reasonably required for the protection of the Company; and (v) the nature, kind and character of the activities Executive is prohibited to engage in are reasonable and necessary to protect the Company in that the Company will rely on Executive for those important aspects of its business.

F. Executive acknowledges that a material breach by Executive of any part of this Item will result in irreparable and continuing damage to the Company and any material breach or threatened breach of the covenants provided in this Item shall be subject to specific performance by temporary as well as permanent injunction or any other equitable remedies of any court of competent jurisdiction.

G. The covenants and agreements on the part of Executive contained in this Item shall be construed as agreements independent of any other agreement between Executive and the Company. The existence of any claim or cause of action of Executive against the Company, whether predicated on this Agreement or otherwise, shall not constitute a defense to the enforcement by the Company of each of such covenants and agreements or otherwise affect the remedies to which the Company is entitled hereunder.

H. If the provisions of this Item 7 should ever be adjudicated to exceed the time, geographic or other limitations permitted by applicable law in any jurisdiction, then such provisions shall be deemed reformed in such jurisdiction to the maximum time, geographic or other limitation permitted by applicable law.

I. Nothing contained in this Item shall restrict Executive from being a not more than 1% stockholder (but not an officer, director, employee, consultant or advisor) of any corporation that directly or indirectly competes with the Company provided the stock of such competing corporation is publicly held and listed on a national stock exchange.

8. Confidential Information.

A. During the period beginning on the execution date of this Agreement and ending on the fifth (5th) anniversary of any termination or expiration of this Agreement, Executive agrees that he shall not, except in pursuit of the Company's business or with the prior written consent of the Company, for his own benefit or for the benefit of any other person or entity:

(i) directly or indirectly disclose, reveal, report, duplicate or transfer any Confidential Information to any other person or entity outside of the Company;

(ii) directly or indirectly aid, encourage, direct or allow any other person or entity outside of the Company to gain possession of or access to Confidential Information;

(iii) directly or indirectly copy or reproduce Confidential Information, except as required as part of Executive's duties; or

(iv) directly or indirectly use, sell or exploit any Confidential Information or aid, encourage, direct or allow any other person or entity to use, sell or exploit any Confidential Information.

This covenant shall not apply to any Confidential Information now or hereafter voluntarily disseminated by the Company to the public, or which otherwise has become part of the public domain through means other than a breach of Executive's duty of confidentiality hereunder. "Confidential Information", for purposes of this Agreement, shall mean information of the Company that constitutes a trade secret or confidential information under Nevada law and shall include, but not be limited to, all relevant information (whether or not reduced to writing and in any and all stages of development), concerning the Company and its services, plans, business practices, methods of operation, financial information, names or lists of names of employees, contractors, suppliers and customers, employee compensation and benefits, other personal employee information, interpretations, surveys, forecasts, marketing plans, development plans, notes, reports, market analyses, specialized software and databases and other information related to suppliers and customers that could be used as a competitive advantage by competitors if revealed or disclosed to such competitors or to persons or entities revealing or disclosing same to such competitors; together with any and all extracts, summaries and photo, electronic or other copies or reproductions, in whole or in part, stored in whatever medium. Confidential Information also includes business information of the Company now known by Executive, or in Executive's possession, or hereafter learned or acquired by Executive that derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by other persons who can obtain economic value from its disclosure or use. Confidential Information may be written or oral, expressed in electronic media or otherwise disclosed, and may be tangible or intangible. Confidential Information also includes any information made available to the Company by its customers or other third parties and which the Company is obligated to keep confidential. Executive acknowledges that the Confidential Information is secret, confidential and proprietary to the Company and has been or will be disclosed to and/or obtained by Executive in confidence and trust for the sole purpose of using the same for the sole benefit of the Company.

B. Executive hereby acknowledges and agrees that (i) the Company has expended considerable and substantial time, effort and capital resources to develop the Confidential Information, (ii) the Confidential Information is innovative and must receive confidential treatment to protect the Company's competitive position in the market and the Company's proprietary interest therein from irreparable damage, (iii) Executive, by virtue of his relationship with the Company, has had and will have access to the Confidential Information, and (iv) the Confidential Information and all physical embodiments or other repositories of the same shall be and at all times remain the sole and exclusive property of the Company.

C. Since irreparable harm will otherwise result to the Company in the event of a breach or threatened breach by Executive of the provisions of Item 8A, the Company shall be entitled to an injunction restraining Executive from disclosing, in whole or in part, any Confidential Information, or from rendering any services to any person, firm, company,

association or other entity to whom such Confidential Information, in whole or in part, has been disclosed or is threatened to be disclosed. Executive waives any requirement for the Company to post a bond or prove actual economic damage prior to seeking injunctive relief.

9. Company Property.

A. Executive acknowledges that all recorded information, including without limitation all notes, memoranda, records, documents, papers, computer disks, tapes, text or email messages, Teams messages, visual presentations or other storage media and all other papers and documents whatsoever which may have been prepared by Executive or have come into Executive's possession or control in the course of employment with the Company (the "Documents") and other materials owned or used by the Company shall at all times remain the sole property of the Company.

B. Executive agrees to promptly, upon request of the Company and in any event upon the termination of Executive's employment with the Company for any reason whatsoever, forthwith return to the Company all property whatsoever belonging to the Company including, without limitation, any laptop computer belonging to the Company, security passes, credit cards and all copies of the Documents which have come into Executive's possession or control in the course of employment with the Company and Executive shall not be entitled to and shall not retain any copies thereof.

10. Professional Responsibility.

A. Executive agrees that he will provide in connection with the performance of all services under this Agreement the skill and diligence normally provided by competent professionals in the performance of services similar to that contemplated by this Agreement.

B. Both parties acknowledge and agree that a fiduciary and confidential relationship has commenced and will continue to exist between them and that said relationship will continue during the term of this Agreement.

C. Executive represents that he has no conflicts of interest in rendering his professional services to the Company.

D. Executive shall not during the course of his employment (except as a representative or nominee of the Company or otherwise with the prior consent in writing of the Supervising Officer) be directly or indirectly engaged, concerned or interested in any other business which: (i) is wholly or partly in competition with any business carried on by the Company by itself or in partnership, common ownership or as a joint venture with any third party; or (ii) is a supplier to or customer of the Company, provided that Executive may own not more than one percent (1%) of the issued shares of any company which is publicly held and listed on a national stock exchange or on the Nasdaq Stock Market.

E. Subject to any regulations from time to time issued by the Company, Executive shall not receive or obtain directly or indirectly any discount, rebate, commission or other inducement in respect of any sale or purchase of any goods or services effected or other business transacted (whether or not by Executive) by or on behalf of the Company and if

Executive (or any firm or company in which Executive is directly or indirectly engaged, concerned or interested) shall obtain any such discount, rebate, commission or inducement, Executive shall account to the Company for the amount received by Executive or the amount received by such firm or company.

F. As an inducement to the Company to enter into this Agreement, Executive represents and warrants that: (i) he is not a party to any other agreement or obligation for personal services (other than the Prior Agreement); (ii) there exist no impediments or restraints, contractual or otherwise, on Executive's power, right or ability to enter into this Agreement and to perform his duties and obligations hereunder; (iii) the performance of his obligations under this Agreement do not and will not violate or conflict with any agreement relating to confidentiality, non-competition or exclusive employment to which Executive is or was subject; and (iv) Executive has not been involved in any legal proceedings that would be required to be disclosed in response to Item 401(f) of Regulation S-K promulgated under the Securities Act of 1933, as amended. As an inducement to Executive to enter into this Agreement, the Company represents and warrants that there exist no impediments or restraints, contractual or otherwise, on the Company's power, right or ability to enter into this Agreement and to perform its duties and obligations hereunder.

11. Ownership of Works and Materials.

A. Executive agrees that all Works (as defined below) and Materials (as defined below) are the sole and exclusive property of the Company.

B. Executive also specifically acknowledges and agrees that any tangible expression of any Works or Materials were developed, made or invented exclusively for the benefit of and are the sole and exclusive property of the Company or its successors and assigns as "works for hire" under Section 201 of Title 17 of the United States Code.

C. In the event that any Works or Materials are deemed not to be a work for hire, Executive agrees to assign, and does hereby irrevocably assign, to the Company all of his right, title and interest in and to such Works and Materials. Executive further agrees to take any actions, including the execution of documents or instruments, which the Company may reasonably require to effect Executive's assignment of rights pursuant to this Item 11C, and Executive hereby constitutes and appoints, with full power of substitution and resubstitution, the Company as Executive's attorney-in-fact to execute and deliver any documents or instruments which Executive has agreed to execute and deliver pursuant to this Item 11C.

D. Executive hereby waives and releases in favor of Company all rights in and to the Works and Materials and agrees that Company shall have the right to revise, condense, abridge, expand, adapt, change, modify, add to, subtract from, re-title or otherwise modify the Works and Materials without Executive's consent.

E. For purposes of this Item 11, "Works" means any work, studies, reports or analyses devised, developed, designed, formulated or reduced to writing by Executive at any time while Executive is or has been employed by the Company, including, without limitation any and

all compositions or works of authorship, concepts, compilations, abridgments, or other form in which Executive may directly or indirectly recast, transform or adapt any of the foregoing.

F. For purposes of this Item 11, "Materials" means any product, model, document, instrument, report, plan, proposal, specification, manual, tape, and all reproductions, copies or facsimiles thereof, or any other tangible item which in whole or in part contains, embodies or manifests, whether in printed, handwritten, coded, magnetic, digital or other form, any Works.

G. In order to avoid any ambiguity in connection with the creation of any Work which Executive claims is not covered by this Agreement, Executive agrees to disclose in writing to the Company complete details on any Works that are devised, developed, designed, formulated or reduced to writing by Executive at any time while Executive is or has been employed by the Company. Such disclosure shall be made promptly upon development, design or formulation with respect to any Works created while Executive is employed by the Company, and shall be disclosed in writing pursuant to such form as the Company may from time to time provide

12. Business Opportunities. For so long as Executive is employed by the Company, Executive will not, without the prior written consent of the Company (which consent may be withheld by the Company in the exercise of its absolute discretion), engage, directly or indirectly, in any business, venture or activity that Executive is aware or reasonably should be aware that the Company or any affiliate of the Company is engaged in, intends at any time to become engaged in, or might become engaged in if offered the opportunity, or in any other business, venture or activity if the Company reasonably determines that such activity would adversely affect the business of the Company or any affiliate thereof or the performance by Executive of any of Executive's duties or obligations to the Company.

13. Privacy Waivers.

A. The Company reserves the right to stop and search any employee or property of any employee when entering or leaving the Company's premises.

B. The Company reserves the right to monitor at any time telephone calls, electronic communications and information transmitted on Company networks or on computer equipment which is owned by the Company or on computers on Company premises that are used for Company business.

14. Notice. All notices required or sent hereunder shall be sent by personal delivery, by overnight priority mail via a nationally recognized overnight delivery company, or by certified mail, return receipt requested to the address of the party entitled to receive the notice as set forth above. Notices sent in accordance with this paragraph shall be deemed received upon personal delivery, one (1) business day after delivery to a nationally recognized overnight delivery company or five (5) days after mailed, as aforesaid.

15. Breach by the Company. If there is a dispute regarding the payment of any sum by the Company hereunder, the Company shall not be deemed to have failed to have made a payment hereunder if pending the resolution of such dispute, the Company pays the amount in

dispute into court or into an escrow account at the Company's bank or with the Company's counsel.

16. Remedies Not Exclusive. The rights, remedies and benefits herein expressly specified are cumulative and not exclusive of any rights, remedies or benefits which any party may otherwise have.

17. Invalid Provisions. The invalidity of any one or more of the clauses or words contained in this Agreement shall not affect the reasonable enforceability of the remaining provisions of this Agreement, all of which are inserted herein conditionally upon being valid in law; and in the event that one or more of the words or clauses contained herein shall be invalid, this instrument shall be construed as if such invalid words or clauses had not been inserted or, alternatively, said words or clauses shall be reasonably limited to the extent that the applicable court interpreting the provisions of this Agreement considers to be reasonable.

18. Binding Effect. This Agreement, as it relates to restrictions applicable to Executive, is a personal contract and the rights and interests of Executive hereunder may not be sold, transferred, assigned, pledged or hypothecated. However, this Agreement shall inure to the benefit of and be binding upon Company and its successors and assigns including, without limitation, any corporation or other entity into which Company is merged or which acquires all or substantially all of the outstanding ownership interests or assets of Company.

19. Jurisdiction. Each of the undersigned further agrees that any action or proceeding brought or initiated in respect of this Agreement may be brought or initiated in the United States District Court for the State of Nevada or in any District Court located in Clark County, Nevada, and each of the undersigned consents to the exercise of personal jurisdiction and the placement of venue in any of such courts, or in any jurisdiction allowed by law, in any such action or proceeding and further consents that service of process may be effected in any such action or proceeding in the manner provided in Section 14.065 of the Nevada Revised Statutes or in such other manner as may be permitted by law. Each of the undersigned further agrees that no such action shall be brought against any party hereunder except in one of the courts above named.

20. Attorney's Fees. In the event an action is taken by either party to enforce this Agreement or resolve a dispute in connection herewith, the prevailing party shall be entitled to recover the costs incurred with the prosecution and defense of such action, including reasonable attorney's fees.

21. Miscellaneous. This Agreement shall be construed under and governed by the laws of the State of Nevada other than its conflicts of laws principles. This Agreement contains the complete understanding of the parties with respect to the subject matter of this Agreement and supersedes all other prior agreements, understandings and negotiations relating to the same subject matter. This Agreement may only be modified by a written instrument signed by each of the parties hereto. No provisions of this Agreement will be interpreted in favor of, or against, any of the parties hereto by reason of the extent to which any such party or its counsel participated in the drafting thereof or by reason of the extent to which any such provision is inconsistent with any prior draft hereof or thereof. Failure to require strict compliance with any term or provision of this Agreement shall not constitute a waiver of a party's right to insist upon

strict compliance with each and every provision of this Agreement. No waiver of any terms and conditions of this Agreement shall be deemed to be a waiver of any subsequent breach of that or any other term of condition. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and same instrument. The provisions of Item 3 (the last paragraph), 4D(3), 4D(7), 4D(8), 6H, 7, 8, 9, 11 and 14 through 21 shall survive the termination of this Agreement and Executive's employment with the Company. This Agreement may be executed by any party by delivery of a facsimile signature, which signature shall have the same force as an original signature. Any party which delivers a facsimile signature shall promptly thereafter deliver an originally executed signature to the other party; provided, however, that the failure to deliver an original signature page shall not affect the validity of any signature delivered by facsimile. The paragraph headings contained in this Agreement are for reference only and shall not be deemed to impart substantive meaning to any provision of this Agreement. Each party has had the opportunity to be represented by counsel of its choice in negotiating this Agreement. This Agreement shall therefore be deemed to have been negotiated and prepared at the joint request and direction of the parties, at arm's length, with the advice and participation of counsel, and shall be interpreted in accordance with its terms and without favor to any party.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, this Agreement has been signed, sealed and delivered as of the date and year first above written.

EXECUTIVE:

GREGORY C. ANDERSON

COMPANY:

ALLEGIANT TRAVEL COMPANY

By: _____

Title: _____

Exhibit A

Form of Release

THIS RELEASE (the “Release”) is entered into between Gregory C. Anderson (“Executive”) and Allegiant Travel Company, a Nevada corporation (the “Company”), for the benefit of the Company. The entering into and non-revocation of this Release is a condition to Executive’s right to receive certain payments under Items 4A(3), 4B, 4C(3), 4C(4), 4D(3), 6A, 6C and 6D of the Employment Agreement entered into by and between Executive and the Company, effective as of August 1, 2022 (the “Employment Agreement”). Capitalized terms used and not defined herein shall have the meaning provided in the Employment Agreement.

Accordingly, Executive and the Company agree as follows.

1. In consideration for the compensation and other benefits provided to Executive under Items 4A(3), 4B, 4C(3), 4C(4), 4D(3), 6A, 6C and 6D (as applicable) of the Employment Agreement to which Executive would not otherwise be entitled, Executive represents and agrees, as follows:

(a) Executive, for himself, his heirs, administrators, representatives, executors, successors and assigns (collectively “Releasors”), hereby irrevocably and unconditionally releases, acquits and forever discharges and agrees not to sue the Company or any of its subsidiaries, divisions, affiliates and related entities and its current and former directors, officers, shareholders, trustees, employees, consultants, independent contractors, representatives, agents, servants, successors and assigns and all persons acting by, through or under or in concert with any of them (collectively “Releasees”), from all claims, rights and liabilities up to and including the date of this Release arising from or relating to Executive’s employment with, or termination of employment from, the Company, under the Employment Agreement and from any and all charges, complaints, claims, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of actions, suits, rights, demands, costs, losses, debts and expenses of any nature whatsoever, known or unknown, suspected or unsuspected and any claims of wrongful discharge, breach of contract, implied contract, promissory estoppel, defamation, slander, libel, tortious conduct, employment discrimination or claims under any federal, state or local statute, law, order or ordinance, including any rights or claims arising under Title VII of the Civil Rights Act of 1964, as amended, the Age Discrimination in Employment Act of 1967, as amended, 29 U.S.C. § 621 et seq. (“ADEA”), or any other federal, state or municipal ordinance. Nothing contained herein shall restrict the parties’ rights to enforce the terms of this Release.

(b) To the maximum extent permitted by law, Executive agrees that he has not filed, nor will he ever file, a lawsuit asserting any claims which are released by this Release.

(c) Notwithstanding the foregoing, this Release specifically excludes (i) any unpaid compensation or benefits accrued through the date of Executive’s termination of employment, (ii) Executive’s rights and the Company’s obligations under Items 4A(3), 4B, 4C(3), 4C(4), 4D(3), 6A, 6C and 6D (as applicable) of the Employment Agreement, (iii) claims for unemployment benefits, (iv) Executive’s vested account balance, if any, in the Company’s 401(k) plan, and (v) Executive’s right, if any, to elect continued group health coverage for himself and

his eligible family members under Part 6 of Title I of ERISA. Nothing contained in this Release shall release Executive from his obligations, including any obligations to abide by restrictive covenants under the Employment Agreement or any other agreement that continue or are to be performed following termination of employment.

(d) The parties agree that this Release shall not affect the rights and responsibilities of the US Equal Employment Opportunity Commission (hereinafter "EEOC") to enforce ADEA and other laws. In addition, the parties agree that this Release shall not be used to justify interfering with Executive's protected right to file a charge or participate in an investigation or proceeding conducted by the EEOC. The parties further agree that Executive knowingly and voluntarily waives all rights or claims (that arose prior to Executive's execution of this Release) the Releasers may have against the Releasees, or any of them, to receive any benefit or remedial relief (including, but not limited to, reinstatement, back pay, front pay, damages, attorneys' fees, experts' fees) as a consequence of any investigation or proceeding conducted by the EEOC.

2. Executive acknowledges that the Company has specifically advised him of the right to seek the advice of an attorney concerning the terms and conditions of this Release. Executive further acknowledges that he has been furnished with a copy of this Release, and he has been afforded twenty-one (21) days in which to consider the terms and conditions set forth above prior to this Release. By executing this Release, Executive affirmatively states that he has had sufficient and reasonable time to review this Release and to consult with an attorney concerning his legal rights prior to the final execution of this Release. Executive further agrees that he has carefully read this Release and fully understands its terms. Executive understands that he may revoke this Release within seven (7) days after signing this Release. Revocation of this Release must be made in writing and must be received by [●] at [●] within the time period set forth above.

3. This Release will be governed by and construed in accordance with the laws of the state of Nevada, without giving effect to any choice of law or conflicting provision or rule (whether of the state of Nevada or any other jurisdiction) that would cause the laws of any jurisdiction other than the state of Nevada to be applied. In furtherance of the foregoing, the internal law of the state of Nevada will control the interpretation and construction of this agreement, even if under such jurisdiction's choice of law or conflict of law analysis, the substantive law of some other jurisdiction would ordinarily apply. The provisions of this Release are severable, and if any part or portion of it is found to be unenforceable, the other paragraphs shall remain fully valid and enforceable. This Release shall become effective and enforceable on the eighth day following its execution by Executive, provided he does not exercise his right of revocation as described above. If Executive fails to sign and deliver this Release or revokes his signature, this Release will be without force or effect, and Executive shall not be entitled to those payments or benefits under Items 4A(3), 4B, 4C(3), 4C(4), 4D(3), 6A, 6C or 6D of the Employment Agreement, as applicable, which are conditioned upon the execution of this Release.

**AMENDED AND RESTATED
EMPLOYMENT AGREEMENT**

THIS AMENDED AND RESTATED EMPLOYMENT AGREEMENT ("Agreement") is made and entered into effective as of the 1st day of August, 2022 by and between SCOTT DeANGELO (hereinafter "Executive"), whose address is 1201 N. Town Center Drive, Las Vegas, Nevada 89144, and ALLEGIANT TRAVEL COMPANY, a Nevada corporation (hereinafter "the Company"), whose address is 1201 N. Town Center Drive, Las Vegas, Nevada 89144. This Agreement restates and amends in its entirety that certain Employment Agreement between the parties dated as of September 1, 2020 (the "Prior Agreement").

W I T N E S S E T H

WHEREAS, the Company desires to employ Executive as its executive vice president and chief marketing officer, and Executive desires to be so employed pursuant to and in accordance with the terms and conditions hereinafter set forth; and

WHEREAS, this Agreement supersedes the Prior Agreement as of the Effective Date;

NOW, THEREFORE, for and in consideration of the above premises, the terms and covenants herein contained, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by Executive and the Company, it is hereby agreed as follows:

1. Employment. The Company hereby employs Executive and Executive hereby accepts employment by the Company upon all of the terms and conditions as are hereinafter set forth. Terms of employment with the Company are also governed by the Company's employment policies in effect from time to time. The Company shall provide a copy of such employment policies to Executive upon request. In the event of any conflict between the terms of this Agreement and the generally applicable employment policies, the terms of this Agreement shall prevail.

2. Scope of Services.

A. Executive shall be employed by the Company as the executive vice president and chief marketing officer of the Company and its operating subsidiaries. Executive shall report to the Company's Chief Executive Officer or such other officer as the Company's Board of Directors may designate ("Supervising Officer"). Executive's duties shall include those indicated above and such other duties assigned to him by the Supervising Officer from time to time.

Executive's services are mutually agreed to be unique personal services. Executive acknowledges that the Company is relying upon Executive's experience, expertise and other qualifications in entering into this Agreement. Executive shall not assign or delegate any right, obligation or duty hereunder to any other person or entity without the express written consent of the Company.

B. During Executive's period of service hereunder, Executive agrees to perform such services not inconsistent with Executive's position as shall from time to time be assigned to Executive by the Supervising Officer. During the term of this Agreement, except for disability, illness and vacation periods, Executive shall devote Executive's full productive time, attention and energies to the positions of executive vice president and chief marketing officer of the Company and its operating subsidiaries.

C. Executive shall be required to reside in Las Vegas, Nevada during his employment under this Agreement.

D. Executive's expenditure of reasonable amounts of time in connection with outside activities, not competitive with the business of the Company, such as outside directorships or charitable activities, shall not be considered in contravention of this Agreement so long as such activities do not interfere with his performance of this Agreement. Further, it is understood and agreed by the parties hereto that Executive is entitled to engage in passive and personal investment activities not interfering with his performance of this Agreement.

3. Limitations of Duties. Executive shall not, without consent first being given by the Company, which consent may be general authority from the Company:

A. Take part in activities detrimental to the best interests of the Company, including rendering any services to any other firm or entity which conflict or interfere with the performance of Executive's duties hereunder.

B. Exceed any limitations on his authority that may be established by the Board.

C. Enter into any contract, oral or written, in the name of, for or on behalf of the Company other than in the ordinary course of business.

D. Use any money belonging to the Company or pledge its credit other than in the ordinary course of business.

E. Commit or suffer to be committed any act whereby the Company's property may be subject to attachment or seizure.

F. Cause the Company to become a guarantor, surety or endorser or give any note for the benefit of any other person whomsoever.

Upon a breach of any provision under this Item 3, the Company shall have the right to terminate this Agreement for Cause as set forth in Item 6E hereof and to pursue any other remedies available to the Company as a result of such breach.

Executive shall indemnify and hold the Company harmless from and against any and all damages, actions, causes of action, claims and other liabilities, contingent or otherwise, directed toward the Company by others as a result of Executive's violation of any of the provisions of this Item 3.

4. Compensation.

A. Compensation Through March 31, 2023. During the period from the Effective Date through March 31, 2023, the following provisions shall apply:

(1) Base Compensation. As base compensation (“Base Salary”) for providing services hereunder, Executive shall be paid at the rate of Two Hundred Sixty Thousand Dollars (\$260,000) per annum to be paid monthly or in more frequent installments as may be agreed upon by the Company and Executive. The salary payable to Executive shall be inclusive of any fees received by Executive as an officer of the Company or any other company or corporate body in which Executive holds an office as a nominee or representative of the Company.

(2) Annual Bonus. Subject to the limitations in Paragraph 4D(8) below, Executive shall be entitled to participate in the Company’s annual bonus program (if any) as in effect from time to time and subject to meeting any requirements established for participation in the bonus program and may also be granted a discretionary bonus in such amount as may be determined by the Board of Directors (the “Board”) in its sole discretion.

(3) Time-Based Restricted Stock. Executive will be granted shares of restricted stock (the “T-B Restricted Stock”) under the Company’s 2022 Long-Term Incentive Plan (the “LTIP”) as follows: on August 1, 2022 (if the Executive remains actively employed as of such date), a number of shares equal to \$960,000 divided by the closing price of the Company’s stock on such date. This grant of T-B Restricted Stock will vest in three (3) equal annual installments commencing on the first anniversary of each date of grant. In other words, the 2022 grant of T-B Restricted Stock will vest in 2023, 2024 and 2025. Each grant of T-B Restricted Stock will be subject to the terms of a Restricted Stock Agreement to be entered into between the Company and Executive to evidence this grant. Executive shall be entitled to vote all vested and unvested shares of T-B Restricted Stock and to the extent allowed by the LTIP, receive all dividends paid thereon, until and unless such time as such shares of T-B Restricted Stock are forfeited in accordance with the terms of the Restricted Stock Agreement evidencing such grant.

B. Grant on Expiration of CARES Act Compensation Limitations. As a recipient of financial support under the Coronavirus Aid, Relief, and Economic Security Act of 2020 and subsequent payroll support programs (collectively, the “PSPs”), the Company is subject to certain restrictions on executive compensation for employees who made over \$425,000 in 2019. These restrictions will continue to apply until at least April 1, 2023 and possibly longer. At such time as the Company is no longer subject to the restrictions on executive compensation under the PSPs, the Company shall grant to Executive an additional 7,500 shares of restricted stock (the “PSP Expiration Grant”) under the Company’s LTIP provided that the Executive remains actively employed as of such date. The PSP

Expiration Grant will vest on the first anniversary of the date of grant. The PSP Expiration Grant will be subject to the terms of a Restricted Stock Agreement to be entered into between the Company and Executive to evidence this grant. From and after grant, Executive shall be entitled to vote all vested and unvested shares of the Additional Restricted Stock and to the extent allowed by the LTIP, to receive all dividends paid thereon, until and unless such time as such shares of the PSP Expiration Grant are forfeited in accordance with the terms of the Restricted Stock Agreement evidencing such grant.

C. Compensation for Period from April 1, 2023 through December 31, 2026.

During the period from April 1, 2023 through December 31, 2026, the following provisions shall apply:

- (1) No Base Salary. The equity grants described below are intended to be the sole base compensation payable to Executive during this period under this Agreement. As such, Executive shall not be entitled to any base salary.
- (2) No Participation in Annual Cash Bonus Plan. The equity grants and cash bonus opportunity based on stock price performance described below are intended to be the sole compensation payable to Executive during this period. As such, Executive shall not be entitled to participation in the Company's annual cash bonus plan. However, Executive may be granted a discretionary cash bonus for extraordinary performance in such amount as may be determined by the Board in its sole discretion.
- (3) Base Compensation Grant. In lieu of cash compensation in the form of base salary or under the annual cash bonus plan), on April 3, 2023, Executive shall receive a restricted stock grant in the amount of 77,000 shares (the "Base Compensation Grant") under the Company's LTIP provided that Executive remains actively employed by the Company as of such date. The Base Compensation Grant shall vest as follows: (i) 21,560 shares on April 3, 2024 ; (ii) 9,240 shares on October 1, 2024; (iii) 10,267 shares on April 1, 2025; (iv) 10,267 shares on October 1, 2025; (v) 10,267 shares on April 1, 2026; (vi) 10,266 shares on October 1, 2026; and (vii) the final 5,133 shares on January 1, 2027, in each case, only if the Executive remains actively employed by the Company as of the respective date. The Base Compensation Grant will be subject to the terms of a Restricted Stock Agreement to be entered into between the Company and the Executive to evidence this grant. From and after grant, Executive shall be entitled to vote all vested and unvested shares of the Base Compensation Grant and to the extent allowed by the LTIP, to receive all dividends paid thereon, until and unless such time as such shares of the Base Compensation Grant are forfeited in accordance with the terms of this Agreement and the Restricted Stock Agreement evidencing such grant.
- (4) Performance Based Cash Bonus. Each calendar year from 2023 through 2026, Executive shall be entitled to receive a cash bonus if the average closing price of the Company's stock during any twenty (20) consecutive trading day period during the last six months of the year equals or exceeds the stock price

threshold set forth below, in each case, based only on the highest stock price threshold met during the last six months of the year. If any stock price threshold for a year is met, then the cash bonus shall be equal to the Applicable Number of Shares for such year (from the chart below), multiplied by the highest stock price threshold met for such year and with the result multiplied by the Applicable Percentage for the stock price threshold met (from the chart below). If no stock price threshold is met for any year, then no cash bonus shall be paid for such year.

<u>Year</u>	<u>Applicable Number of Shares</u>	<u>Stock Price Threshold</u>	<u>Applicable Percentage</u>
2023	6,000	\$140	25%
	6,000	\$150	50%
	6,000	\$160	75%
	6,000	\$170	100%
2024	7,000	\$180	25%
	7,000	\$190	50%
	7,000	\$200	75%
	7,000	\$210	100%
2025	8,000	\$225	25%
	8,000	\$235	50%
	8,000	\$245	75%
	8,000	\$255	100%
2026	9,000	\$265	25%
	9,000	\$275	50%
	9,000	\$285	75%
	9,000	\$295	100%

By way of example, if the highest average closing price of the Company's stock during a 20 consecutive day period during the last six months of 2023 exceeds \$170 per share, then the cash bonus for 2023 would be: 6,000 X \$170 X 100% = \$1,020,000.

By way of further example, if the highest average closing price of the Company's stock during a 20 consecutive day period during the last six months of 2025 exceeds \$245 per share (but not \$255 per share), then the cash bonus for 2025 would be: 8,000 X \$245 X 75% = \$1,470,000.

For purposes of these cash bonus provisions, the average closing price will be calculated as the arithmetic average of the 20 closing prices during the 20 consecutive day period and without regard for trading volume.

Any cash bonus earned will be payable within fifteen (15) days after the end of the applicable year. The Company may choose to prepay any portion of the cash bonus to the extent earned (that is, once the stock price has met the stock price threshold for a 25%, 50% or 75% Applicable Percentage payment) with any prepayment to reduce the amount of the final payment for such year.

If Executive's employment terminates prior to the end of any year, Executive shall be entitled to any cash bonus earned by virtue of meeting a stock price threshold in the last six months of the year and prior to the date of termination, but not further or otherwise.

(5) Stock Options. The Company shall grant Executive stock options as follows:

- (a) As of April 3, 2023 (provided Executive remains in the active employ of the Company as of such date), options to purchase 6,000 shares at \$230 per share exercisable only during 2023;
- (b) As of April 3, 2023 (provided Executive remains in the active employ of the Company as of such date), options to purchase 7,000 shares at \$260 per share exercisable only during 2024;
- (c) As of January 1, 2024 (provided Executive remains in the active employ of the Company as of such date), options to purchase 8,000 shares at \$300 per share exercisable only during 2025; and
- (d) As of January 1, 2024 (provided Executive remains in the active employ of the Company as of such date), options to purchase 9,000 shares at \$340 per share exercisable only during 2026.

Notwithstanding the above, the option price for any shares shall not be less than the closing price of the Company's stock as of the date of grant. The options shall be exercisable only during the term of Executive's employment with the Company or within 90 days thereafter and shall be subject to the terms of stock option agreements to be entered into between Executive and the Company.

D. Generally Applicable Provisions. The following provisions shall apply throughout the term of this Agreement:

- (1) No Participation in Future Equity Grants. Executive shall not be eligible to receive any further equity grants during the term of this Agreement.

(2) Fringe Benefits. The Company shall provide Executive health and dental insurance for Executive and his spouse (if married) and family and such vacation time, sick leave and other fringe benefits, including but not limited to participation in any pension, 401(k) and employee benefit plans that may be maintained by the Company from time to time as are made generally available to other management employees of the Company in accordance with Company policies. The Company reserves the right to change the benefits available under its benefit plans at any time or times.

(3) Positive Space Travel. In recognition of Executive's service in a senior management role for the Company for many years, the following benefit is provided. During the term of his employment with the Company and for a period of five (5) years thereafter, Executive shall be entitled to passes for air travel on the flights of the Company (and any successor-in-interest to the Company) for Executive, his wife and children (up to age 21) on a positive space basis at no cost to Executive.

(4) Expense Reimbursement. In addition, the Company shall reimburse Executive for any expenses incurred by Executive in connection with the business of the Company, as approved by the Company. These expenses may include expenses for travel, business promotion, association memberships, and any other expenses as may be approved by the Supervising Officer from time to time. The Company shall reimburse Executive for such out-of-pocket expenses by the tenth (10th) day of the month following the month in which such expenses were incurred (and appropriate documentation thereof has been provided to the Company). The Company may issue to Executive a company credit card. In such event, Executive agrees to use such card only for the expenses reimbursable under this paragraph. Executive agrees to keep the card securely. In the event of loss or theft, the issuing authority and the Company shall be informed immediately. The card shall be returned to the Company forthwith on the termination of Executive's employment for any reason whatsoever.

(5) Payroll Taxes. Executive shall bear full responsibility for the employee portion of all payroll taxes. Such amounts may be paid, at Executive's request, by the cancellation of such number of shares of Restricted Stock as may be necessary to fund the payroll tax obligation based on a value equal to the closing stock price of the Company's stock on the last trading day prior to the date of vesting.

(6) Deductions. Deductions shall be made from Executive's salary for social security, Medicare, federal and state withholding taxes, and any other such taxes as may from time to time be required by governmental authority.

(7) Clawback Agreement. In accordance with the Company's clawback policy, Executive hereby agrees to reimburse the Company for all or any portion of any bonuses or incentive or equity-based compensation if the Compensation Committee in good faith determines: (a) the payment or grant was based on the achievement of certain financial results that were subsequently the subject of a

material financial restatement (other than as a result of a change in accounting principles) and a lower payment or award would have occurred based upon the restated financial results; or (b) the Executive engaged in fraud or intentional misconduct related to the Company or its business. In each such instance, the Company will, to the extent practicable and allowable under applicable law, require reimbursement of any bonus or incentive or equity based compensation awarded or effect the cancellation of any unvested or deferred stock awards previously granted to the Executive in the amount by which the Executive's bonus or incentive or equity based compensation for the relevant period exceeded the lower payment that would have been made based on the restated financial results, or such other amount as determined by the Compensation Committee, provided that the Company will not be entitled to recover bonuses or incentive or equity based compensation paid more than three years prior to the date the applicable restatement is disclosed.

(8) PSPs Limitations on Compensation. Notwithstanding anything herein to the contrary, in no event shall any cash or stock-based compensation under this Agreement (whether upon payment, grant, vesting or accelerated vesting) exceed the limitations imposed upon the Company by virtue of accepting support from the U.S. Treasury under the PSPs so long as those restrictions remain in effect. In the event of any such restriction, the parties agree to use good faith to negotiate an arrangement to provide the same value of compensation to Executive at a later time or on other terms but in compliance with the PSPs.

(9) Release Required for Post-Termination Benefits. Notwithstanding anything herein to the contrary, the acceleration of vesting of Restricted Stock, continued payment of salary after termination and other post-termination benefits shall be available to Executive under Items 4A(3), 4B, 4C(3), 4C(4), 4D(3), 6A, 6C and 6D in each case, if and only if Executive has executed and delivered to the Company a release in the form attached hereto as Exhibit A or in such other form agreed to by the parties and only so long as Executive has not revoked such general release.

(10) Adjustments on Stock Splits or Dividends. In the event of any stock dividend, stock split, combination or other similar recapitalization affecting shares of the Company or in the event of a merger or acquisition affecting the Company's outstanding shares, the number of shares of restricted stock and stock options to be granted as of any subsequent date shall be adjusted accordingly and, with respect to the performance based cash bonus, the stock price threshold to be met with respect to the current or any subsequent calendar year shall also be adjusted accordingly, each as determined by the Compensation Committee in good faith, with such determination being final and binding.

5. Term. The initial term of this Agreement shall commence as of the date hereof (the "Effective Date") and shall continue until December 31, 2026. The term of the Agreement shall expire on such date absent a renewal signed by both parties.

6. Termination:

A. This Agreement shall be terminated upon Executive's death or upon a physician certified disability which permanently or indefinitely renders Executive unable to perform his usual duties on behalf of the Company. In the event of Executive's termination of employment as a result of death or such a disability, the vesting of the following shares of restricted stock shall be accelerated: all shares of Time-Based Restricted Stock, the PSP Expiration Grant and the Base Compensation Grant, but only to the extent granted prior to the date of death or disability and only to the extent such shares would have vested within three (3) years after the date of death or disability.

B. Executive may, without "Good Reason" (as defined in paragraph D below), terminate this Agreement by giving to the Company sixty (60) days written notice and such termination shall be effective on the date specified by Executive but in no event earlier than the sixtieth (60th) day following the date of such notice. In such event, Executive shall continue to render his services up to the Termination Date (as hereinafter defined) if so requested by the Company. In the event of such a resignation without Good Reason, all then unvested stock options, restricted stock grants and stock appreciation rights held by Executive as of the Termination Date shall be immediately forfeited.

C. The Company may, without "Cause" (as defined in paragraph E below), terminate this Agreement at any time by giving to Executive written notice and such termination shall be effective on the date specified by the Company. At the option of the Company, Executive shall immediately cease performing his duties hereunder upon receipt of the notice. If terminated without Cause pursuant to this paragraph C, Executive shall continue to receive his full base salary through March 31, 2023 (if the termination is effective prior to that date) and fringe benefits for the remaining term of this Agreement (but in no event for less than six (6) months following Executive's termination and the vesting of the following shares of restricted stock shall be accelerated: all shares of Time-Based Restricted Stock, the PSP Expiration Grant and the Base Compensation Grant, but only to the extent granted prior to the date of termination and only to the extent such shares would have vested within three (3) years after the date of termination.

D. Executive may terminate this Agreement immediately for "Good Reason". For purposes of this Agreement, Good Reason shall be defined as (i) failure of the Company to make any payment or provide any benefit to Executive hereunder, which failure is not cured within thirty (30) days after the Company's receipt of written notice of such default, or (ii) a material diminution of Executive's duties and responsibilities or his title without Executive's consent, or (iii) the principal location at which Executive is to perform his duties is relocated to a place more than fifty (50) miles from Las Vegas, Nevada. Any termination under this paragraph D shall take effect immediately upon the Company's receipt of written notice from Executive after the expiration of any applicable cure period. If Executive terminates this Agreement for "Good Reason" pursuant to this paragraph D, Executive shall continue to receive his full base

salary through March 31, 2023 (if the termination is effective prior to such date) and fringe benefits for the remaining term of this Agreement but in no event less than six (6) months following Executive's termination and the vesting of the following shares of restricted stock shall be accelerated: all shares of Time-Based Restricted Stock, the PSP Expiration Grant and the Base Compensation Grant, but only to the extent granted prior to the date of termination and only to the extent such shares would have vested within three (3) years after the date of termination. .

E. The Company may terminate this Agreement immediately for "Cause". For purposes of this Agreement, "Cause" shall be defined as any of the following: (i) Executive shall commit a felony or other act involving moral turpitude, which other act is materially detrimental to the Company; (ii) Executive shall knowingly commit any act of prohibited conduct as set forth in Item 3 of this Agreement; (iii) Executive shall commit any act, specifically including but not limited to drug or alcohol abuse, which act is materially harmful to the Company, or which in the reasonable opinion of the Company's Board brings the Company into disrepute; (iv) Executive shall commit any act of fraud, dishonesty, theft or misappropriation, whether or not related to his activities on behalf of the Company, including providing false reports or accounts to the Company or deliberately making false statements about the Company, its services, employees, customers or suppliers; (v) intentional or repeated material neglect of Executive's duties; (vi) breach by Executive of any other material provision of this Agreement; (vii) Executive shall become the subject of a bankruptcy proceeding or otherwise make an arrangement or composition with creditors generally; (viii) Executive shall engage in anti-social behavior (such as fighting, indecency, harassment, sexual or racial harassment or discrimination, intimidation of others, physical violence or assault) during the course of performing duties for the Company or against another employee outside of work; (ix) Executive shall have possession of illegal drugs at the Company's workplace; or (x) Executive shall perform duties in a negligent or dangerous manner which causes or is likely to cause material loss or injury. This Agreement may not be terminated by the Company under subclause (v), (vi) or (x) of this Item unless and until the Company has provided Executive with written notice of such violative conduct and Executive has failed to cure (or fails to commence and thereafter diligently pursue the cure) such act within thirty (30) days after Executive's receipt of such written notice; provided, however, that no right to cure shall be available for a second or subsequent violation of the same provision within any twelve (12) month period. Any termination under this paragraph E shall take effect immediately upon Executive's receipt of written notice from the Company or expiration of any applicable cure period, whichever is later. The failure of the Company to terminate this Agreement for cause as a result of any of the foregoing at any one or more times shall not affect the Company's ability to terminate this Agreement for cause as a result of the subsequent occurrence of any act giving rise to "cause" hereunder, provided that Executive is still provided with a notice to cure if applicable in accordance with the above. In the event of a termination for Cause, all then unvested stock options, restricted stock grants and stock appreciation rights held by Executive shall be immediately forfeited.

F. Upon termination, Executive shall have no obligation to provide any additional services, and except as expressly provided above, the Company shall only be obligated pay to Executive the portion of any amounts due as of the termination date, together with all unreimbursed out-of-pocket expenses incurred by Executive.

G. Termination of Executive's Obligations. In the event of the termination of Executive's employment during the term of this Agreement, Executive's obligations under Item 7 of this Agreement shall survive the expiration of the term of this Agreement without renewal and termination of Executive's employment as provided in such Item. Unless the parties to this Agreement mutually agree to extend the term of this Agreement, the restrictions under Item 7 of this Agreement shall no longer apply after the expiration of the term of this Agreement if Executive continues to be employed by the Company at that time.

H. Resignation of Positions upon Termination. On the termination of this Agreement for any reason whatsoever, Executive shall at the request of the Company immediately resign (without prejudice to any claims which Executive may have against the Company arising out of this Agreement or the termination thereof) from all and any offices which Executive may hold as an officer or member of the Board of the Company and from all other appointments or offices which Executive holds as a nominee or representative of the Company and if Executive should fail to do so, the Company is hereby irrevocably authorized to appoint another person in Executive's name and on Executive's behalf to sign any documents or do anything necessary or requisite to effect such resignation(s) and/or transfers.

I. Termination Date. For all purposes of this Agreement the "Termination Date" shall refer to the effective date of termination as set forth above.

7. Restrictive Covenants. As a material inducement to the Company's employment of Executive, the provisions of this Item 7 shall apply.

A. For purposes of this Item, the following terms and provisions shall have the following meanings:

(i) "Prohibited Time Period" shall mean the period beginning on the date of execution hereof and ending on the date that is twelve (12) months after the termination of employment for any reason whatsoever of Executive.

(ii) "Prohibited Business" shall mean the business of providing charter or scheduled airline service. The Prohibited Business shall include, but is not limited to, employment with an existing airline or with a group which within one (1) year prior to the termination of Executive's employment or after the termination of employment, begins to take steps to form a start-up airline.

(iii) "Prohibited Geographic Area" shall mean the conduct of the Prohibited Business within the United States or between the United States and Mexico, Canada or the Caribbean, whether he is physically located in the Prohibited Geographic Area or whether he is in contact with others located in the Prohibited Geographic Area. Executive acknowledges that he and the Company have agreed that Executive's services will benefit the Company throughout the Prohibited Geographic Area.

(iv) "Prohibited Capacity" shall mean service in the capacity of an executive or in such other management position or as a significant equity owner or consultant, in which capacities Executive acknowledges that he has served or will serve the Company and its subsidiaries during the course of his employment for the Company.

(v) "Prohibited Party" shall mean all travel partners of the Company who (a) have contracted for regular chartered air service with the Company during the one (1) year period prior to the date of termination of employment, or (b) whose services are sold by the Company to produce ancillary third party revenue (such as Enterprise Rent-a-Car), (c) have been solicited as potential travel partners of the Company at a meeting held at any time during the one (1) year period prior to the date of termination of employment of Executive.

(vi) "Prohibited Employee" means any employee, independent contractor or consultant of the Company who worked for the Company at any time within six (6) months prior to the termination of employment of Executive; provided, however, that the term "Prohibited Employee" shall not include any employee who had not been employed by the Company within the one (1) year period immediately preceding the date contacted by Executive for subsequent employment.

B. Executive agrees that during the Prohibited Time Period, he shall not, for any reason, without the prior written consent of the Company, on his own behalf or in the service or on behalf of others serve in a Prohibited Capacity in the Prohibited Business in the Prohibited Geographic Area.

C. Executive covenants and agrees that during the Prohibited Time Period, he shall not, for any reason, directly or indirectly (whether as officer, director, consultant, employee, representative, agent, partner, owner, stockholder or otherwise), (i) solicit charter air services from, or market charter air services to, any Prohibited Party, or (ii) enter into a transaction with such Prohibited Party as a result of which the Prohibited Party does, or is likely to, reduce the amount of business between the Prohibited Party and the Company.

D. Executive agrees that during the Prohibited Time Period, he shall not, for any reason, without the prior written consent of the Company, on his own behalf or in the service or on behalf of others, hire any Prohibited Employee or request or induce any Prohibited Employee to terminate that person's employment or relationship with the Company or to accept employment with any other person.

E. The parties agree that: (i) the covenants and agreements of Executive contained in this Item are reasonably necessary to protect the interests of the Company in whose favor said covenants and agreements are imposed in light of the nature of the Company's business and the professional involvement of Executive in such business; (ii) the restrictions imposed by this Item are not greater than are necessary for the protection of the Company in light of the substantial harm that the Company will suffer should Executive breach any of the provisions of said covenants or agreements; (iii) the covenants and agreements of Executive contained in this Item have been independently negotiated between the parties and served as a material inducement for the Company to enter into this Agreement; (iv) the period and geographical area of restriction referred to in this Item are fair and reasonably required for the protection of the Company; and (v) the nature, kind and character of the activities Executive is prohibited to engage in are reasonable and necessary to protect the Company in that the Company will rely on Executive for those important aspects of its business.

F. Executive acknowledges that a material breach by Executive of any part of this Item will result in irreparable and continuing damage to the Company and any material breach or threatened breach of the covenants provided in this Item shall be subject to specific performance by temporary as well as permanent injunction or any other equitable remedies of any court of competent jurisdiction.

G. The covenants and agreements on the part of Executive contained in this Item shall be construed as agreements independent of any other agreement between Executive and the Company. The existence of any claim or cause of action of Executive against the Company, whether predicated on this Agreement or otherwise, shall not constitute a defense to the enforcement by the Company of each of such covenants and agreements or otherwise affect the remedies to which the Company is entitled hereunder.

H. If the provisions of this Item 7 should ever be adjudicated to exceed the time, geographic or other limitations permitted by applicable law in any jurisdiction, then such provisions shall be deemed reformed in such jurisdiction to the maximum time, geographic or other limitation permitted by applicable law.

I. Nothing contained in this Item shall restrict Executive from being a not more than 1% stockholder (but not an officer, director, employee, consultant or advisor) of any corporation that directly or indirectly competes with the Company provided the stock of such competing corporation is publicly held and listed on a national stock exchange.

8. Confidential Information.

A. During the period beginning on the execution date of this Agreement and ending on the fifth (5th) anniversary of any termination or expiration of this Agreement, Executive agrees that he shall not, except in pursuit of the Company's business or with the prior written consent of the Company, for his own benefit or for the benefit of any other person or entity:

(i) directly or indirectly disclose, reveal, report, duplicate or transfer any Confidential Information to any other person or entity outside of the Company;

(ii) directly or indirectly aid, encourage, direct or allow any other person or entity outside of the Company to gain possession of or access to Confidential Information;

(iii) directly or indirectly copy or reproduce Confidential Information, except as required as part of Executive's duties; or

(iv) directly or indirectly use, sell or exploit any Confidential Information or aid, encourage, direct or allow any other person or entity to use, sell or exploit any Confidential Information.

This covenant shall not apply to any Confidential Information now or hereafter voluntarily disseminated by the Company to the public, or which otherwise has become part of the public domain through means other than a breach of Executive's duty of confidentiality

hereunder. "Confidential Information", for purposes of this Agreement, shall mean information of the Company that constitutes a trade secret or confidential information under Nevada law and shall include, but not be limited to, all relevant information (whether or not reduced to writing and in any and all stages of development), concerning the Company and its services, plans, business practices, methods of operation, financial information, names or lists of names of employees, contractors, suppliers and customers, employee compensation and benefits, other personal employee information, interpretations, surveys, forecasts, marketing plans, development plans, notes, reports, market analyses, specialized software and databases and other information related to suppliers and customers that could be used as a competitive advantage by competitors if revealed or disclosed to such competitors or to persons or entities revealing or disclosing same to such competitors; together with any and all extracts, summaries and photo, electronic or other copies or reproductions, in whole or in part, stored in whatever medium. Confidential Information also includes business information of the Company now known by Executive, or in Executive's possession, or hereafter learned or acquired by Executive that derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by other persons who can obtain economic value from its disclosure or use. Confidential Information may be written or oral, expressed in electronic media or otherwise disclosed, and may be tangible or intangible. Confidential Information also includes any information made available to the Company by its customers or other third parties and which the Company is obligated to keep confidential. Executive acknowledges that the Confidential Information is secret, confidential and proprietary to the Company and has been or will be disclosed to and/or obtained by Executive in confidence and trust for the sole purpose of using the same for the sole benefit of the Company.

B. Executive hereby acknowledges and agrees that (i) the Company has expended considerable and substantial time, effort and capital resources to develop the Confidential Information, (ii) the Confidential Information is innovative and must receive confidential treatment to protect the Company's competitive position in the market and the Company's proprietary interest therein from irreparable damage, (iii) Executive, by virtue of his relationship with the Company, has had and will have access to the Confidential Information, and (iv) the Confidential Information and all physical embodiments or other repositories of the same shall be and at all times remain the sole and exclusive property of the Company.

C. Since irreparable harm will otherwise result to the Company in the event of a breach or threatened breach by Executive of the provisions of Item 8A, the Company shall be entitled to an injunction restraining Executive from disclosing, in whole or in part, any Confidential Information, or from rendering any services to any person, firm, company, association or other entity to whom such Confidential Information, in whole or in part, has been disclosed or is threatened to be disclosed. Executive waives any requirement for the Company to post a bond or prove actual economic damage prior to seeking injunctive relief.

9. Company Property.

A. Executive acknowledges that all recorded information, including without limitation all notes, memoranda, records, documents, papers, computer disks, tapes, text or email messages, Teams messages, visual presentations or other storage media and all other papers and documents whatsoever which may have been prepared by Executive or have come into

Executive's possession or control in the course of employment with the Company (the "Documents") and other materials owned or used by the Company shall at all times remain the sole property of the Company.

B. Executive agrees to promptly, upon request of the Company and in any event upon the termination of Executive's employment with the Company for any reason whatsoever, forthwith return to the Company all property whatsoever belonging to the Company including, without limitation, any laptop computer belonging to the Company, security passes, credit cards and all copies of the Documents which have come into Executive's possession or control in the course of employment with the Company and Executive shall not be entitled to and shall not retain any copies thereof.

10. Professional Responsibility.

A. Executive agrees that he will provide in connection with the performance of all services under this Agreement the skill and diligence normally provided by competent professionals in the performance of services similar to that contemplated by this Agreement.

B. Both parties acknowledge and agree that a fiduciary and confidential relationship has commenced and will continue to exist between them and that said relationship will continue during the term of this Agreement.

C. Executive represents that he has no conflicts of interest in rendering his professional services to the Company.

D. Executive shall not during the course of his employment (except as a representative or nominee of the Company or otherwise with the prior consent in writing of the Supervising Officer) be directly or indirectly engaged, concerned or interested in any other business which: (i) is wholly or partly in competition with any business carried on by the Company by itself or in partnership, common ownership or as a joint venture with any third party; or (ii) is a supplier to or customer of the Company, provided that Executive may own not more than one percent (1%) of the issued shares of any company which is publicly held and listed on a national stock exchange or on the Nasdaq Stock Market.

E. Subject to any regulations from time to time issued by the Company, Executive shall not receive or obtain directly or indirectly any discount, rebate, commission or other inducement in respect of any sale or purchase of any goods or services effected or other business transacted (whether or not by Executive) by or on behalf of the Company and if Executive (or any firm or company in which Executive is directly or indirectly engaged, concerned or interested) shall obtain any such discount, rebate, commission or inducement, Executive shall account to the Company for the amount received by Executive or the amount received by such firm or company.

F. As an inducement to the Company to enter into this Agreement, Executive represents and warrants that: (i) he is not a party to any other agreement or obligation for personal services (other than the Prior Agreement); (ii) there exist no impediments or restraints, contractual or otherwise, on Executive's power, right or ability to enter into this Agreement and to perform his duties and obligations hereunder; (iii) the performance of his obligations under

this Agreement do not and will not violate or conflict with any agreement relating to confidentiality, non-competition or exclusive employment to which Executive is or was subject; and (iv) Executive has not been involved in any legal proceedings that would be required to be disclosed in response to Item 401(f) of Regulation S-K promulgated under the Securities Act of 1933, as amended. As an inducement to Executive to enter into this Agreement, the Company represents and warrants that there exist no impediments or restraints, contractual or otherwise, on the Company's power, right or ability to enter into this Agreement and to perform its duties and obligations hereunder.

11. Ownership of Works and Materials.

A. Executive agrees that all Works (as defined below) and Materials (as defined below) are the sole and exclusive property of the Company.

B. Executive also specifically acknowledges and agrees that any tangible expression of any Works or Materials were developed, made or invented exclusively for the benefit of and are the sole and exclusive property of the Company or its successors and assigns as "works for hire" under Section 201 of Title 17 of the United States Code.

C. In the event that any Works or Materials are deemed not to be a work for hire, Executive agrees to assign, and does hereby irrevocably assign, to the Company all of his right, title and interest in and to such Works and Materials. Executive further agrees to take any actions, including the execution of documents or instruments, which the Company may reasonably require to effect Executive's assignment of rights pursuant to this Item 11C, and Executive hereby constitutes and appoints, with full power of substitution and resubstitution, the Company as Executive's attorney-in-fact to execute and deliver any documents or instruments which Executive has agreed to execute and deliver pursuant to this Item 11C.

D. Executive hereby waives and releases in favor of Company all rights in and to the Works and Materials and agrees that Company shall have the right to revise, condense, abridge, expand, adapt, change, modify, add to, subtract from, re-title or otherwise modify the Works and Materials without Executive's consent.

E. For purposes of this Item 11, "Works" means any work, studies, reports or analyses devised, developed, designed, formulated or reduced to writing by Executive at any time while Executive is or has been employed by the Company, including, without limitation any and all compositions or works of authorship, concepts, compilations, abridgments, or other form in which Executive may directly or indirectly recast, transform or adapt any of the foregoing.

F. For purposes of this Item 11, "Materials" means any product, model, document, instrument, report, plan, proposal, specification, manual, tape, and all reproductions, copies or facsimiles thereof, or any other tangible item which in whole or in part contains, embodies or manifests, whether in printed, handwritten, coded, magnetic, digital or other form, any Works.

G. In order to avoid any ambiguity in connection with the creation of any Work which Executive claims is not covered by this Agreement, Executive agrees to disclose in writing to the Company complete details on any Works that are devised, developed, designed,

formulated or reduced to writing by Executive at any time while Executive is or has been employed by the Company. Such disclosure shall be made promptly upon development, design or formulation with respect to any Works created while Executive is employed by the Company, and shall be disclosed in writing pursuant to such form as the Company may from time to time provide

12. Business Opportunities. For so long as Executive is employed by the Company, Executive will not, without the prior written consent of the Company (which consent may be withheld by the Company in the exercise of its absolute discretion), engage, directly or indirectly, in any business, venture or activity that Executive is aware or reasonably should be aware that the Company or any affiliate of the Company is engaged in, intends at any time to become engaged in, or might become engaged in if offered the opportunity, or in any other business, venture or activity if the Company reasonably determines that such activity would adversely affect the business of the Company or any affiliate thereof or the performance by Executive of any of Executive's duties or obligations to the Company.

13. Privacy Waivers.

A. The Company reserves the right to stop and search any employee or property of any employee when entering or leaving the Company's premises.

B. The Company reserves the right to monitor at any time telephone calls, electronic communications and information transmitted on Company networks or on computer equipment which is owned by the Company or on computers on Company premises that are used for Company business.

14. Notice. All notices required or sent hereunder shall be sent by personal delivery, by overnight priority mail via a nationally recognized overnight delivery company, or by certified mail, return receipt requested to the address of the party entitled to receive the notice as set forth above. Notices sent in accordance with this paragraph shall be deemed received upon personal delivery, one (1) business day after delivery to a nationally recognized overnight delivery company or five (5) days after mailed, as aforesaid.

15. Breach by the Company. If there is a dispute regarding the payment of any sum by the Company hereunder, the Company shall not be deemed to have failed to have made a payment hereunder if pending the resolution of such dispute, the Company pays the amount in dispute into court or into an escrow account at the Company's bank or with the Company's counsel.

16. Remedies Not Exclusive. The rights, remedies and benefits herein expressly specified are cumulative and not exclusive of any rights, remedies or benefits which any party may otherwise have.

17. Invalid Provisions. The invalidity of any one or more of the clauses or words contained in this Agreement shall not affect the reasonable enforceability of the remaining provisions of this Agreement, all of which are inserted herein conditionally upon being valid in law; and in the event that one or more of the words or clauses contained herein shall be invalid, this instrument shall be construed as if such invalid words or clauses had not been inserted or,

alternatively, said words or clauses shall be reasonably limited to the extent that the applicable court interpreting the provisions of this Agreement considers to be reasonable.

18. Binding Effect. This Agreement, as it relates to restrictions applicable to Executive, is a personal contract and the rights and interests of Executive hereunder may not be sold, transferred, assigned, pledged or hypothecated. However, this Agreement shall inure to the benefit of and be binding upon Company and its successors and assigns including, without limitation, any corporation or other entity into which Company is merged or which acquires all or substantially all of the outstanding ownership interests or assets of Company.

19. Jurisdiction. Each of the undersigned further agrees that any action or proceeding brought or initiated in respect of this Agreement may be brought or initiated in the United States District Court for the State of Nevada or in any District Court located in Clark County, Nevada, and each of the undersigned consents to the exercise of personal jurisdiction and the placement of venue in any of such courts, or in any jurisdiction allowed by law, in any such action or proceeding and further consents that service of process may be effected in any such action or proceeding in the manner provided in Section 14.065 of the Nevada Revised Statutes or in such other manner as may be permitted by law. Each of the undersigned further agrees that no such action shall be brought against any party hereunder except in one of the courts above named.

20. Attorney's Fees. In the event an action is taken by either party to enforce this Agreement or resolve a dispute in connection herewith, the prevailing party shall be entitled to recover the costs incurred with the prosecution and defense of such action, including reasonable attorney's fees.

21. Miscellaneous. This Agreement shall be construed under and governed by the laws of the State of Nevada other than its conflicts of laws principles. This Agreement contains the complete understanding of the parties with respect to the subject matter of this Agreement and supersedes all other prior agreements, understandings and negotiations relating to the same subject matter. This Agreement may only be modified by a written instrument signed by each of the parties hereto. No provisions of this Agreement will be interpreted in favor of, or against, any of the parties hereto by reason of the extent to which any such party or its counsel participated in the drafting thereof or by reason of the extent to which any such provision is inconsistent with any prior draft hereof or thereof. Failure to require strict compliance with any term or provision of this Agreement shall not constitute a waiver of a party's right to insist upon strict compliance with each and every provision of this Agreement. No waiver of any terms and conditions of this Agreement shall be deemed to be a waiver of any subsequent breach of that or any other term of condition. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and same instrument. The provisions of Item 3 (the last paragraph), 4D(3), 4D(7), 4D(8), 6H, 7, 8, 9, 11 and 14 through 21 shall survive the termination of this Agreement and Executive's employment with the Company. This Agreement may be executed by any party by delivery of a facsimile signature, which signature shall have the same force as an original signature. Any party which delivers a facsimile signature shall promptly thereafter deliver an originally executed signature to the other party; provided, however, that the failure to deliver an original signature page shall not affect the validity of any signature delivered by facsimile. The paragraph headings contained in this Agreement are for reference only and shall not be deemed to impart substantive

meeting to any provision of this Agreement. Each party has had the opportunity to be represented by counsel of its choice in negotiating this Agreement. This Agreement shall therefore be deemed to have been negotiated and prepared at the joint request and direction of the parties, at arm's length, with the advice and participation of counsel, and shall be interpreted in accordance with its terms and without favor to any party.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, this Agreement has been signed, sealed and delivered as of the date and year first above written.

EXECUTIVE:

SCOTT DeANGELO

COMPANY:

ALLEGIANT TRAVEL COMPANY

By: _____

Title: _____

Exhibit A

Form of Release

THIS RELEASE (the “Release”) is entered into between Scott DeAngelo (“Executive”) and Allegiant Travel Company, a Nevada corporation (the “Company”), for the benefit of the Company. The entering into and non-revocation of this Release is a condition to Executive’s right to receive certain payments under Items 4A(3), 4B, 4C(3), 4C(4), 4D(3), 6A, 6C and 6D of the Employment Agreement entered into by and between Executive and the Company, effective as of August 1, 2022 (the “Employment Agreement”). Capitalized terms used and not defined herein shall have the meaning provided in the Employment Agreement.

Accordingly, Executive and the Company agree as follows.

1. In consideration for the compensation and other benefits provided to Executive under Items 4A(3), 4B, 4C(3), 4C(4), 4D(3), 6A, 6C and 6D (as applicable) of the Employment Agreement to which Executive would not otherwise be entitled, Executive represents and agrees, as follows:

(a) Executive, for himself, his heirs, administrators, representatives, executors, successors and assigns (collectively “Releasors”), hereby irrevocably and unconditionally releases, acquits and forever discharges and agrees not to sue the Company or any of its subsidiaries, divisions, affiliates and related entities and its current and former directors, officers, shareholders, trustees, employees, consultants, independent contractors, representatives, agents, servants, successors and assigns and all persons acting by, through or under or in concert with any of them (collectively “Releasees”), from all claims, rights and liabilities up to and including the date of this Release arising from or relating to Executive’s employment with, or termination of employment from, the Company, under the Employment Agreement and from any and all charges, complaints, claims, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of actions, suits, rights, demands, costs, losses, debts and expenses of any nature whatsoever, known or unknown, suspected or unsuspected and any claims of wrongful discharge, breach of contract, implied contract, promissory estoppel, defamation, slander, libel, tortious conduct, employment discrimination or claims under any federal, state or local statute, law, order or ordinance, including any rights or claims arising under Title VII of the Civil Rights Act of 1964, as amended, the Age Discrimination in Employment Act of 1967, as amended, 29 U.S.C. § 621 et seq. (“ADEA”), or any other federal, state or municipal ordinance. Nothing contained herein shall restrict the parties’ rights to enforce the terms of this Release.

(b) To the maximum extent permitted by law, Executive agrees that he has not filed, nor will he ever file, a lawsuit asserting any claims which are released by this Release.

(c) Notwithstanding the foregoing, this Release specifically excludes (i) any unpaid compensation or benefits accrued through the date of Executive’s termination of employment, (ii) Executive’s rights and the Company’s obligations under Items 4A(3), 4B, 4C(3), 4C(4), 4D(3), 6A, 6C and 6D (as applicable) of the Employment Agreement, (iii) claims for unemployment benefits, (iv) Executive’s vested account balance, if any, in the Company’s 401(k) plan, and (v) Executive’s right, if any, to elect continued group health coverage for himself and

his eligible family members under Part 6 of Title I of ERISA. Nothing contained in this Release shall release Executive from his obligations, including any obligations to abide by restrictive covenants under the Employment Agreement or any other agreement that continue or are to be performed following termination of employment.

(d) The parties agree that this Release shall not affect the rights and responsibilities of the US Equal Employment Opportunity Commission (hereinafter "EEOC") to enforce ADEA and other laws. In addition, the parties agree that this Release shall not be used to justify interfering with Executive's protected right to file a charge or participate in an investigation or proceeding conducted by the EEOC. The parties further agree that Executive knowingly and voluntarily waives all rights or claims (that arose prior to Executive's execution of this Release) the Releasers may have against the Releasees, or any of them, to receive any benefit or remedial relief (including, but not limited to, reinstatement, back pay, front pay, damages, attorneys' fees, experts' fees) as a consequence of any investigation or proceeding conducted by the EEOC.

2. Executive acknowledges that the Company has specifically advised him of the right to seek the advice of an attorney concerning the terms and conditions of this Release. Executive further acknowledges that he has been furnished with a copy of this Release, and he has been afforded twenty-one (21) days in which to consider the terms and conditions set forth above prior to this Release. By executing this Release, Executive affirmatively states that he has had sufficient and reasonable time to review this Release and to consult with an attorney concerning his legal rights prior to the final execution of this Release. Executive further agrees that he has carefully read this Release and fully understands its terms. Executive understands that he may revoke this Release within seven (7) days after signing this Release. Revocation of this Release must be made in writing and must be received by [●] at [●] within the time period set forth above.

3. This Release will be governed by and construed in accordance with the laws of the state of Nevada, without giving effect to any choice of law or conflicting provision or rule (whether of the state of Nevada or any other jurisdiction) that would cause the laws of any jurisdiction other than the state of Nevada to be applied. In furtherance of the foregoing, the internal law of the state of Nevada will control the interpretation and construction of this agreement, even if under such jurisdiction's choice of law or conflict of law analysis, the substantive law of some other jurisdiction would ordinarily apply. The provisions of this Release are severable, and if any part or portion of it is found to be unenforceable, the other paragraphs shall remain fully valid and enforceable. This Release shall become effective and enforceable on the eighth day following its execution by Executive, provided he does not exercise his right of revocation as described above. If Executive fails to sign and deliver this Release or revokes his signature, this Release will be without force or effect, and Executive shall not be entitled to those payments or benefits under Items 4A(3), 4B, 4C(3), 4C(4), 4D(3), 6A, 6C or 6D of the Employment Agreement, as applicable, which are conditioned upon the execution of this Release.

**AMENDED AND RESTATED
EMPLOYMENT AGREEMENT**

THIS AMENDED AND RESTATED EMPLOYMENT AGREEMENT ("Agreement") is made and entered into effective as of the 1st day of August, 2022 by and between ROBERT P. WILSON, III (hereinafter "Executive"), whose address is 1201 N. Town Center Drive, Las Vegas, Nevada 89144, and ALLEGIANT TRAVEL COMPANY, a Nevada corporation (hereinafter "the Company"), whose address is 1201 N. Town Center Drive, Las Vegas, Nevada 89144. This Agreement restates and amends in its entirety that certain Employment Agreement between the parties dated as of September 1, 2020 (the "Prior Agreement").

W I T N E S S E T H

WHEREAS, the Company desires to employ Executive as its executive vice president and chief information officer, and Executive desires to be so employed pursuant to and in accordance with the terms and conditions hereinafter set forth; and

WHEREAS, this Agreement supersedes the Prior Agreement as of the Effective Date;

NOW, THEREFORE, for and in consideration of the above premises, the terms and covenants herein contained, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by Executive and the Company, it is hereby agreed as follows:

1. Employment. The Company hereby employs Executive and Executive hereby accepts employment by the Company upon all of the terms and conditions as are hereinafter set forth. Terms of employment with the Company are also governed by the Company's employment policies in effect from time to time. The Company shall provide a copy of such employment policies to Executive upon request. In the event of any conflict between the terms of this Agreement and the generally applicable employment policies, the terms of this Agreement shall prevail.

2. Scope of Services.

A. Executive shall be employed by the Company as the executive vice president and chief information officer of the Company and its operating subsidiaries. Executive shall report to the Company's Chief Executive Officer or such other officer as the Company's Board of Directors may designate ("Supervising Officer"). Executive's duties shall include those indicated above and such other duties assigned to him by the Supervising Officer from time to time.

Executive's services are mutually agreed to be unique personal services. Executive acknowledges that the Company is relying upon Executive's experience, expertise and other qualifications in entering into this Agreement. Executive shall not assign or delegate any right, obligation or duty hereunder to any other person or entity without the express written consent of the Company.

B. During Executive's period of service hereunder, Executive agrees to perform such services not inconsistent with Executive's position as shall from time to time be assigned to Executive by the Supervising Officer. During the term of this Agreement, except for disability, illness and vacation periods, Executive shall devote Executive's full productive time, attention and energies to the positions of executive vice president and chief information officer of the Company and its operating subsidiaries.

C. Executive's expenditure of reasonable amounts of time in connection with outside activities, not competitive with the business of the Company, such as outside directorships or charitable activities, shall not be considered in contravention of this Agreement so long as such activities do not interfere with his performance of this Agreement. Further, it is understood and agreed by the parties hereto that Executive is entitled to engage in passive and personal investment activities not interfering with his performance of this Agreement.

3. Limitations of Duties. Executive shall not, without consent first being given by the Company, which consent may be general authority from the Company:

A. Take part in activities detrimental to the best interests of the Company, including rendering any services to any other firm or entity which conflict or interfere with the performance of Executive's duties hereunder.

B. Exceed any limitations on his authority that may be established by the Board.

C. Enter into any contract, oral or written, in the name of, for or on behalf of the Company other than in the ordinary course of business.

D. Use any money belonging to the Company or pledge its credit other than in the ordinary course of business.

E. Commit or suffer to be committed any act whereby the Company's property may be subject to attachment or seizure.

F. Cause the Company to become a guarantor, surety or endorser or give any note for the benefit of any other person whomsoever.

Upon a breach of any provision under this Item 3, the Company shall have the right to terminate this Agreement for Cause as set forth in Item 6E hereof and to pursue any other remedies available to the Company as a result of such breach.

Executive shall indemnify and hold the Company harmless from and against any and all damages, actions, causes of action, claims and other liabilities, contingent or otherwise, directed toward the Company by others as a result of Executive's violation of any of the provisions of this Item 3.

4. Compensation.

A. Compensation Through March 31, 2023. During the period from the

Effective Date through March 31, 2023, the following provisions shall apply:

(1) Base Compensation. As base compensation ("Base Salary") for providing services hereunder, Executive shall be paid at the rate of Two Hundred Sixty Thousand Dollars (\$260,000) per annum to be paid monthly or in more frequent installments as may be agreed upon by the Company and Executive. The salary payable to Executive shall be inclusive of any fees received by Executive as an officer of the Company or any other company or corporate body in which Executive holds an office as a nominee or representative of the Company.

(2) Annual Bonus. Subject to the limitations in Paragraph 4D(8) below, Executive shall be entitled to participate in the Company's annual bonus program (if any) as in effect from time to time and subject to meeting any requirements established for participation in the bonus program and may also be granted a discretionary bonus in such amount as may be determined by the Board of Directors (the "Board") in its sole discretion.

(3) Time-Based Restricted Stock. Executive will be granted shares of restricted stock (the "T-B Restricted Stock") under the Company's 2022 Long-Term Incentive Plan (the "LTIP") as follows: on August 1, 2022 (if the Executive remains actively employed as of such date), a number of shares equal to \$1,085,000 divided by the closing price of the Company's stock on such date. This grant of T-B Restricted Stock will vest in three (3) equal annual installments commencing on the first anniversary of each date of grant. In other words, the 2022 grant of T-B Restricted Stock will vest in 2023, 2024 and 2025. Each grant of T-B Restricted Stock will be subject to the terms of a Restricted Stock Agreement to be entered into between the Company and Executive to evidence this grant. Executive shall be entitled to vote all vested and unvested shares of T-B Restricted Stock and to the extent allowed by the LTIP, receive all dividends paid thereon, until and unless such time as such shares of T-B Restricted Stock are forfeited in accordance with the terms of the Restricted Stock Agreement evidencing such grant.

B. Grant on Expiration of CARES Act Compensation Limitations. As a recipient of financial support under the Coronavirus Aid, Relief, and Economic Security Act of 2020 and subsequent payroll support programs (collectively, the "PSPs"), the Company is subject to certain restrictions on executive compensation for employees who made over \$425,000 in 2019. These restrictions will continue to apply until at least April 1, 2023 and possibly longer. At such time as the Company is no longer subject to the restrictions on executive compensation under the PSPs, the Company shall grant to Executive an additional 7,500 shares of restricted stock (the "PSP Expiration Grant") under the Company's LTIP provided that the Executive remains actively employed as of such date. The PSP Expiration Grant will vest on the first anniversary of the date of grant. The PSP Expiration Grant will be subject to the terms of a Restricted Stock Agreement to be entered into between the Company and Executive to evidence this grant. From and after grant, Executive shall be entitled

to vote all vested and unvested shares of the Additional Restricted Stock and to the extent allowed by the LTIP, to receive all dividends paid thereon, until and unless such time as such shares of the PSP Expiration Grant are forfeited in accordance with the terms of the Restricted Stock Agreement evidencing such grant.

C. Compensation for Period from April 1, 2023 through December 31, 2026.

During the period from April 1, 2023 through December 31, 2026, the following provisions shall apply:

- (1) No Base Salary. The equity grants described below are intended to be the sole base compensation payable to Executive during this period under this Agreement. As such, Executive shall not be entitled to any base salary.
- (2) No Participation in Annual Cash Bonus Plan. The equity grants and cash bonus opportunity based on stock price performance described below are intended to be the sole compensation payable to Executive during this period. As such, Executive shall not be entitled to participation in the Company's annual cash bonus plan. However, Executive may be granted a discretionary cash bonus for extraordinary performance in such amount as may be determined by the Board in its sole discretion.
- (3) Base Compensation Grant. In lieu of cash compensation in the form of base salary or under the annual cash bonus plan), on April 3, 2023, Executive shall receive a restricted stock grant in the amount of 60,000 shares (the "Base Compensation Grant") under the Company's LTIP provided that Executive remains actively employed by the Company as of such date. The Base Compensation Grant shall vest as follows: (i) 15,600 shares on April 3, 2024 ; (ii) 8,400 shares on October 1, 2024; (iii) 8,000 shares on April 1, 2025; (iv) 8,000 shares on October 1, 2025; (v) 8,000 shares on April 1, 2026; (vi) 8,000 shares on October 1, 2026; and (vii) the final 4,000 shares on January 1, 2027, in each case, only if the Executive remains actively employed by the Company as of the respective date. The Base Compensation Grant will be subject to the terms of a Restricted Stock Agreement to be entered into between the Company and the Executive to evidence this grant. From and after grant, Executive shall be entitled to vote all vested and unvested shares of the Base Compensation Grant and to the extent allowed by the LTIP, to receive all dividends paid thereon, until and unless such time as such shares of the Base Compensation Grant are forfeited in accordance with the terms of this Agreement and the Restricted Stock Agreement evidencing such grant.
- (4) Performance Based Cash Bonus. Each calendar year from 2023 through 2026, Executive shall be entitled to receive a cash bonus if the average closing price of the Company's stock during any twenty (20) consecutive trading day period during the last six months of the year equals or exceeds the stock price threshold set forth below, in each case, based only on the highest stock price threshold met during the last six months of the year. If any stock price threshold for a year is met, then the cash bonus shall be equal to the

Applicable Number of Shares for such year (from the chart below), multiplied by the highest stock price threshold met for such year and with the result multiplied by the Applicable Percentage for the stock price threshold met (from the chart below). If no stock price threshold is met for any year, then no cash bonus shall be paid for such year.

<u>Year</u>	<u>Applicable Number of Shares</u>	<u>Stock Price Threshold</u>	<u>Applicable Percentage</u>
2023	5,000	\$140	25%
	5,000	\$150	50%
	5,000	\$160	75%
	5,000	\$170	100%
2024	6,000	\$180	25%
	6,000	\$190	50%
	6,000	\$200	75%
	6,000	\$210	100%
2025	7,000	\$225	25%
	7,000	\$235	50%
	7,000	\$245	75%
	7,000	\$255	100%
2026	8,000	\$265	25%
	8,000	\$275	50%
	8,000	\$285	75%
	8,000	\$295	100%

By way of example, if the highest average closing price of the Company's stock during a 20 consecutive day period during the last six months of 2023 exceeds \$170 per share, then the cash bonus for 2023 would be: 5,000 X \$170 X 100% = \$850,000.

By way of further example, if the highest average closing price of the Company's stock during a 20 consecutive day period during the last six months of 2025 exceeds \$245 per share (but not \$255 per share), then the cash bonus for 2025 would be: 7,000 X \$245 X 75% = \$1,286,250.

For purposes of these cash bonus provisions, the average closing price will be calculated as the arithmetic average of the 20 closing prices during the 20 consecutive day period and without regard for trading volume.

Any cash bonus earned will be payable within fifteen (15) days after the end of the applicable year. The Company may choose to prepay any portion of the

cash bonus to the extent earned (that is, once the stock price has met the stock price threshold for a 25%, 50% or 75% Applicable Percentage payment) with any prepayment to reduce the amount of the final payment for such year.

If Executive's employment terminates prior to the end of any year, Executive shall be entitled to any cash bonus earned by virtue of meeting a stock price threshold in the last six months of the year and prior to the date of termination, but not further or otherwise.

(5) Stock Options. As of April 3, 2023 (provided Executive remains in the active employ of the Company as of such date), the Company shall grant Executive stock options as follows:

- (a) Options to purchase 5,000 shares at \$230 per share exercisable only during 2023;
- (b) Options to purchase 6,000 shares at \$260 per share exercisable only during 2024;
- (c) Options to purchase 7,000 shares at \$300 per share exercisable only during 2025; and
- (d) Options to purchase 8,000 shares at \$340 per share exercisable only during 2026.

Notwithstanding the above, the option price for any shares shall not be less than the closing price of the Company's stock as of the date of grant. The options shall be exercisable only during the term of Executive's employment with the Company or within 90 days thereafter and shall be subject to the terms of stock option agreements to be entered into between Executive and the Company.

D. Generally Applicable Provisions. The following provisions shall apply throughout the term of this Agreement:

(1) No Participation in Future Equity Grants. Executive shall not be eligible to receive any further equity grants during the term of this Agreement.

(2) Fringe Benefits. The Company shall provide Executive health and dental insurance for Executive and his spouse (if married) and family and such vacation time, sick leave and other fringe benefits, including but not limited to participation in any pension, 401(k) and employee benefit plans that may be maintained by the Company from time to time as are made generally available to other management employees of the Company in accordance with Company policies. The Company reserves the right to change the benefits available under its benefit plans at any time or times.

(3) Positive Space Travel. In recognition of Executive's service in a senior management role for the Company for many years, the following benefit is provided. During the term of his employment with the Company and for a period of five (5) years thereafter, Executive shall be entitled to passes for air travel on the flights of the Company (and any successor-in-interest to the Company) for Executive, his wife and children (up to age 21) on a positive space basis at no cost to Executive.

(4) Expense Reimbursement. In addition, the Company shall reimburse Executive for any expenses incurred by Executive in connection with the business of the Company, as approved by the Company. These expenses may include expenses for travel, business promotion, association memberships, and any other expenses as may be approved by the Supervising Officer from time to time. The Company shall reimburse Executive for such out-of-pocket expenses by the tenth (10th) day of the month following the month in which such expenses were incurred (and appropriate documentation thereof has been provided to the Company). The Company may issue to Executive a company credit card. In such event, Executive agrees to use such card only for the expenses reimbursable under this paragraph. Executive agrees to keep the card securely. In the event of loss or theft, the issuing authority and the Company shall be informed immediately. The card shall be returned to the Company forthwith on the termination of Executive's employment for any reason whatsoever.

(5) Payroll Taxes. Executive shall bear full responsibility for the employee portion of all payroll taxes. Such amounts may be paid, at Executive's request, by the cancellation of such number of shares of Restricted Stock as may be necessary to fund the payroll tax obligation based on a value equal to the closing stock price of the Company's stock on the last trading day prior to the date of vesting.

(6) Deductions. Deductions shall be made from Executive's salary for social security, Medicare, federal and state withholding taxes, and any other such taxes as may from time to time be required by governmental authority.

(7) Clawback Agreement. In accordance with the Company's clawback policy, Executive hereby agrees to reimburse the Company for all or any portion of any bonuses or incentive or equity-based compensation if the Compensation Committee in good faith determines: (a) the payment or grant was based on the achievement of certain financial results that were subsequently the subject of a material financial restatement (other than as a result of a change in accounting principles) and a lower payment or award would have occurred based upon the restated financial results; or (b) the Executive engaged in fraud or intentional misconduct related to the Company or its business. In each such instance, the Company will, to the extent practicable and allowable under applicable law, require reimbursement of any bonus or incentive or equity based compensation awarded or effect the cancellation of any unvested or deferred stock awards previously granted to the Executive in the amount by which the Executive's bonus or incentive or equity based compensation for the relevant period exceeded the

lower payment that would have been made based on the restated financial results, or such other amount as determined by the Compensation Committee, provided that the Company will not be entitled to recover bonuses or incentive or equity based compensation paid more than three years prior to the date the applicable restatement is disclosed.

(8) PSPs Limitations on Compensation. Notwithstanding anything herein to the contrary, in no event shall any cash or stock-based compensation under this Agreement (whether upon payment, grant, vesting or accelerated vesting) exceed the limitations imposed upon the Company by virtue of accepting support from the U.S. Treasury under the PSPs so long as those restrictions remain in effect. In the event of any such restriction, the parties agree to use good faith to negotiate an arrangement to provide the same value of compensation to Executive at a later time or on other terms but in compliance with the PSPs.

(9) Release Required for Post-Termination Benefits. Notwithstanding anything herein to the contrary, the acceleration of vesting of Restricted Stock, continued payment of salary after termination and other post-termination benefits shall be available to Executive under Items 4A(3), 4B, 4C(3), 4C(4), 4D(3), 6A, 6C and 6D in each case, if and only if Executive has executed and delivered to the Company a release in the form attached hereto as Exhibit A or in such other form agreed to by the parties and only so long as Executive has not revoked such general release.

(10) Adjustments on Stock Splits or Dividends. In the event of any stock dividend, stock split, combination or other similar recapitalization affecting shares of the Company or in the event of a merger or acquisition affecting the Company's outstanding shares, the number of shares of restricted stock and stock options to be granted as of any subsequent date shall be adjusted accordingly and, with respect to the performance based cash bonus, the stock price threshold to be met with respect to the current or any subsequent calendar year shall also be adjusted accordingly, each as determined by the Compensation Committee in good faith, with such determination being final and binding.

5. Term. The initial term of this Agreement shall commence as of the date hereof (the "Effective Date") and shall continue until December 31, 2026. The term of the Agreement shall expire on such date absent a renewal signed by both parties.

6. Termination:

A. This Agreement shall be terminated upon Executive's death or upon a physician certified disability which permanently or indefinitely renders Executive unable to perform his usual duties on behalf of the Company. In the event of Executive's termination of

employment as a result of death or such a disability, the vesting of the following shares of restricted stock shall be accelerated: all shares of Time-Based Restricted Stock, the PSP Expiration Grant and the Base Compensation Grant, but only to the extent granted prior to the date of death or disability and only to the extent such shares would have vested within three (3) years after the date of death or disability.

B. Executive may, without “Good Reason” (as defined in paragraph D below), terminate this Agreement by giving to the Company sixty (60) days written notice and such termination shall be effective on the date specified by Executive but in no event earlier than the sixtieth (60th) day following the date of such notice. In such event, Executive shall continue to render his services up to the Termination Date (as hereinafter defined) if so requested by the Company. In the event of such a resignation without Good Reason, all then unvested stock options, restricted stock grants and stock appreciation rights held by Executive as of the Termination Date shall be immediately forfeited.

C. The Company may, without “Cause” (as defined in paragraph E below), terminate this Agreement at any time by giving to Executive written notice and such termination shall be effective on the date specified by the Company. At the option of the Company, Executive shall immediately cease performing his duties hereunder upon receipt of the notice. If terminated without Cause pursuant to this paragraph C, Executive shall continue to receive his full base salary through March 31, 2023 (if the termination is effective prior to that date) and fringe benefits for the remaining term of this Agreement (but in no event for less than six (6) months following Executive’s termination and the vesting of the following shares of restricted stock shall be accelerated: all shares of Time-Based Restricted Stock, the PSP Expiration Grant and the Base Compensation Grant, but only to the extent granted prior to the date of termination and only to the extent such shares would have vested within three (3) years after the date of termination.

D. Executive may terminate this Agreement immediately for “Good Reason”. For purposes of this Agreement, Good Reason shall be defined as (i) failure of the Company to make any payment or provide any benefit to Executive hereunder, which failure is not cured within thirty (30) days after the Company’s receipt of written notice of such default, or (ii) a material diminution of Executive’s duties and responsibilities or his title without Executive’s consent. Any termination under this paragraph D shall take effect immediately upon the Company’s receipt of written notice from Executive after the expiration of any applicable cure period. If Executive terminates this Agreement for “Good Reason” pursuant to this paragraph D, Executive shall continue to receive his full base salary through March 31, 2023 (if the termination is effective prior to such date) and fringe benefits for the remaining term of this Agreement but in no event less than six (6) months following Executive’s termination and the vesting of the following shares of restricted stock shall be accelerated: all shares of Time-Based Restricted Stock, the PSP Expiration Grant and the Base Compensation Grant, but only to the extent granted prior to the date of termination and only to the extent such shares would have vested within three (3) years after the date of termination.

E. The Company may terminate this Agreement immediately for “Cause”. For purposes of this Agreement, “Cause” shall be defined as any of the following: (i) Executive shall commit a felony or other act involving moral turpitude, which other act is materially

detrimental to the Company; (ii) Executive shall knowingly commit any act of prohibited conduct as set forth in Item 3 of this Agreement; (iii) Executive shall commit any act, specifically including but not limited to drug or alcohol abuse, which act is materially harmful to the Company, or which in the reasonable opinion of the Company's Board brings the Company into disrepute; (iv) Executive shall commit any act of fraud, dishonesty, theft or misappropriation, whether or not related to his activities on behalf of the Company, including providing false reports or accounts to the Company or deliberately making false statements about the Company, its services, employees, customers or suppliers; (v) intentional or repeated material neglect of Executive's duties; (vi) breach by Executive of any other material provision of this Agreement; (vii) Executive shall become the subject of a bankruptcy proceeding or otherwise make an arrangement or composition with creditors generally; (viii) Executive shall engage in anti-social behavior (such as fighting, indecency, harassment, sexual or racial harassment or discrimination, intimidation of others, physical violence or assault) during the course of performing duties for the Company or against another employee outside of work; (ix) Executive shall have possession of illegal drugs at the Company's workplace; or (x) Executive shall perform duties in a negligent or dangerous manner which causes or is likely to cause material loss or injury. This Agreement may not be terminated by the Company under subclause (v), (vi) or (x) of this Item unless and until the Company has provided Executive with written notice of such violative conduct and Executive has failed to cure (or fails to commence and thereafter diligently pursue the cure) such act within thirty (30) days after Executive's receipt of such written notice; provided, however, that no right to cure shall be available for a second or subsequent violation of the same provision within any twelve (12) month period. Any termination under this paragraph E shall take effect immediately upon Executive's receipt of written notice from the Company or expiration of any applicable cure period, whichever is later. The failure of the Company to terminate this Agreement for cause as a result of any of the foregoing at any one or more times shall not affect the Company's ability to terminate this Agreement for cause as a result of the subsequent occurrence of any act giving rise to "cause" hereunder, provided that Executive is still provided with a notice to cure if applicable in accordance with the above. In the event of a termination for Cause, all then unvested stock options, restricted stock grants and stock appreciation rights held by Executive shall be immediately forfeited.

F. Upon termination, Executive shall have no obligation to provide any additional services, and except as expressly provided above, the Company shall only be obligated pay to Executive the portion of any amounts due as of the termination date, together with all unreimbursed out-of-pocket expenses incurred by Executive.

G. Termination of Executive's Obligations. In the event of the termination of Executive's employment during the term of this Agreement, Executive's obligations under Item 7 of this Agreement shall survive the expiration of the term of this Agreement without renewal and termination of Executive's employment as provided in such Item. Unless the parties to this Agreement mutually agree to extend the term of this Agreement, the restrictions under Item 7 of this Agreement shall no longer apply after the expiration of the term of this Agreement if Executive continues to be employed by the Company at that time.

H. Resignation of Positions upon Termination. On the termination of this Agreement for any reason whatsoever, Executive shall at the request of the Company

immediately resign (without prejudice to any claims which Executive may have against the Company arising out of this Agreement or the termination thereof) from all and any offices which Executive may hold as an officer or member of the Board of the Company and from all other appointments or offices which Executive holds as a nominee or representative of the Company and if Executive should fail to do so, the Company is hereby irrevocably authorized to appoint another person in Executive's name and on Executive's behalf to sign any documents or do anything necessary or requisite to effect such resignation(s) and/or transfers.

I. Termination Date. For all purposes of this Agreement the "Termination Date" shall refer to the effective date of termination as set forth above.

7. Restrictive Covenants. As a material inducement to the Company's employment of Executive, the provisions of this Item 7 shall apply.

A. For purposes of this Item, the following terms and provisions shall have the following meanings:

(i) "Prohibited Time Period" shall mean the period beginning on the date of execution hereof and ending on the date that is twelve (12) months after the termination of employment for any reason whatsoever of Executive.

(ii) "Prohibited Business" shall mean the business of providing charter or scheduled airline service. The Prohibited Business shall include, but is not limited to, employment with an existing airline or with a group which within one (1) year prior to the termination of Executive's employment or after the termination of employment, begins to take steps to form a start-up airline.

(iii) "Prohibited Geographic Area" shall mean the conduct of the Prohibited Business within the United States or between the United States and Mexico, Canada or the Caribbean, whether he is physically located in the Prohibited Geographic Area or whether he is in contact with others located in the Prohibited Geographic Area. Executive acknowledges that he and the Company have agreed that Executive's services will benefit the Company throughout the Prohibited Geographic Area.

(iv) "Prohibited Capacity" shall mean service in the capacity of an executive or in such other management position or as a significant equity owner or consultant,, in which capacities Executive acknowledges that he has served or will serve the Company and its subsidiaries during the course of his employment for the Company.

(v) "Prohibited Party" shall mean all travel partners of the Company who (a) have contracted for regular chartered air service with the Company during the one (1) year period prior to the date of termination of employment, or (b) whose services are sold by the Company to produce ancillary third party revenue (such as Enterprise Rent-a-Car), (c) have been solicited as potential travel partners of the Company at a meeting held at any time during the one (1) year period prior to the date of termination of employment of Executive.

(vi) "Prohibited Employee" means any employee, independent contractor or consultant of the Company who worked for the Company at any time within six (6)

months prior to the termination of employment of Executive; provided, however, that the term "Prohibited Employee" shall not include any employee who had not been employed by the Company within the one (1) year period immediately preceding the date contacted by Executive for subsequent employment.

B. Executive agrees that during the Prohibited Time Period, he shall not, for any reason, without the prior written consent of the Company, on his own behalf or in the service or on behalf of others, serve in a Prohibited Capacity in the Prohibited Business in the Prohibited Geographic Area.

C. Executive covenants and agrees that during the Prohibited Time Period, he shall not, for any reason, directly or indirectly (whether as officer, director, consultant, employee, representative, agent, partner, owner, stockholder or otherwise), (i) solicit charter air services from, or market charter air services to, any Prohibited Party, or (ii) enter into a transaction with such Prohibited Party as a result of which the Prohibited Party does, or is likely to, reduce the amount of business between the Prohibited Party and the Company.

D. Executive agrees that during the Prohibited Time Period, he shall not, for any reason, without the prior written consent of the Company, on his own behalf or in the service or on behalf of others, hire any Prohibited Employee or request or induce any Prohibited Employee to terminate that person's employment or relationship with the Company or to accept employment with any other person.

E. The parties agree that: (i) the covenants and agreements of Executive contained in this Item are reasonably necessary to protect the interests of the Company in whose favor said covenants and agreements are imposed in light of the nature of the Company's business and the professional involvement of Executive in such business; (ii) the restrictions imposed by this Item are not greater than are necessary for the protection of the Company in light of the substantial harm that the Company will suffer should Executive breach any of the provisions of said covenants or agreements; (iii) the covenants and agreements of Executive contained in this Item have been independently negotiated between the parties and served as a material inducement for the Company to enter into this Agreement; (iv) the period and geographical area of restriction referred to in this Item are fair and reasonably required for the protection of the Company; and (v) the nature, kind and character of the activities Executive is prohibited to engage in are reasonable and necessary to protect the Company in that the Company will rely on Executive for those important aspects of its business.

F. Executive acknowledges that a material breach by Executive of any part of this Item will result in irreparable and continuing damage to the Company and any material breach or threatened breach of the covenants provided in this Item shall be subject to specific performance by temporary as well as permanent injunction or any other equitable remedies of any court of competent jurisdiction.

G. The covenants and agreements on the part of Executive contained in this Item shall be construed as agreements independent of any other agreement between Executive and the Company. The existence of any claim or cause of action of Executive against the Company, whether predicated on this Agreement or otherwise, shall not constitute a defense to

the enforcement by the Company of each of such covenants and agreements or otherwise affect the remedies to which the Company is entitled hereunder.

H. If the provisions of this Item 7 should ever be adjudicated to exceed the time, geographic or other limitations permitted by applicable law in any jurisdiction, then such provisions shall be deemed reformed in such jurisdiction to the maximum time, geographic or other limitation permitted by applicable law.

I. Nothing contained in this Item shall restrict Executive from being a not more than 1% stockholder (but not an officer, director, employee, consultant or advisor) of any corporation that directly or indirectly competes with the Company provided the stock of such competing corporation is publicly held and listed on a national stock exchange.

8. Confidential Information.

A. During the period beginning on the execution date of this Agreement and ending on the fifth (5th) anniversary of any termination or expiration of this Agreement, Executive agrees that he shall not, except in pursuit of the Company's business or with the prior written consent of the Company, for his own benefit or for the benefit of any other person or entity:

- (i) directly or indirectly disclose, reveal, report, duplicate or transfer any Confidential Information to any other person or entity outside of the Company;
- (ii) directly or indirectly aid, encourage, direct or allow any other person or entity outside of the Company to gain possession of or access to Confidential Information;
- (iii) directly or indirectly copy or reproduce Confidential Information, except as required as part of Executive's duties; or
- (iv) directly or indirectly use, sell or exploit any Confidential Information or aid, encourage, direct or allow any other person or entity to use, sell or exploit any Confidential Information.

This covenant shall not apply to any Confidential Information now or hereafter voluntarily disseminated by the Company to the public, or which otherwise has become part of the public domain through means other than a breach of Executive's duty of confidentiality hereunder. "Confidential Information", for purposes of this Agreement, shall mean information of the Company that constitutes a trade secret or confidential information under Nevada law and shall include, but not be limited to, all relevant information (whether or not reduced to writing and in any and all stages of development), concerning the Company and its services, plans, business practices, methods of operation, financial information, names or lists of names of employees, contractors, suppliers and customers, employee compensation and benefits, other personal employee information, interpretations, surveys, forecasts, marketing plans, development plans, notes, reports, market analyses, specialized software and databases and other information related to suppliers and customers that could be used as a competitive advantage by competitors if revealed or disclosed to such competitors or to persons or entities revealing or disclosing same

to such competitors; together with any and all extracts, summaries and photo, electronic or other copies or reproductions, in whole or in part, stored in whatever medium. Confidential Information also includes business information of the Company now known by Executive, or in Executive's possession, or hereafter learned or acquired by Executive that derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by other persons who can obtain economic value from its disclosure or use. Confidential Information may be written or oral, expressed in electronic media or otherwise disclosed, and may be tangible or intangible. Confidential Information also includes any information made available to the Company by its customers or other third parties and which the Company is obligated to keep confidential. Executive acknowledges that the Confidential Information is secret, confidential and proprietary to the Company and has been or will be disclosed to and/or obtained by Executive in confidence and trust for the sole purpose of using the same for the sole benefit of the Company.

B. Executive hereby acknowledges and agrees that (i) the Company has expended considerable and substantial time, effort and capital resources to develop the Confidential Information, (ii) the Confidential Information is innovative and must receive confidential treatment to protect the Company's competitive position in the market and the Company's proprietary interest therein from irreparable damage, (iii) Executive, by virtue of his relationship with the Company, has had and will have access to the Confidential Information, and (iv) the Confidential Information and all physical embodiments or other repositories of the same shall be and at all times remain the sole and exclusive property of the Company.

C. Since irreparable harm will otherwise result to the Company in the event of a breach or threatened breach by Executive of the provisions of Item 8A, the Company shall be entitled to an injunction restraining Executive from disclosing, in whole or in part, any Confidential Information, or from rendering any services to any person, firm, company, association or other entity to whom such Confidential Information, in whole or in part, has been disclosed or is threatened to be disclosed. Executive waives any requirement for the Company to post a bond or prove actual economic damage prior to seeking injunctive relief.

9. Company Property.

A. Executive acknowledges that all recorded information, including without limitation all notes, memoranda, records, documents, papers, computer disks, tapes, text or email messages, Teams messages, visual presentations or other storage media and all other papers and documents whatsoever which may have been prepared by Executive or have come into Executive's possession or control in the course of employment with the Company (the "Documents") and other materials owned or used by the Company shall at all times remain the sole property of the Company.

B. Executive agrees to promptly, upon request of the Company and in any event upon the termination of Executive's employment with the Company for any reason whatsoever, forthwith return to the Company all property whatsoever belonging to the Company including, without limitation, any laptop computer belonging to the Company, security passes, credit cards and all copies of the Documents which have come into Executive's possession or

control in the course of employment with the Company and Executive shall not be entitled to and shall not retain any copies thereof.

10. Professional Responsibility.

A. Executive agrees that he will provide in connection with the performance of all services under this Agreement the skill and diligence normally provided by competent professionals in the performance of services similar to that contemplated by this Agreement.

B. Both parties acknowledge and agree that a fiduciary and confidential relationship has commenced and will continue to exist between them and that said relationship will continue during the term of this Agreement.

C. Executive represents that he has no conflicts of interest in rendering his professional services to the Company.

D. Executive shall not during the course of his employment (except as a representative or nominee of the Company or otherwise with the prior consent in writing of the Supervising Officer) be directly or indirectly engaged, concerned or interested in any other business which: (i) is wholly or partly in competition with any business carried on by the Company by itself or in partnership, common ownership or as a joint venture with any third party; or (ii) is a supplier to or customer of the Company, provided that Executive may own not more than one percent (1%) of the issued shares of any company which is publicly held and listed on a national stock exchange or on the Nasdaq Stock Market.

E. Subject to any regulations from time to time issued by the Company, Executive shall not receive or obtain directly or indirectly any discount, rebate, commission or other inducement in respect of any sale or purchase of any goods or services effected or other business transacted (whether or not by Executive) by or on behalf of the Company and if Executive (or any firm or company in which Executive is directly or indirectly engaged, concerned or interested) shall obtain any such discount, rebate, commission or inducement, Executive shall account to the Company for the amount received by Executive or the amount received by such firm or company.

F. As an inducement to the Company to enter into this Agreement, Executive represents and warrants that: (i) he is not a party to any other agreement or obligation for personal services (other than the Prior Agreement); (ii) there exist no impediments or restraints, contractual or otherwise, on Executive's power, right or ability to enter into this Agreement and to perform his duties and obligations hereunder; (iii) the performance of his obligations under this Agreement do not and will not violate or conflict with any agreement relating to confidentiality, non-competition or exclusive employment to which Executive is or was subject; and (iv) Executive has not been involved in any legal proceedings that would be required to be disclosed in response to Item 401(f) of Regulation S-K promulgated under the Securities Act of 1933, as amended. As an inducement to Executive to enter into this Agreement, the Company represents and warrants that there exist no impediments or restraints, contractual or otherwise, on the Company's power, right or ability to enter into this Agreement and to perform its duties and obligations hereunder.

11. Ownership of Works and Materials.

A. Executive agrees that all Works (as defined below) and Materials (as defined below) are the sole and exclusive property of the Company.

B. Executive also specifically acknowledges and agrees that any tangible expression of any Works or Materials were developed, made or invented exclusively for the benefit of and are the sole and exclusive property of the Company or its successors and assigns as "works for hire" under Section 201 of Title 17 of the United States Code.

C. In the event that any Works or Materials are deemed not to be a work for hire, Executive agrees to assign, and does hereby irrevocably assign, to the Company all of his right, title and interest in and to such Works and Materials. Executive further agrees to take any actions, including the execution of documents or instruments, which the Company may reasonably require to effect Executive's assignment of rights pursuant to this Item 11C, and Executive hereby constitutes and appoints, with full power of substitution and resubstitution, the Company as Executive's attorney-in-fact to execute and deliver any documents or instruments which Executive has agreed to execute and deliver pursuant to this Item 11C.

D. Executive hereby waives and releases in favor of Company all rights in and to the Works and Materials and agrees that Company shall have the right to revise, condense, abridge, expand, adapt, change, modify, add to, subtract from, re-title or otherwise modify the Works and Materials without Executive's consent.

E. For purposes of this Item 11, "Works" means any work, studies, reports or analyses devised, developed, designed, formulated or reduced to writing by Executive at any time while Executive is or has been employed by the Company, including, without limitation any and all compositions or works of authorship, concepts, compilations, abridgments, or other form in which Executive may directly or indirectly recast, transform or adapt any of the foregoing.

F. For purposes of this Item 11, "Materials" means any product, model, document, instrument, report, plan, proposal, specification, manual, tape, and all reproductions, copies or facsimiles thereof, or any other tangible item which in whole or in part contains, embodies or manifests, whether in printed, handwritten, coded, magnetic, digital or other form, any Works.

G. In order to avoid any ambiguity in connection with the creation of any Work which Executive claims is not covered by this Agreement, Executive agrees to disclose in writing to the Company complete details on any Works that are devised, developed, designed, formulated or reduced to writing by Executive at any time while Executive is or has been employed by the Company. Such disclosure shall be made promptly upon development, design or formulation with respect to any Works created while Executive is employed by the Company, and shall be disclosed in writing pursuant to such form as the Company may from time to time provide

12. Business Opportunities. For so long as Executive is employed by the Company, Executive will not, without the prior written consent of the Company (which consent may be withheld by the Company in the exercise of its absolute discretion), engage, directly or indirectly, in any business, venture or activity that Executive is aware or reasonably should be

aware that the Company or any affiliate of the Company is engaged in, intends at any time to become engaged in, or might become engaged in if offered the opportunity, or in any other business, venture or activity if the Company reasonably determines that such activity would adversely affect the business of the Company or any affiliate thereof or the performance by Executive of any of Executive's duties or obligations to the Company.

13. Privacy Waivers.

A. The Company reserves the right to stop and search any employee or property of any employee when entering or leaving the Company's premises.

B. The Company reserves the right to monitor at any time telephone calls, electronic communications and information transmitted on Company networks or on computer equipment which is owned by the Company or on computers on Company premises that are used for Company business.

14. Notice. All notices required or sent hereunder shall be sent by personal delivery, by overnight priority mail via a nationally recognized overnight delivery company, or by certified mail, return receipt requested to the address of the party entitled to receive the notice as set forth above. Notices sent in accordance with this paragraph shall be deemed received upon personal delivery, one (1) business day after delivery to a nationally recognized overnight delivery company or five (5) days after mailed, as aforesaid.

15. Breach by the Company. If there is a dispute regarding the payment of any sum by the Company hereunder, the Company shall not be deemed to have failed to have made a payment hereunder if pending the resolution of such dispute, the Company pays the amount in dispute into court or into an escrow account at the Company's bank or with the Company's counsel.

16. Remedies Not Exclusive. The rights, remedies and benefits herein expressly specified are cumulative and not exclusive of any rights, remedies or benefits which any party may otherwise have.

17. Invalid Provisions. The invalidity of any one or more of the clauses or words contained in this Agreement shall not affect the reasonable enforceability of the remaining provisions of this Agreement, all of which are inserted herein conditionally upon being valid in law; and in the event that one or more of the words or clauses contained herein shall be invalid, this instrument shall be construed as if such invalid words or clauses had not been inserted or, alternatively, said words or clauses shall be reasonably limited to the extent that the applicable court interpreting the provisions of this Agreement considers to be reasonable.

18. Binding Effect. This Agreement, as it relates to restrictions applicable to Executive, is a personal contract and the rights and interests of Executive hereunder may not be sold, transferred, assigned, pledged or hypothecated. However, this Agreement shall inure to the benefit of and be binding upon Company and its successors and assigns including, without limitation, any corporation or other entity into which Company is merged or which acquires all or substantially all of the outstanding ownership interests or assets of Company.

19. Jurisdiction. Each of the undersigned further agrees that any action or proceeding brought or initiated in respect of this Agreement may be brought or initiated in the United States District Court for the State of Nevada or in any District Court located in Clark County, Nevada, and each of the undersigned consents to the exercise of personal jurisdiction and the placement of venue in any of such courts, or in any jurisdiction allowed by law, in any such action or proceeding and further consents that service of process may be effected in any such action or proceeding in the manner provided in Section 14.065 of the Nevada Revised Statutes or in such other manner as may be permitted by law. Each of the undersigned further agrees that no such action shall be brought against any party hereunder except in one of the courts above named.

20. Attorney's Fees. In the event an action is taken by either party to enforce this Agreement or resolve a dispute in connection herewith, the prevailing party shall be entitled to recover the costs incurred with the prosecution and defense of such action, including reasonable attorney's fees.

21. Miscellaneous. This Agreement shall be construed under and governed by the laws of the State of Nevada other than its conflicts of laws principles. This Agreement contains the complete understanding of the parties with respect to the subject matter of this Agreement and supersedes all other prior agreements, understandings and negotiations relating to the same subject matter. This Agreement may only be modified by a written instrument signed by each of the parties hereto. No provisions of this Agreement will be interpreted in favor of, or against, any of the parties hereto by reason of the extent to which any such party or its counsel participated in the drafting thereof or by reason of the extent to which any such provision is inconsistent with any prior draft hereof or thereof. Failure to require strict compliance with any term or provision of this Agreement shall not constitute a waiver of a party's right to insist upon strict compliance with each and every provision of this Agreement. No waiver of any terms and conditions of this Agreement shall be deemed to be a waiver of any subsequent breach of that or any other term of condition. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and same instrument. The provisions of Item 3 (the last paragraph), 4D(3), 4D(7), 4D(8), 6H, 7, 8, 9, 11 and 14 through 21 shall survive the termination of this Agreement and Executive's employment with the Company. This Agreement may be executed by any party by delivery of a facsimile signature, which signature shall have the same force as an original signature. Any party which delivers a facsimile signature shall promptly thereafter deliver an originally executed signature to the other party; provided, however, that the failure to deliver an original signature page shall not affect the validity of any signature delivered by facsimile. The paragraph headings contained in this Agreement are for reference only and shall not be deemed to impart substantive meaning to any provision of this Agreement. Each party has had the opportunity to be represented by counsel of its choice in negotiating this Agreement. This Agreement shall therefore be deemed to have been negotiated and prepared at the joint request and direction of the parties, at arm's length, with the advice and participation of counsel, and shall be interpreted in accordance with its terms and without favor to any party.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, this Agreement has been signed, sealed and delivered as of the date and year first above written.

EXECUTIVE:

ROBERT P. WILSON, III
COMPANY:

ALLEGiant TRAVEL COMPANY

By: _____

Title: _____

Exhibit A

Form of Release

THIS RELEASE (the “Release”) is entered into between Robert P. Wilson, III (“Executive”) and Allegiant Travel Company, a Nevada corporation (the “Company”), for the benefit of the Company. The entering into and non-revocation of this Release is a condition to Executive’s right to receive certain payments under Items 4A(3), 4B, 4C(3), 4C(4), 4D(3), 6A, 6C and 6D of the Employment Agreement entered into by and between Executive and the Company, effective as of August 1, 2022 (the “Employment Agreement”). Capitalized terms used and not defined herein shall have the meaning provided in the Employment Agreement.

Accordingly, Executive and the Company agree as follows.

1. In consideration for the compensation and other benefits provided to Executive under Items 4A(3), 4B, 4C(3), 4C(4), 4D(3), 6A, 6C and 6D (as applicable) of the Employment Agreement to which Executive would not otherwise be entitled, Executive represents and agrees, as follows:

(a) Executive, for himself, his heirs, administrators, representatives, executors, successors and assigns (collectively “Releasors”), hereby irrevocably and unconditionally releases, acquits and forever discharges and agrees not to sue the Company or any of its subsidiaries, divisions, affiliates and related entities and its current and former directors, officers, shareholders, trustees, employees, consultants, independent contractors, representatives, agents, servants, successors and assigns and all persons acting by, through or under or in concert with any of them (collectively “Releasees”), from all claims, rights and liabilities up to and including the date of this Release arising from or relating to Executive’s employment with, or termination of employment from, the Company, under the Employment Agreement and from any and all charges, complaints, claims, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of actions, suits, rights, demands, costs, losses, debts and expenses of any nature whatsoever, known or unknown, suspected or unsuspected and any claims of wrongful discharge, breach of contract, implied contract, promissory estoppel, defamation, slander, libel, tortious conduct, employment discrimination or claims under any federal, state or local statute, law, order or ordinance, including any rights or claims arising under Title VII of the Civil Rights Act of 1964, as amended, the Age Discrimination in Employment Act of 1967, as amended, 29 U.S.C. § 621 et seq. (“ADEA”), or any other federal, state or municipal ordinance. Nothing contained herein shall restrict the parties’ rights to enforce the terms of this Release.

(b) To the maximum extent permitted by law, Executive agrees that he has not filed, nor will he ever file, a lawsuit asserting any claims which are released by this Release.

(c) Notwithstanding the foregoing, this Release specifically excludes (i) any unpaid compensation or benefits accrued through the date of Executive’s termination of employment, (ii) Executive’s rights and the Company’s obligations under Items 4A(3), 4B, 4C(3), 4C(4), 4D(3), 6A, 6C and 6D (as applicable) of the Employment Agreement, (iii) claims for unemployment benefits, (iv) Executive’s vested account balance, if any, in the Company’s 401(k) plan, and (v) Executive’s right, if any, to elect continued group health coverage for himself and

his eligible family members under Part 6 of Title I of ERISA. Nothing contained in this Release shall release Executive from his obligations, including any obligations to abide by restrictive covenants under the Employment Agreement or any other agreement that continue or are to be performed following termination of employment.

(d) The parties agree that this Release shall not affect the rights and responsibilities of the US Equal Employment Opportunity Commission (hereinafter "EEOC") to enforce ADEA and other laws. In addition, the parties agree that this Release shall not be used to justify interfering with Executive's protected right to file a charge or participate in an investigation or proceeding conducted by the EEOC. The parties further agree that Executive knowingly and voluntarily waives all rights or claims (that arose prior to Executive's execution of this Release) the Releasers may have against the Releasees, or any of them, to receive any benefit or remedial relief (including, but not limited to, reinstatement, back pay, front pay, damages, attorneys' fees, experts' fees) as a consequence of any investigation or proceeding conducted by the EEOC.

2. Executive acknowledges that the Company has specifically advised him of the right to seek the advice of an attorney concerning the terms and conditions of this Release. Executive further acknowledges that he has been furnished with a copy of this Release, and he has been afforded twenty-one (21) days in which to consider the terms and conditions set forth above prior to this Release. By executing this Release, Executive affirmatively states that he has had sufficient and reasonable time to review this Release and to consult with an attorney concerning his legal rights prior to the final execution of this Release. Executive further agrees that he has carefully read this Release and fully understands its terms. Executive understands that he may revoke this Release within seven (7) days after signing this Release. Revocation of this Release must be made in writing and must be received by [●] at [●] within the time period set forth above.

3. This Release will be governed by and construed in accordance with the laws of the state of Nevada, without giving effect to any choice of law or conflicting provision or rule (whether of the state of Nevada or any other jurisdiction) that would cause the laws of any jurisdiction other than the state of Nevada to be applied. In furtherance of the foregoing, the internal law of the state of Nevada will control the interpretation and construction of this agreement, even if under such jurisdiction's choice of law or conflict of law analysis, the substantive law of some other jurisdiction would ordinarily apply. The provisions of this Release are severable, and if any part or portion of it is found to be unenforceable, the other paragraphs shall remain fully valid and enforceable. This Release shall become effective and enforceable on the eighth day following its execution by Executive, provided he does not exercise his right of revocation as described above. If Executive fails to sign and deliver this Release or revokes his signature, this Release will be without force or effect, and Executive shall not be entitled to those payments or benefits under Items 4A(3), 4B, 4C(3), 4C(4), 4D(3), 6A, 6C or 6D of the Employment Agreement, as applicable, which are conditioned upon the execution of this Release.

EXECUTION COPY

****] Certain information in this document has been excluded pursuant to Regulation S-K, Item 601(b)(10). Such excluded information is not material and would likely cause competitive harm to the registrant if publicly disclosed.*

PDP CREDIT AGREEMENT

dated as of September 30, 2022

between

ALLEGIANT AIR, LLC,
as Borrower,

NORDDEUTSCHE LANDESBANK GIROZENTRALE,
acting through its New York Branch
and

LANDESBANK HESSEN-THÜRINGEN GIROZENTRALE,
as Original Lenders,

LANDESBANK HESSEN-THÜRINGEN GIROZENTRALE,
as Facility Agent

and

BANK OF UTAH,
not in its individual capacity but solely as Security Trustee

Pre-Delivery Payment Financing of up to
20 Boeing 737 MAX Aircraft

*Landesbank Hessen-Thüringen Girozentrale,
Norddeutsche Landesbank Girozentrale, acting through its New York Branch
as Lead Arrangers*

TABLE OF CONTENTS

	Page
ARTICLE I DEFINITIONS	
Section 1.1	Definitions and Other Definitional Provisions 1
ARTICLE II THE LOAN	
Section 2.1	The Loans..... 2
Section 2.2	Terms of the Loans 4
Section 2.3	Withholding Taxes; Information Reporting..... 4
Section 2.4	Method of Payment..... 10
Section 2.5	Application of Payments..... 10
Section 2.6	Registration and Transfer of Loans..... 10
Section 2.7	Optional Prepayment 11
Section 2.8	Mandatory Prepayment..... 12
Section 2.9	Break Funding Losses - When Payable 13
Section 2.10	Increased Costs 14
Section 2.11	Illegality 15
Section 2.12	Market Disruption 15
Section 2.13	Execution 16
Section 2.14	Application of Proceeds from the Collateral 16
Section 2.15	Commitment Fee..... 16
Section 2.16	Benchmark Replacement 16
Section 2.17	Increase in Commitment..... 18
ARTICLE III CONDITIONS PRECEDENT	
Section 3.1	The Effective Date and Conditions Precedent to Closing Date 19
Section 3.2	Conditions Precedent to Subsequent Funding Dates 22
ARTICLE IV THE FACILITY AGENT	
Section 4.1	Acceptance of Duties 24
Section 4.2	Absence of Duties 24
Section 4.3	No Representations or Warranties 24
Section 4.4	Reliance; Agents 25
Section 4.5	Resignation or Removal of Facility Agent 25
Section 4.6	Erroneous Payments by Facility Agent..... 26
Section 4.7	Facility Agent as Lender..... 29
ARTICLE V EXTENT OF INTEREST OF LENDERS	
Section 5.1	Interest of Lenders 29

TABLE OF CONTENTS
(continued)

Page

ARTICLE VI	
BORROWER'S REPRESENTATIONS, WARRANTIES AND INDEMNITIES	
Section 6.1	Representations and Warranties of Borrower 29
Section 6.2	General Indemnity 32
ARTICLE VII	
REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE SECURITY TRUSTEE AND THE FACILITY AGENT	
Section 7.1	Representations, Warranties and Covenants of the Security Trustee 36
Section 7.2	Reporting Covenant of the Facility Agent 36
ARTICLE VIII	
OTHER COVENANTS	
Section 8.1	Other Covenants..... 37
ARTICLE IX	
OTHER DOCUMENTS	
Section 9.1	Other Documents 40
ARTICLE X	
CONDITIONS PRECEDENT TO BORROWER'S OBLIGATIONS	
Section 10.1	Conditions Precedent to Borrower's Obligations on Closing Date 41
ARTICLE XI	
CERTAIN COVENANTS OF BORROWER	
Section 11.1	Certain Covenants of Borrower 42
ARTICLE XII	
NOTICES	
Section 12.1	Notices 47
ARTICLE XIII	
MISCELLANEOUS	
Section 13.1	Miscellaneous 48
Section 13.2	USA Patriot Act 49
Section 13.3	Immunity Waiver..... 49
Section 13.4	Acknowledgement and Consent to Bail-In..... 50
Section 13.5	German Foreign Trade and Payments Ordinance 50

TABLE OF CONTENTS
(continued)

Page

SCHEDULE I	Certain Economic Terms
SCHEDULE IA	Administrative Details
SCHEDULE II	Aircraft and Pre-Delivery Payments
APPENDIX A	– Definitions
EXHIBIT A	– Form of Borrowing Notice [...***...]
EXHIBIT B	– Form of Transfer Agreement
EXHIBIT C-1	– [...***...]
EXHIBIT C-2	– [...***...]

PDP CREDIT AGREEMENT

THIS PDP CREDIT AGREEMENT (this "**Credit Agreement**"), dated as of September 30, 2022, is between (i) **ALLEGiant AIR, LLC**, a limited liability company duly formed under the laws of the State of Nevada (herein, together with its successors and permitted assigns, called the "**Borrower**"), (ii) **LANDESBANK HESSEN-THÜRINGEN GIROZENTRALE** ("**Helaba**") and **NORDDEUTSCHE LANDESBANK GIROZENTRALE**, acting through its New York Branch (each, herein called an "**Original Lender**", and collectively, herein called the "**Original Lenders**"), (iii) **LANDESBANK HESSEN-THÜRINGEN GIROZENTRALE**, as facility agent (herein, together with any successor thereto, the "**Facility Agent**") and (iv) **BANK OF UTAH**, not in its individual capacity but solely as security trustee (herein, together with its successors and permitted assigns, the "**Security Trustee**") under the Security Agreement (such term and other capitalized terms used herein without definition being defined as hereinafter provided).

WITNESSETH:

WHEREAS, pursuant to the Purchase Agreement between the Borrower and the Manufacturer, the Manufacturer has agreed to sell to the Borrower certain aircraft, including the Aircraft described on Schedule II hereto;

WHEREAS, the Borrower desires to finance in part from time to time the pre-delivery payments in respect of the Aircraft through secured loans; and

WHEREAS, concurrently with the execution and delivery of this Credit Agreement, the Security Trustee and the Borrower have entered into the Security Agreement, pursuant to which, among other things, the Borrower will grant to the Security Trustee a security interest in all right, title and interest of the Borrower in and to the assigned Purchase Agreement, to the extent related to the Aircraft, and certain other property described therein;

NOW, THEREFORE, in consideration of the mutual agreements herein contained and other good and valuable consideration, receipt of which is acknowledged, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1 Definitions and Other Definitional Provisions. For all purposes of this Credit Agreement, except as otherwise expressly provided or unless the context otherwise requires:

- (a) Capitalized terms used herein and not defined herein have the meanings set forth in Appendix A hereto;
- (b) the definitions stated herein and those stated in Appendix A apply equally to both the singular and the plural forms of the terms defined;

(c) the words “herein”, “hereof” and “hereunder” and other words of similar import refer to this Credit Agreement as a whole and not to any particular article, section or other subdivision;

(d) the words “including,” “including, without limitation,” “including, but not limited to,” and terms or phrases of similar import when used in this Credit Agreement, with respect to any matter or thing, mean including, without limitation, such matter or thing;

(e) all references herein to articles, sections, appendices, schedules and exhibits pertain to articles, sections, appendices, schedules and exhibits in or to this Credit Agreement; and

(f) “government” includes any instrumentality or agency thereof.

ARTICLE II

THE LOAN

Section 2.1 The Loans. (a) Subject to the terms and conditions of this Credit Agreement, each Lender severally agrees to make revolving loans to the Borrower from time to time during the Commitment Period by advancing its Percentage Share of each Funding to the Borrower, with the first Funding to occur on the Closing Date. Each subsequent Funding shall occur on a Payment Date during the Commitment Period. Upon each advance of a Funding on a Funding Date, the Commitment of each Lender shall reduce automatically by the principal amount of such Funding advanced by such Lender, effective as of such Funding Date. During the Commitment Period, the Loans may be repaid [...***...] in accordance with the provisions of this Credit Agreement. The Commitment of each Lender shall terminate at 5:00 p.m. (New York time) on the Commitment Termination Date.

(b) Each Funding may include an advance with respect to one or more Eligible Aircraft; provided that, at any date of determination, (i) [...***...] and (ii) [...***...]. The amount of a Funding with respect to an Eligible Aircraft shall not exceed [...***...] (i) [...***...] and (ii) [...***...]. (i) [...***...] and (ii) [...***...].

(c) Each Funding [...***...] of an Aircraft shall be requested by the delivery of a Borrowing Notice [...***...], by the Borrower to the Security Trustee and the Facility Agent not later than 1:00 pm (New York City time) on the applicable Borrowing Notice Date for the proposed Funding [...***...]. [...***...] to the Security Trustee and the Facility Agent not later than 1:00 pm (New York City time) on the applicable Borrowing Notice Date for such Payment Date. Each such Borrowing Notice [...***...] shall specify (as applicable) (i) the scheduled Funding Date for such Funding, (ii) [...***...], (iii) [...***...], (iv) [...***...] and (v) [...***...]. The Closing shall take place on the Closing Date at such time and place as the parties hereto shall have agreed from time to time. At the time of each Funding, each Lender shall make its Loan by causing the Security Trustee to advance to the Borrower an amount equal to such Funding by transferring such amount in immediately available funds to the Borrower at its account at [...***...] or as otherwise directed in writing by the Borrower; provided, however, that Borrower shall remain responsible for, and has paid prior to the disbursement of any Loan

(on the date of or prior to the date of such disbursement), [...***...] in respect of the relevant Aircraft.

(d) [Intentionally Omitted].

(e) The failure of any Lender to advance its Percentage Share of a Funding shall not relieve any other Lender of its obligation to advance its Percentage Share of such Funding, but no Lender shall be responsible for the failure of any other Lender to advance its Percentage Share of a Funding. The Borrower shall have no obligation to borrow some or all of any Funding if any Lender shall fail to advance its Percentage Share thereof; *provided* that any decision by the Borrower not to borrow following the failure of any Lender to advance its Percentage Share of a Funding shall not relieve any Lender of its liability for such failure to advance.

(f) If any Lender shall fail to fund its Percentage Share of the first Funding upon satisfaction of the closing conditions (other than the closing conditions within the control of such Lender) set forth in Section 3.1, and such failure shall continue for two Business Days:

(i) such Lender shall be deemed to be a Defaulting Lender;
and

(ii) whether or not the Borrower shall so elect to terminate this Credit Agreement, each Defaulting Lender agrees to bear and pay its own Funding Costs.

(g) Each Funding shall be made as a loan bearing interest, at all times during an Interest Period, at a rate of interest determined by reference to Term SOFR for such Interest Period and shall remain as such for the initial Interest Period for such Funding and at all times thereafter; *provided* that nothing in this Section 2.1(g) is intended to derogate from any alternative rate arrangements that may be implemented pursuant to Section 2.11, Section 2.12 or Section 2.16.

(h) The unutilized portion of the Commitments [...***...].

Section 2.2 Terms of the Loans. (a) Scheduled Repayment. The outstanding principal amount of the Loans for each Aircraft shall be due and payable in a single installment on the applicable Payoff Date for such Aircraft, in each case without any fee or premium (a "**Scheduled Repayment**"); *provided* that, [...***...] The Loans shall not amortize. [...***...]

(b) Interest. The Loans for each Aircraft shall bear interest at the Debt Rate on the principal amount thereof outstanding from time to time from and including the Funding thereof until such principal amount is paid in full. Following the first Interest Period, the Facility Agent shall establish the Debt Rate on the Loans from time to time, for each Interest Period for which interest is payable, by referring to the applicable page referred to in the definition of "Term SOFR". Interest on the Loans shall be computed on the basis of a 360-day year and actual days elapsed in the Interest Period for which interest is payable. Notwithstanding the foregoing, interest at the Past Due Rate shall be payable on overdue principal and, to the extent permitted by applicable law, on any interest and any other amounts payable by the Borrower

hereunder not paid when due and payable for any period during which the same shall be overdue, payable on demand.

The Facility Agent shall notify the Borrower, each Lender and the Security Trustee of the Debt Rate and the interest on the Loans expected to accrue during each Interest Period at least one (1) Business Day prior to the commencement of each such Interest Period and, prior to each Payment Date (but in no event later than 11:00 a.m. (New York time) on the Funding Business Day immediately preceding such Payment Date), provide the Borrower with notice of the aggregate amount of interest that will be actually due and payable on the Loans on such Payment Date; *provided* that the failure to provide any such notification or any error in such notification shall not affect the accrual of interest during any interest period or the obligation of the Borrower to pay the same as provided in this Credit Agreement.

Section 2.3 Withholding Taxes; Information Reporting. (a) The Security Trustee and the Borrower shall be permitted to deduct and withhold from each payment due hereunder or under any other Operative Document any and all present or future Taxes or similar charges applicable thereto as required by law. Whenever any present or future Taxes or similar charges are required to be withheld or deducted with respect to any amounts payable to any Lender hereunder or under any other Operative Document, the Security Trustee or the Borrower, as applicable, will withhold such amounts and timely pay the same to the appropriate authority and it will deliver to such Lender appropriate documentation showing the payment thereof, together with such additional documentary evidence as such Lender may reasonably request from time to time.

(b) If the Security Trustee or Borrower is required by law to withhold U.S. federal withholding Tax from any amounts payable hereunder or under any other Operative Document to a Relevant Lender (whether an Original Lender or a Lender that acquires its Commitments and/or its Loans after the Closing Date) with respect to an applicable interest in a Loan or Commitment and such withholding would not have been required but for a Tax Law Change that results in such Relevant Lender's failure to qualify for a complete exemption from U.S. federal income Tax with respect to payments hereunder or under any other Operative Document, then, the Borrower shall promptly pay to the Security Trustee for the account of such Relevant Lender such additional amounts as may be necessary so that, after all required withholdings for U.S. federal withholding Tax resulting from such Tax Law Change, such Relevant Lender receives the amount it would have received had no such required withholdings resulting from such Tax Law Change been made; *provided* that no such additional amounts shall be payable with respect to any such Tax that is imposed (w) as a result of the inaccuracy in or breach by such Relevant Lender of any of its representations, warranties or covenants contained in any Operative Document (including, without limitation, its failure to provide Internal Revenue Service forms pursuant to Section 2.3(d)) or the inaccuracy or incompleteness of any form or document furnished by such Relevant Lender, (x) on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, imposed (A) as a result of such Relevant Lender being organized under the laws of, or having its principal office or its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (B) as a result of any present or former connection between such Relevant Lender and the jurisdiction imposing such Tax, other than a connection arising solely from such Relevant Lender's having executed, delivered, enforced, performed its obligations

under, received a payment under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Operative Document, or sold or assigned an interest in any Operative Document (all such Taxes in this Section 2.3(b)(x)(B), “**Other Connection Taxes**”), (y) with respect to other matters with respect to such Relevant Lender unrelated to such Tax Law Change or (z) by reason of or pursuant to FATCA. “**Tax Law Change**” means (A) in the case of any Relevant Lender, a change in the income tax treaty between the United States and the Applicable Jurisdiction in which such Relevant Lender is organized or is a tax resident or a change in the Code or related regulations that overrides the provisions of such treaty, and (B) in the case of a Relevant Lender that is not a commercial bank described in Section 881(c)(3)(A) of the Code, a change in Section 881(c) of the Code, in the case of each of (A) and (B), occurring after the date such Relevant Lender acquired such interest in the Commitments and/or Loans, as applicable, other than a change in or inclusion of an “anti-treaty shopping,” “limitation on benefits” or similar provision in the relevant treaty or the Code. If any U.S. federal withholding Tax for which the Borrower is obligated to pay any additional amounts to a Relevant Lender under the first sentence of this Section 2.3(b) was required by law to be withheld from any amount payable to a Relevant Lender hereunder or under any other Operative Document and was not withheld and deposited with the appropriate authority on a timely basis, the Borrower shall, after written demand from such Relevant Lender therefor describing in reasonable detail the subject of such demand, promptly pay to such Relevant Lender such additional amounts equal to the amount of any such Tax asserted directly against such Relevant Lender.

(c) If any Lender or the Security Trustee determines, in its sole discretion exercised in good faith, that it has received a refund of any Tax in respect of which an additional amount or indemnity was paid by the Borrower pursuant to this Section 2.3, such Person shall promptly pay to the Borrower the amount of such refund plus any interest received on such refund and fairly attributable to such Tax, provided that during the continuation of an Event of Default any amounts so owing to the Borrower by a Lender or the Security Trustee may be held by such Person as security for amounts payable by the Borrower to such Person hereunder or under any other Operative Document and shall be invested by such Person for the Borrower’s account in Permitted Investments selected by such Person. If any Lender or the Security Trustee shall have paid the Borrower any refund described in the preceding sentence and such refund is subsequently disallowed, in whole or in part, then, promptly after written notice, such Person shall be reimbursed by the Borrower for the portion of any payment previously made by such Person corresponding to the portion of such refund so disallowed. Notwithstanding anything to the contrary in this paragraph (c), in no event will any Lender or the Security Trustee be required to pay any amount to the Borrower pursuant to this paragraph (c) to the extent the payment thereof would place such Lender or the Security Trustee, as the case may be, in a less favorable net after-Tax position than such Person would have been in if the Tax subject to the payment of an additional amount or indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payment or additional amounts with respect to such Tax had not been paid. This paragraph shall not be construed to require any Lender or the Security Trustee to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the Borrower or any other Person.

(d) In addition to the requirements of Article 10, upon the written request of the Borrower or the Security Trustee, each Lender shall provide to the Borrower and the Security Trustee, and the Security Trustee shall provide to the Borrower, such other forms, documentation

or certifications as may be reasonably required to establish any available exemption from or reduction of any withholding Taxes. In addition, any Lender, if reasonably requested by the Borrower or the Security Trustee, shall deliver such other documentation prescribed by applicable law or reasonably requested by the Borrower or the Security Trustee as will enable the Borrower or the Security Trustee to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in paragraphs (d)(i), (d)(ii), (d)(iv) and (d)(v) of this Section) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender. Without limitation the generality of the foregoing:

(i) any Lender that is a U.S. Person shall deliver to the Borrower and the Security Trustee on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Security Trustee), executed copies of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding tax;

(ii) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Security Trustee (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Security Trustee), whichever of the following is applicable;

(A) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Operative Document, executed copies of IRS Form W-8BEN or W-8BEN-E (or applicable successor form) establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "interest" article of such tax treaty and (y) with respect to any other applicable payments under any Operative Document, IRS Form W-8BEN or W-8BEN-E (or applicable successor form) establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "business profits" or "other income" article of such tax treaty;

(B) executed copies of IRS Form W-8ECI (or applicable successor form);

(C) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate to the effect that such Foreign Lender is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, a "10 percent shareholder" of the Borrower within the meaning of Section 881(c)(3)(B) of the Code, or a "controlled foreign corporation" related to the Borrower as described in Section 881(c)(3)(C) of the

Code (a “**U.S. Tax Compliance Certificate**”) and (y) executed copies of IRS Form W-8BEN or W-8BEN-E (or applicable successor form); or

(D) to the extent a Foreign Lender is not the beneficial owner, executed copies of IRS Form W-8IMY (or applicable successor form), accompanied by IRS Form W-8ECI, IRS Form W-8BEN, or W-8BEN-E (or applicable successor form), a U.S. Tax Compliance Certificate and/or other certification documents from each beneficial owner, as applicable; **provided, that** if the Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate on behalf of each such direct and indirect partner;

(iii) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Security Trustee (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Security Trustee), executed copies of any other form prescribed by Applicable Law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by Applicable Law to permit the Borrower and the Security Trustee to determine the withholding or deduction required to be made; and

(iv) if a payment made to a Lender under any Operative Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Borrower and the Security Trustee at the time or times prescribed by law and at such time or times reasonably requested by the Borrower or the Security Trustee such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrower or the Security Trustee as may be necessary for it to comply with its obligations under FATCA and to determine that such Lender has complied with such Lender’s obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (iv), “FATCA” shall include any amendments made to FATCA after the date of this Agreement.

(v) The Security Trustee, the Facility Agent, and their successors and assigns shall deliver to the Borrower, on or prior to the date on which the Security Trustee or Facility Agent, as applicable, becomes a party to this Agreement, executed copies of the documentation prescribed in clause (x) or (y) of this Section 2.3(d)(v), as applicable (together with all required attachments thereto): (x) if the Security Trustee or Facility Agent is a U.S. Person, executed copies of IRS Form W-9 (or any successor form) certifying that the Security

Trustee or Facility Agent, as applicable, is exempt from U.S. federal backup withholding Tax, or (y) if the Security Trustee or Facility Agent is not a U.S. Person, (A) with respect to fees received on its own behalf, executed copies of IRS Form W-8ECI (or any successor form) and any such other documentation prescribed by applicable law that would allow Borrower to make payments to such Security Trustee or Facility Agent, as applicable, without deduction or withholding of any U.S. federal withholding Taxes, and (B) with respect to payments received on account of any Lender, executed copies of IRS Form W-8IMY (or any successor form) evidencing that the Security Trustee or Facility Agent, as applicable, is either (i) a “qualified intermediary” assuming primary withholding responsibility under Chapters 3 and 4 of the Code and primary Form 1099 reporting and backup withholding responsibility for payments it receives for the accounts of others, or (ii) a “U.S. branch” and that the payments it receives for the accounts of others are not effectively connected with the conduct of a trade or business in the United States and that it is using such form as evidence of its agreement with the Borrower to be treated as a U.S. Person for U.S. federal Tax purposes.

(vi) Each Lender and the Security Trustee agree that if any form or certification it previously delivered expires or becomes inaccurate in any respect, it shall update such form or certification or promptly notify the Borrower and the Security Trustee in writing of its legal inability to do so.

(e) Each Lender agrees to use reasonable efforts to (i) investigate alternatives for reducing any Taxes that would require the payment of any additional amount or indemnity pursuant to this Section 2.3 and (ii) eliminate or minimize, to the greatest extent possible, any such Taxes, including, without limitation, by transferring its Commitments and/or Loans, as the case may be, to an Affiliate or to a third party (but without any affirmative obligation on such Lender to seek out any such third party as a transferee) or by designating a different lending office, if such transfer, designation or other action would eliminate, or reduce the amount of, any such Taxes; *provided* that the foregoing shall not obligate any Lender to take any action that would, in its reasonable judgment, (x) cause such Lender to incur any material loss or Tax or cost, unless the Borrower has agreed to reimburse such Lender therefor, or (y) cause such Lender to suffer any material legal or regulatory disadvantage; *provided, further*, that the foregoing shall not obligate such Lender to re-book its Loans to an office in which it does not maintain loans comparable to the Loans. If no such transfer, designation or other action is effected, or, if effected, fails to avoid the need for the payment of any additional amount or indemnity under this Section 2.3, the Borrower may prepay such Lender’s Loans in accordance with Section 2.7(b) (and, for the avoidance of doubt, without any premium). At any time when the payment of any additional amount or indemnity pursuant to this Section 2.3 to any Lender is required, if the Borrower shall identify to such Lender a Person willing to purchase the Loans held by such Lender, such Lender shall transfer its Commitments and Loans to such Person on any Business Day specified by the Borrower not earlier than seven Business Days after the Borrower shall have identified such Person to such Lender, in exchange for a purchase price equal to the principal amount of such Loans outstanding as of the purchase date, plus accrued interest thereon to such date, plus Break Funding Loss, if any, that would be payable with respect to such Loans if such purchase were a prepayment under Section 2.7(b), plus all other sums then

due and owing to such Lender under the Operative Documents (but, for the avoidance of doubt, without any premium).

(f) Each Lender shall, and by its making or assuming of a Loan shall be deemed to have agreed to, indemnify and hold harmless the Security Trustee and the Borrower and their respective successors and permitted assigns against any U.S. withholding Taxes (including interest and penalties with respect thereto), that the Security Trustee or Borrower fails to withhold on any payment to such Lender in a situation in which the Security Trustee or the Borrower was required by applicable law to withhold; *provided* that such Lender shall not be liable under this Section 2.3(f) for (i) any U.S. withholding Taxes (including interest and penalties with respect thereto) in respect of which additional amounts are payable by the Borrower pursuant to Section 2.3(b) or (ii) any penalties except to the extent (y) assessed by reason of the inaccuracy in or breach by such Lender of any of its representations, warranties or covenants contained in any Operative Document (including, without limitation, its failure to provide Internal Revenue Service forms as may be required by the terms of this Agreement) or the inaccuracy or incompleteness of any form or document furnished by such Lender, or (z) assessed as a result of the gross negligence or willful misconduct of such Lender as determined by a court of competent jurisdiction in a final and non-appealable judgment.

(g) Except as expressly set forth herein, it is agreed that all of the Borrower's obligations with respect to Taxes are set forth in Section 2.10 and this Section 2.3 (other than Taxes that represent losses, claims, damages, etc. arising from any non-Tax claim that is the obligation of the Borrower under an Operative Document).

(h) The Borrower shall indemnify each Lender and the Security Trustee (and their respective successors and permitted assigns) on an after-tax basis, after receipt by the Borrower of written demand therefor describing in reasonable detail the subject of such demand, from and against any Other Taxes payable by such Person. At the request and expense of the Borrower, the amount, if any, payable by the Borrower under the preceding sentence shall be verified by an independent accounting firm selected by the Lender or the Security Trustee, as applicable, and reasonably acceptable to the Borrower, but the Borrower shall have no right to inspect any confidential information relating to such Lender or the Security Trustee.

(i) The provisions of this Section 2.3 shall survive the repayment of the Loans, the expiration or termination of the Commitments, or the termination of this Credit Agreement or any provision hereof.

Section 2.4 Method of Payment. Principal, Break Funding Loss, if any, and interest and, except to the extent expressly provided herein or in the Security Agreement, all other amounts due to any Lender hereunder shall be payable by the Borrower in Dollars in immediately available funds to the Security Trustee by wire transfer to the account of the Security Trustee as specified in Schedule IA for the account of such Lender not later than 11:00 a.m. (New York time) on the due date therefor. Payments made by the Borrower to the Security Trustee for the account of any Lender shall constitute payment by the Borrower to such Lender. The Security Trustee shall, no later than 2:00 p.m. (New York time) on the same day, remit all such amounts so received by it to the applicable Lender or Lenders to such address and in such manner (by wire transfer of immediately available funds if not otherwise specified) as

specified in Schedule I or as such Lender shall have otherwise designated to the Security Trustee in writing. Each such payment shall be made on the date such payment is due. If, as a result of the negligence of the Security Trustee, the Security Trustee fails to make any such payment as provided above after its receipt of funds at the place and by the time specified above, the Security Trustee shall compensate the Lenders for loss of use of funds at the Debt Rate.

Section 2.5 Application of Payments. Each payment received by a Lender in respect of its Loans shall be applied, *first*, to the payment of any amount (other than principal of or interest on such Loans) then due in respect of such Loans, including, without limitation, Break Funding Loss, if any; *second*, to the payment of accrued interest on such Loans (as well as any interest on overdue principal, or, to the extent permitted by applicable law, on Break Funding Loss, if any, on interest and on other amounts due thereunder) due and payable to the date of such payment; and *third*, to the payment of the principal of such Loans then due thereunder (applied, in the case of a partial prepayment, against the Loans for which such prepayment is made).

Section 2.6 Registration and Transfer of Loans. The Security Trustee shall keep a register (herein sometimes referred to as the “**Register**”) in which provisions shall be made for the recordation of (i) the names and addresses of the Lenders, (ii) the Commitments of, and outstanding principal amounts of the Loans owing to, each Lender pursuant to the terms hereof from time to time (including the outstanding principal amounts of the Loans allocable to each Aircraft hereunder) and (iii) the transfer by any Lender of its Commitment and/or Loans (or any portion thereof) (including any Assignment pursuant to Section 8.1(d)). The Register shall be kept at the Corporate Trust Department, and the Security Trustee is hereby appointed “Registrar” for the purpose of recording the information described in the foregoing sentence in the Register. As a condition to any transfer of any Commitment and/or any Loan (or any portion thereof), the Security Trustee, upon the written direction of a Majority in Interest of Lenders, or the Borrower may require evidence of the compliance of such transfer with the provisions of the Securities Act of 1933, as amended (the “**Securities Act**”), any other applicable securities or similar laws and any other applicable laws. Each Loan is a registered obligation and may be transferred only pursuant to, and in accordance with, the provisions of this Section 2.6 and Section 8.1(d). The Borrower and the Security Trustee shall deem and treat each Person in whose name Loans are recorded on the Register as a Lender and the absolute owner hereunder for the purpose of receiving payment of the principal of and the Break Funding Loss, if any, and interest on such Loans and for all other purposes, whether or not such Loans shall be overdue, and neither the Borrower nor the Security Trustee shall be affected by any notice to the contrary. All references in this Credit Agreement and the other Operative Documents to a “holder” of, or Lender in respect of, any Loans shall mean the Person in whose name such Loans are at the time recorded on the Register. By its execution of this Credit Agreement or a Transfer Supplement pursuant to and in accordance with Section 8.1(d), each Lender agrees to be bound by and to perform and comply with the provisions of this Credit Agreement, the Security Agreement and the other Operative Documents applicable to the Lenders. The Security Trustee shall permit the Borrower, any Lender or their respective nominees to inspect the Register during ordinary business hours and upon reasonable prior notice and notify the Lenders on request of the current contents of the Register. In addition to the foregoing, each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Borrower to

such Lender resulting from the Loans held by such Lender, including the amounts of principal and interest payable and paid to such Lender from time to time hereunder.

Section 2.7 Optional Prepayment. (a) The Borrower may for any reason prepay the Loans in respect of any Aircraft on any Payment Date, in whole at any time or from time to time in part. Such prepayment in whole (of the applicable Loan) shall be at a price, in addition to any other amounts payable to the Lenders hereunder and under the other Operative Documents, equal to the sum of the aggregate unpaid principal amount of the applicable Loans together with interest accrued thereon to the date of prepayment (but, for the avoidance of doubt, without any premium). Any such partial prepayment (i) shall be in an amount, determined by the Borrower, aggregating at least [...***...] or an integral multiple thereof, (ii) shall include, on the date of prepayment, interest accrued on the Loans to be prepaid to the date of prepayment (but, for the avoidance of doubt, without any premium) and (iii) shall be applied to prepay the Loans designated in the related prepayment notice provided by the Borrower pursuant to the immediately succeeding sentence. An irrevocable notice of any prepayment pursuant to this Section 2.7(a) shall be given by the Borrower to the Facility Agent in the manner specified in Section 12.1 at least four Funding Business Days prior to the date fixed for prepayment. The Facility Agent shall give prompt written notice of any notice of prepayment received from the Borrower pursuant to this Section 2.7(a) to all Lenders and the Security Trustee as soon as the Facility Agent shall have received such notice, which notice shall specify the date of prepayment and the amount to be prepaid. For the avoidance of doubt, this Section 2.7(a) shall not apply to any prepayment made pursuant to Section 2.7(b) or Section 2.8.

(b) The Borrower may prepay any Lender's Loans (whether or not the Loans held by other Lenders are then subject to prepayment) on any Business Day to the extent permitted by Section 2.3, Section 2.10, Section 2.11 or Section 2.12 at a price, in addition to any other amounts payable to such Lender hereunder and under the other Operative Documents, equal to the sum of the aggregate unpaid principal amount of such Lender's Loans together with interest accrued thereon to the date of prepayment, plus, if payment is not made on a Payment Date, Break Funding Losses, if applicable (but, for the avoidance of doubt, without any premium). An irrevocable notice of prepayment pursuant to this Section 2.7(b) shall be given by the Borrower to the affected Lender, with a copy to the Security Trustee, in the manner specified in Section 12.1 at least three Funding Business Days prior to the date fixed for prepayment and shall specify that it is a notice of prepayment pursuant to this Section 2.7(b) and the date fixed for prepayment.

Section 2.8 Mandatory Prepayment.

(a) To the extent required by Section 2.11, the Borrower shall prepay the Loans held by an affected Lender in full (whether or not the Loans held by other Lenders are then subject to prepayment) at a price, in addition to any other amounts payable to the affected Lender hereunder and under the other Operative Documents, equal to the sum of the aggregate unpaid principal amount of such affected Lender's Loans, together with interest accrued thereon to the date of prepayment, plus Break Funding Loss, if applicable (but, for the avoidance of doubt, without any premium).

(b) If on any Payment Date (based on the most recent PDP report delivered by the Manufacturer pursuant to Section 5.6.1.1(ii) of the Manufacturer's Consent and reporting by the Borrower):

(x) [...***...]; or

(y) [...***...].

(c) If the delivery date of an Aircraft [...***...] and such Aircraft is terminated or cancelled by the Borrower under the applicable provision of the AGTA or the Purchase Agreement, then the Borrower shall, on the fifth Business Day following the date of occurrence of such, termination or cancellation, as the case may be, prepay the outstanding principal amount of the Loans associated with such Aircraft, together with accrued interest thereon to the date of such prepayment and Break Funding Loss (if any) but without any premium.

(d) If the Borrower receives notice from the Manufacturer that an Aircraft will be delivered to the Borrower (or its designee) by the Manufacturer pursuant to the Purchase Agreement prior to the date of its Scheduled Repayment, then the Borrower shall on or prior to such date of delivery prepay the outstanding principal amount of the Loans associated with such Aircraft, together with accrued interest thereon to the date of such payment and Break Funding Loss (if any), but without any premium. For the avoidance of doubt, notwithstanding whether or not the Manufacturer delivers notice of an Aircraft's delivery date pursuant to the immediately preceding sentence, the Borrower shall be required to prepay in full the Loans associated with an Aircraft prior to taking delivery of such Aircraft from the Manufacturer.

Section 2.9 Break Funding Losses - When Payable. If any prepayment of principal of the Loans pursuant to Section 2.7 or Section 2.8 or pursuant to Article V of the Security Agreement is made on any date that is not a Payment Date, or any scheduled repayment is not made on the due date thereof, or, to the extent provided in any Borrowing Notice [...***...] issued pursuant to Section 2.1(c), if for any reason (other than a default by any Lender) a Funding [...***...] does not occur on a date specified therefor in such Borrowing Notice [...***...], then the Borrower shall, on the date of prepayment, repayment or borrowing, as the case may be, or, if necessary to verify the amount of such Break Funding Loss, within two Business Days thereafter, pay to the Security Trustee for the account of each affected Lender such additional amounts as are necessary to reimburse such Lender for any Break Funding Loss incurred by such Lender as a result thereof. If a Lender transfers its Loans pursuant to Section 2.3(e), 2.10(c), 2.11 or 2.12 to a Person identified by the Borrower, the purchase price for such Loans will include such additional amounts as are necessary to reimburse such Lender for any Break Funding Loss incurred by such Lender as a result of such transfer; *provided that*, if necessary to verify the amount of such Break Funding Loss, such portion of such purchase price as is allocable to such Break Funding Loss shall be payable within two Business Days after the date of such transfer. Under the circumstances contemplated by this Section 2.9, each affected Lender shall furnish as promptly as practicable to the Borrower and the Security Trustee a certificate describing in reasonable detail the basis for the computation of any Break Funding

Loss, which certificate, in the absence of manifest error, shall be considered *prima facie* evidence of such amount for purposes of this Credit Agreement.

Section 2.10 Increased Costs. (a) Subject to the limitations set forth in paragraph (c) below, the Borrower shall pay directly to each Lender from time to time such amounts as such Lender may determine to be necessary to compensate such Lender for any costs that such Lender determines are attributable to its making or maintaining any Loans or its obligation to make any Loans hereunder, or any reduction in any amount received by such Lender hereunder in respect of any such Loans or such obligation (such increases in costs and reductions in amounts receivable (including any covered by clause (b) below) being herein called “**Increased Costs**”), resulting from any Regulatory Change that:

- (i) subjects any Lender to any Taxes (other than (and excluded from the Borrower’s responsibility) (A) Taxes payable by the Borrower pursuant to Section 2.3(b) and (B) Taxes described in clauses (w), (x), (y) or (z) of Section 2.3(b)) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto; or
- (ii) imposes or modifies any reserve, special deposit or similar requirements relating to any extensions of credit or other assets of, or any deposits with or other liabilities of, such Lender, or any commitment of such Lender (including, without limitation, the Commitments of such Lender hereunder); or
- (iii) imposes any other condition affecting this Agreement (or any of such extensions of credit or liabilities) or its Commitments.

(b) Without limiting the effect of the foregoing provisions of this Section 2.10 (but without duplication) and subject to the limitations in paragraph (c) below, the Borrower shall pay directly to each Lender from time to time on request such amounts as such Lender may determine to be necessary to compensate such Lender (or, without duplication, the bank holding company of which such Lender is a subsidiary) for any increase in its costs that it determines are attributable to the maintenance of Loans by such Lender (or any applicable lending office or such bank holding company), pursuant to any Regulatory Change.

(c) Each Lender shall notify the Borrower of any event entitling such Lender to compensation under paragraph (a) or (b) of this Section 2.10 as promptly as practicable after such Lender obtains actual knowledge thereof; provided that (i) such Lender shall, with respect to compensation payable pursuant to this Section 2.10 in respect of any costs resulting from such event, only be entitled to payment under this Section 2.10 for costs incurred, and attributable to the period which started [...***...] of such notice by the Borrower by each Lender, (ii) each Lender will at the sole cost of the Borrower (so long as the Borrower receives reasonable advance notice of any such costs to be claimed), use commercially reasonable efforts to (A) designate a different lending office for the Loans of such Lender affected by such event or (B) adjust the financing structure of the Loans in consultation with the Borrower and the Facility Agent if such designation or adjustment will avoid the need for, or reduce the amount of, such compensation and will not, in the sole opinion of such Lender, be disadvantageous to such Lender, and (iii) no Lender shall discriminate against the Borrower compared to similarly

situated borrowers in aircraft finance transactions in making any claim for compensation under this Section 2.10 and shall treat the Borrower no less favorably than such Lender's other similarly situated borrowers in similarly situated aircraft finance transactions. Each Lender will furnish to the Borrower a certificate setting forth the basis and amount of each request by such Lender for compensation under paragraph (a) or (b) of this Section 2.10, which shall include such non-proprietary technical information as is reasonably required to establish its costs or rate of return. Determinations and allocations by any Lender for purposes of this Section 2.10 of the effect of any Regulatory Change pursuant to paragraph (a) or (b) of this Section 2.10, or of the effect of capital maintained pursuant to paragraph (b) of this Section 2.10, on its costs or rate of return of maintaining Loans or its obligation to make Loans, or on amounts receivable by it in respect of Loans, and of the amounts required to compensate such Lender under this Section 2.10, shall be conclusive absent manifest error, provided that such determinations and allocations are made on a reasonable basis.

Section 2.11 Illegality. Notwithstanding any other provisions of this Agreement, in the event that after the date of this Agreement the introduction of or any change in or in the interpretation of any law or regulation makes it unlawful, or any central bank or other Governmental Authority of competent jurisdiction asserts that it is unlawful, for any Lender to honor its obligation to make or maintain Loans hereunder (and, in the sole opinion of such Lender, the designation of a different lending office or the taking of such other reasonable steps (not involving the incurrence of any material cost or expense and not implying any obligation of sale or transfer by such Lender of its Loans) would either not avoid such unlawfulness or would be disadvantageous to such Lender) (an "**Illegality Change**"), then such Lender shall promptly notify the Borrower thereof (with a copy to the Security Trustee) and such Lender's obligation to make Loans shall be suspended until such time as such Lender may again make and maintain Loans and the Borrower shall prepay the Loans of such Lender then outstanding hereunder together with accrued interest thereon and all other amounts payable to such Lender hereunder (including any Break Funding Losses, if any) on the last day of the then current Interest Period with respect thereto or earlier if necessary to avoid such illegality; *provided* that before making any such demand, such Lender agrees, at the sole cost of the Borrower upon giving the Borrower reasonable advance notice of the cost to be incurred, to use reasonable efforts (consistent with its internal policy and legal and regulatory restrictions) to transfer this facility to a different lending office if the making of such transfer would allow the Lender or its lending office to continue to perform its obligations to fund or maintain Loans to the Borrower, and would not, in the judgment of such Lender, be otherwise disadvantageous to such Lender.

Section 2.12 Market Disruption. (a) If a Market Disruption Event occurs in relation to the Loans for any Interest Period, then the rate of interest on each affected Lender's share of that outstanding Loan amount for such Interest Period shall be the percentage rate per annum which is the sum of (a) the Applicable Margin, plus (b) the rate [...***...], plus (c) Increased Costs (as specified in Section 2.10) (if any). The continuation of a Market Disruption Event and the rate notified by the Facility Agent to the Borrower of the Lenders' cost related to a Market Disruption Event shall be conclusive for any Interest Period absent manifest error. The notification by the Facility Agent of a rate to the Borrower shall constitute a certification by each Lender to the Borrower that the rate so provided is an accurate and fair calculation of [...***...].

(b) During a period of 30 days following the reception of notice of a Market Disruption Event arising under clause (b) of the definition thereof the Facility Agent, each affected Lender and the Borrower shall negotiate in good faith in order to arrive at a mutually acceptable alternative basis for determining the interest rate applicable to the affected Lenders. At any time following the receipt of such notice by the Borrower, the Borrower shall have the right (i) to require any affected Lender to assign its interest in its Loan, its Commitment and other rights and obligations hereunder to a transferee (selected by the Borrower and consented to by the Facility Agent) pursuant and subject to Section 8.1(d) for a purchase price equal to the unpaid principal amount of the affected Loans then outstanding together with interest accrued thereon, Break Funding Losses (if any) as if such Loans have been prepaid and any other amounts owed hereunder, owing to such Lender as of the date of payment, and (ii) to cancel the affected Commitment and prepay in full the affected Loans in accordance with Section 2.7(b), in each case of any Lender claiming such Market Disruption Event together with interest accrued thereon, Break Funding Losses (if any) and any other amounts owed hereunder, owing to such Lender at the date of prepayment.

Section 2.13 Execution. By execution and delivery hereof, each Original Lender requests and directs the Security Trustee to execute and deliver the Security Agreement (including each Security Agreement Supplement), and the Security Trustee agrees to do so.

Section 2.14 Application of Proceeds from the Collateral. After an Event of Default shall have occurred and be continuing and the unpaid principal in respect of all Loans then outstanding and accrued interest thereon shall have become (or be deemed to be) due and payable, the Security Trustee shall promptly apply any payments received, any amounts then held and any amounts realized by the Security Trustee with respect to the Collateral in the exercise of remedies pursuant to Section 5.2 of the Security Agreement in the manner set forth in Section 4.1 of the Security Agreement.

Section 2.15 Commitment Fee. The Borrower shall pay to the Security Trustee for the account of each Lender a commitment fee (the "**Commitment Fee**") [...***...] provided that no Commitment Fee shall be payable to a Lender that is a Defaulting Lender. The accrued Commitment Fee shall be due and payable on each Payment Date.

Section 2.16 Benchmark Replacement

(a) Benchmark Transition Event. Notwithstanding anything to the contrary herein or in any other Loan Document, if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to the setting of the then-current Benchmark, then if a Benchmark Replacement is determined in accordance with the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Operative Document in respect of any Benchmark setting at or after 10:00 a.m. (New York City time) on the fifth Business Day after the date notice of such Benchmark Replacement is provided to the Lenders without any amendment to, or further action or consent of any other party to, this Agreement or any other Operative Document so long as the Facility Agent has not received, by such time, written notice of objection to such Benchmark Replacement from Lenders comprising the Majority in Interest of Lenders.

(b) Benchmark Replacement Conforming Changes. In connection with the use, administration, adoption or implementation of a Benchmark Replacement, the Facility Agent will propose and the Borrower, acting reasonably, will review and consent in good faith (placing reasonable emphasis to remain substantially consistent with the terms of this Agreement and any other Operative Document) to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Operative Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Operative Document.

(c) Notices; Standards for Decisions and Determinations. The Facility Agent will promptly notify the Borrower and the Lenders of (A) the implementation of any Benchmark Replacement and (B) the effectiveness of any Conforming Changes in connection with the use, administration, adoption or implementation of a Benchmark Replacement. The Facility Agent will notify the Borrower of (x) the removal or reinstatement of any tenor of a Benchmark pursuant to Section 2.16(d) and (v) the commencement of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the Facility Agent (and, where applicable, with the consent of the Borrower, such consent not to be unreasonably withheld) or, if applicable, any Lender (or group of Lenders) pursuant to this Section 2.16, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and without consent from any other party to this Agreement or any other Operative Document, except, in each case, as expressly required pursuant to this Section 2.16.

(d) Unavailability of Tenor of Benchmark. Notwithstanding anything to the contrary herein or in any other Operative Document, at any time (including in connection with the implementation of a Benchmark Replacement), (i) if the then-current Benchmark is a term rate (including Term SOFR Reference Rate) and either (A) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Facility Agent in its reasonable discretion or (B) the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is not or will not be representative, then the Facility Agent may modify the definition of “Interest Period” (or any similar or analogous definition) for any Benchmark settings at or after such time to remove such unavailable or non-representative tenor and (ii) if a tenor that was removed pursuant to clause (i) above either (A) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (B) is not, or is no longer, subject to an announcement that it is not or will not be representative for a Benchmark (including a Benchmark Replacement), then the Facility Agent may modify the definition of “Interest Period” (or any similar or analogous definition) for all Benchmark settings at or after such time to reinstate such previously removed tenor.

(e) Benchmark Unavailability Period. Upon the Borrower’s receipt of notice of the commencement of a Benchmark Unavailability Period, the Borrower may revoke any pending request for a Term SOFR Funding of Term SOFR Loans to be made during any Benchmark Unavailability Period.

Section 2.17 Increase in Commitment.

(a) Increase Request. The Borrower may by written notice to the Facility Agent request, prior to the Maturity Date, an increase to the existing Commitments. Such notice shall specify (i) the date (the “**Increase Effective Date**”) on which the Borrower proposes that the increased Commitments shall be effective, which shall be (A) a Payment Date and (B) a date not less than 10 Business Days after the date on which such notice is delivered to the Facility Agent and (ii) the identity of each assignee to whom the Borrower proposes any portion of such increased Commitments be allocated (each, a “**New Lender**”) and the amounts of such allocations; provided that any existing Lender approached to provide all or a portion of the increased Commitments may elect or decline, in its sole discretion, to provide such increased Commitment.

(b) Conditions. The increased Commitments shall become effective, as of the Increase Effective Date provided that:

(i) all representations and warranties contained in this Agreement and the other Operative Documents shall be true and correct in all material respects on and as of the date of the Increase Effective Date with the same effect as if made on and as of such date except to the extent such representations and warranties expressly relate to an earlier date and in such case as of such date;

(ii) no Event of Default shall have occurred and be continuing or would result from giving effect to the increased Commitments on the Increase Effective Date; and

(iii) after giving effect to the increased Commitments, as of any date of determination, the Total Commitment shall not exceed the \$300,000,000.

(c) Terms of Commitments. The terms and provisions of the increased Commitments (and any Loans made pursuant to such increased Commitments) shall be identical to the Loans.

(d) Adjustment of Loans. Each of the existing Lenders shall assign to each of the New Lenders, and each of the New Lenders shall purchase from each of the existing Lenders, at the principal amount thereof (together with accrued interest), such interests in the Loans outstanding on the Increase Effective Date as shall be necessary in order that, after giving effect to all such assignments and purchases, the Loans will be held by the existing Lenders and New Lenders ratably in accordance with their Commitments after giving effect to the increased Commitments on the Increase Effective Date. If there is a new borrowing of Loans on the Increase Effective Date, the Lenders after giving effect to the Increase Effective Date shall make such Loans in accordance with Section 2.01 and 2.02.

(e) Equal and Ratable Benefit. The Loans and Commitments established pursuant to this paragraph shall constitute the Loans and Commitments under, and shall be entitled to all the benefits afforded by, this Agreement and the other Operative Documents and shall, without limiting the foregoing, benefit equally and ratably from the security interests created by the Security Agreement.

(f) Lender's Failure to Respond. Any Lender that does not respond to a request for a Commitment increase shall be deemed to have declined such request.

ARTICLE III

CONDITIONS PRECEDENT

Section 3.1 The Effective Date and Conditions Precedent to Closing Date.

The obligations of the parties shall commence and be effective upon the Effective Date. The obligation of the Original Lenders to make the first Funding on the Closing Date, as contemplated by Article II, is subject to the fulfillment (or the waiver by the Lenders) prior to or on the Closing Date of the following conditions precedent:

(a) No change shall have occurred after the date of this Credit Agreement in applicable law or regulations thereunder or interpretations thereof by appropriate regulatory authorities or any court that would make it a violation of law or governmental regulations for the Lenders to make their Commitments available.

(b) This Credit Agreement and the following documents shall have been duly authorized, executed and delivered by the respective party or parties thereto (other than the Lenders), shall be in full force and effect and executed counterparts (or copies thereof where indicated) thereof shall have been delivered to the Lenders:

(i) the Security Agreement;

(ii) the Guarantee;

(iii) the Fee Letter;

(iv) the Manufacturer's Consent (attaching as an exhibit thereto the "Assigned Purchase Agreement" (as defined in the Manufacturer's Consent));

(v) a confirmation of the Borrower that each Manufacturer Agreement has been executed by each party thereto and remains in full force and effect and no default (however defined) shall have occurred under any Manufacturer Agreement; and

(vi) the Engine Manufacturer's Consent.

(c) (i) A Uniform Commercial Code financing statement shall have been duly filed (or shall be in the process of being so duly filed), in each case, by counsel to the Lenders, in all places necessary or desirable within the State of Nevada.

(ii) The Original Lenders shall have received a lien search conducted in the State of Nevada in respect of the Borrower, in form and substance reasonably satisfactory to the Facility Agent, reflecting the absence of Liens on the Collateral on the Closing Date, other than Permitted Liens not Of Record.

(d) The Original Lenders shall have received the following:

(i) a certificate dated the Closing Date of the Secretary or Assistant Secretary of each of the Borrower and the Guarantor, certifying as to (A) a copy of the resolutions of the Board of Directors of the Borrower or the Guarantor, as the case may be, or the executive committee thereof duly authorizing the transactions contemplated hereby and the execution, delivery and performance by the Borrower or the Guarantor, as the case may be, of each of the Operative Documents to which it is a party and any other documents required to be executed and delivered by the Borrower or the Guarantor, as the case may be, in accordance with the provisions hereof and (B) a copy of the Certificate of Incorporation or the Certificate of Formation, as applicable, and By-Laws or Operating Agreement, as applicable, of the Borrower or the Guarantor, as the case may be, as in effect on the Closing Date;

(ii) a certificate or other evidence from the Secretary of State of the State of Nevada, dated as of a date reasonably near the Closing Date, as to the due incorporation and good standing of the Borrower and the Guarantor in such state;

(iii) an incumbency certificate of the Borrower and the Guarantor as to the person or persons authorized to execute and deliver the Operative Documents to which it is a party and any other documents to be executed by the Borrower or the Guarantor, as the case may be, in connection with the transactions contemplated hereby and the specimen signatures of such person or persons;

(iv) one or more certificates (including an incumbency certificate) of the Security Trustee certifying to the reasonable satisfaction of the Original Lenders as to the due authorization, execution, delivery and performance by the Security Trustee of each of the Operative Documents to which the Security Trustee is a party and any other documents to be executed by or on behalf of the Security Trustee in connection with the transactions contemplated hereby or thereby; and

(v) such other documentation or information concerning the Borrower, the Guarantor or the Security Trustee as shall reasonably be required to be obtained by the Original Lenders to satisfy the "know your customer" requirements of the Original Lenders, the Facility Agent and the Security Trustee.

(e) On the Closing Date, the following statements shall be correct:

(i) the representations and warranties of the Borrower and the Guarantor herein and in the Guarantee, as applicable, are correct as though made on and as of such date, except to the extent such representations and warranties relate solely to an earlier date (in which case such representations and warranties are correct on and as of such earlier date); and (ii) no event has occurred and is continuing that constitutes an Event of Default.

(f) Each of the Security Trustee and each Original Lender shall have received opinions addressed to it from (A) the General Counsel to the Borrower and the Guarantor, with respect to Nevada law, (B) Vedder Price, P.C., special counsel to the Original Lenders, with respect to New York law and such other matters as may be required by them, and (C) Parr Brown Gee & Loveless, special counsel to the Security Trustee.

(g) Each of the Security Trustee and each Original Lender shall have received a certificate or certificates signed by the chief financial or accounting officer, any Executive Vice President, any Senior Vice President, the Treasurer, any Vice President, any Assistant Vice President or any Assistant Treasurer (or any other Responsible Officer) of the Borrower and the Guarantor, dated the Closing Date, certifying as to the correctness of each of the matters stated in Section 3.1(e).

(h) Each Original Lender shall have received a certificate from the Security Trustee dated the Closing Date, signed by an authorized officer of the Security Trustee, certifying that no Security Trustee Liens exist, and further certifying as to the correctness of each of the matters stated in Section 7.1.

(i) Each Original Lender shall have received (i) either an opinion or an officer's certificate from the Manufacturer, in each case in the Manufacturer's customary form, and (ii) a legal opinion from the Engine Manufacturer, in the Engine Manufacturer's customary form.

(j) The Borrower shall have paid the Structuring Fee and the Facility Agent Fee on the Effective Date to the Security Trustee in immediately available funds.

(k) No action or proceeding shall have been instituted nor shall any governmental action be threatened before any court or governmental agency, nor shall any order, judgment or decree have been issued or proposed to be issued by any court or governmental agency at the time of the Closing Date to set aside, restrain, enjoin or prevent the completion and consummation of this Credit Agreement or the transactions contemplated hereby.

(l) There has been no material adverse change in the business or financial condition of the Borrower and the Guarantor taken as a whole since June 30, 2022, which could reasonably be expected to have a material adverse effect on the ability of the Borrower and the Guarantor to perform its obligations under the Operative Documents.

(m) There shall be no continuing Market Disruption Event that has a material adverse change that increases the financing costs of the Lenders.

(n) (i) No later than five Funding Business Days prior (or four Funding Business Days prior, if the confirmation from the Manufacturer referenced below has not been received by the Borrower by such fifth Funding Business Day prior) to the Closing Date, the Facility Agent shall have received a report from the Borrower attaching a copy of the most recent confirmation delivered by the Manufacturer pursuant to Section 5.6.1.1(i) of the Manufacturer's Consent, demonstrating that the Manufacturer has received (A) the PDPs that are due and payable for all Aircraft (as the same may, from time to time, be adjusted pursuant to the Purchase Agreement) and (B) [...***...] all other PDPs (if applicable) as of such Closing Date

for the Aircraft which will have PDPs financed [...***...] pursuant to such Funding and (ii) within one Funding Business Day of receipt of the report referenced in the foregoing clause (i), the Facility Agent shall have provided written confirmation to the Original Lenders that the calculations set forth in such report are correct; provided that if the Facility Agent shall have neither provided such confirmation nor objected to the calculations set forth in such report by such date, the Facility Agent shall be deemed to have confirmed its acceptance of the same.

(o) The Facility Agent shall have received confirmation from the Manufacturer that there are no PDP payment obligations due and owing by the Borrower as of such date under the Purchase Agreement.

Section 3.2 Conditions Precedent to Subsequent Funding Dates. The obligation of the Lenders to make a Funding on each Funding Date after the Closing Date [...***...], as contemplated by Article II, is subject to the fulfillment (or the waiver by the Lenders) prior to or on such Funding Date of the following conditions precedent:

(a) No change shall have occurred after the date of this Credit Agreement in applicable law or regulations thereunder or interpretations thereof by appropriate regulatory authorities or any court that would make it a violation of law or governmental regulations for the Lenders to make their Commitments available.

(b) On such Funding Date, the following statements shall be correct:
(i) the representations and warranties of the Borrower and the Guarantor herein and in the Guarantee, as applicable, are correct as though made on and as of such date, except to the extent such representations and warranties relate solely to an earlier date (in which case such representations and warranties are correct on and as of such earlier date); and (ii) no event has occurred and is continuing that constitutes an Event of Default.

(c) No action or proceeding shall have been instituted nor shall any governmental action be threatened before any court or governmental agency, nor shall any order, judgment or decree have been issued or proposed to be issued by any court or governmental agency at the time of such Funding Date to set aside, restrain or enjoin this Credit Agreement or the transactions contemplated hereby.

(d) A Borrowing Notice [...***...] in respect of such Funding shall have been duly authorized, executed and delivered by the Borrower, shall be in full force and effect and executed counterparts (or copies thereof where indicated) thereof shall have been delivered to the Lenders.

(e) The Purchase Agreement shall not have been (i) terminated pursuant to the relevant provision of the AGTA or cancelled for breach or (ii) cancelled with respect to the Eligible Aircraft which will have PDPs financed [...***...] pursuant to such Funding.

(f) (i) No later than the second Funding Business Day (or third Funding Business Day, if the confirmation from the Manufacturer referenced below has not been received by the Borrower by such second Funding Business Day) in the month of such Funding, the Facility Agent shall have received a report from the Borrower attaching a copy of the most

recent confirmation delivered by the Manufacturer pursuant to Section 5.6.1.1(i) of the Manufacturer's Consent, demonstrating that the Manufacturer has received (A) the PDPs that are due and payable for all Aircraft (as the same may, from time to time, be adjusted pursuant to the Purchase Agreement) and (B) [...] and all other PDPs (if applicable) as of such Funding Date for the Aircraft which will have PDPs financed [...] pursuant to such Funding and (ii) within one Funding Business Day of receipt of the report referenced in the foregoing clause (i), the Facility Agent shall have provided written confirmation to the Lenders that the calculations set forth in such report are correct; provided that if the Facility Agent shall have neither provided such confirmation nor objected to the calculations set forth in such report by such date, the Facility Agent shall be deemed to have confirmed its acceptance of the same.

(g) The Facility Agent shall have received a copy of the invoice from the Manufacturer in respect of the PDPs paid or to be paid by the Borrower on or before such Funding Date.

(h) The Facility Agent shall have received confirmation from (i) the Manufacturer that there are no supplemental agreements or modifications to the Purchase Agreement that changes the Net Purchase Price from the pricing set forth in the Manufacturer's Consent (excluding, for the avoidance of doubt, BFE) and (ii) the Borrower of (a) the amount of any "Optional Features" then contracted in respect of such Aircraft and (b) any known or contracted increases of the price of an Aircraft resulting from changes incorporated into such Aircraft pursuant to Article 3 (Regulatory Requirements and Certificates) and Article 4 (Detail Specifications, Changes) of the AGTA (as referenced in Schedule 1, Part B, Paragraph 1 to the Manufacturer's Consent), and (c) the contracted cost of BFE for such Aircraft.

(i) The Facility Agent shall have received confirmation from the Manufacturer that there are no outstanding payment obligations due and owing by the Borrower as of such date under the Purchase Agreement.

ARTICLE IV

THE FACILITY AGENT

Section 4.1 Acceptance of Duties. Each Lender hereby appoints, and Helaba hereby accepts for so long as it is a Lender, Helaba as Facility Agent. Helaba hereby agrees to perform the following duties in its capacity as Facility Agent:

(a) pursuant to, in accordance with and subject to the terms of, Section 2.2 and Section 2.12 to (i) establish the Debt Rate on the Loans from time to time, (ii) notify the Borrower of the interest on the Loans expected to accrue during each Interest Period and (iii) provide the Borrower with notice of the aggregate amount of interest that will be actually due and payable on the Loans on each Payment Date; and

(b) wherever it is necessary or contemplated under or in respect of this Credit Agreement or under any of the other Operative Documents for the Lenders acting together, or a Majority in Interest of Lenders, to form an opinion or make a decision upon or consent to any matter or to give instructions or directions of any kind or nature to the Security

Trustee or to any other Person, as the case may be, upon any matter, then the Facility Agent shall be responsible for ascertaining the opinion, decision or instructions of each Lender concerned and making known to the Security Trustee or to such other Person, as the case may be, the opinion formed, the decision made or the instructions of, the Lenders acting together or the Majority in Interest of Lenders, as the case may be. The Facility Agent shall not be responsible to any Lender for any action taken or omitted to be taken by it hereunder or under any other document, agreement or instrument referred to or provided for herein or in connection herewith, except for its own gross negligence or willful misconduct, and each of the Lenders agrees that it will not assert or seek to assert against any director, officer or employee of the Facility Agent any claim it might have against any of them in respect of such matters. Nothing herein or in any of the other Operative Documents shall require the Facility Agent to expend or risk its own funds or otherwise incur any financial liability in the exercise of any of its rights hereunder or under any other Operative Document. The Facility Agent shall be entitled to a non-refundable fee of \$20,000 per year (plus VAT, if applicable), payable on the Effective Date and on each anniversary thereof falling prior to the Maturity Date, annually in advance (such fee, the "**Facility Agent Fee**") pursuant to Section 8.1.

Section 4.2 Absence of Duties. The Facility Agent shall have no duty to confirm, verify or inquire into the failure to receive the opinion, decision or instructions of any of the Lenders. Notwithstanding the foregoing, the Facility Agent shall, as promptly as possible, make known the opinion, decision or instructions of the Lenders or the Majority in Interest of Lenders to the Security Trustee or to any other interested person, as the case may be.

Section 4.3 No Representations or Warranties. The Facility Agent, in its capacity as such but not as a Lender hereunder, shall not be deemed to have made any representation or warranty as to the validity, legality or enforceability of this Credit Agreement, any other Operative Document or any other document or instrument, or as to the correctness of any statement (other than a statement by the Facility Agent under Section 4.1(a)) contained herein or therein, except that the Facility Agent hereby represents and warrants that each of the said specified documents to which it is a party has been or will be duly executed and delivered by one of its officers who is and will be duly authorized to execute and deliver such documents on its behalf.

Section 4.4 Reliance; Agents. As between the Facility Agent and any Lender, the Facility Agent shall be entitled to rely upon any signature, instrument, notice, resolution, request, consent, order, certificate, report, opinion, bond or other document or paper believed by it to be genuine and believed by it to be signed by the proper party or parties. The Facility Agent may accept a copy of a resolution of the Board of Directors or any applicable committee thereof of any Lender, certified by the Secretary or an Assistant Secretary of such Lender, as duly adopted and in full force and effect, as conclusive evidence that such resolution has been duly adopted and that the same is in full force and effect. As between the Facility Agent and any Lender, as to any matters not expressly provided for by this Credit Agreement, the Facility Agent shall in all cases be fully protected in acting, or in refraining from acting, hereunder in accordance with instructions signed by a Majority in Interest of Lenders, and such instructions of a Majority in Interest of Lenders and any action taken or failure to act pursuant thereto shall be binding on all of the Lenders.

The Facility Agent may perform its powers and duties hereunder either directly or through agents or attorneys and may, at the expense of the Lenders (but without expense or liability to the Borrower) consult with independent skilled persons to be selected and employed by it, and the Facility Agent shall not be liable to any Lender for anything done, suffered, or omitted in good faith by it in accordance with the written advice or opinion of any such independent skilled persons acting within such persons' area of competence (so long as the Facility Agent shall have exercised reasonable care in selecting such persons).

Section 4.5 Resignation or Removal of Facility Agent. The Facility Agent may resign at any time by giving at least 30 days' prior written notice thereof to the Lenders and the Borrower, such resignation to be effective upon the acceptance of a successor Facility Agent and to be at no cost or expense to the Borrower. In addition, the Facility Agent may be removed at any time with or without cause by a Majority in Interest of Lenders, such removal to be effective upon the acceptance of a successor Facility Agent. Upon any such resignation or removal, a Majority in Interest of Lenders shall have the right to appoint a successor Facility Agent; *provided* that so long as no Event of Default has occurred and is continuing, no successor Facility Agent may be appointed without the Borrower's consent, such consent not to be unreasonably withheld. If no successor Facility Agent shall have been so appointed by a Majority in Interest of Lenders and shall have accepted such appointment within 30 days after the retiring Facility Agent's giving of notice of resignation or the Majority in Interest of Lenders' removal of the retiring Facility Agent, then the retiring Facility Agent may, on behalf of the Lenders, appoint a successor Facility Agent that shall be a bank having a combined capital and surplus of at least \$500,000,000. In addition, any successor Facility Agent, however appointed as Facility Agent, shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring Facility Agent, and the retiring Facility Agent shall thereupon be discharged from its duties and obligations hereunder. After any retiring Facility Agent's resignation or removal hereunder as Facility Agent, the provisions of this Article IV shall continue in effect for its benefit in respect of any actions taken or omitted to be taken by it while it was acting as the Facility Agent.

Section 4.6 Erroneous Payments by Facility Agent.

(a) If the Facility Agent (x) notifies a Lender, or any Person who has received funds on behalf of a Lender (any such Lender or other recipient (and each of their respective successors and assigns), a "**Payment Recipient**") that the Facility Agent has determined in its sole discretion (whether or not after receipt of any notice under immediately succeeding clause (b)) that any funds (as set forth in such notice from the Facility Agent) received by such Payment Recipient from the Facility Agent or any of its Affiliates were erroneously or mistakenly transmitted to, or otherwise erroneously or mistakenly received by, such Payment Recipient (whether or not known to such Lender or other Payment Recipient on its behalf) (any such funds, whether transmitted or received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise, individually and collectively, an "**Erroneous Payment**") and (y) demands in writing the return of such Erroneous Payment (or a portion thereof), such Erroneous Payment shall at all times remain the property of the Facility Agent pending its return or repayment as contemplated below in this Section 4.6 and held in trust for the benefit of the Facility Agent, and such Lender shall (or, with respect to any Payment Recipient who received such funds on its behalf, shall cause such Payment Recipient to)

promptly, but in no event later than two Business Days thereafter (or such later date as the Facility Agent may, in its sole discretion, specify in writing), return to the Facility Agent the amount of any such Erroneous Payment (or portion thereof) as to which such a demand was made, in same day funds (in the currency so received), together with interest thereon (except to the extent waived in writing by the Facility Agent) in respect of each day from and including the date such Erroneous Payment (or portion thereof) was received by such Payment Recipient to the date such amount is repaid to the Facility Agent in same day funds at the greater of the Federal Funds Rate and a rate determined by the Facility Agent in accordance with banking industry rules on interbank compensation from time to time in effect. A notice of the Facility Agent to any Payment Recipient under this clause (a) shall be conclusive, absent manifest error.

(b) Without limiting immediately preceding clause (a), each Lender or any Person who has received funds on behalf of a Lender (and each of their respective successors and assigns), agrees that if it receives a payment, prepayment or repayment (whether received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise) from the Facility Agent (or any of its Affiliates) (x) that is in a different amount than, or on a different date from, that specified in this Agreement or in a notice of payment, prepayment or repayment sent by the Facility Agent (or any of its Affiliates) with respect to such payment, prepayment or repayment, (y) that was not preceded or accompanied by a notice of payment, prepayment or repayment sent by the Facility Agent (or any of its Affiliates), or (z) that such Lender, or other such recipient, otherwise becomes aware was transmitted, or received, in error or by mistake (in whole or in part), then in each such case:

(i) it acknowledges and agrees that (A) in the case of immediately preceding clauses (x) or (y), an error and mistake shall be presumed to have been made (absent written confirmation from the Facility Agent to the contrary) or (B) an error and mistake has been made (in the case of immediately preceding clause (z)), in each case, with respect to such payment, prepayment or repayment; and

(ii) such Lender shall (and shall cause any other recipient that receives funds on its respective behalf to) promptly (and, in all events, within one Business Day of its knowledge of the occurrence of any of the circumstances described in immediately preceding clauses (x), (y) and (z)) notify the Facility Agent of its receipt of such payment, prepayment or repayment, the details thereof (in reasonable detail) and that it is so notifying the Facility Agent pursuant to this Section 4.6(b).

For the avoidance of doubt, the failure to deliver a notice to the Facility Agent pursuant to this Section 4.6(b) shall not have any effect on a Payment Recipient's obligations pursuant to Section 4.6(a) or on whether or not an Erroneous Payment has been made.

(c) Each Lender hereby authorizes the Facility Agent to set off, net and apply any and all amounts at any time owing to such Lender under any Operative Document, or otherwise payable or distributable by the Facility Agent to such Lender under any Operative Document with respect to any payment of principal, interest, fees or other amounts, against any amount that the Facility Agent has demanded to be returned under preceding Section 4.6(a).

(d) (i) In the event that an Erroneous Payment (or portion thereof) is not recovered by the Facility Agent for any reason, after demand therefor in accordance with preceding Section 4.6(a), from any Lender that has received such Erroneous Payment (or portion thereof) (and/or from any Payment Recipient who received such Erroneous Payment (or portion thereof) on its respective behalf) (such unrecovered amount, an “**Erroneous Payment Return Deficiency**”), upon the Facility Agent’s notice to such Lender at any time, then effective immediately (with the consideration therefor being acknowledged by the parties hereto), (A) such Lender shall be deemed to have assigned its Loans (but not its Commitments) with respect to which such Erroneous Payment was made (the “**Erroneous Payment Impacted Class**”) in an amount equal to the Erroneous Payment Return Deficiency (or such lesser amount as the Facility Agent may specify) (such assignment of the Loans (but not Commitments) of the Erroneous Payment Impacted Class, the “**Erroneous Payment Deficiency Assignment**”) (on a cashless basis and such amount calculated at par plus any accrued and unpaid interest (with the assignment fee to be waived by the Facility Agent in such instance)), and is hereby (together with the Borrower) deemed to execute and deliver an assignment as provided in Section 2.6 and Section 8.1(d) with respect to such Erroneous Payment Deficiency Assignment, (B) the Facility Agent as the assignee Lender shall be deemed to have acquired the Erroneous Payment Deficiency Assignment, (C) upon such deemed acquisition, the Facility Agent as the assignee Lender shall become a Lender, as applicable, hereunder with respect to such Erroneous Payment Deficiency Assignment and the assigning Lender shall cease to be a Lender, as applicable, hereunder with respect to such Erroneous Payment Deficiency Assignment, excluding, for the avoidance of doubt, its obligations under the indemnification provisions of this Agreement and its applicable Commitments which shall survive as to such assigning Lender, (D) the Facility Agent and the Borrower shall each be deemed to have waived any consents required under this Agreement to any such Erroneous Payment Deficiency Assignment, and (E) the Facility Agent will reflect in the Certificate Register its ownership interest in the Loans subject to the Erroneous Payment Deficiency Assignment. For the avoidance of doubt, no Erroneous Payment Deficiency Assignment will reduce the Commitments of any Lender and such Commitments shall remain available in accordance with the terms of this Agreement.

(ii) Subject to Section 2.6 (but excluding, in all events, any assignment consent or approval requirements (whether from the Borrower or otherwise)), the Facility Agent may, in its discretion, sell any Loans acquired pursuant to an Erroneous Payment Deficiency Assignment and upon receipt of the proceeds of such sale, the Erroneous Payment Return Deficiency owing by the applicable Lender shall be reduced by the net proceeds of the sale of such Loan (or portion thereof), and the Facility Agent shall retain all other rights, remedies and claims against such Lender (and/or against any recipient that receives funds on its respective behalf). In addition, an Erroneous Payment Return Deficiency owing by the applicable Lender (x) shall be reduced by the proceeds of prepayments or repayments of principal and interest, or other distribution in respect of principal and interest, received by the Facility Agent on or with respect to any such Loans acquired from such Lender pursuant to an Erroneous Payment Deficiency Assignment (to the extent that any such Loans are then owned by the Facility Agent) and (y) may, in the sole discretion of the Facility Agent, be reduced by any amount specified by the Facility Agent in writing to the applicable Lender from time to time.

(e) The parties hereto agree that (x) irrespective of whether the Facility Agent may be equitably subrogated, in the event that an Erroneous Payment (or portion

thereof) is not recovered from any Payment Recipient that has received such Erroneous Payment (or portion thereof) for any reason, the Facility Agent shall be subrogated to all the rights and interests of such Payment Recipient (and, in the case of any Payment Recipient who has received funds on behalf of a Lender, to the rights and interests of such Lender, as the case may be) under the Operative Documents with respect to such amount (the “**Erroneous Payment Subrogation Rights**”) (provided that the Secured Obligations under the Operative Documents in respect of the Erroneous Payment Subrogation Rights shall not be duplicative of such Secured Obligations in respect of Loans that have been assigned to the Facility Agent under an Erroneous Payment Deficiency Assignment) and (y) an Erroneous Payment shall not pay, prepay, repay, discharge or otherwise satisfy any Secured Amounts owed by the Borrower or any Guarantor; provided that this Section 4.6 shall not be interpreted to increase (or accelerate the due date for), or have the effect of increasing (or accelerating the due date for), the obligations of the Borrower relative to the amount (and/or timing for payment) of the obligations that would have been payable had such Erroneous Payment not been made by the Facility Agent; provided, further, that for the avoidance of doubt, immediately preceding clauses (x) and (y) shall not apply to the extent any such Erroneous Payment is, and solely with respect to the amount of such Erroneous Payment that is, comprised of funds received by the Facility Agent from the Borrower for the purpose of making such Erroneous Payment.

(f) To the extent permitted by applicable law, no Payment Recipient shall assert any right or claim to an Erroneous Payment, and hereby waives, and is deemed to waive, any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim by the Facility Agent for the return of any Erroneous Payment received, including, without limitation, any defense based on “discharge for value” or any similar doctrine.

(g) Each party’s obligations, agreements and waivers under this Section 4.6 shall survive the resignation or replacement of the Facility Agent, any transfer of rights or obligations by, or the replacement of, a Lender, the termination of the Commitments and/or the repayment, satisfaction or discharge of all Secured Amounts (or any portion thereof) under any Operative Document.

Section 4.7 Facility Agent as Lender. Nothing contained in this Article IV: (a) shall diminish in any respect any duties or obligations, or enhance in any respect any rights, of the Facility Agent as a Lender under this Credit Agreement or any other Operative Document or (b) shall diminish in any respect any rights, or enhance in any respect any duties or obligations, of the Borrower or the Security Trustee under this Credit Agreement or any other Operative Document.

ARTICLE V

EXTENT OF INTEREST OF LENDERS

Section 5.1 Interest of Lenders. A Lender shall have no further interest in, or other right with respect to, the Collateral when and if all amounts due and owing to it under this Credit Agreement and the other Operative Documents shall have been paid in full.

ARTICLE VI

BORROWER'S REPRESENTATIONS, WARRANTIES AND INDEMNITIES

Section 6.1 Representations and Warranties of Borrower. The Borrower represents and warrants on the date hereof and on each Funding Date (as well as, in the case of the representations and warranties in Sections 6.1(k), (m), (n) and (o) on each other Payment Date) that:

(a) the Borrower is a limited liability company duly formed and validly existing in good standing under the laws of the State of Nevada, has the limited liability company power and authority to own or hold under lease its properties and to enter into and perform its obligations under the Operative Documents to which it is a party and is duly qualified to do business as a foreign corporation in good standing in each state in which failure to so qualify would have a material adverse effect on the consolidated financial condition of the Borrower and its subsidiaries, considered as a whole;

(b) the execution, delivery and performance by the Borrower of this Credit Agreement and the other Operative Documents to which the Borrower is a party have been duly authorized by all necessary corporate action on the part of the Borrower, do not require any stockholder approval or approval or consent of any trustee or holder of any indebtedness or obligations of the Borrower, except such as have been duly obtained and are in full force and effect, and do not contravene any law, governmental rule, regulation, judgment or order binding on the Borrower or the Certificate of Formation or Limited Liability Company Agreement of the Borrower or contravene or result in a breach of, or constitute a default under, or result in the creation of any Lien (other than as permitted under the Security Agreement) upon the property of the Borrower under, any indenture, mortgage, contract or other agreement to which the Borrower is a party or by which it or any of its properties may be bound or affected;

(c) neither the execution and delivery by the Borrower of this Credit Agreement and the other Operative Documents to which it is a party, nor the consummation by the Borrower of any of the transactions contemplated hereby or thereby, requires the consent or approval of, the giving of notice to, the registration with or the taking of any other action in respect of any Federal, state or foreign governmental authority or agency, except for (i) the filing of a financing statement (as provided for in Section 3.1(c)) with respect to the security interests created by the Security Agreement under the Uniform Commercial Code of Nevada (and continuation statements at periodic intervals), (ii) such action, as a result of any act or omission by the Original Lenders or any of their respective Affiliates, as may be required under the United States federal securities laws or the securities or other laws of any state thereof or any other jurisdiction applicable to offers and sales of the Loans or interests therein or similar instruments and (iii) such action required of Borrower or Guarantor under the United States federal securities laws or the securities or other laws of any state thereof;

(d) this Credit Agreement and each other Operative Document to which the Borrower is a party have been duly executed and delivered by the Borrower and constitute legal, valid and binding obligations of the Borrower enforceable against the Borrower in accordance with their terms, except as the same may be limited by bankruptcy, insolvency,

reorganization, moratorium or other similar laws affecting the rights of creditors generally and by general principles of equity and except, in the case of the Security Agreement, as limited by applicable laws that may affect the remedies provided in the Security Agreement, which laws, however, do not make the remedies provided in the Security Agreement inadequate for the practical realization of the rights and benefits intended to be provided thereby;

(e) the Borrower is not an investment company or a company controlled by an investment company within the meaning of the Investment Company Act of 1940, as amended;

(f) neither the Borrower nor any Person authorized to act on its behalf (it being agreed that no Lender is authorized to act on the Borrower's behalf for this purpose) has directly or indirectly offered any interest in the Loans for sale to, or solicited any offer to acquire any of the same from, in a manner that would violate the Securities Act;

(g) there are no pending or (to the best of the Borrower's knowledge) threatened actions or proceedings before any court, arbitrator or administrative agency which individually (or in the aggregate in the case of any group of related lawsuits) is expected to have a material and adverse effect on the financial condition of the Borrower or the ability of the Borrower to perform its obligations under the Operative Documents to which it is a party and no nationalization or expropriation of all or substantially all of the assets of the Borrower;

(h) each of the Manufacturer Agreements is in full force and effect, no default (however defined in such Manufacturer Agreement) is continuing under a Manufacturer Agreement which would give the Manufacturer or the Engine Manufacturer the right to terminate such Manufacturer Agreement and, to the knowledge of the Borrower, neither the Manufacturer nor the Engine Manufacturer is in default of its obligations thereunder. Except for Permitted Liens or as otherwise contemplated by the Operative Documents, the Borrower has not assigned or granted any Lien in its rights under either Manufacturer Agreement in respect of any of the Aircraft or the Engines;

(i) the Borrower has filed or caused to be filed all federal, state, local and foreign tax returns which are required to be filed and has paid or caused to be paid or provided adequate reserves for the payment of all Taxes shown to be due and payable on such returns or on any assessment received by the Borrower, to the extent that such Taxes have become due and payable, except (i) except to the extent being contested in good faith and by appropriate proceedings and for the payment of which adequate reserves have been provided in accordance with GAAP or (ii) such returns or Taxes as to which the failure to file or pay, as the case may be, could not be reasonably expected to materially and adversely affect the assets, operations or financial condition, of the Borrower;

(j) none of the written information furnished by or on behalf of the Borrower to the Facility Agent or any Lender in connection with the negotiation of this Agreement or the other Operative Documents delivered hereunder or thereunder (as modified or supplemented by other information so furnished) contains any material misstatement of fact or

omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made and taken as a whole, not misleading;

(k) payment to the Manufacturer of the Loan proceeds [...***...] will, to the extent of such payment, satisfy the PDP obligations of the Borrower to the Manufacturer;

(l) on and from the Closing Date the Collateral will be free and clear of all Liens (except Liens contemplated by the Security Agreement and Permitted Liens);

(m) no action has been taken or event has occurred that increases the amount payable by the Lenders to purchase the Aircraft following enforcement above the Net Purchase Price (excluding BFE);

(n) the information in Schedule II, as updated from time to time pursuant to Section 11.1(g) is accurate and correct;

(o) there are no provisions in the unassigned portions of the Manufacturer Agreements which will adversely affect (i) the Collateral, or (ii) the Lenders' right to purchase each Aircraft for an amount not to exceed the Net Purchase Price (excluding BFE); and

(p) (i) the Borrower is not acting for any Sanctioned Person in connection with this Credit Agreement and the other Operative Documents; (ii) none of (x) the Borrower, or (y) to the knowledge of the Borrower, any agent, subsidiary or Affiliate of the Borrower that will act in any capacity in connection with or benefit from the transactions contemplated hereby, is a Sanctioned Person; and (iii) neither any Funding advanced on the date this representation is being made or repeated nor the use of proceeds of such Funding will cause a violation by the Borrower of Anti-Corruption Laws applicable to the Borrower and its Affiliates, AML Laws applicable to the Borrower and its Affiliates or applicable Sanctions.

Section 6.2 General Indemnity. (a) **Claims Defined.** For the purposes of this Section 6.2, "**Claims**" shall mean any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs or expenses of whatsoever kind and nature (whether or not on the basis of negligence, strict or absolute liability or liability in tort) that may be imposed on, incurred by, suffered by or asserted against an Indemnitee, as defined herein, and, except as otherwise expressly provided in this Section 6.2, shall include all reasonable out-of-pocket costs, disbursements and expenses (including reasonable out-of-pocket legal fees and expenses) of an Indemnitee in connection therewith or related thereto.

(b) **Indemnitee Defined.** For the purposes of this Section 6.2, "**Indemnitee**" means each Lender, the Facility Agent, the Security Trustee and their respective successors and permitted assigns, agents and servants, officers, employees and directors (the respective agents, servants, officers, employees and directors of each of the foregoing Indemnities, as applicable, together with such Indemnitee, being referred to herein collectively as the "**Related Indemnitee Group**" of such Indemnitee); *provided* that such Persons shall, to the extent they are not signatories to this Credit Agreement, have expressly agreed in writing to be bound by the terms of this Section 6.2 prior to, or concurrently with, the making of a Claim

hereunder. If an Indemnitee fails to comply with any duty or obligation under this Section 6.2 with respect to any Claim, such Indemnitee shall not, to the extent such failure was prejudicial to the Borrower, be entitled to any indemnity with respect to such Claim under this Section 6.2.

(c) Claims Indemnified. Subject to the exclusions stated in subsection (d) of this Section 6.2, the Borrower agrees to indemnify, protect, defend and hold harmless each Indemnitee against Claims resulting from or arising out of (i) this Credit Agreement, the Security Agreement or any other Operative Document or any of the transactions contemplated hereby or thereby and (ii) any breach of or failure to perform or observe, or any other non-compliance with, any covenant, condition or agreement or other obligation to be performed by the Borrower under any of the Operative Documents, or the falsity of any representation or warranty of the Borrower in any of the Operative Documents.

(d) Claims Excluded. The following are excluded from the Borrower's agreement to indemnify an Indemnitee under this Section 6.2:

(i) Any Claim to the extent such Claim is attributable to acts or events occurring (x) after the Loans shall have been paid in full and the Commitments have been permanently terminated or (y) with respect to any Eligible Aircraft and its related Collateral, after the same has been released from the Lien of the Security Agreement pursuant to the terms thereof;

(ii) Any Claim to the extent such Claim is, or is attributable to, a Tax, whether or not the Borrower is required to indemnify therefor under Section 2.3;

(iii) Any Claim to the extent such Claim is attributable to the gross negligence or willful misconduct of such Indemnitee or such Indemnitee's Related Indemnitee Group;

(iv) Any Claim to the extent such Claim is attributable to the noncompliance by such Indemnitee or such Indemnitee's Related Indemnitee Group with any of the terms of, or any misrepresentation by such Indemnitee or such Indemnitee's Related Indemnitee Group contained in, this Credit Agreement or any other Operative Document to which such Indemnitee or any of such Related Indemnitee Group is a party or any agreement relating hereto or thereto;

(v) Any Claim to the extent such Claim constitutes a Permitted Lien which, if Of Record, ranks junior in priority to the Lien of the Security Agreement;

(vi) Any Claim to the extent such Claim is attributable to the offer, sale, assignment, transfer, participation or other disposition (whether voluntary or involuntary) by or on behalf of such Indemnitee of any of the Loans or all or any part of such Indemnitee's interest in the Operative Documents (other than a transfer by such Indemnitee of its interest in the Collateral pursuant to Article V of the Security Agreement);

(vii) Any Claim to the extent such Claim is attributable to a failure on the part of the Security Trustee to distribute in accordance with this Credit Agreement or the Security Agreement any amounts received and distributable by it thereunder;

(viii) Any Claim to the extent such Claim is attributable to the authorization or giving or withholding by such Indemnitee of any future amendments, supplements, waivers or consents with respect to any of this Credit Agreement and the other Operative Documents, other than such as have been requested in writing by the Borrower, or such as are expressly required or contemplated by the provisions of the Operative Documents;

(ix) Any Claim to the extent payable or borne by a Person other than the Borrower pursuant to Section 8.1(a) or pursuant to any other provision of this Credit Agreement or any other Operative Document;

(x) Any Claim to the extent such Claim is an ordinary and usual operating or overhead expense (other than such expenses caused directly by the occurrence of an Event of Default); and

(xi) Any Claim to the extent such Claim is attributable to a failure on the part of the Facility Agent to perform its obligations under Section 4.1 hereunder.

(e) Insured Claims. In the case of any Claim indemnified by the Borrower hereunder that is covered by a policy of insurance maintained by the Borrower, each Indemnitee agrees to cooperate, at the Borrower's expense, with the insurers in the exercise of their rights to investigate, defend or compromise such Claim as may be required to retain the benefits of such insurance with respect to such Claim.

(f) Claims Procedure. An Indemnitee shall promptly notify the Borrower of any Claim as to which indemnification is sought; *provided* that the failure to provide such prompt notice shall not release the Borrower from any of its obligations to indemnify hereunder, except to the extent that the Borrower is prejudiced by such failure or the Borrower's indemnification obligations are increased as a result of such failure to the extent of such increase. Such Indemnitee shall promptly submit to the Borrower, at the Borrower's expense, such additional information in such Indemnitee's possession as the Borrower shall reasonably request to substantiate such request for payment to the Borrower. Subject to the rights of insurers under policies of insurance maintained by the Borrower, the Borrower shall have the right, at its sole cost and expense, to investigate, and the right in its sole discretion to defend or compromise, any Claim for which indemnification is sought under this Section 6.2 (*provided* that in no event shall the right of any Indemnitee under this Section 6.2 be adversely affected thereby), and, at the Borrower's expense, the Indemnitee shall cooperate with all reasonable requests of the Borrower in connection therewith. Such Indemnitee shall not enter into a settlement or other compromise with respect to any Claim without the prior written consent of the Borrower, which consent shall not be unreasonably withheld or delayed, unless such Indemnitee waives its right to be indemnified with respect to such Claim under this

Section 6.2. Where the Borrower or the insurers under a policy of insurance maintained by the Borrower undertake the defense of an Indemnatee with respect to a Claim, no additional legal fees or expenses of such Indemnatee in connection with the defense of such Claim shall be indemnified hereunder unless such fees or expenses were incurred at the written request of the Borrower or such insurers; *provided, however*, that if in the written opinion of counsel to such Indemnatee an actual or potential material conflict of interest exists where it is advisable for such Indemnatee to be represented by separate counsel, then the reasonable fees and expenses of any such separate counsel shall be borne by the Borrower. Subject to the requirements of any policy of insurance, an Indemnatee may participate at its own expense in any judicial proceeding controlled by the Borrower pursuant to the preceding provisions; *provided* that such party's participation does not, in the opinion of the counsel appointed by the Borrower or its insurers to conduct such proceedings, interfere with such control; and such participation shall not constitute a waiver of the indemnification provided in this Section 6.2. Notwithstanding anything to the contrary contained herein, the Borrower shall not under any circumstances be liable for the fees and expenses of more than one counsel for all Indemnitees.

(g) Subrogation. To the extent that a Claim indemnified by the Borrower under this Section 6.2 is in fact paid in full by the Borrower or an insurer under a policy of insurance maintained by the Borrower, the Borrower or such insurer, as the case may be, shall, without any further action, be subrogated to the rights and remedies of the Indemnatee on whose behalf such Claim was paid (other than rights of such Indemnatee under insurance policies maintained at its own expense) with respect to the transaction or event giving rise to such Claim. Such Indemnatee shall give such further assurances or agreements and shall cooperate with the Borrower or such insurer, as the case may be, to permit the Borrower or such insurer to pursue such rights and remedies, if any, to the extent reasonably requested by the Borrower and at the Borrower's expense. So long as no Event of Default shall have occurred and be continuing, should an Indemnatee receive any payment from any party other than the Borrower or its insurers, in whole or in part, with respect to any Claim paid by the Borrower or such insurers hereunder, it shall promptly pay over to the Borrower the amount received (but not an amount in excess of the amount the Borrower or any of its insurers has paid in respect of such Claim). Subject to Section 10.1 of the Security Agreement, any amount referred to in the preceding sentence that is payable to the Borrower shall not be paid to the Borrower, or, if it has been previously paid directly to the Borrower, shall not be retained by the Borrower, if at the time of such payment an Event of Default shall have occurred and be continuing, but shall be paid to and held by the Security Trustee as security for the obligations of the Borrower under this Credit Agreement, the Security Agreement and the other Operative Documents, and shall be applied against the Borrower's obligations hereunder and thereunder when and as they become due and payable and, at such time as there shall not be continuing any such Event of Default, such amount, to the extent not previously so applied against the Borrower's obligations, shall be paid to the Borrower.

(h) No Guaranty. Nothing set forth in this Section 6.2 shall constitute a guarantee by the Borrower that any Aircraft, or any other Collateral, shall at any time have any particular value, useful life or residual value. Each of the Lenders agrees that the provisions of Section 2.10 constitute its sole remedy for the reimbursement of Increased Costs described therein and that nothing in this Section 6.2 shall constitute an indemnity for any Increased Cost or any cost or loss or reduction in rate of return in the nature of an Increased Cost.

(i) Payments; Interest. Any amount payable to any Indemnitee pursuant to this Section 6.2 shall be paid within 30 days after receipt of a written demand therefor from such Indemnitee accompanied by a written statement describing in reasonable detail the Claims that are the subject of and basis for such indemnity and the computation of the amount payable. Any payments made pursuant to this Section 6.2 directly to an Indemnitee or to the Borrower, as the case may be, shall be made in immediately available funds at such bank or to such account as is specified by the payee in written directions to the payor or, if no such directions shall have been given, by check of the payor payable to the order of the payee and mailed to the payee by certified mail, return receipt requested, postage prepaid to its address referred to in Section 12.1.

(j) The provisions of this Section 6.2 shall survive the repayment of the Loans, the expiration or termination of the Commitments, or the termination of this Credit Agreement or any provision hereof.

ARTICLE VII

REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE SECURITY TRUSTEE AND THE FACILITY AGENT

Section 7.1 Representations, Warranties and Covenants of the Security Trustee. The Security Trustee represents, warrants and covenants that:

(a) it is a corporation duly organized and validly existing and in good standing under the laws of Utah and has the full corporate power, authority and legal right under the laws of Utah and the laws of the United States governing its banking, trust and fiduciary powers to execute, deliver and carry out the terms of each of the Operative Documents to which it is a party;

(b) the execution, delivery and performance by it of this Credit Agreement and each of the other Operative Documents to which it is a party have been duly authorized by all necessary corporate action on its part, and neither its execution and delivery thereof nor its performance of any of the terms and provisions thereof will violate any law or regulation of the State of Utah or any federal law or regulation of the United States governing its banking or trust powers or any order or judgment applicable to it or contravene or result in any breach of, or constitute any default under, its corporate charter or by-laws or the provisions of any indenture, mortgage, contract or other agreement to which it is a party or by which it or its properties may be bound or affected;

(c) this Credit Agreement and each other Operative Document to which it is a party have been duly executed and delivered by it and each constitutes its legal, valid and binding obligation enforceable against it in accordance with its terms; and

(d) it shall not cause or permit to exist any Security Trustee Lien, and it agrees that it will, at its own cost and expense, promptly take such action as may be necessary to discharge and satisfy in full any such Security Trustee Lien; and it shall indemnify, protect, defend and hold harmless each Indemnitee (as defined in Section 6.2(b)) and the

Borrower against Claims in any way resulting from or arising out of a breach by it of its obligations under this Section 7.1(d); *provided* that, notwithstanding the foregoing provisions of this subsection (d) or any other provisions of the Operative Documents, the Security Trustee shall not be liable for, or otherwise required to incur, monetary damages resulting from Security Trustee Liens described in subsection (iii), (v) or (vi) of the definition of Security Trustee Liens, but shall be required to take all actions to lift the Liens resulting from the causes set forth in such subsections if it receives indemnification from the Borrower or another party with regard to the lifting of such Liens.

Section 7.2 Reporting Covenant of the Facility Agent. The Facility Agent agrees to provide to each Lender, no later than the third Funding Business Day prior to each Funding Date and (for information under Sections 7.2(b), (c) and (d)) each Payment Date that is not a Funding Date:

- (a) any Borrowing Notice [...***...] received for such Funding Date or notice of any prepayment to be received on such Funding Date pursuant to Section 2.8(b) or (d);
- (b) any [...***...] for such Payment Date;
- (c) the respective Funding allocations of each Lender for such Funding Date or amounts subject to prepayment on such date; and
- (d) confirmation that the information contained in the report furnished by the Manufacturer pursuant to Section 5.6.1 of the Manufacturer's Consent is consistent with the records of the Facility Agent.

ARTICLE VIII

OTHER COVENANTS

Section 8.1 Other Covenants. (a) The Borrower agrees promptly to pay (i) the initial and annual fees of the Security Trustee and other expenses as separately set forth in writing between Borrower and the Security Trustee in connection with the transactions contemplated hereby, (ii) the Facility Agent Fees and (iii) the following expenses of the Original Lenders in connection with the structuring, negotiation, preparation, execution and delivery of this Credit Agreement, the other Operative Documents and the other documents or instruments referred to herein or therein:

- (x) the reasonable fees, expenses and disbursements of Vedder Price P.C., special New York counsel for the Original Lenders and the Facility Agent as separately agreed;
- (y) all fees, Taxes (including license, documentary, stamp, excise and property taxes) and other charges payable in connection with the recording or filing of instruments and financing statements; and

(z) the reasonable fees, expenses and disbursements of joint counsel to the Facility Agent, the Security Trustee and the Lenders in any applicable jurisdiction in connection with any amendment, waiver or modification (to the extent requested by a party other than the Facility Agent, the Security Trustee and the Lenders and not associated with the syndication of the Loans or the Commitments or the sale of participation interests therein) and administration of the Operative Documents (any travel expenses of which Borrower has received prior notice and as consented to by the Borrower).

Each Lender agrees that it shall bear its own costs and expenses, and shall pay the reasonable out-of-pocket expenses (including, without limitation, legal fees) of the Borrower and the other parties to the Operative Documents, in connection with any of the transactions contemplated in Section 8.1(d) or Section 8.1(e).

(b) Each Lender hereby unconditionally agrees with and for the benefit of the parties to this Credit Agreement that it will not directly or indirectly create, incur, assume or suffer to exist any Lender Liens, and such Lender agrees that it will, at its own cost and expense, promptly take such action as may be necessary to discharge and satisfy in full any such Lender Lien; and such Lender hereby agrees to indemnify, protect, defend and hold harmless the Borrower, the Security Trustee and any other Lenders against Claims in any way resulting from or arising out of a breach by it of its obligations under this Section 8.1(b).

(c) The Security Trustee agrees that it will not impose any lifting charge, cable charge, remittance charge or any other charge or fee on any transfer by the Borrower of funds to, through or by it pursuant to any Operative Document, except as may be otherwise agreed to in writing by the Borrower (in which case such charge or fee shall be for the Borrower's account).

(d) Subject to the provisions of this Section 8.1(d), each Lender may assign its Loans or Commitments, in whole or in part (any such sale, assignment, pledge or transfer hereinafter referred to as an "**Assignment**"), which Assignment shall be in accordance with Section 2.6 and effected pursuant to a transfer agreement substantially in the form of Exhibit B (a "**Transfer Supplement**"); provided that there may be no more than ten Lenders at any one time. In addition, a Lender may effect an Assignment (so long as Borrower has no financial or other obligations under Section 2.3, Section 6.2, Section 2.10 and Section 2.12 in respect of such transferee that are greater than the financial or other obligations that would be owed to the transferor on the basis of law, regulation, directive, concession, guideline, request or requirement in effect on the date of such assignment or transfer, if such assignment or transfer had not been made), in whole or in part, of its Commitment in respect of any Loan to any reputable financial institution (subject to the limit of ten Lenders in the preceding sentence) which is not a competitor of the Manufacturer, the Borrower or the Guarantor. While an Event of Default is not continuing, any Assignment shall require the consent of the Borrower, except any Assignment to (1) a Lender, (2) an Affiliate of a Lender, (3) any other bank or financial institution (including an insurance company, including an Affiliate thereof), (4) a single purpose company established by (or on behalf of) any Lender; provided that the obligations of such company are guaranteed by an entity which has a credit rating of at least BBB+ by Standard & Poors or similar rating agency and there is no change in Facility Agent, (5) any member of the

European System of Central Banks, and there is no change in Facility Agent, (6) any trust, fund (except for any hedge fund) or other entity which is regularly engaged in or established for the purpose of making, purchasing or investing in loans, securities or other financial assets guaranteed by an entity which has a credit rating of at least BBB+ by Standard & Poors or similar rating agency and there is no change in Facility Agent, or (7) an asset fund and there is no change in Facility Agent, provided that (x) no transferee, assignee or participant which is not a "Lender" shall have any rights of a Lender under the Operative Documents, (y) no transfer may be made to an airline or any company holding a controlling interest in an airline based in and with operations in the United States; and (z) such transfer shall not result in a violation of any applicable Sanctions. Effective upon the assignment of any Commitment, the assigning Lender shall be relieved of its obligations in respect of such Commitment to the extent the assignee thereof shall have become obligated in respect thereof. Any purported assignment of a Loan Certificate, Loan or Commitment in violation of this Section 8.1(d) shall be null and void. No Lender shall grant a participation (including, without limitation, a "risk participation") in any Commitments or Loans (any such participation, a "**Participation**") except in accordance with Section 8.1(e).

(e) Each Lender agrees for the benefit of the Borrower that it will not grant any Participation in or to all or a portion of its rights and obligations in respect of the Commitments or Loans and any amounts from time to time payable to it in respect thereof, unless all of the following conditions are satisfied: (i) such Participation is made in accordance with all applicable laws, including, without limitation, the Securities Act, the Trust Indenture Act and any other applicable laws relating to the transfer of similar interests and (ii) such Participation shall not be made under circumstances that require registration under the Securities Act or qualification of any indenture under the Trust Indenture Act. Notwithstanding any such Participation, such Lender agrees that (1) such Lender's obligations under the Operative Documents shall remain unchanged, and such participant shall have no rights or benefits as against the Borrower or the Collateral or under any Operative Document, (2) such Lender shall remain solely responsible to the other parties to the Operative Documents for the performance of such obligations, (3) such Lender shall remain the holder of the relevant Commitments and/or Loans, and the other parties to the Operative Documents shall continue to deal solely and directly with such Lender in connection with such Commitments and/or Loans and such Lender's rights and obligations under the Operative Documents, (4) such Lender shall be solely responsible for any withholding Taxes or any filing or reporting requirements relating to such Participation and shall hold the Borrower and the Security Trustee and their respective successors and permitted assigns harmless against the same and (5) the Borrower shall not be required to pay to any Lender any amount under Section 2.3, Section 6.2, Section 2.10 and Section 2.12 greater than it would have been required to pay had there not been any grant of a Participation by such Lender. Each participant agrees to be subject to the requirements of Section 2.3(d) (it being understood that the documentation required under Section 2.3(d) shall be delivered to the participating Lender). Each Lender may, in connection with any Participation or proposed Participation pursuant to this Section 8.1(e), disclose to the participant or proposed participant any information relating to the Operative Documents or to the parties thereto furnished to such Lender thereunder or in connection therewith and permitted to be disclosed by such Lender; *provided, however*, that prior to any such disclosure, the participant or proposed participant shall agree in writing for the express benefit of the Borrower to preserve the confidentiality of any confidential information included therein (subject to customary exceptions). Each Lender that sells a Participation in a

Loan or Commitment shall, acting solely for this purpose as an agent of the Borrower, maintain a register on which it enters the name and address of each participant and the principal amounts (and stated interest) of each participant's interest in the Loan or Commitment (the "**Participant Register**"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any participant or any information relating to a participant's interest in a Loan or the Commitment) to any Person except to the extent such disclosure is necessary to establish that such Loan is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement and the Operative Documents notwithstanding any notice to the contrary. For the avoidance of doubt, the Security Trustee (in its capacity as Security Trustee) shall have no responsibility for maintaining a Participant Register.

(f) Each of the Lenders and the Security Trustee agrees that it will not disclose or suffer to be disclosed the terms of the Operative Documents or any other non-public information provided to it pursuant to or in connection with the Operative Documents or the transactions contemplated thereby to anyone other than (i) their respective, auditors, accountants, agents and legal counsel that, in each case, have a need to know, (ii) their respective bank examiners and any other financial supervisory bodies, (iii) any Person with whom any Lender is in good faith conducting negotiations relating to the possible transfer, sale or other disposition of such Lender's Loans or any participations therein (and their respective advisors and counsel), if such Person shall have entered into an agreement for the express benefit of the Borrower to hold (and to cause such Person's respective advisors and counsel to hold) such terms confidential in accordance with the provisions of this Section and (iv) the Manufacturer and the Engine Manufacturer, and except as may be required to enforce the terms hereof or thereof or by an order of any court or administrative agency or by any statute, rule, regulation or order of any governmental authority.

(g) Each of the Lenders and the Security Trustee agrees that if the Security Trustee receives payment of any PDP or other amount from the Manufacturer, the Engine Manufacturer or any of their respective Affiliates with respect to any Aircraft, then, so long as no Event of Default is then continuing and the release of such amounts is not conditioned upon the prepayment of any Loans pursuant to Section 2.8(b), (c) or (d), it shall promptly remit to the Borrower, in immediately available funds, the full amount of such payment.

(h) If at any time any Lender becomes a Defaulting Lender, then the Borrower may, on ten Business Days' prior written notice to the Security Trustee and such Lender, (i) terminate such Lender's Commitment, or prepay such Lender's outstanding Loans, as applicable, or (ii) replace such Lender by causing such Lender to (and such Lender shall be obligated to) assign pursuant to Section 8.1(d) all of its rights and obligations under this Credit Agreement and the other Operative Documents to one or more assignees.

(i) In addition to the assignments and participations permitted under the foregoing provisions of this Section 8.1, any Lender may assign and pledge all or any portion of its Loans to any Federal Reserve Bank as collateral security pursuant to Regulation A and any operating circular issued by such Federal Reserve Bank, any European central bank or any other bank or

other financial institution or authority in connection with a programmatic financing by such Lender of certain of its assets. No such assignment shall release the assigning Lender from its obligations hereunder.

ARTICLE IX

OTHER DOCUMENTS

Section 9.1 Other Documents. By its execution of this Credit Agreement or a Transfer Supplement pursuant to and in accordance with Section 8.1(d), each Lender unconditionally agrees for the benefit of the Borrower and the Security Trustee to be bound by and to perform and comply with all of the terms of this Credit Agreement and the other Operative Documents applicable to such Lender.

ARTICLE X

CONDITIONS PRECEDENT TO BORROWER'S OBLIGATIONS

Section 10.1 Conditions Precedent to Borrower's Obligations on Closing Date.
(a) The Borrower's obligation to draw the first Funding on the Closing Date is subject to the fulfillment (or waiver by the Borrower) prior to or on the Closing Date of the following conditions precedent:

(i) the documents referred to in Section 3.1(b) shall have been duly authorized, executed and delivered by the respective party or parties thereto (other than the Borrower), shall be in full force and effect and copies thereof shall have been delivered to the Borrower, and the Borrower shall have received such documents and evidence with respect to the Security Trustee as the Borrower may reasonably request in order to establish the consummation of the transactions contemplated by this Credit Agreement, the taking of all corporate and other proceedings in connection therewith and compliance with the conditions herein set forth;

(ii) on the Closing Date the representations and warranties of the Security Trustee contained herein shall be correct as though made on and as of such date, or if such representations and warranties relate solely to an earlier date, as of such earlier date;

(iii) the Borrower shall have received the opinion referred to in Section 3.1(f)(C), such opinion addressed to the Borrower or accompanied by a letter from the counsel rendering such opinion authorizing the Borrower to rely on such opinion as if it were addressed to the Borrower, and the documents referred to in Section 3.1(h);

(iv) no change shall have occurred after the date of this Credit Agreement in applicable law or regulations or interpretations thereof by appropriate regulatory authorities or any court that would make it a violation of

law or regulations for the Borrower to enter into any transaction contemplated by the Operative Documents;

(v) each of the Borrower and the Security Trustee shall have received from each Original Lender two valid completed and executed copies of Internal Revenue Service Form W-9, Form W-8ECI or Form W-8BEN-E, as the case may be (and, if necessary, Internal Revenue Service Form W-8IMY), and each of the Borrower and each Original Lender shall have received from the Security Trustee a valid completed and executed original of Internal Revenue Service Form W-9; and

(vi) no action or proceeding shall have been instituted nor shall government action be threatened before any court or governmental agency, nor shall any order, judgment or decree have been issued or proposed to be issued by any court or governmental agency at the time of the Closing Date to set aside, restrain, enjoin or prevent the completion and consummation of this Credit Agreement or the transactions contemplated hereby.

(b) In the event that (i) the foregoing conditions precedent shall not have been fulfilled on or prior to the Closing Date (or waived by the Borrower) as provided above, or (ii) an Original Lender shall not have delivered the Commitment to the Borrower on the Closing Date notwithstanding the satisfaction of the conditions (other than those within the control of such Original Lender) set forth in Section 3.1, if the Borrower so elects, this Credit Agreement shall thereupon terminate and be of no further force and effect. Promptly following the termination of this Credit Agreement, the Borrower shall notify the other parties hereto in writing of such termination and shall reimburse the Original Lenders (other than any Defaulting Lender) for any Break Funding Losses pursuant to the terms and conditions of the Borrowing Notice for the first Funding.

ARTICLE XI

CERTAIN COVENANTS OF BORROWER

Section 11.1 Certain Covenants of Borrower. The Borrower covenants and agrees with the Lenders and the Security Trustee as follows:

(a) On and after the Closing Date, the Borrower will cause to be done, executed, acknowledged and delivered such further acts, conveyances and assurances as the Security Trustee or the Facility Agent shall reasonably request for accomplishing the purposes of this Credit Agreement and the other Operative Documents; *provided* that any instrument or other document so executed by the Borrower will not expand any obligations or limit any rights of the Borrower in respect of the transactions contemplated by the Operative Documents.

(b) On and after the Closing Date, the Borrower, at its expense, will take, or cause to be taken, such action with respect to the re-recording and refiling (it being understood that counsel to the Lenders will prepare and file all required financing statements

upon execution of this Agreement) of any financing statements and any continuation statements under the UCC as are necessary to maintain, so long as the Security Agreement is in effect, the perfection of the security interests created by the Security Agreement, subject in each case, to Permitted Liens, or will furnish the Security Trustee timely notice of the necessity of such action, together with such financing statements and continuation statements, and such other information as may be required to enable the Security Trustee to take such action.

(c) The Borrower shall not enter into any agreement containing any term or provision which would cause Borrower to violate, contravene or breach its obligations hereunder and under the Security Agreement and the other Operative Documents.

(d) The Borrower agrees to apply the proceeds of each Loan for each Aircraft solely and exclusively to the direct payment or reimbursement for payment of installments of the purchase price of such Aircraft to be purchased under the Purchase Agreement.

(e) The Borrower shall at all times maintain its corporate existence except as permitted by Section 11.1(q). The Borrower will do or cause to be done all things necessary to preserve and keep in full force and effect its rights (charter and statutory) and franchises to the extent deemed necessary in the good faith judgment of the Borrower in the ordinary course of business. The Borrower shall not change its state of incorporation, corporate name or corporate status, unless and until the Borrower has provided the Security Trustee with prior written notice of such change and unless that the Borrower shall have taken all action, reasonably satisfactory to the Security Trustee, to maintain the security interest of the Security Trustee in the Collateral at all times fully perfected in full force and effect and subject to no Liens (other than Permitted Liens).

(f) The Borrower shall deliver such additional "know your customer" documentation as the Security Trustee, the Facility Agent or any Lender may require from time to time to the Security Trustee, the Facility Agent and each Lender (as applicable) upon its reasonable request based on any prevailing banking law requirements applicable to the Security Trustee, the Facility Agent or such Lender (as applicable) and on any "know your customer" rules, guidelines, practices and policies observed by the Security Trustee, the Facility Agent and/or such Lender, as applicable.

(g) (i) The Borrower shall duly perform in all material respects all of its obligations under the Manufacturer Agreements, take all actions necessary to keep the Manufacturer Agreements in full force and effect, and enforce in all material respects the Manufacturer Agreements in accordance with their terms. The Borrower shall immediately notify the Facility Agent of any payment default or any other uncured material default (whether by the Borrower or the Manufacturer or the Engine Manufacturer) under or cancellation, termination or rescission or purported or threatened cancellation, termination or rescission of any Manufacturer Agreement specifying in reasonable detail the nature of such uncured payment or material default, cancellation, rescission or termination. The Borrower shall not in any way modify, terminate, amend or make any election under a Manufacturer Agreement that would materially adversely affect the position of the Lenders with respect to the Collateral (including, without

limitation, the due date of any PDPs or the application of PDPs to the purchase price of the Aircraft, or the right to purchase each Aircraft for an amount not to exceed the Net Purchase Price (excluding BFE)). For the avoidance of doubt, (x) [...***...], and (y) [...***...].

(ii) The Borrower shall not accept delivery of any Aircraft from the Manufacturer until all outstanding Loans with respect to such Aircraft shall have been repaid in accordance with the terms thereof.

(iii) The Borrower will, at its own expense, furnish to the Facility Agent promptly upon receipt thereof copies of notices of termination and notices of default received by the Borrower from the Manufacturer or the Engine Manufacturer under or pursuant to either Manufacturer Agreement.

(iv) The Borrower will promptly furnish to the Facility Agent (A) upon a change to [...***...] set forth in Schedule II and in any event upon the issuance of the applicable, Borrowing Notice, [...***...] on or before each Payment Date, all of the information required herein by such notices and attachments thereto signed by a responsible officer, (B) upon a change to any of the other information set forth in Schedule II with respect to the matters set forth in Schedule II the then current information in respect thereof and (C) such other available information and reports regarding the Collateral as the Security Trustee may from time to time reasonably request, if the disclosure of such information and reports under this clause (C) have been consented to in advance by the Manufacturer or the Engine Manufacturer, and provided that a breach of this clause (iv)(C) shall not constitute an Event of Default until the Borrower has received not less than ten (10) days prior written notice of such breach from the Facility Agent.

(h) The Borrower shall comply with all applicable laws in connection with the Collateral under the Security Agreement and the performance of its obligations under this Agreement, and each other Operative Document to which it is a party, the non-compliance with which would have a material adverse effect on its ability to perform its obligations under the Operative Documents to which it is a party, except any applicable law the validity or applicability of which is being contested in good faith by proper proceedings promptly initiated and diligently conducted and for which such reserves or other appropriate provision, if any, as shall be required by GAAP shall have been made therefor.

(i) On and from the Closing Date, the Borrower will not directly or indirectly create, incur, assume or suffer to exist any Lien on or with respect to the Collateral, title thereto or any interest therein except Permitted Liens. The Borrower will promptly, at its own expense, take (or cause to be taken) such actions as may be necessary duly to discharge any Lien other than a Permitted Lien if the same shall arise at any time and the Borrower will make restitution to the Security Trustee for any actual loss or expense resulting from any Permitted Lien described in Section 3.1(c), (d) or (e) of the Security Agreement.

Agent: (j) The Borrower agrees to furnish to each Lender and the Facility

(i) as soon as available, but not later than 120 days after the close of each fiscal year of the Guarantor occurring after the date hereof, an audited consolidated balance sheet and related statements of the Guarantor at and as of the end of such fiscal year, together with an audited statement of income and cash flows of the Guarantor for such fiscal year, each of which shall be prepared in accordance with GAAP which shall be audited by a firm of independent public accountants of nationally recognized standing and fairly present in all material respects the consolidated financial condition and results of operation of the Guarantor as at the end of, and for, such periods in accordance with GAAP; provided that, so long as the Guarantor is subject to the reporting provisions of the Securities Exchange Act of 1934, the filing of the Guarantor's annual report on Form 10-K with the SEC will satisfy this requirement;

(ii) upon request, which request may not be made to deliver such reports prior to such reports being available, provided that such reports shall be available not later than 120 days after the close of each fiscal year of the Borrower occurring after the date hereof, an unaudited balance sheet and related statements of the Borrower at and as of the end of such fiscal year, together with an unaudited statement of income and cash flows of the Borrower for such fiscal year;

(iii) as soon as available but not later than 60 days after the close of each of the first three quarters of each fiscal year of the Guarantor, an unaudited consolidated balance sheet of the Guarantor at and as of the end of such quarter, together with an unaudited statement of income and cash flows of the Guarantor for such quarter, each of which shall be prepared in accordance with GAAP, certified by the Chief Financial Officer, or Treasurer of the Guarantor that said financial statements fairly present in all material respect the financial condition and results of operation of the Guarantor as at the end of, and for, such period in accordance with GAAP (subject to normal year-end audit adjustments); provided that; so long as the Guarantor is subject to the reporting provisions of the Securities Exchange Act of 1934, the filing of the Guarantor's quarterly report on Form 10-Q with the SEC will satisfy this requirement; and

(iv) simultaneously with the mailing thereof to its shareholders, copies of all such financial statements, reports, notices of proxy statements as the Borrower or the Guarantor shall (x) mail to its shareholders generally or (y) file with the Securities and Exchange Commission; provided that, so long as the Guarantor is subject to the reporting requirements of the Securities Exchange Act of 1934, the filing of such copies with the SEC will satisfy this requirement; and

(v) [...***...].

(k) (i) The Borrower will ensure that no proceeds of any Loan will be used knowingly by the Borrower to fund any operations in, finance any investments or activities in, or make any payments to a Sanctioned Person or a Sanctioned Country; (ii) the Borrower will not request any Loan and the Borrower shall not use, and shall procure that its Affiliates and its or their respective directors, officers, employees and agents shall not use, directly or indirectly, the proceeds of any Loan, or lend, contribute or otherwise make available such proceeds to any Person: (x) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws or AML Laws; (y) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country, or involving any goods originating in or with a Sanctioned Person or Sanctioned Country, or (z) in any manner that would result in the violation of any Sanctions by the Borrower, the Facility Agent, Security Trustee, and any Lender, and the Borrower will continue to implement and maintain in effect policies and procedures designed to ensure compliance by the Borrower and its respective directors, officers, employees and agents with applicable Anti-Corruption Laws, applicable AML Laws and applicable Sanctions; and (iii) the Borrower shall ensure that: (x) no Person that is a Sanctioned Person will have any legal or beneficial interest in any funds repaid or remitted by the Borrower to any Lender in connection with the Loans; and (y) it shall not knowingly use any revenue or benefit derived from any activity or dealing with a Sanctioned Person for the purpose of discharging amounts owing to any Lender in respect of the Loans.

(l) The Borrower shall not suspend or cease to carry on its business as an air carrier and the Borrower shall not cease to be a Certificated Air Carrier.

(m) The Borrower shall provide quarterly reports to the Facility Agent with forecasted and actual PDPs for the Aircraft.

(n) The Borrower will promptly and duly execute and deliver to the Security Trustee such further documents and take such further action as the Security Trustee may from time to time reasonably request in order to more effectively carry out the intent and purpose of the Operative Documents and to establish and protect the rights and remedies created or intended to be created in favor of the Security Trustee hereunder, including, without limitation, if requested by the Security Trustee, at the expense of Borrower, the execution and delivery of supplements or amendments to the Security Agreement, each in recordable form, in accordance with the laws of such jurisdiction as the Security Trustee may reasonably request.

(o) The Borrower agrees to furnish to each Lender and the Facility Agent promptly after the occurrence thereof and actual knowledge thereof by the Chief Financial Officer or Treasurer of the Borrower, notice to the Facility Agent of any Event of Default.

(p) The Borrower shall not consolidate with or merge into any other Person or convey, transfer or lease substantially all of its assets as an entirety to any Person, unless:

(i) the Person formed by such consolidation or into which the Borrower is merged or the Person that acquires by conveyance, transfer or lease substantially all of the assets of the Borrower as an entirety (the "**Successor**") shall execute and deliver to the Security Trustee an agreement

containing the assumption by such successor Person of the due and punctual performance and observance of each covenant and condition of the Operative Documents to which the Borrower is a party to be performed or observed by the Borrower;

(ii) immediately after giving effect to such transaction, no Event of Default shall have occurred and be continuing; and

(iii) the Borrower shall have delivered to the Security Trustee a certificate signed by a Responsible Officer of the Borrower, and an opinion of counsel to the Borrower (which may be external counsel or the Borrower's General Counsel, Deputy General Counsel or Associate General Counsel or such other internal counsel to the Borrower, which other internal counsel shall be reasonably satisfactory to a Majority in Interest of Lenders), each stating that such consolidation, merger, conveyance, transfer or lease and the assumption agreement mentioned in clause (i) comply with this Section 11.1(q) and that all conditions precedent herein provided for relating to such transaction have been complied with (except that such opinion need not cover the matters referred to in clause (ii) above and may rely, as to factual matters, on a certificate of an officer of the Borrower) and, in the case of such opinion, that such assumption agreement has been duly authorized, executed and delivered by the Successor and is enforceable against the Successor in accordance with its terms, except as the same may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the rights of creditors generally and by general principles of equity.

Upon any consolidation or merger, or any conveyance, transfer or lease of substantially all of the assets of the Borrower as an entirety, in accordance with this Section 11.1(q), the Successor shall succeed to, and be substituted for, and may exercise every right and power of, the Borrower under this Credit Agreement and the other Operative Documents with the same effect as if such Successor had been named as the Borrower herein. No such conveyance, transfer or lease of substantially all of the assets of the Borrower as an entirety shall have the effect of releasing the Borrower from its liability hereunder unless the Successor shall theretofore have become such in the manner prescribed in this Section 11.1(q).

ARTICLE XII

NOTICES

Section 12.1 Notices. Unless otherwise expressly specified or permitted by the terms hereof, all notices required or permitted under the terms and provisions hereof shall be in English and in writing, and any such notice may be given by courier service or e-mail (and in the case of email notifying of an incipient or actual Event of Default such notice shall only be validly given if such notice is followed by notice delivered by courier service dispatched promptly following delivery of such email (and dispatched not later than the next Business Day)) and any such notice shall be effective when delivered to the recipient thereof in accordance with the provisions of this Section 12.1, (a) if to the Borrower or the Security Trustee, to its

respective address (including e-mail) set forth below the signature of such party at the foot of this Credit Agreement, (b) if to an Original Lender, to its address (including e-mail) set forth on Schedule I or (c) if to any Lender other than an Original Lender, to such address as such Lender shall have designated in writing to the Borrower and the Security Trustee.

ARTICLE XIII

MISCELLANEOUS

Section 13.1 Miscellaneous. (a) To the extent permitted by applicable law, should any one or more provisions of this Credit Agreement be determined to be illegal or unenforceable by a court of any jurisdiction, such provision shall be ineffective to the extent of such illegality or unenforceability without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provision in any other jurisdiction. This Credit Agreement may be executed in any number of counterparts (and each of the parties hereto shall not be required to execute the same counterpart). Each counterpart of this Credit Agreement including a signature page executed by each of the parties hereto shall be an original counterpart of this Credit Agreement, but all of such counterparts together shall constitute one instrument. Subject to Section 9.1 of the Security Agreement, any term of this Credit Agreement may be amended and the observance of any term hereof may be waived only with the written consent of the Borrower, a Majority in Interest of Lenders and (to the extent the same affects its rights or obligations hereunder) the Security Trustee; *provided* that, without the prior written consent of each affected Lender, no such amendment or waiver of any of the terms of Section 6.2 shall adversely affect any indemnity under Section 6.2 in favor of such Lender. Any request, notice, direction, consent, waiver or other instrument or action by a Lender shall be binding upon such Lender and the permitted successors and assigns of such Lender. Any amendment or waiver effected in accordance with this Section 13.1 shall be binding upon each present and any subsequent Lender, the Security Trustee and the Borrower. The section and paragraph headings in this Credit Agreement and the table of contents preceding this Credit Agreement are for convenience of reference only and shall not modify, define, expand or limit any of the terms or provisions hereof. The terms of this Credit Agreement shall be binding upon, and shall inure to the benefit of, the Borrower and, subject to the terms of Section 11.1(q), its successors and permitted assigns, the Security Trustee and its successors as Security Trustee under the Security Agreement and each Original Lender and, subject to the terms of Section 8.1(d), its successors and permitted assigns as Lenders hereunder and under the Security Agreement. Nothing in this Credit Agreement, whether express or implied, shall be construed to give to any Person other than the Borrower, the Security Trustee, the Facility Agent and the Lenders (and their respective permitted successors and assigns) any legal or equitable right, remedy or claim under or in respect of this Credit Agreement. All payment obligations by the parties hereto under the Operative Documents shall be payable in Dollars.

(b) All representations and warranties contained herein or made in writing by the Borrower, the Security Trustee and the Lenders in connection herewith shall survive the execution and delivery of this Credit Agreement and the making available of the Commitment under this Credit Agreement.

(c) **THIS CREDIT AGREEMENT HAS BEEN DELIVERED IN THE STATE OF NEW YORK AND THIS CREDIT AGREEMENT SHALL IN ALL RESPECTS, INCLUDING ALL MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE, BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK AS APPLIED TO CONTRACTS MADE AND PERFORMED WITHIN THE STATE OF NEW YORK.**

(d) TO THE EXTENT PERMITTED BY APPLICABLE LAW, THE BORROWER, THE SECURITY TRUSTEE AND EACH LENDER HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS CREDIT AGREEMENT OR ANY OTHER OPERATIVE DOCUMENT AND FOR ANY COUNTERCLAIM THEREIN.

(e) Each of the parties hereto, to the extent it may do so under applicable law, for purposes hereof and of all other Operative Documents hereby (i) irrevocably submits itself to the non-exclusive jurisdiction of the courts of the State of New York sitting in the City and County of New York and to the non-exclusive jurisdiction of the U.S. District Court for the Southern District of New York, for the purposes of any suit, action or other proceeding arising out of this Credit Agreement, the subject matter hereof or any of the transactions contemplated hereby brought by any party or parties thereto, or their successors or permitted assigns and (ii) waives, and agrees not to assert, by way of motion, as a defense, or otherwise, in any such suit, action or proceeding, that the suit, action or proceeding is brought in an inconvenient forum, that the venue of the suit, action or proceeding is improper or that this Credit Agreement or the subject matter hereof or any of the transactions contemplated hereby may not be enforced in or by such courts.

(f) Each Original Lender agrees, and by its execution of a Transfer Supplement pursuant to and in accordance with Section 8.1(d) each other Lender shall be deemed to have agreed, that the transactions contemplated hereby constitute commercial activities carried on in the United States for purposes of the United States Foreign Sovereign Immunities Act of 1976, as amended.

(g) Each party hereto shall execute, acknowledge and deliver or shall cause to be executed, acknowledged and delivered, all such further agreements, instruments, certificates or documents, and shall do and cause to be done such further acts and things, in any case, as any other party hereto shall reasonably request in connection with the administration of, or to carry out more effectively the purposes of, or to better assure and confirm into such other party the rights and benefits to be provided under this Credit Agreement; *provided* that this sentence is not intended to impose upon the Borrower any additional liabilities not contemplated by this Credit Agreement.

Section 13.2 USA Patriot Act. Each Lender that is subject to the USA Patriot Act (title III of Pub.L.107-56 (signed into law October 26, 2001)) (the "**Act**") hereby notifies the Borrower that pursuant to the requirements of the Act, it is required to obtain, verify and record information that identifies the borrower, which information includes the name and address of the Borrower and other information that will allow such Lender to identify the Borrower in accordance with the Act.

Section 13.3 Immunity Waiver. To the extent that any Lender or any of its properties has or may hereafter acquire any right of immunity, whether characterized as sovereign immunity or otherwise, and whether under the United States Foreign Sovereign Immunities Act of 1976 (or any successor legislation) or otherwise, from any legal proceedings, whether in the United States or elsewhere, to enforce or collect upon this Credit Agreement or any other Operative Document, including, without limitation, immunity from suit or service of process, immunity from jurisdiction or judgment of any court or tribunal or execution of a judgment, or immunity of any of its property from attachment prior to any entry of judgment, or from attachment in aid of execution upon a judgment, each such Lender hereby irrevocably and expressly waives any such immunity, and agrees not to assert any such right or claim in any such proceeding, whether in the United States or elsewhere.

Section 13.4 Acknowledgement and Consent to Bail-In. Notwithstanding any other term of any Operative Document or any other agreement, arrangement or understanding between the parties to this Credit Agreement, each party hereto acknowledges and accepts that any liability of any party hereto to any other party hereto under or in connection with the Operative Documents may be subject to Bail-In Action by the relevant Resolution Authority and acknowledges and accepts to be bound by the effect of:

- (a) any Bail-In Action in relation to any such liability, including (without limitation):
 - (i) a reduction, in full or in part, in the principal amount, or outstanding amount due (including any accrued but unpaid interest) in respect of any such liability;
 - (ii) a conversion of all, or part of, any such liability into shares or other instruments of ownership that may be issued to, or conferred on, it; and
 - (iii) a cancellation of any such liability; and
- (b) a variation of any term of any Operative Document to the extent necessary to give effect to any Bail-In Action in relation to any such liability.

Section 13.5 German Foreign Trade and Payments Ordinance. In respect of each Lender that is resident in Germany (“*Inländer*”) within the meaning of Section 2 Paragraph 15 of the German Foreign Trade and Payments Act (*Außenwirtschaftsgesetz*) (and therefore subject to Section 7 of the German Foreign Trade and Payments Ordinance (*Außenwirtschaftsverordnung*, “**AWV**”)) (each a “**Restricted Lender**”), the Borrower’s representations, warranties and covenants in this Credit Agreement and the other Operative Documents related to compliance with Sanctions will only apply for the benefit of a Restricted Lender to the extent that such terms do not result in any violation of or conflict with EU Regulation (EC) 2271/96 or Section 7 of the AWV or such other similar anti-boycott statute applicable to such Restricted Lender. Solely in the event of or on the basis of any breach of any such terms which do not apply to a Restricted Lender by virtue of the foregoing sentence (but not with respect to any other breaches), the parties agree that no Restricted Lender will be entitled to:

- (i) vote for:
 - (A) giving a default notice and declaring an Event of Default to have occurred in accordance with the Operative Documents; and
 - (B) exercising the remedies in the Operative Documents; or
- (ii) assert any other right, remedy or privilege on the basis of such breach.

* * *

IN WITNESS WHEREOF, the parties hereto have caused this PDP Credit Agreement to be duly executed by their respective officers thereunto duly authorized as of the day and year first above written.

ALLEGiant AIR, LLC

By: _____
Name:
Title:

Address:
1201 North Town Center Drive
Las Vegas, Nevada 89144
Attn: Mr. Robert Neal, Sr. Vice President Corporate
Finance and Treasurer
Telephone: (702) 830-8039
Email: DebtServicing@AllegiantAir.com

BANK OF UTAH, not in its individual capacity
but solely as Security Trustee

By: _____
Name:
Title:

Address:
50 South 200 East, Suite 110
Salt Lake City, UT 84111
Attention: Corporate Trust Services
Email: corptrust@bankofutah.com

LANDESBANK HESSEN-THÜRINGEN
GIROZENTRALE, as Facility Agent

By: _____
Name:
Title:

By: _____
Name:
Title:

LANDESBANK HESSEN-THÜRINGEN
GIROZENTRALE, as an Original Lender

By: _____
Name:
Title:

By: _____
Name:
Title:

NORDDEUTSCHE LANDESBANK
GIROZENTRALE, acting through its New York
Branch, as an Original Lender

By: _____
Name:
Title:

By: _____
Name:
Title:

**SCHEDULE I to the
CREDIT AGREEMENT**

Certain Economic Terms

Applicable Margin:	[...***...] per annum
Maturity Date:	December 31, 2024
Premium:	[...***...]
<u>Original Lender</u>	<u>Commitment</u>
LANDESBANK HESSEN- THÜRINGEN GIROZENTRALE	\$[...***...]
NORDDEUTSCHE LANDESBANK GIROZENTRALE , acting through its New York Branch	\$[...***...]
<i>Address for Notices:</i>	LANDESBANK HESSEN-THÜRINGEN GIROZENTRALE , as Facility Agent and as Original Lender [...***...]
<i>Account Details:</i>	[...***...]
<i>Address for Notices:</i>	NORDDEUTSCHE LANDESBANK GIROZENTRALE , acting through its New York Branch, as an Original Lender <i>For Fundings and payments:</i> [...***...] <i>For other matters:</i> [...***...] With a copy to: [...***...]

Account Details:

[...***...]

**SCHEDULE IA to the
CREDIT AGREEMENT**

Administrative Details

The Security Trustee's account for payment shall be as set forth below or another account of the Security Trustee in the United States as the Security Trustee may designate to the Borrower in writing at least two Business Days in advance. All payments shall be made by the Borrower to the Security Trustee which shall act in the role of paying agent for all purposes hereof.

Domestic wires:

Bank of Utah

[... *** ...]

International wires:

Beneficiary Bank:

[... *** ...]

Beneficiary:

[... *** ...]

**SCHEDULE II to the
CREDIT AGREEMENT**

PREDELIVERY PAYMENT SCHEDULE

No.	Aircraft Type and MSN	[...***...] Scheduled Delivery Month*	Payment Number	PDP Payment Date	Advance Payment	Cash Contribution	Loan
1	737-MAX [...***...]	[...***...]	[...***...]	[...***...]	[...***...]	[...***...]	[...***...]
2	737-MAX [...***...]	[...***...]	[...***...]	[...***...]	[...***...]	[...***...]	[...***...]
3	737-MAX [...***...]	[...***...]	[...***...]	[...***...]	[...***...]	[...***...]	[...***...]
4	737-MAX [...***...]	[...***...]	[...***...]	[...***...]	[...***...]	[...***...]	[...***...]
5	737-MAX [...***...]	[...***...]	[...***...]	[...***...]	[...***...]	[...***...]	[...***...]
6	737-MAX [...***...]	[...***...]	[...***...]	[...***...]	[...***...]	[...***...]	[...***...]
7	737-MAX [...***...]	[...***...]	[...***...]	[...***...]	[...***...]	[...***...]	[...***...]
8	737-MAX [...***...]	[...***...]	[...***...]	[...***...]	[...***...]	[...***...]	[...***...]
9	737-MAX [...***...]	[...***...]	[...***...]	[...***...]	[...***...]	[...***...]	[...***...]
10	737-MAX [...***...]	[...***...]	[...***...]	[...***...]	[...***...]	[...***...]	[...***...]
11	737-MAX [...***...] [...***...]	[...***...]	[...***...]	[...***...]	[...***...]	[...***...]	[...***...]
12	737-MAX [...***...]	[...***...]	[...***...]	[...***...]	[...***...]	[...***...]	[...***...]
13	737-MAX [...***...]	[...***...]	[...***...]	[...***...]	[...***...]	[...***...]	[...***...]
14	737-MAX [...***...] [...***...]	[...***...]	[...***...]	[...***...]	[...***...]	[...***...]	[...***...]
15	737-MAX [...***...] [...***...]	[...***...]	[...***...]	[...***...]	[...***...]	[...***...]	[...***...]

No.	Aircraft Type and MSN	[...***...] Scheduled Delivery Month*	Payment Number	PDP Payment Date	Advance Payment	Cash Contribution	Loan
16	737-MAX [...***...] [...***...]	[...***...]	[...***...]	[...***...]	[...***...]	[...***...]	[...***...]
17	737-MAX [...***...]	[...***...]	[...***...]	[...***...]	[...***...]	[...***...]	[...***...]
18	737-MAX [...***...]	[...***...]	[...***...]	[...***...]	[...***...]	[...***...]	[...***...]
19	737-MAX [...***...]	[...***...]	[...***...]	[...***...]	[...***...]	[...***...]	[...***...]
20	737-MAX [...***...]	[...***...]	[...***...]	[...***...]	[...***...]	[...***...]	[...***...]

[...***...]

**EXHIBIT A to the
CREDIT AGREEMENT**

FORM OF [...*...]NOTICE[...***...]**

[BORROWING[...*...]]NOTICE**

Landesbank Hessen-Thüringen Girozentrale, as Facility Agent
[...***...]

Bank of Utah, not in its individual capacity but solely as Security Trustee
50 South 200 East, Suite 110
Salt Lake City, UT 84111
Attention: Corporate Trust Services
Email: corptrust@bankofutah.com
Ladies and Gentlemen:

Reference is made to the PDP Credit Agreement, dated as of September __, 2022 (the “**Credit Agreement**”), among Allegiant Air, LLC (together with its successors and permitted assigns, the “**Borrower**”), the Lenders from time to time party thereto, Landesbank Hessen-Thüringen Girozentrale, as facility agent (the “**Facility Agent**”), and Bank of Utah, not in its individual capacity but solely as security trustee (the “**Security Trustee**”). All capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Credit Agreement.

The Borrower hereby advises that:

1. The Borrower [requests a Funding pursuant to Section 2.1(c) of the Credit Agreement to finance PDPs in respect of each Eligible Aircraft with an Eligible PDP Amount listed on Schedule I hereto[...***...].
2. [...***...]The proposed Funding Date of such Funding shall be _____, 20__ (the “**Scheduled Funding Date**”). [...***...]
3. [...***...] The aggregate principal amount of the Loans to be advanced on the Scheduled Funding Date, [...***...] shall be \$_____ (the “**Funding Amount**”). [...***...] The aggregate principal amount of Loans to be advanced [...***...] are listed on Schedule [III]. [...***...] All Loans outstanding on such Payment Date are listed on Schedule [I].
4. [...***...]The Funding Amount shall be transferred on the Scheduled Funding Date, in immediately available funds, by the Lenders to the account of the Security Trustee pursuant to the following wire instructions for receipt no later than the scheduled time for the Funding determined in accordance with the Credit Agreement:

[_____] [...***...]
5. [...***...].

[...***...]Upon confirmation by the Facility Agent to the Security Trustee that the conditions precedent to the Funding have been satisfied or waived, the Security Trustee shall (i) wire the Funding Amount, in immediately available funds, for further credit to:

[_____]

and (ii) [...***...]

This Letter Agreement shall be governed by the internal laws of the State of New York.

This Letter Agreement may be executed in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts together shall constitute but one and the same instrument.

By signing and returning an original counterpart hereof, each of the Facility Agent (on behalf of itself and the other Lenders) and the Security Trustee hereby accepts and agrees to the foregoing terms and provisions of this Letter Agreement.

Very truly yours,

ALLEGiant AIR, LLC

By: _____
Title: _____

ACKNOWLEDGED AND AGREED:

**LANDESBANK HESSEN-THÜRINGEN
GIROZENTRALE**, as Facility Agent

By: _____
Title: _____

BANK OF UTAH, not in its individual
capacity but solely as Security Trustee

By: _____
Title: _____

SCHEDULE I to the
[...*...]BORROWING[...***...] NOTICE**

NEW ELIGIBLE AIRCRAFT

No.	Aircraft Type and MSN	Scheduled Delivery Month	New Loan
[]	[]	[]	\$()

**SCHEDULE II to the
[...***...]BORROWING[...***...] NOTICE**

PAYOFF AIRCRAFT

No.	Aircraft Type and MSN	Scheduled Delivery Month	Paid-Off Loan
[]	[]	[]	\$()

**SCHEDULE [I/III] to the
[...***...]BORROWING[...***...] NOTICE**

SUMMARY OF ALL LOANS AND PRICING [...*...]AFTER BORROWING[...***...]ON THE PAYMENT DATE**

No.	Aircraft Type and MSN	[...***...] Scheduled Delivery Month*	[...***...]**	Aggregate Loans	[...***...]	[...***...]	[...***...]
[]	[]	[]	[]	\$[]	\$[]	\$[]	\$[]

*[...***...]

** [...***...].

1. For each Aircraft the subject of Loans, Schedule [I] [III], sets forth [...***...].

**EXHIBIT B to
CREDIT AGREEMENT**

FORM OF TRANSFER AGREEMENT

TRANSFER AGREEMENT

TRANSFER AGREEMENT dated as of _____, _____ between
_____ (the “**Assignee**”) and _____ (the
“**Assignor**”).

RECITALS

WHEREAS, the Assignor is the Lender under the PDP Credit Agreement, dated as of September __, 2022 (as amended, modified or supplemented from time to time, the “**Credit Agreement**”) among Allegiant Air, LLC, as Borrower (the “**Borrower**”), the Lenders party thereto, Landesbank Hessen-Thüringen Girozentrale, as Facility Agent (the “**Facility Agent**”) and Bank of Utah, not in its individual capacity but solely as security trustee (the “**Security Trustee**”); and

WHEREAS, the Assignor proposes to assign to the Assignee \$ _____ of the \$ _____ of Assignor’s total Loans and \$ _____ of Assignor’s total unfunded Commitments, representing an undivided interest in ___% of Assignor’s Loans and Commitments and ___% of the total Loans and Commitments the subject of the Credit Agreement and a pro rata portion of all of the other rights and obligations of the Assignor under the Credit Agreement and the other Operative Documents (as defined below) in respect thereof, on the terms and subject to the conditions set forth herein, and the Assignee proposes to accept the assignment of such rights and obligations from the Assignor on such terms and subject to such conditions;

NOW, THEREFORE, in consideration of the foregoing and the mutual agreements contained herein, the parties hereto agree as follows:

Section 1. Definitions. Unless otherwise defined herein, terms defined in the Credit Agreement are used herein as therein defined.

Section 2. Assignment. On _____, _____ (the “**Effective Date**”), and on the terms and subject to the conditions set forth herein, the Assignor will sell, assign and transfer to the Assignee, without recourse to or representation, express or implied, by the Assignor (except as expressly set forth in Section 5), the aforementioned Loans and Commitments a pro rata portion of the rights and obligations of the Assignor under the Credit Agreement and the other Operative Documents in respect thereof (but not with respect to any indemnity or other claim, interest thereon at the Past Due Rate and any Break Funding Losses, if any, accrued and unpaid as of the Effective Date or thereafter payable to the Assignor in respect of the period prior to the Effective Date), and the Assignee shall accept such assignment from the Assignor and assume all of the obligations of the Assignor accruing from and after the Effective Date under the Credit Agreement and the other Operative Documents relating to the Assignor’s Loans on such terms and subject to such conditions. Upon the satisfaction of the conditions set forth in Section 4, (A) the Assignee shall, on the Effective Date, succeed to the rights and be obligated to perform

the obligations of a Lender under the Credit Agreement and the other Operative Documents, and (B) the Assignor shall be released from its obligations under the Credit Agreement and the other Operative Documents accrued from and after the Effective Date, in each case to the extent such obligations have been assumed by the Assignee.

Section 3. Payments. As consideration for the sale, assignment and transfer contemplated in Section 2, the Assignee shall pay to the Assignor, on the Effective Date, in lawful currency of the United States and in immediately available funds, to the account specified below its signature on the signature pages hereof, an amount equal to \$_____.

Section 4. Conditions. This Assignment Agreement shall be effective upon the due execution and delivery of this Assignment Agreement by the Assignor and the Assignee and the effectiveness of the assignment contemplated by Section 2 is subject to the receipt by the Assignor of the payment provided for in Section 3. If Assignee is a Foreign Lender, Assignee has provided the forms and certificates as required in Section 2.3(d)(ii) of the Credit Agreement.

Section 5. Representations and Warranties of the Assignor. The Assignor represents and warrants to the Assignee as follows: (a) the Assignor has full power and authority, and has taken all action necessary to execute and deliver this Assignment Agreement and any other documents required or permitted to be executed or delivered by it in connection with this Assignment Agreement and to fulfill its obligations under, and to consummate the transactions contemplated by, this Assignment Agreement, and no governmental authorizations or other authorizations are required in connection therewith, (b) the Assignor's interest in the Assignor's Loans is free and clear of any and all Liens created by or through the Assignor, (c) this Assignment Agreement constitutes the legal, valid and binding obligation of the Assignor, enforceable against the Assignor in accordance with its terms, and (d) the Assignor has received no written notice of any Event of Default having occurred and continuing on the date of execution hereof.

Section 6. Representations and Warranties of the Assignee. The Assignee hereby represents and warrants to the Assignor as follows: that (a) the Assignee has full power and authority, and has taken all action necessary to execute and deliver this Assignment Agreement and any and all other documents required or permitted to be executed or delivered by it in connection with this Assignment Agreement and to fulfill its obligations under, and to consummate the transactions contemplated by, this Assignment Agreement, and no governmental authorizations or other authorizations are required in connection therewith, (b) this Assignment Agreement constitutes the legal, valid and binding obligation of the Assignee, enforceable against the Assignee in accordance with its terms, and (c) the Assignee has fully reviewed the terms of the Operative Documents and has independently and without reliance upon the Assignor and based on such information as the Assignee has deemed appropriate, made its own credit analysis and decision to enter into this Assignment Agreement.

Section 7. Further Assurances. The Assignor and the Assignee hereby agree to execute and deliver such other instruments, and take such other action, as either party may reasonably request in connection with the transactions contemplated by this Assignment Agreement.

Section 8. Governing Law. This Assignment Agreement shall be governed by, and construed in accordance with, the law of the State of New York.

Section 9. Notices. All communications between the parties or notices in connection herewith shall be in writing, and shall be personally delivered or sent by prepaid overnight courier service, or by facsimile, addressed as set forth on the signature pages hereof. All such communications and notices shall be effective upon receipt.

Section 10. Binding Effect. This Assignment Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

Section 11. Interpretation. The headings of the various sections hereof are for convenience of reference only and shall not affect the meaning or construction of any provision hereof.

Section 12. Integration of Terms. This Assignment Agreement contains the entire agreement between the parties relating to the subject matter hereof and supersedes all oral statements and other writings with respect to the subject matter hereof.

Section 13. Counterparts. This Assignment Agreement may be executed in one or more counterparts, each of which shall be an original but all of which, taken together, shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have caused this Assignment Agreement to be executed and delivered by their duly authorized officers as of the date first above written.

[ASSIGNEE]

By _____
Name:
Title:

Address for Notices:

Wire Instructions:

[ASSIGNOR]

By _____
Name:
Title:

Address for Notices:

Wire Instructions:

**EXHIBIT C-1 to the
CREDIT AGREEMENT**

[...***...]

**EXHIBIT C-2 to the
CREDIT AGREEMENT**

[...***...]

EXECUTION COPY

****] Certain information in this document has been excluded pursuant to Regulation S-K, Item 601(b)(10). Such excluded information is not material and would likely cause competitive harm to the registrant if publicly disclosed.*

**PURCHASE AGREEMENT ASSIGNMENT
AND SECURITY AGREEMENT**

dated as of September 30, 2022

between

ALLEGIANT AIR, LLC,

and

BANK OF UTAH,

not in its individual capacity but solely as Security Trustee

Pre-Delivery Payment Financing of up to
20 Boeing 737 MAX Aircraft

TABLE OF CONTENTS

		Page
ARTICLE I	DEFINITIONS.....	1
Section 1.1	Certain Definitions.....	1
ARTICLE II	SECURITY	2
Section 2.1	Grant of Security.....	2
ARTICLE III	COVENANTS AND REPRESENTATIONS OF THE BORROWER.....	5
Section 3.1	Liens.....	5
Section 3.2	[Intentionally Omitted]	6
Section 3.3	BFE	6
Section 3.4	[Intentionally Omitted]	7
Section 3.5	Amendments to Purchase Agreement.....	7
Section 3.6	Representations.....	8
ARTICLE IV	RECEIPT, DISTRIBUTION AND APPLICATION OF INCOME FROM THE COLLATERAL	9
Section 4.1	Application of Income from the Collateral.....	9
ARTICLE V	EVENTS OF DEFAULT; REMEDIES OF THE SECURITY TRUSTEE UPON AN EVENT OF DEFAULT	10
Section 5.1	Event of Default.....	10
Section 5.2	Remedies.....	12
Section 5.3	Remedies Cumulative	14
Section 5.4	Discontinuance of Proceedings.....	14
Section 5.5	Waiver of Past Defaults	14
ARTICLE VI	DUTIES OF THE SECURITY TRUSTEE	14
Section 6.1	Notice of Event of Default; Action Upon Event of Default	14
Section 6.2	Action Upon Instructions.....	15
Section 6.3	Indemnification.....	15
Section 6.4	No Duties Except as Specified in Security Agreement or Instructions.....	16
Section 6.5	No Action Except Under Security Agreement or Instructions	16
Section 6.6	Reports, Notices, Etc.....	16

TABLE OF CONTENTS
(continued)

	Page
ARTICLE VII THE SECURITY TRUSTEE.....	16
Section 7.1 Acceptance of Trusts and Duties	16
Section 7.2 Absence of Duties	16
Section 7.3 No Representations or Warranties as to the Documents.....	17
Section 7.4 No Segregation of Moneys; No Interest	17
Section 7.5 Reliance; Security Trustees; Advice of Counsel	17
ARTICLE VIII SUCCESSOR SECURITY TRUSTEE.....	18
Section 8.1 Resignation of Security Trustee; Appointment of Successor	18
ARTICLE IX SUPPLEMENTS AND AMENDMENTS TO THIS SECURITY AGREEMENT AND OTHER DOCUMENTS	19
Section 9.1 Supplemental Security Agreements	19
Section 9.2 Security Trustee Protected	20
Section 9.3 Documents Mailed to Lenders	20
ARTICLE X INVESTMENT OF SECURITY FUNDS	21
Section 10.1 Investment of Security Funds	21
Section 10.2 Liability for Losses	21
ARTICLE XI MISCELLANEOUS	21
Section 11.1 Partial Security Release; Termination of Security Agreement.....	21
Section 11.2 No Legal Title to Collateral in Lenders	22
Section 11.3 Sale of the Collateral by Security Trustee is Binding.....	23
Section 11.4 Benefit of Security Agreement	23
Section 11.5 [Reserved]	23
Section 11.6 Notices	23
Section 11.7 Severability	23
Section 11.8 Separate Counterparts	23
Section 11.9 Successors and Assigns; Amendments and Waivers	23
Section 11.10 Headings	24
Section 11.11 Governing Law	24
Section 11.12 Normal Commercial Relations	24

TABLE OF CONTENTS

	Page
Appendix A – Definitions	
Exhibit A – Form of Termination and Partial Release	

PURCHASE AGREEMENT ASSIGNMENT AND SECURITY AGREEMENT

This **PURCHASE AGREEMENT ASSIGNMENT AND SECURITY AGREEMENT** (this “**Security Agreement**”) dated as of September 30, 2022, is between **ALLEGIANT AIR, LLC**, a limited liability company duly formed and validly existing under the laws of the State of Nevada (together with its successors and permitted assigns, the “**Borrower**”), and **BANK OF UTAH**, not in its individual capacity but solely as Security Trustee hereunder (herein called, together with its permitted successors and permitted assigns, the “**Security Trustee**”).

W I T N E S S E T H:

WHEREAS, the Lenders (such term and other capitalized terms used herein without definition being defined as hereinafter provided) have agreed, pursuant and subject to the terms and conditions of the Credit Agreement, to make revolving loans to the Borrower to finance PDPs made or to be made to the Manufacturer with respect to the Aircraft pursuant to the Purchase Agreement; and

WHEREAS, the Borrower desires by this Security Agreement, among other things, to grant to the Security Trustee a Lien on the Collateral in accordance with the terms hereof, in trust, as security for, among other things, the Borrower’s obligations to the Lenders, for the ratable, to the extent and in the manner provided in this Security Agreement, benefit and security of the Lenders (and for the benefit of the Security Trustee); and

WHEREAS, all things necessary to make this Security Agreement a legal, valid and binding obligation of the Borrower and the Security Trustee, for the uses and purposes herein set forth, in accordance with its terms, have been done and performed and have occurred;

NOW, THEREFORE, to secure the prompt and complete payment of, among other things, all amounts payable by the Borrower under this Security Agreement and the Credit Agreement, and the performance and observance by the Borrower of, among other things, all the agreements and covenants to be performed or observed by it for the benefit of the Lenders contained in the Operative Documents, it is hereby covenanted and agreed by and between the parties hereto as follows:

ARTICLE I

DEFINITIONS

Section 1.1 Certain Definitions. For all purposes of this Security Agreement, except as otherwise expressly provided or unless the context otherwise requires:

- (a) capitalized terms used herein have the meanings set forth in Appendix A hereto or, if not therein defined, as defined in the Credit Agreement;
 - (b) the definitions stated in Appendix A and those stated in the Credit Agreement apply equally to both the singular and the plural forms of the terms defined;
-

(c) the words “herein”, “hereof” and “hereunder” and other words of similar import refer to this Security Agreement as a whole and not to any particular article, section or other subdivision;

(d) the words “including,” “including, without limitation,” “including, but not limited to,” and terms or phrases of similar import when used in this Security Agreement, with respect to any matter or thing, mean including, without limitation, such matter or thing;

(e) all references herein to articles, sections, appendices and exhibits pertain to articles, sections, appendices and exhibits in or to this Security Agreement; and

(f) “government” includes any instrumentality or agency thereof.

ARTICLE II

SECURITY

Section 2.1 Grant of Security. To secure (x) the prompt and complete payment (whether at the stated maturity, by acceleration or otherwise) of all Secured Amounts and (y) the performance and observance by the Borrower and the Guarantor of all the agreements and covenants to be performed or observed by the Borrower and the Guarantor for the benefit of the Lenders contained in the Operative Documents and in consideration of the premises and of the covenants contained herein and in the other Operative Documents and of other good and valuable consideration given to the Borrower and the Guarantor by the Security Trustee at or before the Closing Date, the receipt of which is hereby acknowledged, the Borrower does hereby grant, bargain, sell, convey, transfer, mortgage, assign, pledge and confirm unto the Security Trustee and its permitted successors and permitted assigns, for the security and benefit of the Secured Parties, a security interest in, and mortgage lien on, all estate, right, title and interest of the Borrower in, to and under, all and singular, the following described properties, rights, interests and privileges whether now owned or hereafter acquired (hereinafter sometimes referred to as the “**Collateral**”):

(a) Purchase Agreement No. 05130, dated as of December 31, 2021, between the Manufacturer and the Borrower and including certain tables, exhibits and letter agreements attached thereto, to the extent (and only to the extent) that such Purchase Agreement No. 05130 relates to the Aircraft and constitutes the “Assigned Purchase Agreement” (as defined in the Manufacturer’s Consent) (as such Purchase Agreement Number No. 05130 may be amended, supplemented further or otherwise modified from time to time in accordance with the applicable provisions thereof) (the “**Purchase Agreement**”); including (i) any and all rights of the Borrower to receive moneys due and to become due from, and any payments or proceeds payable to the Borrower from, the Manufacturer under or pursuant to the Purchase Agreement with respect to the Aircraft, (ii) any and all rights of the Borrower under any warranty provision arising under the Purchase Agreement with respect to the Aircraft as set forth in the Manufacturer’s Consent or any property included or to be included in the Aircraft, (iii) any and all rights of the Borrower to compel performance of the Purchase Agreement in respect of the Aircraft, (iv) the right to apply amounts representing the Equity Portion for an Aircraft and any Loans in respect of such Aircraft received by the Manufacturer against the Net Purchase Price

(excluding BFE) for such Aircraft and (v) to the extent permitted under the Manufacturer's Consent and the Engine Manufacturer's Consent, any and all rights of the Borrower to obtain data and demonstration and test flights under or pursuant to the Purchase Agreement with respect to the Aircraft;

(b) the right to purchase, accept delivery of and take title to the Aircraft under the Purchase Agreement and any and all property included in the Aircraft;

(c) any and all rights of the Borrower under any warranty provision arising under the General Terms Agreement with respect to the Engines included or to be included on the Aircraft;

(d) all moneys and securities now or hereafter paid or deposited or required to be paid or deposited to or with the Security Trustee by or for the account of the Borrower pursuant to any term of this Security Agreement or the Credit Agreement and held or required to be held by the Security Trustee hereunder or thereunder;

(e) subject to the Manufacturer's Consent, any BFE installed on any Aircraft;
and

(f) all proceeds of the foregoing;

PROVIDED, HOWEVER, that notwithstanding any of the foregoing provisions, so long as no Event of Default shall have occurred and be continuing, (i) each of the Secured Parties shall not (and shall not permit any of its Affiliates or other Person claiming by, through or under it to) take or cause to be taken any action contrary to the Borrower's right to quiet enjoyment of the Collateral, and to possess, use, retain and control the Collateral and all revenues, income and profits derived therefrom without hindrance and (ii) except as expressly provided in the Manufacturer's Consent, the Engine Manufacturer's Consent, the Credit Agreement and the other Operative Documents, the Borrower shall have the right, to the exclusion of the Security Trustee and the other Secured Parties, with respect to the Manufacturer Agreements, to exercise in the Borrower's name all rights and powers of the Borrower under the Manufacturer Agreements (including the right to amend or supplement the Manufacturer Agreements, to waive compliance with any of the terms thereof and to make elections and give directions thereunder) and to retain any recovery or benefit resulting from the enforcement of any provision of the Manufacturer Agreements.

TO HAVE AND TO HOLD all and singular the Collateral unto the Security Trustee, and its permitted successors and permitted assigns, forever, in trust, upon the terms and trusts herein set forth, for the ratable, to the extent and in the manner provided in this Security Agreement, benefit, security and protection of the Secured Parties from time to time and for the other uses and purposes herein set forth, subject in each case to the terms and provisions set forth in this Security Agreement, including the priority of distribution provisions set forth in Section 4.1.

It is expressly agreed that notwithstanding anything herein to the contrary, (a) the Borrower shall remain liable under the Manufacturer Agreements to perform all of its obligations thereunder, (b) the exercise by the Security Trustee of any of the rights hereunder shall not

release the Borrower from any of its duties or obligations under the contracts and agreements included in the Collateral except to the extent that such exercise by the Security Trustee constitutes performance of such duties or obligations or otherwise waives, voids or nullifies such duties or obligations and, (c) except to the extent expressly provided herein, in the Manufacturer's Consent or the Engine Manufacturer's Consent, unless the Security Trustee assumes the Borrower's rights and obligations under the Purchase Agreement or the General Terms Agreement, as the case may be, pursuant to this Security Agreement and in accordance with the Manufacturer's Consent or Engine Manufacturer's Consent, as applicable, or otherwise attempts to enforce any rights or remedies under the Purchase Agreement or General Terms Agreement, as applicable, the Security Trustee shall not have any obligation or liability under the contracts and agreements included in the Collateral by reason of this Security Agreement and the Security Trustee shall not be obligated to perform any of the obligations or duties of the Borrower thereunder or to take any action to collect or enforce any claim for payment secured hereunder. Further, the parties hereto expressly agree, subject, however, to the terms and conditions of this Security Agreement, the Manufacturer's Consent and Engine Manufacturer's Consent, that the Security Trustee shall not be entitled to exercise, and the Borrower shall be entitled to exercise, any and all of the claims, rights, powers, privileges, remedies and other benefits under or arising out of the Manufacturer Agreements unless and until an Event of Default shall have occurred and be continuing.

The Lenders and the Security Trustee confirm for the benefit of the Manufacturer and Engine Manufacturer that (except as provided in the Manufacturer's Consent and the Engine Manufacturer's Consent) nothing contained herein shall subject either the Manufacturer or Engine Manufacturer to any liability to which it would not otherwise be subject under the relevant Manufacturers Agreements or modify in any respect their contract rights of thereunder or require the Manufacturer to divest itself of title to or possession of the Aircraft until delivery thereof and payment therefor as provided in the Purchase Agreement.

The Borrower does hereby constitute and appoint the Security Trustee the true and lawful attorney of the Borrower (which appointment is coupled with an interest) with full power (in the name of the Borrower or otherwise) (i) to ask for, require, demand and receive any and all moneys and claims for moneys (in each case including insurance and requisition proceeds) due and to become due under or in connection with the Collateral, (ii) to endorse any checks or other instruments or orders in connection therewith, (iii) subject to the terms of the Manufacturer's Consent, to exercise the rights of the Borrower under the Purchase Agreement with respect to the Aircraft and (iv) to file any claims or to take any action or to institute any proceeding that the Security Trustee may deem to be necessary or advisable in the premises; provided that the Security Trustee shall not exercise any such rights except during the continuance of an Event of Default. Without limiting the provisions of the foregoing, during the continuance of any Event of Default, but subject to the terms hereof and any mandatory requirements of applicable law, the Security Trustee shall have the right under such power of attorney in its discretion to file any claim or to take any other action or proceedings, either in its own name or in the name of the Borrower or otherwise, that the Security Trustee may reasonably deem necessary or appropriate to protect and preserve the right, title and interest of the Security Trustee in and to the security intended to be afforded hereby. The Borrower hereby agrees that promptly on receipt thereof, except as otherwise contemplated by this Security Agreement or the Credit Agreement, it will transfer to the Security Trustee any and all moneys from time to time received by the Borrower

constituting part of the Collateral, for distribution by the Security Trustee pursuant to this Security Agreement.

The Borrower does hereby warrant and represent that it has not sold, assigned or pledged, and hereby covenants that it will not sell, assign or pledge, so long as this Security Agreement shall remain in effect and the Lien hereof shall not have been released pursuant to the provisions hereof, any of its estate, right, title or interest hereby assigned, to any Person other than the Security Trustee, except as expressly permitted herein or in any other Operative Document (or, in the case of a prior assignment or pledge, as to which the same has been reassigned to the Borrower or released).

ARTICLE III

COVENANTS AND REPRESENTATIONS OF THE BORROWER

Section 3.1 Liens. The Borrower will not directly or indirectly create, incur, assume or suffer to exist any Lien on or with respect to any of the Collateral, its title thereto or any of its interest therein, including, without limitation, any of its right, title or interest in or to any Aircraft, except:

(a) the respective rights of the Security Trustee and the Borrower as provided herein and in the other Operative Documents, the Lien of this Security Agreement and the rights of each Secured Party under this Security Agreement, the Credit Agreement and the other Operative Documents;

(b) Lender Liens and Security Trustee Liens;

(c) Liens for Taxes of the Borrower either not yet due or being contested in good faith by appropriate proceedings (and for which adequate reserves have been provided in accordance with GAAP), so long as the continuing existence of such Liens during such proceedings do not involve any material risk of the sale, forfeiture or loss of, the Collateral or any interest therein;

(d) Liens arising out of any judgment or award against the Borrower with respect to which an appeal or proceeding for review is being prosecuted diligently and in good faith, so long as such Liens do not result in a material risk of the sale, forfeiture or loss of, the Collateral or any interest therein; and

(e) any other Lien with respect to which the Borrower shall have provided a bond, cash collateral or other security adequate in the reasonable opinion of the Security Trustee.

Liens described in clauses (a) through (e) above are referred to herein as “**Permitted Liens**”. The Borrower shall promptly, at its own expense, take (or cause to be taken) such action as may be necessary duly to discharge (by bonding or otherwise) any Lien other than a Permitted Lien arising at any time with respect to the Collateral.

Section 3.2 [Intentionally Omitted].

Section 3.3 BFE. During the continuance of an Event of Default:

(a) Promptly following the Security Trustee's written request, the Borrower shall provide to the Security Trustee a complete list of BFE that it has on contract and/or has taken delivery, including the associated purchase price for each item of BFE (subject to applicable confidentiality requirements), associated completion/delivery schedule and any other BFE related information reasonably requested by the Security Trustee (the "**BFE List**").

(b) In the case of any Assumed Aircraft (as such term is defined in the Manufacturer's Consent), following the Security Trustee's receipt of the BFE List with respect to such Assumed Aircraft, the Security Trustee shall notify the Borrower as to which of the BFE items owned by the Borrower it intends to purchase from the Borrower. If no such election to purchase BFE owned by the Borrower in respect to such Assumed Aircraft is made, the Borrower (or its designee), at its own cost, shall, promptly following receipt of written notice from the Security Trustee that the Security Trustee shall not purchase such BFE, remove (or request the removal of) any equipment which constitutes such BFE that does not cause damage to such Assumed Aircraft; provided that if the Borrower receives such notice from the Security Trustee at least 30 days prior to the date the Security Trustee (or its designee) is scheduled to purchase such Assumed Aircraft, the Borrower will cause such removal to be completed prior to such date; provided, further that the Lenders and the Security Trustee shall cooperate with, and provide reasonable assistance to (at no out-of-pocket cost or expense to the Lenders or the Security Trustee) the Borrower and the Manufacturer so as to allow each removal to be promptly completed in the manner set forth herein.

(c) If the Security Trustee elects to purchase any BFE owned by the Borrower, the Borrower shall sell to the Security Trustee (or its nominee) all such BFE it has purchased in "as-is", "where-is" condition with no warranty of any kind other than being free of any liens, claims or other encumbrances attributable to the Borrower.

(d) The Borrower shall deliver to such location as the Security Trustee (or its nominee) may direct (i) a copy of the bill of sale for the BFE from the applicable supplier to the Borrower (if available) and (ii) any pertinent supporting documentation (subject to applicable confidentiality provisions), within thirty (30) days following the Security Trustee's request for such information.

(e) In respect of any BFE that is purchased by the Security Trustee pursuant to Section 3.3(c), the BFE purchase price shall be the amount paid by the Borrower for such BFE and shall be paid by netting the purchase price against any amounts then due and payable to the Lenders under the Credit Agreement, with any excess paid directly to the Borrower.

(f) If requested by the Security Trustee, the Borrower shall (at no out-of-pocket cost or expense to the Borrower) use commercially reasonable efforts to assist the Security Trustee in its efforts to purchase BFE that is not owned by the Borrower from the applicable suppliers.

Section 3.4 [Intentionally Omitted].

Section 3.5 Amendments to Purchase Agreement. The Borrower may not enter into any change order or other amendment, modification or supplement to either Manufacturer Agreements without the written consent of the Security Trustee (acting at the direction of the Majority in Interest of Lenders) if such change order, amendment, modification or supplement would:

- (a) [...***...];
- (b) [...***...];
- (c) [...***...];
- (d) [...***...];
- (e) result in the rescission, cancellation or termination of either Manufacturer Agreement or extend the scope of the Manufacturer's or the Engine Manufacturer's rights to terminate the relevant Manufacturer Agreement;
- (f) materially diminish the rights assigned hereunder to the Security Trustee;
- (g) result in the reduction or extinguishing of any warranties available to the Security Trustee or its assignees; or
- (h) [...***...].

Upon the reasonable written request of the Security Trustee[...***...].

Section 3.6 Representations. Borrower hereby represents and warrants on the date hereof that:

- (a) The formula for calculating the Net Purchase Price payable by the Security Trustee (or its designee) for each Aircraft delivered to the Security Trustee (or its designee) by the Manufacturer pursuant to the Manufacturer's Consent and the "Assigned Purchase Agreement" referenced therein is as of the Closing Date correctly set forth on Schedule 1 to the Manufacturer's Consent [...***...].
- (b) Schedule II to the Credit Agreement correctly set forth for each Aircraft its model, its current "Scheduled Delivery Month" under the Purchase Agreement, the amount of PDPs paid to the Manufacturer for such Aircraft and the amount and the timing of the PDPs required to be made with respect to such Aircraft after the Closing Date.
- (c) Each of the Purchase Agreement and the General Terms Agreement is in full force and effect on the date hereof and the Borrower is not in default in any material respect of its material obligations thereunder.
- (d) All UCC filings necessary to create and perfect the security interests granted by the Borrower to the Security Trustee in respect of the Collateral under this Security Agreement shall be filed (without limiting the provisions of this clause (d) it being agreed that

they shall be filed by counsel to the Lenders) to the extent that such security interests can be perfected by filings under the UCC. The security interests granted to the Security Trustee pursuant to this Security Agreement in and to the Collateral constitute a perfected security interest therein superior and prior to the rights of all other Persons therein (subject to Permitted Liens not Of Record) to the extent such perfection and priority can be obtained by filings under the UCC, and the Security Trustee is entitled with respect to such perfected security interest to all the rights, priorities and benefits afforded by the UCC as enacted in any relevant jurisdiction to perfected security interests.

ARTICLE IV

RECEIPT, DISTRIBUTION AND APPLICATION OF INCOME FROM THE COLLATERAL

Section 4.1 Application of Income from the Collateral. After an Event of Default shall have occurred and be continuing, and the unpaid principal of all Loans then outstanding and accrued interest thereon shall have become (or be deemed to be) due and payable, or a Majority in Interest of Lenders shall have instructed the Security Trustee to pursue remedies pursuant to Section 5.2, the Security Trustee shall apply any payments received (including, without limitation, any proceeds received from the Manufacturer pursuant to the Manufacturer's Consent), any amounts then held and any amounts realized by the Security Trustee with respect to the Collateral (including, without limitation, under any lease entered into by the Security Trustee) in the following order of priority:

first, so much of such payments or amounts as shall be required to reimburse the Security Trustee for any unpaid fee or out-of-pocket costs and expenses (to the extent not previously reimbursed), including reasonable compensation to the Security Trustee's agents and counsel, and all charges, expenses, liabilities and advances reasonably incurred or made by the Security Trustee for services under this Security Agreement, shall be applied by the Security Trustee in reimbursement of such fees, costs and expenses;

second, so much of such payments or amounts as shall be required to reimburse the Lenders for payments made by them to the Security Trustee pursuant to Section 6.3 (to the extent not previously reimbursed), shall be distributed to the Lenders ratably, without priority of one over any other, in the proportion that the amounts paid by each Lender bear to the amounts paid by all Lenders pursuant to such Section;

third, so much of such payments or amounts as shall be required to pay to each Lender all amounts payable pursuant to the indemnification provisions of Article VI of the Credit Agreement or Section 2.3, 2.10 or 2.11 of the Credit Agreement or pursuant to any other provision of the Credit Agreement or this Security Agreement (other than amounts payable pursuant to clause "second" or "fourth" of this Section 4.1) to each Lender and remaining unpaid shall be distributed to the Lenders ratably, without priority of one over any other, in the proportion that the aggregate amount due each such Lender under this clause "third" bears to the aggregate amount due all such Lenders under this clause "third";

fourth, subject to the order of priority specified in Section 2.5 of the Credit Agreement, so much of such payments or amounts as shall be required to pay in full the aggregate unpaid principal amount of the Loans then due and payable and the accrued but unpaid interest thereon to the date of distribution and Break Funding Loss, if applicable, shall be distributed to the Lenders, ratably, without priority of one Lender over any other Lender, in the proportion that the aggregate unpaid principal amount of all Loans held by each Lender, and accrued but unpaid interest thereon to the date of distribution and Break Funding Loss, if applicable, bears to the aggregate unpaid principal amount of all Loans and accrued but unpaid interest thereon to the date of distribution and Break Funding Loss, if applicable; and

fifth, the balance, if any, of such payments or amounts remaining thereafter shall be distributed to, or as directed by, the Borrower.

ARTICLE V

EVENTS OF DEFAULT; REMEDIES OF THE SECURITY TRUSTEE UPON AN EVENT OF DEFAULT

Section 5.1 Event of Default. Each of the following events shall constitute an “Event of Default” (whether any such event shall be voluntary or involuntary or come about or be effected by operation of law or pursuant to or in compliance with any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body) and each such Event of Default shall be deemed to exist and continue so long as, but only as long as, it shall not have been remedied:

(a) the Borrower shall fail to make payment when the same shall become due of principal of, Break Funding Loss (if applicable) or interest on, the Loans, and such failure shall continue unremedied [...***...];

(b) the Borrower shall fail to make payment when the same shall become due of any amount (other than amounts referred to in Section 5.1(a)) due hereunder or under the Credit Agreement, and such failure shall continue unremedied [...***...];

(c) the Borrower or the Guarantor shall fail to perform or observe in any material respect any other covenant, condition or agreement to be performed or observed by it under any Operative Document (other than Section 11.1(g) of the Credit Agreement), and such failure shall continue unremedied [...***...]; provided that, if such failure is capable of being remedied, no such failure shall constitute an Event of Default [...***...];

(d) any representation or warranty made by the Borrower or the Guarantor herein or in any other Operative Document, as applicable, shall prove to have been incorrect in any material respect at the time made, and such incorrectness shall continue to be material to the transactions contemplated by the Operative Documents and unremedied [...***...]; provided that, if such incorrectness [...***...] is capable of being remedied[...***...];

(e) the Borrower or the Guarantor shall consent to the appointment of a receiver, trustee or liquidator of itself or of a substantial part of its property or shall make a general assignment for the benefit of creditors;

(f) the Borrower or the Guarantor shall file a voluntary petition in bankruptcy or a voluntary petition or an answer seeking reorganization in a proceeding under any bankruptcy laws (as now or hereafter in effect) or an answer admitting the material allegations of a petition filed against the Borrower or the Guarantor as a debtor in any such proceeding, or the Borrower or the Guarantor shall, by voluntary petition or answer, consent to or seek relief under the provisions of any other now existing or future bankruptcy or other similar law providing for the reorganization or winding up of corporations, or providing for an agreement, composition, extension or adjustment with its creditors under such a law;

(g) an order, judgment or decree shall be entered by any court of competent jurisdiction appointing, without the consent of the Borrower or the Guarantor (as applicable), a receiver, trustee or liquidator of the Borrower or the Guarantor, or sequestering any substantial part of the property of the Borrower or the Guarantor, and any such order, judgment or decree of appointment or sequestration shall remain in force undismitted, unstayed or unvacated for a period of 90 days after the date of entry thereof;

(h) a petition against the Borrower or the Guarantor as a debtor in a proceeding under the Federal bankruptcy laws or other insolvency laws, as now or hereafter in effect, shall be filed and shall not be withdrawn or dismissed within 90 days thereafter, or, under the provisions of any law providing for reorganization or winding up of corporations that may apply to the Borrower or the Guarantor, any court of competent jurisdiction shall assume jurisdiction, custody or control of the Borrower or the Guarantor or of any substantial part of its respective property and such jurisdiction, custody or control shall remain in force unrelinquished, unstayed or unterminated for a period of 90 days;

(i) the Purchase Agreement [...***...];

(j) the Borrower shall fail to comply with [...***...] of the Credit Agreement;

(j) the Security Trustee shall cease to hold a valid and perfected first priority security interest in any of the Collateral;

(k) the Borrower ceases to be a Certificated Air Carrier or has its operating license suspended or revoked [...***...]; or

(l) the Guarantee ceases to be valid and enforceable.

Section 5.2 Remedies. (a) Remedies Available. Upon the occurrence of any Event of Default and at any time thereafter so long as the same shall be continuing, the Security Trustee (in accordance with the provisions of Article VI) may, and upon the written instructions of a Majority in Interest of Lenders, the Security Trustee shall, do one or more of the following to the extent permitted by, and subject to compliance with the mandatory requirements of, applicable law then in effect:

(i) declare by written notice to the Borrower the termination of all unfunded Commitments and the following amounts to be forthwith due and payable: the sum of (A) the aggregate unpaid principal amount of the Loans, plus (B) the amount of accrued but unpaid interest on the Loans, plus (C) Break Funding Loss, if applicable, plus (D) all other sums then owing by the Borrower hereunder and under the Credit Agreement, without any other presentment, demand, protest, notice or any other formality, all of which are hereby waived; provided that if an Event of Default referred to in Section 5.1(e), (f), (g) or (h) shall have occurred, then in every such case (W) the aggregate unpaid principal amount of the Loans, plus (X) the amount of accrued but unpaid interest on the Loans, plus (Y) Break Funding Loss, if applicable, plus (Z) all other sums then owing by the Borrower hereunder, under the Loans and under the Credit Agreement, shall immediately and without further act become due and payable, without presentment, demand, protest, notice or any other formality, all of which are hereby waived, and the Commitments shall immediately and without further act be terminated in full;

(ii) Upon notice to the Manufacturer, to the extent permitted by law, and the Borrower and compliance with any applicable requirements set forth in the Manufacturer's Consent, assume the rights and obligations of the Borrower under the Manufacturer Agreements with respect to any of the Aircraft;

(iii) Upon compliance with any applicable requirements set forth in the Manufacturer's Consent and Engine Manufacturer's Consent[...***...];

(iv) Upon compliance with any applicable requirements set forth in the Manufacturer's Consent and Engine Manufacturer's Consent, accept delivery of and take title to any Aircraft and sell, transfer or otherwise convey, or cause to be sold, transferred or otherwise conveyed, any such Aircraft or any other Collateral, including, without limitation, any Aircraft completed and delivered under the Purchase Agreement (whether or not assumed by the Security Trustee pursuant to clause (ii) above) or under any substitute Purchase Agreement entered into by the Security Trustee pursuant to the terms of the Manufacturer's Consent, at a public or private sale, by such advertisement or publication as the Security Trustee may reasonably determine, or otherwise dispose of, hold, use, operate, lease or keep idle any of the Collateral, all on such terms and conditions as the Security Trustee may determine, free and clear of any rights of the Borrower and of any claim of the Borrower in equity, at law or by statute, whether for loss or damage or otherwise, and without any duty to account to the Borrower except to the extent specifically provided in the Operative Documents or as required by law; or

(v) exercise any other remedy of a secured party under the Uniform Commercial Code of the State of New York (whether or not in effect in the jurisdiction in which enforcement is sought).

In addition, the Borrower shall be liable, without duplication of any amounts payable hereunder or under any other Operative Document, for all reasonable legal fees and other reasonable costs and expenses incurred by reason of the occurrence of any Event of Default or

the exercise of the Security Trustee's remedies with respect thereto, which amounts shall, until paid, be secured by the Lien of this Security Agreement.

Nothing in the foregoing shall affect the right of any Lender to receive all amounts owing to such Lender as and when the same may be due.

The parties agree that the exercise of remedies under this Security Agreement, the Credit Agreement, and the other documents related thereto, is subject to other applicable law including without limitation, the UCC (as in effect in the State of New York) and, if applicable, the Bankruptcy Code, and that nothing herein derogates from the rights of the Security Trustee or the Borrower under or pursuant to such other applicable law.

(b) Notice of Sale. The Security Trustee shall give the Borrower at least 10 days' prior written notice of any public sale or of the date on or after which any private sale of the Collateral will be held, which notice the Borrower hereby agrees to the extent permitted by applicable law is reasonable notice. The Lenders acting through the Security Trustee shall be entitled to bid for and become the purchaser of any Collateral offered for sale pursuant to this Section 5.2 and to credit against the purchase price bid at such sale by such Lenders all or any part of the unpaid amounts owing to such Lenders under any Operative Document and secured by the Lien of this Security Agreement.

(c) Rescission of Acceleration. At any time after the Security Trustee has declared the unpaid principal amount of all Loans then outstanding to be due and payable and prior to the sale of any part of the Collateral pursuant to this Article V, a Majority in Interest of Lenders, by written notice to the Borrower and the Security Trustee, may rescind and annul such declaration and its consequences if: (i) there has been paid to or deposited with the Security Trustee an amount sufficient to pay all overdue installments of principal of, and interest on, the Loans and all other amounts owing under this Security Agreement and the Credit Agreement, that have become due otherwise than by such declaration of acceleration and (ii) all other Events of Default, other than nonpayment of principal or interest on the Loans that have become due solely because of such acceleration, have been cured or waived.

Section 5.3 Remedies Cumulative. To the extent permitted by applicable law, each and every right, power and remedy herein specifically given to the Security Trustee or otherwise in this Security Agreement shall be cumulative and shall be in addition to every other right, power and remedy herein specifically given or now or hereafter existing at law, in equity, by statute or by the Operative Documents, and each and every right, power and remedy whether specifically herein given or otherwise existing may be exercised from time to time and as often and in such order as may be deemed expedient by the Security Trustee, and the exercise or the beginning of the exercise of any power or remedy shall not be construed to be a waiver of the right to exercise at the same time or thereafter any other right, power or remedy. No delay or omission by the Security Trustee in the exercise of any right, remedy or power or in the pursuance of any remedy shall, to the extent permitted by applicable law, impair any such right, power or remedy or be construed to be a waiver of any default on the part of the Borrower or to be an acquiescence therein.

Section 5.4 Discontinuance of Proceedings. In case the Security Trustee shall have instituted any proceeding to enforce any right, power or remedy under this Security Agreement by foreclosure, entry or otherwise, and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Security Trustee, then and in every such case the Borrower and the Security Trustee shall, subject to any determination in such proceedings, be restored to their former positions and rights hereunder with respect to the Collateral, and all rights, remedies and powers of the Security Trustee shall continue, as if no such proceedings had been undertaken (but otherwise without prejudice).

Section 5.5 Waiver of Past Defaults. Upon written instructions from a Majority in Interest of Lenders, the Security Trustee shall waive any past default hereunder and its consequences, and upon any such waiver such default shall cease to exist and any Event of Default arising therefrom shall be deemed to have been cured for every purpose of this Security Agreement and the other Operative Documents, but no such waiver shall extend to any subsequent or other default or impair any right consequent thereon; provided, however, that in the absence of written instructions from each of the affected Lenders, the Security Trustee shall not waive any default (i) in the payment of principal of, Break Funding Loss or interest on any Loan outstanding (other than with the consent of the holder thereof) or (ii) in respect of a covenant or provision hereof which, under Section 9.1, cannot be modified or amended without the consent of each such affected Lender.

ARTICLE VI

DUTIES OF THE SECURITY TRUSTEE

Section 6.1 Notice of Event of Default; Action Upon Event of Default. If any payments of the principal of, and interest on, the Loans due and payable on any Payment Date, or when otherwise due and payable, shall not have been paid in full on such Payment Date or such other date, the Security Trustee shall give telephonic notice within one Business Day (followed by prompt written notice) to the Borrower and each Lender specifying the amount and nature of such deficiency in payment; provided that any failure to give such notice shall not relieve the Borrower of its obligation to make such payment. If the Security Trustee has knowledge of an Event of Default, the Security Trustee shall promptly give notice of such Event of Default to each Lender and to the Borrower by facsimile or telephone (to be promptly confirmed in writing). Subject to the terms of Article V and Section 6.3, the Security Trustee shall take such action, or refrain from taking such action, with respect to such Event of Default (including with respect to the exercise of any rights or remedies hereunder), as the Security Trustee shall be instructed in writing by a Majority in Interest of Lenders. If the Security Trustee shall not have received instructions as above provided within 20 days after the giving of notice of such Event of Default to the Lenders, the Security Trustee may, subject to instructions thereafter received pursuant to the preceding provisions of this Section 6.1, but shall not be obligated to, take such action, or refrain from taking such action, with respect to such Event of Default as it shall reasonably determine to be advisable in the best interests of the Lenders and shall use the same degree of care and skill in connection therewith as a prudent person would use under the circumstances in the conduct of his or her own affairs; provided that the Security Trustee may not sell all or any part of the Collateral without the consent of a Majority in Interest of Lenders. For all purposes of this Security Agreement, in the absence of actual knowledge, the Security

Trustee shall not be deemed to have knowledge of an Event of Default unless notified in writing by the Borrower or one or more Lenders; and “actual knowledge” (as used in the foregoing clause) of the Security Trustee shall mean actual knowledge of an officer in the Corporate Trust Department of the Security Trustee; provided, however, that the Security Trustee shall be deemed to have actual knowledge of the failure of the Borrower to pay any principal or interest on the Loans directly to the Security Trustee when the same shall become due.

Section 6.2 Action Upon Instructions. Subject to the terms of Article V and this Article VI, upon the written instructions at any time of a Majority in Interest of Lenders, the Security Trustee shall promptly (i) give such notice, direction, consent, waiver or approval, or exercise such right, remedy or power hereunder in respect of all or any part of the Collateral, or (ii) take such other action, as shall be specified in such instruction; it being understood that without the written instructions of a Majority in Interest of Lenders the Security Trustee shall not take any action pursuant to this Section 6.2. The Security Trustee will execute and file or cause to be filed (at the expense of the Borrower) such continuation statements with respect to financing statements relating to the security interest created hereunder in the Collateral as may be specified from time to time in written instructions of a Majority in Interest of Lenders (which instructions may, by their terms, be operative only at a future date) or the Borrower.

Section 6.3 Indemnification. The Security Trustee shall not be required to take any action or refrain from taking any action under Section 6.1 (other than the first two sentences thereof) or Section 6.2 or Article V unless it shall have received indemnification against any risks incurred in connection therewith in form and substance reasonably satisfactory to it, including, without limitation, adequate advances against costs that may be incurred by it in connection therewith. The Security Trustee shall not be required to take any action under Section 6.1 (other than the first two sentences thereof) or 6.2 or Article V, nor shall any other provision of this Security Agreement be deemed to impose a duty on the Security Trustee to take any action, if the Security Trustee shall have been advised in writing by outside counsel that such action is contrary to the terms hereof or is otherwise contrary to law.

Section 6.4 No Duties Except as Specified in Security Agreement or Instructions. The Security Trustee shall not have any duty or obligation to manage, control, lease, use, sell, operate, store, dispose of or otherwise deal with all or any other part of the Collateral, or to otherwise take or refrain from taking any action under, or in connection with, this Security Agreement, except as expressly provided by the terms of this Security Agreement or the Credit Agreement or as expressly provided in written instructions received pursuant to the terms of Section 6.1 or 6.2; and no implied duties or obligations shall be read into this Security Agreement against the Security Trustee.

Section 6.5 No Action Except Under Security Agreement or Instructions. The Security Trustee agrees that it will not manage, control, use, sell, lease, operate, store, dispose of or otherwise deal with all or any part of the Collateral except in accordance with the powers granted to, or the authority conferred upon, the Security Trustee pursuant to this Security Agreement and in accordance with the express terms hereof.

Section 6.6 Reports, Notices, Etc. The Security Trustee will furnish to each Lender promptly upon receipt thereof, duplicates or copies of all reports, notices, requests, demands,

certificates, financial statements and other instruments furnished to the Security Trustee, to the extent that the same shall not have been otherwise furnished to such Lender pursuant to this Security Agreement or to the extent the Security Trustee does not reasonably believe that the same shall have been furnished by the Borrower directly to such Lender; provided that the failure of the Security Trustee to furnish each Lender with such duplicates or copies shall not impair or affect the validity of any such report, notice, request, demand, certificate, financial statement or other instrument.

ARTICLE VII

THE SECURITY TRUSTEE

Section 7.1 Acceptance of Trusts and Duties. The Security Trustee accepts the trusts and duties hereby created and applicable to it and agrees to perform such duties, but only upon the terms of this Security Agreement and agrees to receive, handle and disburse all moneys received by it as Security Trustee constituting part of the Collateral in accordance with the terms hereof. The Security Trustee shall have no liability hereunder, except (a) for its own willful misconduct or gross negligence (or ordinary negligence, gross negligence or willful misconduct in the receipt, handling or disbursement of money) or as provided in Section 2.4 of the Credit Agreement or breach of any of its representations or warranties or covenants made in its individual capacity set forth herein or in any other Operative Document to which it is a party, (b) for the performance of its obligations under Section 2.6 of the Credit Agreement or (c) as otherwise expressly provided in this Security Agreement or the other Operative Documents.

Section 7.2 Absence of Duties. Except in accordance with written instructions or requests furnished pursuant to Section 11.1(b) of the Credit Agreement and except as provided in, and without limiting the generality of, Section 6.4, the Security Trustee shall have no duty (a) to see to any recording or filing of this Security Agreement or any other document, or to see to the maintenance of any such recording or filing or (b) to inspect the Aircraft at any time or ascertain or inquire as to the performance or observance of any of the Borrower's covenants under this Security Agreement with respect to the Aircraft.

Section 7.3 No Representations or Warranties as to the Documents. Except as provided in Section 7.1 of the Credit Agreement, the Security Trustee shall not be deemed to have made any representation or warranty as to the validity, legality or enforceability of this Security Agreement, any other Operative Document or any other document or instrument, or as to the correctness of any statement (other than a statement by the Security Trustee) contained herein or therein, except that the Security Trustee hereby represents and warrants that each of said specified documents to which it is a party has been or will be duly executed and delivered by one of its officers who is and will be duly authorized to execute and deliver such document on its behalf.

Section 7.4 No Segregation of Moneys; No Interest. No moneys received by the Security Trustee hereunder need be segregated in any manner except to the extent required by law, and any such moneys may be deposited under such general conditions for the holding of trust funds as may be prescribed by law applicable to the Security Trustee, and, except as otherwise provided herein or as agreed by the Security Trustee, the Security Trustee shall not be

liable for any interest thereon; provided that any payments received or applied hereunder by the Security Trustee shall be accounted for by the Security Trustee so that any portion thereof paid or applied pursuant hereto shall be identifiable as to the source thereof.

Section 7.5 Reliance; Security Trustees; Advice of Counsel. The Security Trustee shall incur no liability to anyone in acting upon any signature, instrument, notice, resolution, request, consent, order, certificate, report, opinion, bond or other document or paper reasonably believed by the Security Trustee to be genuine and reasonably believed by it to be signed by the proper party or parties. The Security Trustee may accept a copy of a resolution of the Board of Directors of the Borrower or any Lender, certified by the Secretary or an Assistant Secretary of such party or in the case of any Lender by any authorized officer as duly adopted and in full force and effect, as conclusive evidence that such resolution has been duly adopted and that the same is in full force and effect. As to any fact or matter the manner of ascertainment of which is not specifically described herein, the Security Trustee may for all purposes hereof rely on a certificate, signed by a Responsible Officer of the Borrower, as to such fact or matter, and such certificate shall constitute full protection to the Security Trustee for any action taken or omitted to be taken by it in good faith in reliance thereon. In addition, notwithstanding anything to the contrary contained herein or in any Operative Document, whenever it is necessary or contemplated under or in respect of the Credit Agreement, this Security Agreement or any other Operative Document for the Lenders acting together, or a Majority in Interest of Lenders, to form an opinion or make a decision upon or consent to any matter, including without limitation under Article V or VI hereof, or to give instructions or other directions of any kind or nature to the Security Trustee, the Security Trustee may for all purposes hereof conclusively rely on a certificate, signed by an officer of the Facility Agent, as to such opinion, decision, consent, instructions or directions, and such certificate shall constitute full protection to the Security Trustee for any action taken or omitted to be taken by it in good faith in reliance thereon. The Security Trustee shall furnish to the Borrower upon request such information and copies of such documents as the Security Trustee may have and as are necessary for the Borrower to perform its duties under Article II and Article III; provided that the failure of the Security Trustee to furnish such information or documents shall not affect the Borrower's obligations hereunder or under the Credit Agreement. The Security Trustee shall assume, and shall be fully protected in assuming, that the Borrower is authorized to enter into this Security Agreement and to take all actions permitted to be taken by it pursuant to the provisions hereof, and shall not inquire into the authorization of the Borrower with respect thereto. In the administration of the trusts hereunder, the Security Trustee may execute any trust or power hereof and perform its powers and duties hereunder directly or through agents or attorneys and may consult with independent counsel, accountants and other skilled persons to be selected and employed by it, and the Security Trustee shall not be liable for anything done, suffered or omitted in good faith by it in accordance with the written advice or opinion of any such independent counsel, accountants or other skilled persons acting within such persons' area of competence (so long as the Security Trustee shall have exercised reasonable care in selecting such persons).

ARTICLE VIII

SUCCESSOR SECURITY TRUSTEE

Section 8.1 Resignation of Security Trustee; Appointment of Successor. (a) The resignation or removal of the Security Trustee and the appointment of a successor Security Trustee shall become effective only upon the successor Security Trustee's acceptance of appointment as provided in this Section 8.1. The Security Trustee or any successor thereto may resign at any time without cause by giving at least 60 days' prior written notice to the Borrower and each Lender. In addition, either the Borrower (so long as no Event of Default shall have occurred and be continuing) or a Majority in Interest of Lenders (with the consent of the Borrower, which consent shall not be unreasonably withheld, except that such consent shall not be necessary if an Event of Default is continuing) may at any time remove the Security Trustee without cause by an instrument in writing delivered to the Security Trustee, each Lender and (in the case of a removal by a Majority in Interest of Lenders) the Borrower.

In the case of the resignation or removal of the Security Trustee, the Borrower (unless an Event of Default shall have occurred and be continuing, in which case a Majority in Interest of Lenders) shall promptly appoint a successor Security Trustee; provided that a Majority in Interest of Lenders (with the consent of the Borrower, which consent shall not be unreasonably withheld, except that such consent shall not be necessary if an Event of Default is continuing) may appoint, within one year after such resignation or removal, a successor Security Trustee, which may be other than any successor Security Trustee appointed by the Borrower as provided above, so long as such other successor is (so long as no Event of Default shall have occurred and be continuing) reasonably satisfactory to the Borrower, and such successor Security Trustee appointed as provided above shall be superseded by the successor Security Trustee so appointed by a Majority in Interest of Lenders. If a successor Security Trustee shall not have been appointed and accepted its appointment hereunder within 60 days after the Security Trustee gives notice of resignation as provided above, the retiring Security Trustee, the Borrower or any Lender may petition any court of competent jurisdiction for the appointment of a successor Security Trustee. Any successor Security Trustee so appointed by such court shall immediately and without further act be superseded by any successor Security Trustee appointed as provided in the proviso to the second preceding sentence within one year from the date of the appointment by such court.

(b) Any successor Security Trustee, however appointed, shall execute and deliver to the Borrower, each Lender and the predecessor Security Trustee an instrument accepting such appointment and assuming the obligations hereunder, and thereupon such successor Security Trustee, without further act, shall become vested with all the estates, properties, rights, powers, duties and trusts of the predecessor Security Trustee hereunder in the trusts hereunder applicable to it with like effect as if originally named the Security Trustee herein; but nevertheless, upon the written request of such successor Security Trustee, such predecessor Security Trustee shall execute and deliver an instrument transferring to such successor Security Trustee, upon the trusts herein expressed applicable to it, all the estates, properties, rights, powers and trusts of such predecessor Security Trustee, and such predecessor Security Trustee shall duly assign, transfer, deliver and pay over to such successor Security

Trustee all moneys or other property (including all books and records, or true, complete and correct copies thereof) then held by such predecessor Security Trustee hereunder.

(c) Any successor Security Trustee, however appointed, shall be a Citizen of the United States (as defined in Subtitle VII of Title 49 of the United States Code) and shall also be a bank or trust company having a combined capital and surplus of at least [...***...] or a bank or trust company whose obligations are guaranteed by a bank or trust company having a combined capital and surplus of at least [...***...] or a corporation with a net worth of at least [...***...].

(d) Any corporation into which the Security Trustee may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Security Trustee shall be a party, or any corporation to which substantially all of the corporate trust business of the Security Trustee may be transferred, shall, subject to the terms of paragraph (c) of this Section, be the Security Trustee under this Security Agreement without further act.

ARTICLE IX

SUPPLEMENTS AND AMENDMENTS TO THIS SECURITY AGREEMENT AND OTHER DOCUMENTS

Section 9.1 Supplemental Security Agreements. With the written consent of a Majority in Interest of Lenders, the Borrower may, and the Security Trustee, subject to Section 9.2, shall, at any time and from time to time, enter into an amendment or amendments hereto or to any other Operative Document for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Security Agreement or such other Operative Document or of modifying in any manner the rights and obligations of the Lenders and of the Borrower under this Security Agreement or such other Operative Document; provided, however, that, without the consent of each Lender affected thereby, no such amendment shall:

(1) change the Commitment Termination Date or the Maturity Date, change the Commitment of any Lender, change the dates or amounts of payment of any Break Funding Loss or interest on the Loans, or reduce the principal of, Break Funding Loss, or interest on, the Loans, or change to a location outside the United States the place of payment where, or the coin or currency in which, the principal amount of, or interest on, the Loans is payable;

(2) create any Lien with respect to the Collateral except such as are permitted by this Security Agreement, or deprive any Lender of the benefit of the Lien on the Collateral created by this Security Agreement (including by way of any amendment to Section 3.5(c) hereof);

(3) change the definition of "Majority in Interest of Lenders" so as to reduce the percentage of the outstanding principal amount of the Loans, the consent of whose holders is required for any such amendment, or the consent

of whose holders is required for any waiver of compliance with certain provisions of this Security Agreement, or of certain defaults hereunder and their consequences provided for in this Security Agreement;

(4) modify any provisions of this Section 9.1, except to provide that certain other provisions of this Security Agreement cannot be modified or waived without the consent of each Lender affected thereby;

(5) adversely affect any indemnities in favor of such Lender; or

(6) change the [...***...] or [...***...] (each as defined in the Manufacturer's Consent).

Section 9.2 Security Trustee Protected. If in the opinion of the Security Trustee any document required to be executed pursuant to the terms of Section 9.1 adversely affects any right, duty, immunity or indemnity in favor of the Security Trustee under this Security Agreement or the other Operative Documents, the Security Trustee may in its discretion decline to execute such document.

Section 9.3 Documents Mailed to Lenders. Promptly after the execution by the Security Trustee of any document entered into pursuant to this Article IX, the Security Trustee shall mail, by first class mail (air mail in the case of international), postage prepaid, or by electronic mail, a conformed copy thereof to each Lender at the address or email address provided for such Lender on Schedule I to the Credit Agreement or at such other address or email address as may be specified by such Lender pursuant to the Credit Agreement, but the failure of the Security Trustee to mail such conformed copies shall not impair or affect the validity of such document.

ARTICLE X

INVESTMENT OF SECURITY FUNDS

Section 10.1 Investment of Security Funds. Any monies paid to or retained by the Security Trustee that are required to be paid to the Borrower or applied for the benefit or at the direction of the Borrower (including, without limitation, amounts payable to the Borrower under Sections 2.8(b)(y), 2.8(c) and 2.8(d) of the Credit Agreement), but which the Security Trustee is entitled to hold under the terms hereof pending the occurrence of some event or the performance of some act (including, without limitation, the remedying of an Event of Default), shall, until paid to the Borrower or applied as provided herein, be invested by the Security Trustee at the written authorization and direction of the Borrower (or the Security Trustee if an Event of Default is continuing) from time to time at the sole expense and risk of the Borrower in Permitted Investments. There shall be promptly remitted to the Borrower any gain (including interest received) realized as the result of any such investment (net of any fees, commissions and other expenses, if any, incurred in connection with such investment) unless an Event of Default shall have occurred and be continuing. If an Event of Default shall have occurred and be continuing, the Security Trustee shall hold any such gain as security for the obligations of the Borrower hereunder and apply it against such obligations as and when due, and at such time as

there shall not be continuing any such Event of Default, such amount, to the extent not previously so applied against the Borrower's obligations, shall be paid to the Borrower.

Section 10.2 Liability for Losses. Except to the extent provided in Section 7.1, the Security Trustee in its individual capacity shall not be liable for any loss relating to a Permitted Investment made in accordance with instructions received by it pursuant to this Article X. The Borrower will promptly pay to the Security Trustee, on demand, the amount of any loss for which the Security Trustee is not liable realized as the result of any such investment (together with any fees, commissions and other expenses, if any, incurred in connection with such investment).

ARTICLE XI

MISCELLANEOUS

Section 11.1 Partial Security Release; Termination of Security Agreement.

(a) So long as no Event of Default has occurred and is continuing, the security interest created hereby in all Collateral relating to a particular Aircraft shall be promptly released by the Security Trustee (any such release pursuant to this Section 11.1(a), a "**Partial Security Release**") either (x) upon written request when no Loan has been drawn in respect of such Aircraft (and no Borrowing Notice has been issued in respect of such Aircraft) or (y) when the outstanding principal amount of the Loans associated with such Aircraft have been paid in full, together with all accrued interest thereon to the date of such payment, Break Funding Loss (if applicable), and all other amounts then due and payable under this Security Agreement and the Credit Agreement (such amount with respect to any Aircraft, its "**Prepayment Amount**"); provided that if the Borrower deposits an amount equal to the Prepayment Amount for such Aircraft with the Security Trustee pursuant to Section 2.8(b), 2.8(c) or 2.8(d) of the Credit Agreement, then such Prepayment Amount shall be deemed to have been paid by the Borrower for purposes of this Section 11.1(a) on the date of such deposit, and such Partial Security Release shall instead be effected by the Security Trustee on the date of such deposit. Upon such Partial Security Release with respect to an Aircraft, the following shall automatically occur with no further act by the Borrower, the Facility Agent, the Lenders or the Security Trustee: (i) such Aircraft (a "**Released Aircraft**") and related Collateral shall no longer constitute Collateral for any purpose hereunder or under the other Operative Documents, (ii) the Collateral granted hereunder shall exclude Borrower's rights and interest in the applicable Manufacturer's Agreement to the extent it relates to such Released Aircraft, (iii) such Released Aircraft shall cease to be an Aircraft for purposes of the Operative Documents, and (iv) the terms "Purchase Agreement" and "General Terms Agreement" shall be deemed no longer to relate to such Released Aircraft. In order to effect and evidence such release, the Security Trustee shall execute and deliver to the Borrower a termination and partial release substantially in the form of Exhibit A hereto and a UCC financing statement amendment removing such Released Aircraft and its related Collateral from the Collateral subject to the Lien of this Security Agreement, together with such other documents as the Borrower (or any of Borrower's lenders or lessors with respect to such Released Aircraft) shall reasonably request in order to release and reassign to the Borrower (or its designee), against receipt but without any recourse, warranty or

representation whatsoever, all the rights and interests of the Security Trustee on behalf of the Lenders in the Collateral consisting of or relating to such Released Aircraft.

(b) Except in the case of an Aircraft that becomes a Released Aircraft, the Liens in respect of which shall be terminated in accordance with Section 11.1(a), upon the payment in full of the principal of, Break Funding Loss, if applicable, and interest on, all Loans then outstanding and of all other amounts then due and owing under this Security Agreement and the Credit Agreement and the final termination in full of the Commitment of each Lender, the Security Trustee shall, upon the written request of the Borrower, execute and deliver to, or as directed in writing by, and at the expense of, the Borrower an appropriate instrument (in due form for recording) releasing the balance of the Collateral from the Lien of this Security Agreement, whereupon this Security Agreement and the trusts created hereby shall terminate and this Security Agreement shall be of no further force or effect.

(c) Except as otherwise provided in Sections 11.1(a) and (b), this Security Agreement and the trusts created hereby shall continue in full force and effect in accordance with the terms hereof.

Section 11.2 No Legal Title to Collateral in Lenders. The Lenders shall not have legal title to any part of the Collateral. No transfer, by operation of law or otherwise, of any right, title and interest of a Lender in and to the Collateral or this Security Agreement shall operate to terminate this Security Agreement or the trusts hereunder or entitle any Lender or successor or transferee of such Lender to an accounting or to the transfer to it of legal title to any part of the Collateral.

Section 11.3 Sale of the Collateral by Security Trustee is Binding. Any sale or other conveyance of all or any part of the Collateral or any interest therein by the Security Trustee made pursuant to the terms of this Security Agreement shall bind the Lenders and the Borrower, and shall be effective to transfer or convey all right, title and interest of the Security Trustee, the Borrower and the Lenders in and to such Collateral or interest therein. No purchaser or other grantee shall be required to inquire as to the authorization, necessity, expediency or regularity of such sale or conveyance or as to the application of any sale or other proceeds with respect thereto by the Lenders.

Section 11.4 Benefit of Security Agreement. Nothing in this Security Agreement, whether express or implied, shall be construed to give to any Person other than the Borrower, the Security Trustee, the Facility Agent and the Lenders (and their respective permitted successors and assigns) any legal or equitable right, remedy or claim under or in respect of this Security Agreement.

Section 11.5 [Reserved].

Section 11.6 Notices. Unless otherwise expressly specified or permitted by the terms hereof, all notices required or permitted under the terms and provisions hereof shall be in English and in writing, and any such notice may be given by means of communication permitted by Section 12.1 of the Credit Agreement and any such notice shall be effective when delivered to

the recipient thereof and confirmed, as applicable, in accordance with the provisions of such Section 12.1.

Section 11.7 Severability. To the extent permitted by applicable law, should any one or more provisions of this Security Agreement be determined to be illegal or unenforceable by a court of any jurisdiction, such provision shall be ineffective to the extent of such illegality or unenforceability without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provision in any other jurisdiction.

Section 11.8 Separate Counterparts. This Security Agreement may be executed in any number of counterparts (and each of the parties hereto shall not be required to execute the same counterpart). Each counterpart of this Security Agreement including a signature page executed by each of the parties hereto shall be an original counterpart of this Security Agreement, but all of such counterparts together shall constitute one instrument.

Section 11.9 Successors and Assigns; Amendments and Waivers. All covenants and agreements contained herein and in the other Operative Documents shall be binding upon, and inure to the benefit of, the Borrower and its permitted successors and assigns, the Security Trustee and its permitted successors and permitted assigns and the Lenders and their permitted successors and registered assigns, all as herein provided; provided that the Security Trustee shall not have the right to assign its rights, in whole or in part, in and to the Purchase Agreement or the General Terms Agreement (including the Engine Manufacturer's Consent) to any Person, unless the Borrower has provided its prior written consent to such assignment; provided, further that such consent shall not be required at any time during the continuance of an Event of Default. Any request, notice, direction, consent, waiver or other instrument or action by a Lender shall be binding upon such Lender and the permitted successors and assigns of such Lender. Any amendment or waiver effected in accordance with Article IX shall be binding upon each present and any subsequent Lender and the Security Trustee.

Section 11.10 Headings. The headings of the various articles and sections herein and in the table of contents hereto are for convenience of reference only and shall not define or limit any of the terms or provisions hereof.

Section 11.11 Governing Law. THIS SECURITY AGREEMENT HAS BEEN DELIVERED IN THE STATE OF NEW YORK, AND THIS SECURITY AGREEMENT SHALL IN ALL RESPECTS, INCLUDING ALL MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE, BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK AS APPLIED TO CONTRACTS MADE AND PERFORMED WITHIN THE STATE OF NEW YORK.

Section 11.12 Normal Commercial Relations. Anything contained in this Security Agreement to the contrary notwithstanding, the Borrower, any Lender or the Security Trustee or any Affiliate of the Borrower, any Lender or the Security Trustee may enter into commercial banking or other financial transactions with each other and conduct banking or other commercial relationships with each other, fully to the same extent as if this Security Agreement were not in effect, including, without limitation, the making of loans or other extensions of credit for any purpose whatsoever.

* * *

IN WITNESS WHEREOF, the parties hereto have caused this Purchase Agreement Assignment and Security Agreement to be duly executed by their respective officers, as the case may be, thereunto duly authorized, as of the day and year first above written.

ALLEGiant AIR, LLC

By: _____
Name:
Title:

Address:
1201 North Town Center Drive
Las Vegas, Nevada 89144
Attn: Mr. Robert Neal, Sr. Vice President
Corporate Finance and Treasurer
Telephone: (702) 830-8039
Email: DebtServicing@AllegiantAir.com

BANK OF UTAH, not in its individual capacity
but solely as Security Trustee

By: _____
Name:
Title:

Address:
50 South 200 East, Suite 110
Salt Lake City, UT 84111
Attention: Corporate Trust Services
Email: corptrust@bankofutah.com

**Exhibit A to
Security Agreement**

Form of Termination and Partial Release

This **TERMINATION AND PARTIAL RELEASE** is dated as of [], 202[], by **BANK OF UTAH**, not in its individual capacity but solely as Security Trustee (the "**Security Trustee**") in favor of **ALLEGiant AIR, LLC** (the "**Borrower**").

RECITALS

WHEREAS, the Security Trustee and the Borrower are parties to the Purchase Agreement Assignment and Security Agreement dated as of _____, 2022 (the "**Security Agreement**"), pursuant to which the Borrower granted a security interest in favor of the Security Trustee in the Collateral (as defined therein);

WHEREAS, Section 11.1(a) of the Security Agreement contemplates that the security interest created thereunder in all Collateral relating to a particular Aircraft shall be released by the Security Trustee when the outstanding principal amount of the Loans associated with such Aircraft have been paid in full, together with all accrued interest thereon to the date of such payment, Break Funding Loss (if applicable), and all other amounts then due and payable under the Security Agreement and the Credit Agreement (the "**Release Conditions**");

WHEREAS, the Borrower has satisfied the Release Conditions with respect to [each][the] Aircraft identified below ([each, a][the] "**Released Aircraft**"):

Airframe Model and Tail Number	Engines
[]	[]

WHEREAS, capitalized terms not otherwise defined herein are used herein with the same meanings ascribed to such terms in the Security Agreement;

NOW, THEREFORE, in consideration of the foregoing:

1. The Security Trustee hereby terminates, releases and discharges the security interest and mortgage lien granted under the Security Agreement in and to all Collateral insofar and only insofar as such Collateral relates to [each of] the Released Aircraft and reassigns all of its right, title and interest in and to such Collateral to the Borrower without any recourse, warranty or representation whatsoever.

2. The Security Trustee hereby agrees that [each of] the Released Aircraft shall no longer constitute "Aircraft" for purposes of the Operative Documents and the terms "Purchase Agreement" and "General Terms Agreement" shall no longer relate to such Released Aircraft.

3. The Security Trustee agrees that on or prior to the date hereof it will file or cause to be filed one or more UCC-3 amendment statements removing the Collateral relating to [each of] the Released Aircraft in each jurisdiction in which a UCC financing statement covering such Released Aircraft was filed pursuant to the Security Agreement.

IN WITNESS WHEREOF, the Security Trustee has caused this Termination and Partial Release to be duly executed by its officer, thereunto duly authorized, as of the day and year first above written.

BANK OF UTAH, not in its individual capacity
but solely as Security Trustee

By: _____
Name:
Title:

EXECUTION COPY

[***] Certain information in this document has been excluded pursuant to Regulation S-K, Item 601(b)(10). Such excluded information is not material and would likely cause competitive harm to the registrant if publicly disclosed.

APPENDIX A

ALLEGIANT AIR, LLC PRE-DELIVERY PAYMENT FINANCING OF UP TO 20 BOEING 737 MAX AIRCRAFT

DEFINITIONS RELATING TO THE PDP CREDIT AGREEMENT AND THE SECURITY AGREEMENT

“**Act**” has the meaning set forth in Section 13.2 of the Credit Agreement.

“**Affiliate**”, with respect to a specified Person, means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such Person. For the purposes of this definition, “control” when used with respect to any specified Person, means the power to direct or cause the direction of the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise, and the terms “controlling” and “controlled” have meanings correlative to the foregoing.

“**AGTA**” means the Aircraft General Terms Agreement No. WJE-AGTA, dated as of December 31, 2021, between the Borrower and the Manufacturer.

“**Aircraft**” means the aircraft scheduled for delivery under the Purchase Agreement specified on Schedule II to the Credit Agreement, but excluding each Aircraft released from the Lien of the Security Agreement pursuant to Section 11.1(a) of the Security Agreement on or prior to such date; [...***...].

“**AML Laws**” means all laws, rules, and regulations of the United States, [...***...] or any jurisdiction applicable to the Borrower or the Guarantor from time to time concerning or relating to anti-money laundering, any predicate crime to money laundering, or any financial record keeping and reporting requirements related thereto.

“**Anti-Corruption Laws**” means all laws, rules, and regulations of the United States, [...***...], or any jurisdiction applicable to the Borrower or the Guarantor from time to time concerning or relating to anti-bribery or anti-corruption including, but not limited to, the U.S. Foreign Corrupt Practices Act of 1977, as amended and [...***...], as amended.

“**Applicable Jurisdiction**” means any of [...***...].

“**Applicable Margin**” has the meaning set forth on Schedule I of the Credit Agreement, [...***...].

“**Assignment**” has the meaning set forth in Section 8.1(d) of the Credit Agreement.

“Available Tenor” means, as of any date of determination and with respect to the then-current Benchmark, as applicable, (x) if such Benchmark is a term rate, any tenor for such Benchmark (or component thereof) that is or may be used for determining the length of an Interest Period pursuant to this Agreement or (y) otherwise, any payment period for interest calculated with reference to such Benchmark (or component thereof) that is or may be used for determining any frequency of making payments of interest calculated with reference to such Benchmark pursuant to this Agreement, in each case, as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of “Interest Period” pursuant to Section 2.16 of the Credit Agreement.

“AWV” has the meaning set forth in Section 13.5 of the Credit Agreement.

“Bail-In Action” means the exercise of any Write-Down and Conversion Powers.

“Bail-In Legislation” means:

(a) in relation to an EEA Member Country which has implemented, or which at any time implements, Article 55 BRRD, the relevant implementing law or regulation as described in the EU Bail-In Legislation Schedule from time to time;

(b) in relation to the United Kingdom, the UK Bail-In Legislation; and

(c) in relation to any state other than such an EEA Member Country and the United Kingdom, any analogous law or regulation from time to time which requires contractual recognition of any Write-down and Conversion Powers contained in that law or regulation.

“Bankruptcy Code” means the United States Bankruptcy Code, 11 United States Code §§ 101 *et seq.*

“Benchmark” means, initially, the Term SOFR Reference Rate; provided that if a Benchmark Transition Event has occurred with respect to the Term SOFR Reference Rate or the then-current Benchmark, then “Benchmark” means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to Section 2.16(a) of the Credit Agreement.

“Benchmark Replacement” means, with respect to any Benchmark Transition Event, the sum of: (a) the alternate benchmark rate that has been selected by the Facility Agent and the Borrower giving due consideration to (i) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement for the then-current Benchmark for Dollar-denominated syndicated credit facilities and (b) the related Benchmark Replacement Adjustment. If the Benchmark Replacement as determined above would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor for the purposes of the Credit Agreement and the other Operative Documents.

“Benchmark Replacement Adjustment” means, with respect to any replacement of the then-current Benchmark with an Unadjusted Benchmark Replacement, the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or

negative value or zero) that has been selected by the Facility Agent and the Borrower giving due consideration to (i) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for Dollar-denominated syndicated credit facilities at such time.

“Benchmark Replacement Date” means a date and time determined by the Facility Agent, which date shall be no later than the earliest to occur of the following events with respect to the then-current Benchmark:

(a) in the case of clause (a) or (b) of the definition of “Benchmark Transition Event,” the later of (i) the date of the public statement or publication of information referenced therein and (ii) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof);

(b) in the case of clause (c) of the definition of “Benchmark Transition Event,” the first date on which all Available Tenors of such Benchmark (or the published component used in the calculation thereof) have been determined and announced by the regulatory supervisor for the administrator of such Benchmark (or such component thereof) to be non representative; provided that such non-representativeness will be determined by reference to the most recent statement or publication referenced in such clause (c) and even if any Available Tenor of such Benchmark (or such component thereof) continues to be provided on such date.

For the avoidance of doubt, the “Benchmark Replacement Date” will be deemed to have occurred in the case of clause (a) or (b) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

“Benchmark Transition Event” means the occurrence of one or more of the following events with respect to the then-current Benchmark:

(a) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);

(b) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Federal Reserve Board, the Federal Reserve Bank of New York, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an

entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof); or

(c) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are not, or as of a specified future date will not be, representative.

For the avoidance of doubt, a “Benchmark Transition Event” will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

“**Benchmark Unavailability Period**” means the period (if any) (x) beginning at the time that a Benchmark Replacement Date has occurred if, at such time, no Benchmark Replacement has replaced the then-current Benchmark for all purposes under the Credit Agreement and under any Operative Document in accordance with Section 2.16 of the Credit Agreement and (y) ending at the time that a Benchmark Replacement has replaced the then-current Benchmark for all purposes under the Credit Agreement and under any Operative Document in accordance with Section 2.16 of the Credit Agreement.

“**BFE**” has the meaning set forth in the Manufacturer’s Consent.

“**BFE List**” has the meaning set forth in Section 3.3(a) of the Security Agreement.

“**Borrower**” means Allegiant Air, LLC, a limited liability company duly formed under the laws of the State of Nevada, and, subject to the provisions of the Credit Agreement, its successors and permitted assigns.

“**Borrowing Notice**” means a borrowing notice substantially in the form of Exhibit A to the Credit Agreement that is completed as a Borrowing Notice.

“**Borrowing Notice Date**” means, with respect to any proposed Funding to be advanced or Payment Date in a particular calendar month, the second Business Day of such month.

“**Break Funding Loss**” means, as of the date of determination thereof and as to any Lender and its affected Loans, (x) the amount of any losses, costs and expenses incurred by such Lender by reason of the circumstances contemplated by Section 2.9 of the Credit Agreement and resulting from the redeployment of funds or deposits acquired by or funding arrangements put in place by such Lender to fund or maintain, as the case may be, such Loans for the remainder of the applicable Interest Period (or, in the case of a failure to borrow, for the period that would have been the Interest Period for such Loans) in which such date of determination occurs or (y) the amount of any costs and expenses paid by such Lender to such Lender’s counterparty or fundings sources for funds or deposits acquired by such Lender or in respect of funding

arrangements put in place by such Lender to fund or maintain, as the case may be, such Loans by reason of the circumstances contemplated by Section 2.9 of the Credit Agreement and resulting from the unwinding or liquidation of such funds for the remainder of the applicable Interest Period (or, in the case of a failure to borrow, for the period that would have been the Interest Period for such Loans) in which such date of determination occurs. Without limiting the effect of the preceding sentence, in the case of any prepayment or acceleration, such compensation shall not exceed an amount equal to the excess, if any, of (i) the amount of interest which otherwise would have accrued on the principal amount so prepaid or accelerated from the date of such prepayment or acceleration to the last day of such Interest Period (the **"Break Period"**) in excess of (ii) interpolated Term SOFR determined solely for the Break Period (as reasonably determined by such Lender). Each affected Lender shall provide a certificate to the Borrower documenting its calculation of Break Funding Loss.

"Business Day" means (a) for all purposes in respect of the Applicable Rate, determining Interest Periods, the due date of any payment on some or all of the Loans or any date for a prepayment of some or all of the Loans (or any notice in respect of the foregoing), any day other than a Saturday, Sunday or a day on which commercial banking institutions in Frankfurt, Germany, Las Vegas, Nevada, New York, New York or the city and state in which the Corporate Trust Department is located, are authorized or required by law, regulation or executive order to be closed, and (b) for any other purpose under the Operative Documents, any day other than a Saturday, Sunday or a day on which commercial banks are authorized or required by law, regulation or executive order to be closed in Frankfurt, Germany, Las Vegas, Nevada, New York, New York or the city and state in which the Corporate Trust Department is located; provided that, when used in connection with SOFR, Term SOFR or Term SOFR Rate, the term **"Business Day"** means **"U.S. Government Securities Business Day"**.

"Cape Town Convention" means the official English language text of the Convention of International Interests in Mobile Equipment and the Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment which was signed in Cape Town, South Africa on November 16, 2001.

"Certificated Air Carrier" means any United States air carrier that is a "citizen of the United States" within the meaning of Section 40102(a)(15) of the Federal Aviation Act holding a certificate of public convenience and necessity issued pursuant to 49 U.S.C. § 41102 and an air carrier operating certificate issued pursuant to chapter 447 of title 49 of the United States Code for aircraft capable of carrying 10 or more individuals or 6,000 pounds or more of cargo, and as to which there is in force an air carrier operating certificate issued pursuant to Part 121 of the FAA regulations, or which may operate as an air carrier by certification or otherwise under any successor or substitute provisions therefor or in the absence thereof.

"Claims" means liabilities, obligations, losses, damages, penalties, claims, actions, suits, and costs or expenses of any kind (whether or not on the basis of negligence, strict or absolute liability or liability in tort).

"Closing" means the first Funding.

“Closing Date” means the date on which the conditions precedent specified in Section 3.1 of the Credit Agreement have been satisfied and on which the first Funding shall occur as specified in the initial Borrowing Notice following the Effective Date.

“Code” means the United States Internal Revenue Code of 1986, as amended.

“Collateral” has the meaning set forth in Article II of the Security Agreement.

“Commitment” means, in respect of each Lender, the amount set forth opposite the name of such Lender on Schedule I of the Credit Agreement, as the same may be adjusted from time to time pursuant to the terms hereof.

“Commitment Fee” has the meaning set forth in Section 2.15 of the Credit Agreement.

“Commitment Period” means the period commencing on (and including) the Effective Date and ending on the earlier to occur of (a) 5:00 p.m. (New York time) on the Commitment Termination Date, (b) the acceleration of the Loans (if any) and the termination of the Commitments in accordance with the terms of the Credit Agreement and (c) the termination of the Commitments as a whole pursuant to Section 2.1(h) of the Credit Agreement.

“Commitment Termination Date” means [...***...]; provided that if such day is not a Funding Business Day, then such Commitment Termination Date shall be the immediately succeeding Funding Business Day.

“Conforming Changes” means, with respect to either the use or administration of Term SOFR or the use, administration, adoption or implementation of any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of “Business Day,” the definition of “U.S. Government Securities Business Day,” the definition of “Interest Period” or any similar or analogous definition (or the addition of a concept of “interest period”), timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, the applicability and length of lookback periods, the applicability of Section 2.9 of the Credit Agreement and other technical, administrative or operational matters) that the Facility Agent decides, in consultation with Borrower, may be appropriate to reflect the adoption and implementation of any such rate or to permit the use and administration thereof by the Facility Agent in a manner substantially consistent with market practice and reasonably adherent to the terms of the Credit Agreement (or, if the Facility Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Facility Agent determines that no market practice for the administration of any such rate exists, in such other manner of administration as the Facility Agent decides, in consultation with Borrower, is reasonably necessary in connection with the administration of this Agreement and the other Operative Documents).

“Corporate Trust Department” means the Corporate Trust Department of the Security Trustee.

“Corresponding Tenor” with respect to any Available Tenor means, as applicable, either a tenor (including overnight) or an interest payment period having approximately the same length (disregarding business day adjustment) as such Available Tenor.

“Credit Agreement” means that certain PDP Credit Agreement, dated as of September 30, 2022, among the Borrower, the Lenders party thereto from time to time, the Facility Agent and the Security Trustee, as amended, modified or supplemented in accordance with the provisions thereof.

“Debt Rate” means (a) a rate per annum equal to Term SOFR for such Interest Period plus the Applicable Margin or (b) if a Market Disruption Event is continuing, a rate determined in accordance with Section 2.12 of the Credit Agreement.

“Defaulting Lender” means any Lender (i) which shall have failed to fund the full amount of its Percentage Share of any Funding notwithstanding the satisfaction of the applicable conditions precedent to such Funding (other than the conditions precedent within the control of such Lender) and such failure continues for two Business Days or (ii) that has notified the Borrower, the Security Trustee, the Facility Agent or any other Lender or has made a public statement, in each case, verbally or in writing and has not rescinded such notice or publication, to the effect, that it does not intend or expect to comply with any of its funding obligations (x) under the Credit Agreement (unless such notification or public statement relates to such Lender’s obligation to advance its Percentage Share of a Funding hereunder and states that such position is based on such Lender’s determination that a condition precedent to funding (which condition, together with any applicable default, shall be specifically identified in such writing or public statement) cannot be satisfied) or (y) generally under other agreements in which it commits to extend credit.

“Department of Transportation” means the U.S. Department of Transportation and any agency or instrumentality of the U.S. Government succeeding to its functions.

“Dollars” and “\$” mean the lawful currency of the United States.

“EEA Member Country” means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

“Effective Date” means the date of the Credit Agreement.

“Eligible Aircraft” means, as of any date of determination, each Aircraft for which the Manufacturer has received [...] on or prior to such date.

“Eligible PDP Amount” means, with respect to any Eligible Aircraft as of any date of determination, (x) the aggregate amount of PDPs received by the Manufacturer on or prior to such date with respect to such Eligible Aircraft minus (y) [...] determined in each case after giving effect to any payment of PDPs by the Borrower prior to such date.

“Engine” means a CFM model LEAP 1B-23 engine (for a MAX 7 Aircraft) or a CFM model LEAP 1B-27 engine (for a MAX 8200 Aircraft).

“Engine Manufacturer” means CFM International, Inc., a Delaware corporation, and its successors and assigns.

“Engine Manufacturer’s Consent” means the Engine Benefits Agreement, dated as of the Effective Date, by the Engine Manufacturer.

[...***...]

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended.

“EU Bail-In Legislation Schedule” means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor person), as in effect from time to time.

“Event of Default” has the meaning set forth in Section 5.1 of the Security Agreement.

[...***...]

“FAA” means the U.S. Federal Aviation Administration and any agency or instrumentality of the U.S. Government succeeding to its functions.

“Facility Agent” has the meaning set forth in the introductory paragraph of the Credit Agreement.

“Facility Agent Fee” has the meaning set forth in Section 4.1(b) of the Credit Agreement.

“FATCA” means Sections 1471 through 1474 of the Code as of the Effective Date (or any amended or successor provisions that are substantively comparable and not materially more onerous to comply with); any current or future regulations or official interpretations thereof; any agreements entered into pursuant to Section 1471(b)(1) of the Code; and any fiscal or regulatory legislation, rules or practices adopted pursuant to any such intergovernmental agreement, treaty or convention among governmental authorities and implementing such Sections of the Code.

“Federal Funds Rate” means shall mean, for any day, the rate calculated by the Federal Reserve Bank of New York based on such day’s federal funds transactions by depository institutions (as determined in such manner as the Federal Reserve Bank of New York shall set forth on its public website from time to time) and published on the next succeeding Business Day by the Federal Reserve Bank of New York as the federal funds effective rate; provided, that, if the Federal Funds Effective Rate shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

“Fee Letter” means (i) the Fee Letter, dated as of the Effective Date, among the Borrower and the Original Lenders and (ii) any other “fee letter” from time to time entered into among any of the Borrower and the Lenders.

[...***...]

“Floor” means a rate of interest equal to 0%.

“Foreign Lender” means any Lender that is not a U.S. Person.

“Funding” means each advance by the Lenders to the Borrower of a portion of the Commitments; [...***...].

“Funding Business Day” means any day other than a Saturday, Sunday or a day on which commercial banks are authorized or required by law, regulation or executive order to be closed in New York, New York or Frankfurt am Main, Germany, and that is also a Business Day for purposes of clause (a) of the definition thereof.

“Funding Costs” means, with respect to each Lender, the fees, costs and expenses of such Lender incurred in connection with the initial Funding contemplated by the form of Borrowing Notice attached to the Credit Agreement as Exhibit A.

“Funding Date” means each of (i) the Closing Date and (ii) each Payment Date during the Commitment Period on which a Funding shall be advanced hereunder.

“General Terms Agreement” means the General Terms Agreement No. CFM-1-1052273, dated December 31, 2021, between the Borrower and the Engine Manufacturer as defined in the Engine Manufacturer’s Consent.

“Government” means the government of any of Canada, France, Germany, Japan, The Netherlands, Sweden, Switzerland, the United Kingdom or the United States and any instrumentality or agency thereof.

“Guarantee” means that certain guarantee agreement, dated as of the Effective Date, by the Guarantor in favor of the Security Trustee, the Facility Agent and the Lenders.

“Guarantor” means Allegiant Travel Company, a corporation duly formed and existing under the laws of Nevada, and its successors and permitted assigns.

“Illegality Change” has the meaning set forth in Section 2.11 of the Credit Agreement.

“Increase Effective Date” has the meaning set forth in Section 2.17(a) of the Credit Agreement.

“Increased Cost” has the meaning set forth in Section 2.10(a) of the Credit Agreement.

“Indemnitee” has the meaning set forth in Section 6.2(b) of the Credit Agreement.

“Interest Period” means each period commencing on either the Closing Date or the final day of the preceding Interest Period, as the case may be, and ending on (but excluding) the next succeeding Payment Date.

“IRS” means the United States Internal Revenue Service.

“Lenders” means each Original Lender (but only for so long as it holds a Commitment and/or is a registered holder of outstanding Loans) and any other Person that shall have become a “Lender” in accordance with Section 2.3(e), 2.10(c) or 8.1(d) of the Credit Agreement (but only for so long as it holds a Commitment and/or is a registered holder of outstanding Loans).

“Lender Lien” means any Lien attributable to any Lender on or against the Collateral or any portion thereof, arising out of any claim against such Lender that is not related to the Operative Documents, or out of any act or omission of such Lender that is not related to the transactions contemplated by or constitutes a breach by it of its obligations under the Operative Documents.

“Lien” means any mortgage, pledge, lien, charge, encumbrance, lease, security interest or other lien of any kind on property, including any “international interest” (as defined in the Cape Town Convention).

“Loans” means the aggregate outstanding principal amount of the Fundings advanced by the Lenders to the Borrower, and, with respect to each Aircraft, shall mean the aggregate outstanding principal amount of the Fundings advanced by the Lenders to the Borrower with respect to such Aircraft, which allocation may be adjusted from time to time [...***...]. References to a particular Lender’s Loans shall mean the portion of the outstanding Loans held by such Lender and registered in its name.

“Majority in Interest of Lenders” means, as of any date of determination, (a) so long as any Commitments have not been permanently terminated, the holders of more than 50% of the sum of (i) the aggregate principal amount of the Loans then outstanding and (ii) the undrawn Commitments and (b) after the permanent termination of all Commitments, the holders of more than 50% of the aggregate principal amount of the Loans then outstanding. The Loans and Commitments of any Defaulting Lender shall be disregarded for purposes of any determination of a Majority in Interest of Lenders.

“Manufacturer” means The Boeing Company, a Delaware corporation, and its successors and assigns.

“Manufacturer Agreements” means the Purchase Agreement and the General Terms Agreement.

“Manufacturer’s Consent” means the Boeing Consent to Collateral Assignment of Purchase Agreement Rights, dated as of the Effective Date, among the Manufacturer, the Borrower and the Security Trustee.

“Market Disruption Event” means (i) at or about noon on the quotation day for the relevant Interest Period the SOFR Administrator’s Website is not available, or (ii) any Lender advises the Facility Agent and the Borrower that Term SOFR will not adequately and fairly reflect the cost to such Lender or Lenders of funding or maintaining the Loan for such Interest Period, and certify that such inadequacy is the result of circumstances affecting the relevant interbank market generally and is not directly and solely the result of circumstances unique to such Lender or Lenders.

“Maturity Date” has the meaning set forth in Schedule I to the Credit Agreement.

“MAX 7 Aircraft” means each Aircraft specified in Schedule III to the Credit Agreement as being a 737-7 aircraft.

“MAX 8200 Aircraft” means each Aircraft specified in Schedule III to the Credit Agreement as being a 737-8200 aircraft.

“Moody’s” means Moody’s Investors Service, Inc. and any successor thereto.

“Net Purchase Price” means, for each Aircraft (a) the [...***...] but excluding (i) any amount added to such price representing amounts incorporated into each Aircraft pursuant to [...***...], and (ii) any increase in [...***...], less (b) any amount paid in respect of such Aircraft under Section 2.8(b)(y) of the Credit Agreement. For the avoidance of doubt, the Net Purchase Price is calculated [...***...].

“New Lender” has the meaning set forth in Section 2.17(a) of the Credit Agreement.

“Of Record” means, as relating to any Lien, a Lien as to which a filing has been made with the applicable governmental authority and which is in effect in order to perfect such Lien.

“Operative Documents” means the Security Agreement, the Credit Agreement, the Fee Letter, the Guarantee, the Engine Manufacturer’s Consent and the Manufacturer’s Consent.

“Original Lender” means each institution listed on Schedule I to the Credit Agreement and identified as an Original Lender as of the Effective Date.

“Other Connection Taxes” has the meaning set forth in Section 2.3(b) of the Credit Agreement.

“Other Taxes” means all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Operative Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment.

“Partial Security Release” has the meaning set forth in Section 11.1(a) of the Security Agreement.

“Participant Register” has the meaning set forth in Section 8.1(e) of the Credit Agreement.

“Participation” has the meaning set forth in Section 8.1(d) of the Credit Agreement.

“Past Due Rate” means, as at any date of determination and for any period of calculation, the lesser of (i) an interest rate per annum equal to the Debt Rate plus 2.0% and (ii) the maximum rate permitted by applicable law.

“Payment Date” means the [...***...] day of each calendar month, commencing in October 2022, up to and including the Maturity Date; provided that if any such day is not a Funding Business Day, then such Payment Date shall be the immediately succeeding Funding Business Day.

“Payoff Date” means, with respect to any Aircraft as of any date of determination, [...***...]; provided that if the scheduled delivery for such Aircraft falls [...***...].

“PDPs” means, in respect of any Aircraft, the pre-delivery payments required to be made to the Manufacturer in respect of the purchase of such Aircraft under the Purchase Agreement.

“Percentage Share” means, for each Lender as at any time, the percentage obtained by dividing such Lender’s Commitment by the Total Commitment, determined in each case as of such time.

“Permitted Investments” means each of (a) direct obligations of the United States, and agencies thereof; (b) obligations fully guaranteed by the United States; (c) certificates of deposit issued by, or bankers’ acceptances of, or time deposits with, any bank, trust company or national banking association incorporated or doing business under the laws of the United States or one of the States thereof having combined capital and surplus and retained earnings of at least \$100,000,000 and having a rating of A, its equivalent or better by Moody’s or S&P (or if neither such organization shall rate such institution at any time, by any nationally recognized rating organization in the United States); (d) commercial paper of any holding company of a bank, trust company or national banking association described in clause (c); (e) commercial paper of companies having a rating assigned to such commercial paper by either Moody’s or S&P (or, if neither such organization shall rate such commercial paper at any time, by any nationally recognized rating organization in the United States) equal to either of the two highest ratings assigned by such organization; (f) U.S. dollar-denominated certificates of deposit issued by, or time deposits with, the European subsidiaries of (i) any bank, trust company or national banking association described in clause (c), or (ii) any other bank described in clause (g) or (h) below; (g) U.S.-issued Yankee certificates of deposit issued by, or bankers’ acceptances of, or commercial paper issued by, any bank having combined capital and surplus and retained earnings of at least \$100,000,000 and headquartered in Canada, Japan, the United Kingdom, France, Germany, Switzerland or The Netherlands and having a rating of A, its equivalent or better by Moody’s or S&P (or, if neither such organization shall rate such institution at any time, by any nationally recognized rating organization in the United States); (h) U.S. dollar-denominated time deposits with any Canadian bank having a combined capital and surplus and retained earnings of at least \$100,000,000 and having a rating of A, its equivalent or better by Moody’s or S&P (or, if neither such organization shall rate such institution at any time, by any nationally recognized rating organization in the United States); (i) Canadian Treasury Bills fully hedged to U.S. dollars; (j) repurchase agreements with any financial institution having combined capital and surplus and retained earnings of at least \$100,000,000 collateralized by transfer of possession of any of the obligations described in clauses (a) through (i) above; (k) bonds, notes or other obligations of any state of the United States, or any political subdivision of any state, or any agencies or other instrumentalities of any such state, including, but not limited to, industrial development bonds, pollution control revenue bonds, public power bonds, housing bonds, other revenue bonds or any general obligation bonds, provided that, at the time of their purchase, such obligations are rated A or better by Moody’s or S&P (or, if neither such organization shall rate such obligations at any time, by any nationally recognized rating organization in the United States); (l) bonds or other debt instruments of any company, if such bonds or other debt instruments, at the time of their purchase, are rated A or better by Moody’s or S&P (or, if neither such organization shall rate such obligations at such time, by any nationally recognized rating

organization in the United States); (m) mortgage backed securities (i) guaranteed by the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation or the Government National Mortgage Association or rated “AAA” or better by Moody’s or S&P (or, if neither such organization shall rate such obligations at any time, by any nationally recognized rating organization in the United States) or, if unrated, deemed to be of a comparable quality by the Facility Agent (or a Majority in Interest of Lenders if there is no Facility Agent) and (ii) having an average life not to exceed 15 years as determined by standard industry pricing practices presently in effect; (n) asset backed securities rated A or better by Moody’s or S&P (or, if neither such organization shall rate such obligations at any time, by any nationally recognized rating organization in the United States) or, if unrated, deemed to be of a comparable quality by the Facility Agent (or a Majority in Interest of Lenders if there is no Facility Agent); and (o) such other investments approved in writing by the Facility Agent (or a Majority in Interest of Lenders if there is no Facility Agent); provided that the instruments described in the foregoing clauses shall be in U.S. Dollars and shall have a maturity of no more than three months from the date of acquisition thereof.

“Permitted Liens” has the meaning set forth in Section 3.1 of the Security Agreement.

“Person” means an individual, partnership, corporation, business trust, joint stock company, trust, unincorporated association, joint venture, governmental authority or other entity of whatever nature.

“Purchase Agreement” has the meaning set forth in Section 2.1(a) of the Security Agreement.

“Register” has the meaning set forth in Section 2.6 of the Credit Agreement.

“Regulatory Change” means the enactment, adoption or promulgation, after the Effective Date (in the case of the Original Lenders) or the date a Lender acquires its Commitments and/or Loans following the Effective Date as shall enable it to obtain compensation pursuant to Section 2.10 to the extent the transferor Lender was entitled thereto at the time of transfer, of any law or regulation by a United States Federal or state government or by the government of the Lender’s jurisdiction of organization, or any change, after the Effective Date (in the case of an Original Lender) or the date a Lender acquires its Commitments and/or Loans after the Effective Date (or such earlier date), in any such law or regulation, or in the interpretation thereof by any governmental authority, central bank or comparable agency of the United States or the Lender’s jurisdiction of organization charged with responsibility for the administration or application thereof, that shall impose, modify or deem applicable (a) any reserve (including, without limitation, any reserves arising from the imposition of reserves pursuant to Regulation D of the Board of Governors of the Federal Reserve System (or any successor), as the same may be modified and supplemented and in effect from time to time), special deposit or similar requirement against extensions of credit or other assets of, or deposits with or other liabilities of, such Lender including, or by reason of, its Loans or (b) any capital or liquidity adequacy requirement requiring the maintenance by such Lender of additional capital or liquidity in respect of its Loans. For the avoidance of doubt, such Regulatory Change will not include the implementation of directives promulgated by the Basel Committee on Banking Supervision pursuant to the bank regulatory framework commonly known as Basel II, but will be

deemed to include the implementation of the bank regulatory framework commonly known as Basel III, the bank regulatory framework commonly known as Basel IV and the Dodd-Frank Wall Street Reform and Consumer Protection Act (except to the extent that any specific laws or regulations implementing portions of Basel III, Basel IV or the Dodd-Frank Wall Street Reform and Consumer Protection Act are required as matter of law to be complied with by banks generally in the applicable jurisdiction as of the Effective Date (or, in the case of a Lender that acquires its Commitments or its Loans after the Effective Date, having the force of law as of the date such Lender acquires its Commitments and/or Loans)).

“Related Indemnatee Group” has the meaning set forth in Section 6.2(b) of the Credit Agreement.

“Relevant Governmental Body” means the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or any successor thereto.

“Relevant Lender” means a commercial bank or other financial institution regularly engaged in the making of commercial loans that (A) is organized under the laws of an Applicable Jurisdiction and (B) is entitled to a complete U.S. federal withholding Tax exemption for all income derived by it from the transactions contemplated by the Operative Documents (I) under an income tax treaty in effect between the United States and such Applicable Jurisdiction or (II) in the case of a financial institution that is not a commercial bank described in Section 881(c)(3)(A) of the Code, under the “portfolio interest” exemption under Section 881(c) of the Code (or, if the transferor Lender that transferred its interest or any portion thereof in its Commitment or its Loan to such Person is not entitled to a complete exemption on such date solely as a result of a Tax Law Change, (i) such Person would, but for a Tax Law Change after the Effective Date, have been entitled on the date of such transfer to a complete exemption from U.S. federal withholding Tax for all income derived by it from the transactions contemplated by the Operative Documents under an income tax treaty, as in effect on the Effective Date, between the United States and an Applicable Jurisdiction and (ii) other than in the case of a Person who acquires its interest in a Commitment and/or Loan as a result of a transfer or change in a lending office (a) required by this Credit Agreement or another Operative Document or (b) made at the request of the Borrower, such Person is not on the date of such transfer entitled to amounts pursuant to Section 2.3 of the Credit Agreement in excess of the amounts to which the transferor Lender is entitled on such date).

“Released Aircraft” has the meaning set forth in Section 11.1(a) of the Security Agreement.

“Responsible Officer” means, with respect to the Borrower, its Chairman of the Board, its President, any Executive Vice President, any Senior Vice President, the Chief Financial Officer, any Vice President, any Assistant Vice President, the Treasurer, the Secretary or any other management employee (a) whose power to take the action in question has been authorized, directly or indirectly, by the Board of Directors of the Borrower, (b) working under the supervision of such Chairman of the Board, President, Executive Vice President, Senior Vice President, Chief Financial Officer, Vice President, Assistant Vice President, Treasurer or

Secretary and (c) whose responsibilities include the administration of the transactions and agreements contemplated by the Credit Agreement and the Security Agreement.

“Resolution Authority” means any body which has authority to exercise any Write-down and Conversion Powers.

“Restricted Lender” has the meaning set forth in Section 13.5 of the Credit Agreement.

[...***...]

[...***...]

“S&P” means Standard & Poor’s Financial Services, LLC, a subsidiary of the McGraw-Hill Companies, Inc. and any successor thereto.

“Sanctioned Country” means a country or territory which is, or whose government is, the subject or target of any Sanctions broadly restricting or prohibiting dealings with such country, territory or government.

“Sanctioned Person” means any Person with whom dealings are restricted or prohibited under Sanctions, including (a) any Person listed in any Sanctions-related list of designated or identified Persons maintained by the United States (including by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the U.S. Department of State, or the U.S. Department of Commerce), [...***...] or any jurisdiction applicable to the Borrower or the Guarantor from time to time, (b) any Person located, organized or resident in, or any Governmental Entity or governmental instrumentality of, a Sanctioned Country, or (c) any [...***...] or more directly or indirectly owned by, controlled by, or acting for the benefit or on behalf of, any Person described in clauses (a) or (b) hereof.

“Sanctions” means economic or financial sanctions, sectoral or secondary sanctions, or trade embargoes or anti-terrorism laws, or restrictive measures enacted, imposed, administered or enforced from time to time by the U.S. government, including those administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the U.S. Department of State, the U.S. Department of Commerce or through any existing or future Executive Order, [...***...] or any jurisdiction applicable to the Borrower or the Guarantor from time to time.

“Scheduled Delivery Month” means, with respect to each Aircraft, the date listed under the column with the heading “Original Scheduled Delivery Month” opposite such Aircraft in the table set forth on Schedule II in the Credit Agreement; [...***...]

“Scheduled Repayment” has the meaning set forth in Section 2.2 of the Credit Agreement.

“Securities Act” has the meaning set forth in Section 2.6 of the Credit Agreement.

“Secured Amounts” means, collectively, all amounts payable by the Borrower to any Lender, the Facility Agent or the Security Trustee under the Credit Agreement and the Security Agreement.

“Secured Parties” means, collectively, the Security Trustee, the Lenders and the Facility Agent.

“Security Agreement” means the Purchase Agreement Assignment and Security Agreement, dated as of the Effective Date, between the Borrower and the Security Trustee, including all annexes, schedules, exhibits, appendices and supplements thereto, all as amended, modified or supplemented in accordance with the applicable provisions thereof.

“Security Trustee” has the meaning set forth in the introductory paragraph of the Credit Agreement.

“Security Trustee Liens” means any Lien attributable to Bank of Utah or the Security Trustee with respect to the Collateral (or any portion thereof) or any interest therein, arising as a result of (i) Taxes or claims against Bank of Utah not related to its interest in, or the administration of, the Collateral pursuant to the Security Agreement, (ii) acts of the Security Trustee not permitted by, or failure of the Security Trustee to take any action required by, the Operative Documents to the extent Bank of Utah would be subject to liability under Section 7.1 of the Security Agreement for such actions or inactions, (iii) acts of the Security Trustee not permitted by, or failure of the Security Trustee to take any action required by, the Operative Documents to the extent Bank of Utah would not be subject to liability under Section 7.1 of the Security Agreement for such actions or inactions, (iv) claims against Bank of Utah relating to Taxes based upon or measured by the fee received by Bank of Utah for acting as Security Trustee, (v) claims against the Security Trustee relating to Taxes or Claims (other than as set forth in subsection (ii)) or (vi) claims against the Security Trustee arising out of the transfer by the Security Trustee of all or any portion of its interest in the Collateral (other than as set forth in subsection (ii)).

“SOFR” means a rate equal to the secured overnight financing rate as administered by the SOFR Administrator.

“SOFR Administrator” means the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

[...***...]

“Successor” has the meaning set forth in Section 11.1(q) of the Credit Agreement.

“Tax” and **“Taxes”** means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any governmental authority, including any interest, additions to tax or penalties applicable thereto.

“Tax Law Change” has the meaning set forth in Section 2.3(b) of the Credit Agreement.

[...***...]

“Term SOFR” means, for any calculation with respect to a Loan, the Term SOFR Reference Rate for a tenor comparable to the applicable Interest Period on the day (such day, the **“Periodic Term SOFR Determination Day”**) that is two (2) U.S. Government Securities

Business Days prior to the first day of such Interest Period, as such rate is published by the Term SOFR Administrator; provided, however, that if as of 10:00 a.m. (New York City time) on any Periodic Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Periodic Term SOFR Determination Day; provided, further, that if Term SOFR determined as provided above (including pursuant to the proviso above) shall ever be less than the Floor, then Term SOFR shall be deemed to be the Floor.

“Term SOFR Administrator” means CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR Reference Rate selected by the Facility Agent in its reasonable discretion).

“Term SOFR Funding” means a Loan that bears interest at the applicable Term SOFR Rate.

“Term SOFR Reference Rate” means the forward-looking term rate based on SOFR.

“Term SOFR Rate” means, for the relevant Interest Period, the sum of (a) the Term SOFR applicable to such Interest Period, plus (b) the Applicable Margin; provided that the Term SOFR Rate before an Event of Default or the Maturity Date shall be expressed as an annual rate.

“Total Commitment” means, at any time, the sum of the Lenders’ Commitments at such time (disregarding for purposes of this determination the Commitment of any Defaulting Lender).

“Transfer Supplement” has the meaning set forth in Section 8.1(d) of the Credit Agreement.

“Trust Indenture Act” means the Trust Indenture Act of 1939, as amended, and the rules and regulations promulgated thereunder.

“UCC” means the Uniform Commercial Code, as in effect in any applicable jurisdiction.

“UK Bail-In Legislation” means Part I of the United Kingdom Banking Act 2009 and any other law or regulation applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (otherwise than through liquidation, administration or other insolvency proceedings).

“Unadjusted Benchmark Replacement” means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

“United States” and **“U.S.”** each means the United States of America.

“U.S. Government Securities Business Day” means any day except for (a) a Saturday, (b) a Sunday or (c) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

“U.S. Person” means any Person that is a “United States Person” as defined in Section 7701(a)(3) of the Code.

“U.S. Tax Compliance Certificate” has the meaning set forth in Section 2.3(d)(ii)(C).

“Write-down and Conversion Powers” means:

(a) in relation to any Bail-In Legislation described in the EU Bail-In Legislation Schedule from time to time, the powers described as such in relation to that Bail-In Legislation in the EU Bail-In Legislation Schedule;

(b) in relation to the UK Bail-In Legislation, any powers under that UK Bail-In Legislation to cancel, transfer or dilute shares issued by a person that is a bank or investment firm or other financial institution or affiliate of a bank, investment firm or other financial institution, to cancel, reduce, modify or change the form of a liability of such a person or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that UK Bail-In Legislation that are related to or ancillary to any of those powers; and

(c) in relation to any other applicable Bail-In Legislation:

(i) any powers under that Bail-In Legislation to cancel, transfer or dilute shares issued by a person that is a bank or investment firm or other financial institution or affiliate of a bank, investment firm or other financial institution, to cancel, reduce, modify or change the form of a liability of such a person or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers; and

(ii) any similar or analogous powers under that Bail-In Legislation.

ALLEGIANT GUARANTEE AGREEMENT

dated as of September 30, 2022

between

ALLEGIANT TRAVEL COMPANY
as Guarantor

and

BANK OF UTAH
not in its individual capacity but solely as Security Trustee for the Lenders

TABLE OF CONTENTS

	Page
SECTION 1. THE GUARANTEE	1
SECTION 2. REPRESENTATIONS AND WARRANTIES OF THE GUARANTOR.....	3
SECTION 3. COVENANTS OF THE GUARANTOR	4
SECTION 4. MISCELLANEOUS	6
SECTION 5. REORGANIZATION OF PAYMENT OBLIGATION.....	7
SECTION 6. NO SET-OFF	8

ALLEGIANT GUARANTEE AGREEMENT

ALLEGIANT GUARANTEE AGREEMENT dated as of September 30, 2022 (this “**Agreement**”) is between **ALLEGIANT TRAVEL COMPANY**, a corporation organized under the laws of the State of Nevada (the “**Guarantor**”) and **BANK OF UTAH**, not in its individual capacity but solely as Security Trustee on behalf of the Lenders (together with its successors and assigns, the “**Security Trustee**”), under that certain PDP Credit Agreement dated as of September 30, 2022 (as at any time modified, supplemented and amended, the “**Credit Agreement**”) among Allegiant Air, LLC, a Nevada limited liability company (the “**Borrower**”), the Security Trustee, each of the lenders party thereto, as Lenders (the “**Lenders**”) and Landesbank Hessen-Thüringen Girozentrale, as agent for the Lenders (the “**Facility Agent**”). Unless otherwise defined herein, defined terms used herein shall have the meanings ascribed to such terms in the Credit Agreement.

W I T N E S S E T H:

WHEREAS, the Borrower, the Lenders, the Facility Agent and the Security Trustee have entered or will enter into certain of the Credit Agreement and the other Operative Documents to which each of them is or will be a party;

WHEREAS, the Guarantor wishes, in furtherance of its corporate purposes and in order to induce the Lenders to enter into the transaction contemplated by the Credit Agreement, to guarantee, whether scheduled or contingent, liquidated or undetermined, now or hereafter existing (including all such amounts which would become due but for the operation of the automatic stay under section 362(a) of the United States Bankruptcy Code, 11 U.S.C. §362(a), and the operation of sections 502(b) and 506(b) of the United States Bankruptcy Code, 11 U.S.C. §502(b): (i) prompt payment by the Borrower in full when due of all amounts payable pursuant to the Credit Agreement and the other Operative Documents and (ii) complete performance by the Borrower of its agreements in the Credit Agreement and the other Operative Documents (all the foregoing obligations being collectively referred to herein as the “**Guaranteed Obligations**”) and, in order to guarantee the Guaranteed Obligations, is executing and delivering this Agreement; and

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein and in order to induce the Lenders to enter into the transaction contemplated by the Credit Agreement, the Guarantor covenants and agrees with the Security Trustee, on behalf of the Lenders, as follows:

Section 1. The Guarantee.

(a) The Guarantor absolutely, irrevocably and unconditionally guarantees, as primary obligor and not merely as surety, the due and punctual payment in full, observance and performance of the Guaranteed Obligations (whether on stated due dates, by acceleration or otherwise), the foregoing guarantee (in respect of payment obligations) constituting hereby a guarantee of payment and not of collection.

(b) The Guarantor hereby irrevocably waives (v) any right of subrogation,
(w) notice of acceptance hereof, and of any action taken or omitted in reliance hereon,

(x) presentment for payment, observance or performance upon the Borrower, demand of payment, observance or performance from the Borrower, protest or notice to the Borrower of failure to pay, observe or perform or notice to the Guarantor of any default in the payment, observance or performance by the Borrower of any Guaranteed Obligations, except as otherwise expressly stated herein, (y) any requirement of diligence or promptness on the part of the Security Trustee or the Lenders in making demand, commencing suit or exercising any other right or remedy under any of the Operative Documents and (z) any right to require the Security Trustee or the Lenders to exercise any right or remedy against the Borrower or any other Person or entity prior to enforcing any right of the Security Trustee or the Lenders against the Guarantor hereunder.

(c) The obligations of the Guarantor hereunder shall be absolute, unconditional and continuing under any and all circumstances and shall be performed by the Guarantor regardless of (a) whether the Borrower, the Guarantor, the Lenders, the Facility Agent or the Security Trustee shall have taken or failed to take any steps to collect or enforce any obligation or liability from the Borrower, or shall have otherwise exercised or failed to exercise any rights, powers or remedies under any of the Operative Documents against the Borrower and shall in no way be affected or impaired by (and no notice to the Guarantor shall be required in respect of) any compromise, waiver, settlement, release, extension, change in or modification of any of the Guaranteed Obligations, (b) the disaffirmance or rejection or purported disaffirmance or purported rejection of any of the Operative Documents in any insolvency, bankruptcy or reorganization proceedings relating to the Borrower, (c) any law, regulation or decree now or hereafter in effect which might in any manner affect any of the terms or provisions of any of the Operative Documents or any of the Security Trustee's, Facility Agent's or Lender's rights, powers or remedies thereunder as against the Borrower or which might cause or permit to be invoked any alteration in the time, amount, manner of payment or performance of any of the obligations and liabilities of the Borrower, (d) any failure of the Borrower to comply with the requirements of any federal, state or local law, regulation or order of any political subdivision or agency thereof, (e) the occurrence and continuance of any Default or Event of Default, (f) the merger or consolidation of the Borrower into or with any corporation or other entity or the sale by the Borrower of all or any part of its assets, (g) whether the Security Trustee, Facility Agent or Lenders shall have taken or failed to take any steps to mitigate damages, (h) any other circumstance which might otherwise constitute a defense available to or a discharge of the Borrower in respect of its obligations or liabilities under any of the Operative Documents, or (i) any other act or omission to act by the Security Trustee or any other Person or entity or any other circumstances whatsoever (with or without notice to or the knowledge of the Guarantor), whether similar or dissimilar to the foregoing, which may or might in any manner or to any extent vary the risk of the Guarantor, or otherwise constitute a legal or equitable discharge of a surety or the Guarantor; it being the purpose and intent of the Guarantor and the Security Trustee that this Agreement and the obligations and liabilities of the Guarantor hereunder shall be absolute, unconditional and continuing under any and all circumstances and shall not be discharged except by payment, observance and performance in full of all the Guaranteed Obligations.

(d) Notwithstanding anything to the contrary contained in this Section 1, (i) the Guarantor may assert as a defense to any claim by the Facility Agent, the Security Trustee or any Lender for payment or performance of the Guaranteed Obligations any valid defense, claim,

set-off or deduction which the Borrower could reasonably have asserted against such party in respect of such claim as the borrower under the Credit Agreement to the extent that such claim made by the Facility Agent, the Security Trustee or any Lender was not available to be made by the Facility Agent, the Security Trustee or any Lender under the Credit Agreement; provided, that for the avoidance of doubt, the Guarantor may not assert such defense to the extent that any defense, claim, set-off or deduction available to the Borrower is only made available under any insolvency, bankruptcy or reorganization proceedings relating to the Borrower and (ii) to the extent that the Borrower is relieved of any of the Guaranteed Obligations under the terms of any of the Operative Documents other than in connection with an insolvency, bankruptcy or reorganization proceedings, or any of the Guaranteed Obligations are compromised, settled, waived, released or extended in a writing signed by the party making such claim, or the terms of any of the Guaranteed Obligations or of the Operative Documents in respect thereof are validly amended or modified other than in connection with an insolvency, bankruptcy or reorganization proceedings, the Guarantor shall be similarly relieved of its corresponding liabilities and obligations with respect to such Guaranteed Obligations and/or shall be entitled to the benefit of any such compromise, settlement, waiver, release, extension, amendment or modification.

(e) The Guarantor agrees to pay all costs and expenses (including, without limitation, attorneys' fees and expenses) incurred in connection with the enforcement of the obligations of the Borrower after the occurrence and during the continuance of an Event of Default, to the extent that such costs and expenses are not paid by the Borrower or otherwise and in connection with the enforcement of the obligations of the Guarantor under this Agreement after the occurrence and during the continuance of an Event of Default.

(f) If any payment of any Guaranteed Obligations is rescinded or must otherwise be returned by the Security Trustee, the Facility Agent or any Lender as a result of any law or an order issued in a bankruptcy or insolvency proceeding relating to the Borrower or otherwise, the amount so repaid shall not be deemed to have been paid and shall be deemed to be outstanding and the guarantee of the Guarantor hereunder in respect of such payment shall be reinstated and shall remain in full force and effect.

Section 2. Representations and Warranties of the Guarantor. The Guarantor hereby represents and warrants to the Security Trustee that:

(a) The Guarantor is a corporation duly organized and validly existing in good standing under the laws of the State of Nevada, is qualified to do business in each jurisdiction where the failure to be so qualified could have a materially adverse effect on the Guarantor's business, operations or condition (financial or otherwise) or on its ability to perform its obligations hereunder, and has the corporate power and authority, and all licenses, rights, permits, certificates, franchises and other privileges, necessary to carry on its business as presently conducted and to perform its obligations under this Agreement.

(b) The execution, delivery and performance by the Guarantor of this Agreement has been duly authorized by all necessary corporate action on the part of the Guarantor, does not require any approval of the shareholders of the Guarantor, and neither the execution and delivery hereof nor the consummation of the transactions contemplated hereby nor compliance by the Guarantor with any, nor the Guarantor's performance of all, of the terms and

provisions hereof will contravene or has contravened any judgment or order applicable to or binding on it or any applicable law or conflict with, result in any breach of, or constitute any default under, its organizational documents or conflict with, result in the creation of a lien under, or require the consent of any trustee or creditor pursuant to, any indenture, mortgage, chattel mortgage, deed of trust, conditional sales contract, lease, bank loan or credit agreement or other agreement or instrument to which the Guarantor is a party or by which it or any of its assets may be bound.

(c) This Agreement has been duly executed and delivered by the Guarantor, and constitutes the legal, valid and binding obligation of the Guarantor, enforceable against the Guarantor in accordance with the terms hereof, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally, and by general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

(d) There are no actions, suits or proceedings pending or, to the best of the Guarantor's knowledge after due inquiry, threatened in any court or before any regulatory commission, board or administrative or other Governmental Authority against or affecting the Guarantor which could have a materially adverse effect on its ability to enter into or perform its obligations under this Agreement or on the condition (financial or otherwise), operations, business or prospects of the Guarantor.

(e) The Guarantor is in material compliance with all applicable laws in all applicable jurisdictions, the violation of which could have a material adverse effect on the properties, business, prospects, profits or condition of the Guarantor.

(f) The Guarantor is solvent and will not be rendered insolvent by the consummation of the transactions contemplated by the Operative Documents, including, without limitation, this Agreement; after such consummation, the capital of the Guarantor will not be unreasonably small for the conduct of the business in which the Guarantor is engaged or is about to engage; the Guarantor has no intention or belief that it is about to incur debts beyond its ability to pay as they mature; and the Guarantor's participation in such transactions is made without any intent to hinder, delay or defraud either present or future creditors of the Guarantor, and none of the transactions contemplated by the Operative Documents to which the Guarantor is a party is void or voidable at the behest of any creditor of the Guarantor.

(g) The financial statements of the Guarantor for the fiscal year ending December 31, 2021 (i) were prepared in accordance with GAAP consistently applied (except as may be indicated in the notes thereto or as permitted by Form 10-Q in the case of interim unaudited consolidated financial statements) and (ii) fairly represent in all material respects the consolidated financial condition and operations of the Guarantor as at the respective dates thereof and the consolidated results of its operations and cash flows for the periods indicated therein.

(h) Since December 31, 2021, there has been no material adverse change in the financial condition or prospects of the Guarantor.

(i) The Borrower is a wholly-owned consolidated subsidiary of the Guarantor.

(j) It is in the best interests of the Guarantor to execute this Guarantee, inasmuch as the Guarantor will derive substantial direct and indirect benefits from the Loans made by the Lenders and the Guarantor agrees that the Lenders are relying on this representation in agreeing to make such Loans.

Section 3. Covenants of the Guarantor. The Guarantor hereby covenants in favor of the Security Trustee as follows:

(a) The Guarantor shall not take any action to cause the Borrower not to comply, or to prohibit the Borrower from complying, with its covenants, agreements and undertakings set forth in the Operative Documents to which the Borrower is or will become a party.

(b) From time to time the Guarantor agrees that it will do all such acts, execute, acknowledge and deliver all such instruments and make all filings and recordings in all jurisdictions as it shall be reasonably requested by the Security Trustee to do or execute for the purpose of fully carrying out and effectuating this Agreement and the intent hereof.

(c) The Guarantor shall not, and shall not permit the Borrower to, liquidate, dissolve or consolidate with or merge into or with any other Person without the prior written consent of the Security Trustee (acting on behalf of the Lenders).

(d) The Guarantor shall not at any time institute against the Borrower or cause the Borrower to make a voluntary filing or consent to an involuntary filing with respect to itself in any bankruptcy, reorganization, arrangement, insolvency or liquidation proceeding, or any other Insolvency Proceeding.

(e) The Guarantor shall provide to the Security Trustee:

(i) as soon as practicable and in any event within 120 days after the end of each fiscal year of the Guarantor, audited consolidated statements of income and cash flows and an audited consolidated statement of stockholders' equity of the Guarantor and its subsidiaries for such year, and a consolidated balance sheet of such Person and its subsidiaries as at the end of such year, setting forth in each case in comparative form corresponding consolidated figures from the preceding annual audit, all in reasonable detail and reported on by independent public accountants of recognized national standing (without a "going concern" or like qualification or exception and without any qualification or exception as to the scope of such audit) to the effect that such consolidated financial statements present fairly in all material respects the financial condition and results of operations of the Guarantor and its subsidiaries on a consolidated basis in accordance with GAAP consistently applied (except for inconsistencies required by changes to GAAP and changes approved by such accountants in accordance with GAAP); provided, that compliance with the above shall be satisfied by the timely filing of 10K and 10Q statements with the Securities and Exchange Commission; and

(ii) as soon as practicable and in any event within 90 days after the end of each quarterly period (other than the last quarterly period) in each fiscal year of the Guarantor beginning after December 31, 2021, consolidated statements of income, stockholders' equity and cash flows of the Guarantor and its subsidiaries for the period from the beginning of the current fiscal year to the end of such quarterly period, and a consolidated balance sheet of the Guarantor and its subsidiaries as at the end of such quarterly period, setting forth in each case in comparative form figures for the corresponding period in the preceding fiscal year, all in reasonable detail and presenting fairly in all material respects the financial condition and results of operations of the Guarantor and its Subsidiaries, certified by the Guarantor's chief executive officer or chief financial officer as having been prepared on a consolidated basis in accordance with GAAP consistently applied (except for inconsistencies required by changes to GAAP and changes approved by the accountants referred to in clause (i) above in accordance with GAAP), subject to normal year-end audit adjustments and the absence of footnotes; provided, that compliance with the above shall be satisfied by the timely filing of 10K and 10Q statements with the Securities and Exchange Commission.

(f) Subject to the terms of this Agreement, the Guarantor will maintain 100% of the direct or indirect ownership interests in the Borrower.

(g) The Guarantor shall keep adequate records and books of account concerning the Borrower, in which complete entries will be made in accordance with generally accepted accounting principles consistently applied.

Section 4. Miscellaneous. (a) Except as expressly otherwise provided herein, all notices, requests, demands or other communications to or upon the Security Trustee, or the Guarantor shall be deemed to have been duly given or made when given pursuant to the terms of the Credit Agreement, with all notices to the Guarantor being sent to:

Allegiant Travel Company
1201 North Town Center Drive
Las Vegas, Nevada 89144
Attn: Mr. Robert Neal, Sr. Vice President Corporate Finance
and Treasurer
Telephone: (702) 830-8039
Email: DebtServicing@AllegiantAir.com

(b) Neither the Lenders, the Facility Agent nor the Security Trustee shall by any act, delay, indulgence, omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced in any Default or Event of Default or in any breach by the Guarantor of any of the terms and conditions hereof. No failure to exercise, nor any delay in exercising, on the part of the Security Trustee, the Facility Agent or the Lenders, any right, power or privilege hereunder shall operate as a waiver thereof. No single or partial exercise of any right, power or privilege hereunder shall preclude any other or further exercise thereof or the exercise of any other right, power or privilege. A waiver by the Security Trustee, the Facility Agent or any Lender of any right or remedy hereunder on any one occasion shall not be construed as a bar to any right or remedy which the Security Trustee, the Facility Agent or any

Lender would otherwise have on any future occasion. The rights and remedies herein provided are cumulative, may be exercised singly or concurrently and are not exclusive of any rights or remedies provided by law. No waiver of any of the terms and conditions of this Agreement and no notice to or demand on the Guarantor or the Borrower in any case shall entitle the Guarantor or the Borrower to any other or further notice or demand in similar or other circumstances or constitute the waiver of the rights of the Security Trustee, the Facility Agent or any Lender to any other or further action in any circumstances without notice or demand.

(c) THIS AGREEMENT SHALL IN ALL RESPECTS, INCLUDING ALL MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE, BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK AS APPLIED TO CONTRACTS MADE AND PERFORMED WITHIN THE STATE OF NEW YORK.

(d) The Guarantor hereby irrevocably and unconditionally submits, for itself and its property, the non-exclusive jurisdiction of the courts of the State of New York sitting in the City and County of New York and to the non-exclusive jurisdiction of the U.S. District Court for the Southern District of New York, in any action or proceeding arising out of or relating to this Agreement, or the transactions contemplated hereby. The Guarantor agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement shall affect any right that any party may otherwise have to bring any action or proceeding relating to this Agreement against another party or its properties in the courts of any jurisdiction.

(e) The Guarantor hereby irrevocably waives, to the fullest extent permitted by applicable law, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement in any court referred to in paragraph (d) of this Section 4. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(f) TO THE EXTENT PERMITTED BY APPLICABLE LAW, THE GUARANTOR HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT AND FOR ANY COUNTERCLAIM THEREIN.

(g) If any provision hereof should be held invalid, illegal, or unenforceable in any respect in any jurisdiction, then, to the fullest extent permitted by law, (i) all other provisions hereof shall remain in full force and effect in such jurisdiction and shall be liberally construed in favor of the Security Trustee in order to carry out the intentions of the parties hereto as nearly as may be possible and (ii) such invalidity, illegality or unenforceability shall not affect the validity, legality or enforceability of such provision in any other jurisdiction. To the extent permitted by applicable law, the Guarantor hereby waives any provision of law which would render any provision hereof prohibited or unenforceable in any respect.

(h) No amendment, modification, waiver, termination or discharge of any provision of this Agreement, nor consent to any departure by the Guarantor therefrom, shall in any event be effective unless the same shall be in writing specifically identifying this Agreement and the provision intended to be amended, modified, waived, terminated or discharged and is signed by each of the Security Trustee (being duly authorized to bind the Lenders thereto, evidence of which to be supplied by the Security Trustee upon any such execution by the Security Trustee) and the Guarantor, and each such amendment, modification, waiver, termination or discharge shall be effective only in the specific instance and for the specific purpose for which given. No provision of this Agreement shall be varied, contradicted or explained by any oral agreement, course of dealing or performance or any other matter not set forth in an agreement in writing and signed by the Security Trustee and the Guarantor.

(i) This Agreement shall be binding upon the Guarantor, its successors and permitted assigns, and shall inure to the benefit of the Security Trustee, on behalf of the Lenders, and be enforceable by the Security Trustee and its successors and assigns; provided that, the Guarantor shall not assign any of its obligations hereunder without the prior written consent of the Security Trustee. This Agreement shall not be deemed to create any right in any Person or entity nor be construed in any respect to be a contract in whole or in part for the benefit of any Person or entity except as provided herein.

Section 5. Reorganization of Payment Obligation. If, as a result of any insolvency, bankruptcy, reorganization, arrangement, readjustment of debt, dissolution, liquidation or similar proceeding with respect to, or affecting the status, existence, assets or obligations of the Borrower, the amount or timing of any payment, observance or performance of any Guaranteed Obligations shall be discharged, adjusted, rescheduled, rearranged or otherwise becomes payable in an amount or at a time, other than as specifically provided for in the Operative Documents, the Guarantor specifically agrees, as a primary obligation, to pay, observe and perform such Guaranteed Obligations at the time and in the amount such payment, observance or performance would have become due in accordance with the terms of the Operative Documents if such insolvency, bankruptcy, reorganization, arrangement, readjustment of debt, dissolution, liquidation or similar proceeding had not occurred.

Section 6. No Set-Off. The obligations of the Guarantor hereunder shall not be released, discharged or otherwise affected by the existence of any claim, set-off, defense, or other right that the Guarantor may have at any time and from time to time against the Security Trustee, the Facility Agent, the Lenders or any other Person or entity, whether in connection herewith or with any related or unrelated transaction.

* *

IN WITNESS WHEREOF, each of the Guarantor and the Security Trustee has caused this Allegiant Guarantee Agreement to be duly executed and delivered by its proper and duly authorized officer as of the day and year first above written.

ALLEGiant TRAVEL COMPANY, as
Guarantor

By: _____
Name:
Title:

BANK OF UTAH, not in its individual
capacity but solely as Security Trustee

By: _____
Name:
Title:

Certifications

I, John Redmond, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Allegiant Travel Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 3, 2022

/s/ John Redmond

Title: Principal Executive Officer

Certifications

I, Gregory Anderson, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Allegiant Travel Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 3, 2022

/s/ Gregory Anderson

Title: Principal Financial Officer

Allegiant Travel Company Certification under Section 906 of the Sarbanes/Oxley Act - filed as an exhibit to Form 10-Q for the Quarter Ended September 30, 2022

CERTIFICATION PURSUANT TO

18 U.S.C. SECTION 1350,

AS ADOPTED PURSUANT TO

SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the quarterly report of Allegiant Travel Company (the "Company") on Form 10-Q for the period ended September 30, 2022 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, John Redmond, Chief Executive Officer of the Company, and Gregory Anderson, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that to the best of our knowledge:

1. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ John Redmond

John Redmond

Principal Executive Officer

November 3, 2022

/s/ Gregory Anderson

Gregory Anderson

Principal Financial Officer

November 3, 2022

The foregoing Certification shall not be deemed incorporated by reference by any general statement incorporating by reference this report into any filing under the Securities Act of 1933 or under the Securities Exchange Act of 1934, except to the extent that we specifically incorporate this information by reference, and shall not otherwise be deemed filed under such Acts.