

# SPIRIT AIRLINES, INC.

## FORM 10-Q (Quarterly Report)

Filed 07/29/16 for the Period Ending 06/30/16

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**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 June 30, 2016  
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: 001-35186

**SPIRIT AIRLINES, INC.**

(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction of  
incorporation or organization)

2800 Executive Way  
Miramar, Florida  
(Address of principal executive offices)

38-1747023  
(I.R.S. Employer  
Identification No.)

33025  
(Zip Code)

(954) 447-7920  
(Registrant's telephone number, including area code)

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 and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted 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 and post 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 the definitions of "large accelerated filer," "accelerated filer" and "small reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>

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

Indicate the number of shares outstanding of each of the registrant's classes of common stock as of the close of business on July 22, 2016:

Class	Number of Shares
Common Stock, \$0.0001 par value	70,020,919

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## PART I. Financial Information

## ITEM 1. UNAUDITED CONDENSED FINANCIAL STATEMENTS

Spirit Airlines, Inc.  
Condensed Statements of Operations  
(unaudited, in thousands, except per share amounts)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
Operating revenues:				
Passenger	\$ 296,401	\$ 308,573	\$ 569,027	\$ 582,039
Non-ticket	287,732	244,848	553,249	464,737
<b>Total operating revenues</b>	<b>584,133</b>	<b>553,421</b>	<b>1,122,276</b>	<b>1,046,776</b>
Operating expenses:				
Aircraft fuel	113,192	127,907	199,174	240,333
Salaries, wages and benefits	112,930	97,037	229,340	186,094
Aircraft rent	49,864	53,127	102,066	105,915
Landing fees and other rents	39,944	33,364	74,751	63,910
Distribution	24,692	22,349	47,625	42,846
Maintenance, materials and repairs	20,627	21,271	41,567	40,431
Depreciation and amortization	24,957	17,139	48,066	32,002
Other operating	67,511	58,173	131,556	101,920
Loss on disposal of assets	529	415	743	1,010
Special charges	8,052	324	24,254	749
<b>Total operating expenses</b>	<b>462,298</b>	<b>431,106</b>	<b>899,142</b>	<b>815,210</b>
<b>Operating income</b>	<b>121,835</b>	<b>122,315</b>	<b>223,134</b>	<b>231,566</b>
Other (income) expense:				
Interest expense	10,166	4,419	18,226	7,231
Capitalized interest	(2,771)	(2,829)	(6,096)	(5,362)
Interest income	(1,447)	(177)	(3,013)	(311)
Other expense	157	44	227	116
<b>Total other (income) expense</b>	<b>6,105</b>	<b>1,457</b>	<b>9,344</b>	<b>1,674</b>
Income before income taxes	115,730	120,858	213,790	229,892
Provision for income taxes	42,646	44,154	78,786	84,186
<b>Net income</b>	<b>\$ 73,084</b>	<b>\$ 76,704</b>	<b>\$ 135,004</b>	<b>\$ 145,706</b>
<b>Basic earnings per share</b>	<b>\$ 1.03</b>	<b>\$ 1.06</b>	<b>\$ 1.90</b>	<b>\$ 2.00</b>
<b>Diluted earnings per share</b>	<b>\$ 1.03</b>	<b>\$ 1.05</b>	<b>\$ 1.89</b>	<b>\$ 1.99</b>

The accompanying Notes are an integral part of these Condensed Financial Statements.

**Spirit Airlines, Inc.**  
**Condensed Statements of Comprehensive Income**  
*(unaudited, in thousands)*

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
<b>Net income</b>	\$ 73,084	\$ 76,704	\$ 135,004	\$ 145,706
Unrealized gain (loss) on interest rate derivative instruments, net of deferred taxes of \$0, \$749, \$0 and (\$191)	—	1,238	—	(356)
Interest rate swap losses reclassified into earnings	88	—	178	—
<b>Other comprehensive income (loss)</b>	\$ 88	\$ 1,238	\$ 178	\$ (356)
<b>Comprehensive income</b>	\$ 73,172	\$ 77,942	\$ 135,182	\$ 145,350

The accompanying Notes are an integral part of these Condensed Financial Statements.

**Spirit Airlines, Inc.**  
**Condensed Balance Sheets**  
*(unaudited, in thousands)*

	June 30, 2016	December 31, 2015
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 1,014,080	\$ 803,632
Accounts receivable, net	40,650	28,266
Aircraft maintenance deposits	77,590	73,415
Prepaid income taxes	2,835	72,278
Prepaid expenses and other current assets	48,624	48,749
<b>Total current assets</b>	<b>1,183,779</b>	<b>1,026,340</b>
Property and equipment:		
Flight equipment	1,225,219	827,282
Ground and other equipment	103,986	82,459
Less accumulated depreciation	(90,577)	(65,524)
	1,238,628	844,217
Deposits on flight equipment purchase contracts	249,360	286,837
Long-term aircraft maintenance deposits	201,925	206,485
Deferred heavy maintenance, net	75,172	89,127
Other long-term assets	81,336	77,539
<b>Total assets</b>	<b>\$ 3,030,200</b>	<b>\$ 2,530,545</b>
<b>Liabilities and shareholders' equity</b>		
Current liabilities:		
Accounts payable	\$ 27,728	\$ 17,043
Air traffic liability	283,851	216,831
Current maturities of long-term debt	78,596	49,637
Other current liabilities	217,370	182,729
<b>Total current liabilities</b>	<b>607,545</b>	<b>466,240</b>
Long-term debt, less current maturities	836,418	596,693
Long-term deferred income taxes	267,379	221,481
Deferred gains and other long-term liabilities	19,541	20,821
<b>Shareholders' equity:</b>		
Common stock	7	7
Additional paid-in-capital	547,763	544,277
Treasury stock, at cost	(180,756)	(116,182)
Retained earnings	933,758	798,754
Accumulated other comprehensive loss	(1,455)	(1,546)
<b>Total shareholders' equity</b>	<b>1,299,317</b>	<b>1,225,310</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 3,030,200</b>	<b>\$ 2,530,545</b>

The accompanying Notes are an integral part of these Condensed Financial Statements.

**Spirit Airlines, Inc.**  
**Condensed Statements of Cash Flows**  
*(unaudited, in thousands)*

	Six Months Ended June 30,	
	2016	2015
<b>Operating activities:</b>		
<b>Net income</b>	\$ 135,004	\$ 145,706
Adjustments to reconcile net income to net cash provided by operations:		
Unrealized losses on open derivative contracts, net	—	4,257
Losses reclassified from other comprehensive income	178	—
Equity-based compensation	3,905	4,743
Allowance for doubtful accounts	221	8
Amortization of deferred gains and losses	2,810	397
Depreciation and amortization	48,066	32,002
Deferred income tax expense	45,810	559
Loss on disposal of assets	743	1,010
Lease termination cost	24,254	—
Changes in operating assets and liabilities:		
Accounts receivable	(12,662)	(8,137)
Aircraft maintenance deposits	(29,721)	(4,621)
Prepaid income taxes	69,444	—
Long-term deposits and other assets	(22,055)	(10,930)
Accounts payable	3,024	7,856
Air traffic liability	66,531	90,056
Other liabilities	25,269	36,728
<b>Net cash provided by operating activities</b>	<b>360,821</b>	<b>299,634</b>
<b>Investing activities:</b>		
Proceeds from sale of property and equipment	50	—
Capitalized interest	(4,554)	(2,763)
Pre-delivery deposits for flight equipment, net of refunds	(60,772)	(70,971)
Purchase of property and equipment	(303,175)	(308,163)
<b>Net cash used in investing activities</b>	<b>(368,451)</b>	<b>(381,897)</b>
<b>Financing activities:</b>		
Proceeds from issuance of long-term debt	300,547	296,000
Proceeds from stock options exercised	92	23
Payments on debt and capital lease obligations	(19,665)	(8,940)
Proceeds from sale and leaseback transactions	—	7,300
Excess tax benefit (deficiency) from equity-based compensation	(511)	8,504
Repurchase of common stock	(62,278)	(79,415)
Debt issuance costs	(107)	(4,669)
<b>Net cash provided by financing activities</b>	<b>218,078</b>	<b>218,803</b>
Net increase in cash and cash equivalents	210,448	136,540
<b>Cash and cash equivalents at beginning of period</b>	<b>803,632</b>	<b>632,784</b>
<b>Cash and cash equivalents at end of period</b>	<b>\$ 1,014,080</b>	<b>\$ 769,324</b>
<b>Supplemental disclosures</b>		
Cash payments for:		
Interest, net of capitalized interest	\$ 21,804	\$ 1,758
Income taxes paid, net of refunds	\$ (36,142)	\$ 54,198

The accompanying Notes are an integral part of these Condensed Financial Statements.

**Notes to Condensed Financial Statements**  
(unaudited)

**1. Basis of Presentation**

The accompanying unaudited condensed financial statements include the accounts of Spirit Airlines, Inc. (the Company). These unaudited condensed financial statements reflect all normal recurring adjustments that management believes are necessary to fairly present 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 financial statements prepared in accordance with U.S. generally accepted accounting principles (GAAP) have been condensed or omitted pursuant to the rules and regulations of the Securities and Exchange Commission for Form 10-Q. These unaudited interim condensed financial statements should be read in conjunction with the audited financial statements of the Company and notes thereto included in the Annual Report on Form 10-K for the year ended December 31, 2015 filed with the Securities and Exchange Commission on February 17, 2016.

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect both 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 interim results reflected in the unaudited condensed financial statements are not necessarily indicative of the results that may be expected for other interim periods or for the full year.

Certain prior period amounts have been reclassified to conform to the current year's presentation.

**2. Recent Accounting Developments**

In May 2014, the Financial Accounting Standards Board (the FASB) issued Accounting Standards Update (ASU) No. 2014-09, (ASU 2014-09), "Revenue from Contracts with Customers." The objective of ASU 2014-09 is to establish a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. ASU 2014-09 will supersede most of the existing revenue recognition guidance, including industry-specific guidance. The core principle of ASU 2014-09 is that an entity recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. ASU 2014-09 applies to all contracts with customers except those that are within the scope of other topics in the FASB Accounting Standards Codification. The new guidance is effective for the Company in the first quarter of 2018. Early adoption is permitted, but not before the first quarter of 2017. Entities have the option to use either a full retrospective or modified approach to adopt ASU 2014-09. The Company is currently evaluating the new guidance and has neither determined the full impact this standard may have on its financial statements nor decided upon the planned method of adoption. While the Company is still evaluating the impact, it expects the accounting for its frequent flier program to be impacted as ASU 2014-09 will no longer allow use of the incremental cost method when recording revenue related to the Company's loyalty programs. The Company also expects the timing of recognition of certain ancillary fees to be impacted by adoption of ASU 2014-09.

In February 2016, the FASB issued ASU No. 2016-02, "Leases (Topic 842)." This standard will require all leases with durations greater than twelve months to be recognized on the balance sheet and is effective for the Company in the first quarter of 2019, with early adoption permitted. The Company is currently evaluating the new guidance and believes adoption of this standard will have a significant impact on its balance sheets although adoption is not expected to significantly change the recognition, measurement or presentation of lease expenses within the statements of operations and cash flows.

In March 2016, the FASB issued ASU No. 2016-09, "Improvements to Employee Share-Based Payment Accounting," which simplifies several aspects of the accounting for employee share-based payment transactions, including the accounting for income taxes, forfeitures, and statutory tax withholding requirements, as well as classification on the statement of cash flows. The new guidance is effective for the Company in the first quarter of 2017, with early adoption permitted. The Company is in the process of evaluating the impact of adoption of this guidance on its financial statements.

**3. Special Charges**

During the six months ended June 30, 2016, the Company purchased three A319 aircraft which were formerly financed under operating lease agreements. The purchase price of the three aircraft was \$65.9 million, comprised of cash payment of \$33.8 million and the application of maintenance and security deposits held by the previous lessors of \$32.1



**Notes to Condensed Financial Statements—(Continued)**

million. The Company estimated the fair value of the aircraft to be \$41.2 million and has recorded the three purchased aircraft within flight equipment on the condensed balance sheets. The Company determined the valuation of the aircraft based on a third-party appraisal considering the condition of each aircraft (a Level 3 measurement). The Company recognized the \$24.3 million excess of the purchase price paid over the fair value of the aircraft as a cost of terminating the leases within special charges on the statement of operations.

**4. Earnings per Share**

The following table sets forth the computation of basic and diluted earnings per common share:

	<b>Three Months Ended June 30,</b>		<b>Six Months Ended June 30,</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>(in thousands, except per share amounts)</b>			
<b>Numerator</b>				
Net income	\$ 73,084	\$ 76,704	\$ 135,004	\$ 145,706
<b>Denominator</b>				
Weighted-average shares outstanding, basic	70,770	72,518	71,173	72,784
Effect of dilutive stock awards	143	283	174	299
Adjusted weighted-average shares outstanding, diluted	70,913	72,801	71,347	73,083
<b>Net income per share</b>				
Basic earnings per common share	\$ 1.03	\$ 1.06	\$ 1.90	\$ 2.00
Diluted earnings per common share	\$ 1.03	\$ 1.05	\$ 1.89	\$ 1.99
Anti-dilutive weighted-average shares	54	56	69	42

**5. Accrued Liabilities**

Other current liabilities as of June 30, 2016 and December 31, 2015 consist of the following:

	<b>June 30, 2016</b>	<b>December 31, 2015</b>
	<b>(in thousands)</b>	
Federal excise and other passenger taxes and fees payable	\$ 58,369	\$ 38,254
Airport obligations	39,721	30,849
Salaries and wages	36,943	34,123
Aircraft and facility lease obligations	26,040	24,014
Aircraft maintenance	19,957	21,688
Interest payable	8,764	12,355
Fuel	8,667	7,084
Other	18,909	14,362
Other current liabilities	\$ 217,370	\$ 182,729

**6. Financial Instruments and Risk Management**

As part of the Company's risk management program, the Company from time to time may use a variety of financial instruments to reduce its exposure to fluctuations in the price of jet fuel and interest rates. The Company does not hold or issue derivative financial instruments for trading purposes.

**Notes to Condensed Financial Statements—(Continued)**

The Company is exposed to credit losses in the event of nonperformance by counterparties to these financial instruments. The Company periodically reviews and seeks to mitigate exposure to the financial deterioration and nonperformance of any counterparty by monitoring absolute exposure levels, credit ratings, and historical performance of counterparties relating to derivative transactions. The credit exposure related to these financial instruments is limited to the fair value of contracts in a net receivable position at the reporting date. The Company also maintains security agreements that require the Company to post collateral if the value of selected instruments falls below specified mark-to-market thresholds. The Company records financial derivative instruments at fair value, which includes an evaluation of each counterparty's credit risk.

**Fuel Derivative Instruments**

The Company's fuel derivative contracts generally consist of United States Gulf Coast jet fuel swaps (jet fuel swaps) and United States Gulf Coast jet fuel options (jet fuel options). Both jet fuel swaps and jet fuel options are used at times to protect the refining price risk between the price of crude oil and the price of refined jet fuel and to manage the risk of increasing fuel prices. Fair value of the instruments is determined using standard option valuation models.

The Company accounts for its fuel derivative contracts at fair value and recognizes them in the balance sheet in prepaid expenses and other current assets or other current liabilities. The Company did not enter into any fuel derivative instruments during the three and six months ended June 30, 2016. The Company did not elect hedge accounting on any fuel derivative instruments entered into during the three and six months ended June 30, 2015 and, as a result, changes in the fair value of these fuel derivative contracts are recorded in aircraft fuel expense. During the three and six months ended June 30, 2016, the Company did not pay any premiums to acquire jet fuel options. During the three months ended June 30, 2015, the Company did not pay any premiums to acquire jet fuel options. During the six months ended June 30, 2015, the Company paid \$2.1 million in premiums for the acquisition of jet fuel options.

The following table summarizes the components of aircraft fuel expense for the three and six months ended June 30, 2016 and 2015 :

	<b>Three Months Ended June 30,</b>		<b>Six Months Ended June 30,</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>(in thousands)</b>			
Into-plane fuel cost	\$ 113,192	\$ 127,344	\$ 199,174	\$ 235,468
Realized losses (gains) related to fuel derivative contracts, net	—	4,232	—	6,839
Unrealized losses (gains) related to fuel derivative contracts, net	—	(3,669)	—	(1,974)
Aircraft fuel	<u>\$ 113,192</u>	<u>\$ 127,907</u>	<u>\$ 199,174</u>	<u>\$ 240,333</u>

Any premiums and settlements received or paid on fuel derivative contracts are reflected in the accompanying statements of cash flows in net cash provided by operating activities.

As of June 30, 2016 and December 31, 2015, the Company did not have any outstanding fuel derivatives and had no fuel hedging activity for the three and six months ended June 30, 2016.

**Interest Rate Swaps**

During 2015, the Company settled six forward interest rate swaps that were designed to fix the benchmark interest rate component of interest payments on the debt related to three Airbus A321 aircraft, which the Company took delivery of during the third quarter of 2015. These instruments limited the Company's exposure to changes in the benchmark interest rate in the period from the trade date through the date of maturity. The interest rate swaps were designated as cash flow hedges. The Company accounts for interest rate swaps at fair value and recognizes them in the balance sheet in prepaid expenses and other current assets or other current liabilities with changes in fair value recorded within accumulated other comprehensive income (AOCI). As of June 30, 2016 and December 31, 2015, the Company did not have any outstanding interest rate swaps.

Realized gains and losses from cash flow hedges are recorded in the statement of cash flows as a component of cash flows from operating activities. Subsequent to the issuance of each debt instrument, amounts remaining in AOCI are amortized over the life of the fixed-rate debt instrument. For the three and six months ended June 30, 2016, there were no unrealized gains or losses recorded within AOCI related to these instruments as they settled in 2015. For the three and six months ended June 30, 2015, an unrealized gain of \$1.2 million and an unrealized loss of \$0.4 million, net of deferred taxes of \$0.7 million and

\$0.2 million, respectively, was recorded within AOCI related to these instruments. For the three and six months ended June 30, 2016, the Company reclassified \$0.1 million and \$0.2 million of interest rate swap losses into earnings, respectively. For the three and six months ended June 30, 2015, there were no amounts reclassified to earnings within interest expense. As of June 30, 2016, \$1.5 million, net of tax, remained in AOCI.

## 7. Commitments and Contingencies

### Aircraft-Related Commitments and Financing Arrangements

The Company's contractual purchase commitments consist primarily of aircraft and engine acquisitions through manufacturers and aircraft leasing companies. As of June 30, 2016, the Company's aircraft orders consisted of the following:

	Airbus			Third-Party Lessor		Total
	A320ceo	A320neo	A321ceo	A320neo		
remainder of 2016			3	5		8
2017	4		11			15
2018	5	4	5			14
2019	1	12				13
2020		16				16
2021		18				18
	10	50	19	5		84

On April 27, 2016, the Company entered into an amendment to the Airbus A320 Family Purchase Agreement, by and between the Company and Airbus S.A.S., dated May 5, 2004 (Airbus Amendment) which included the conversion of ten Airbus A321neo orders to Airbus A320neo orders. The Company also has four spare engine orders for V2500 SelectOne engines with International Aero Engines (IAE) and nine spare engine orders for PurePower PW1100G-JM engines with Pratt & Whitney. Spare engines are scheduled for delivery from 2017 through 2023. Purchase commitments for these aircraft and spare engines, including estimated amounts for contractual price escalations and pre-delivery payments, are estimated to be approximately \$209 million for the remainder of 2016, \$668 million in 2017, \$650 million in 2018, \$680 million in 2019, \$824 million in 2020, and \$803 million in 2021 and beyond. The Company has secured debt financing commitments of \$116.7 million for three aircraft scheduled for delivery in the remainder of 2016 and \$38.5 million for one aircraft scheduled for delivery in 2017. See Note 9, Long-Term Debt - 2015-1 EETCs. In addition, the Company has secured financing for five aircraft to be leased directly from a third party, scheduled for delivery in 2016. The Company does not have financing commitments in place for the remaining 75 Airbus aircraft currently on firm order, which are scheduled for delivery in 2017 through 2021.

Interest and fee commitments related to our secured debt financing as of June 30, 2016 are approximately \$20.2 million for the remainder of 2016, \$37.5 million in 2017, \$34.0 million in 2018, \$30.7 million in 2019, \$27.4 million in 2020, and \$106.6 million in 2021 and beyond. Principal and interest commitments related to the Company's future secured debt financing are approximately \$3.2 million for the remainder of 2016, \$23.7 million in 2017, \$16.4 million in 2018, \$14.9 million in 2019, \$14.2 million in 2020, and \$131.2 million in 2021 and beyond.

As of June 30, 2016, the Company had a fleet consisting of 87 A320 family aircraft. During the six months ended June 30, 2016, the Company took delivery of eight aircraft financed under secured debt arrangements and purchased three previously leased aircraft. For further discussion on the three previously leased aircraft, refer to Note 3, Special Charges. These aircraft are capitalized within flight equipment and generally have depreciable lives of 25 years and estimated residual values of 10%. As of June 30, 2016, the Company had 58 aircraft and 11 spare engines financed under operating leases with lease term expiration dates ranging from 2016 to 2029. The Company entered into sale and leaseback transactions with third-party aircraft lessors for the majority of these aircraft and engine leases. Deferred losses resulting from these sale and leaseback transactions are included in other long-term assets on the accompanying balance sheet. Deferred losses are recognized as an increase to rent expense on a straight-line basis over the term of the respective operating leases. Deferred gains are included in deferred credits and other long-term liabilities on the accompanying balance sheet. Deferred gains are recognized as a decrease to rent expense on a straight-line basis over the term of the respective operating leases.

Under the terms of the lease agreements, the Company will continue to operate and maintain the aircraft. Payments under the majority of the lease agreements are fixed for the term of the lease. The lease agreements contain standard termination events, including termination upon a breach of the Company's obligations to make rental payments and upon any other material

Notes to Condensed Financial Statements—(Continued)

breach of the Company's obligations under the leases, and standard maintenance and return condition provisions. These return provisions are evaluated at inception of the lease and throughout the lease terms and are accounted for as supplemental rent expense when it is probable that such amounts will be incurred. Upon a termination of the lease due to a breach by the Company, the Company would be liable for standard contractual damages, possibly including damages suffered by the lessor in connection with remarketing the aircraft or while the aircraft is not leased to another party.

Future minimum lease payments under noncancellable operating leases with initial or remaining terms in excess of one year at June 30, 2016 were as follows:

	Operating Leases		
	Aircraft and Spare Engine Leases	Property Facility Leases	Total Operating Lease Obligations
	(in thousands)		
remainder of 2016	\$ 101,877	\$ 16,954	\$ 118,831
2017	194,445	28,305	222,750
2018	177,054	27,961	205,015
2019	155,356	24,620	179,976
2020	147,379	17,107	164,486
2021 and thereafter	514,483	51,120	565,603
<b>Total minimum lease payments</b>	<b>\$ 1,290,594</b>	<b>\$ 166,067</b>	<b>\$ 1,456,661</b>

Aircraft rent expense consists of all minimum lease payments under the terms of our aircraft and spare engine lease agreements recognized on a straight-line basis. Aircraft rent expense also includes supplemental rent. Supplemental rent is made up of maintenance reserves paid or expected to be paid to aircraft lessors in advance of the performance of major maintenance activities that are not probable of being reimbursed and probable return condition obligations. The Company expects supplemental rent to increase as individual aircraft lease agreements approach their respective termination dates and the Company begins to accrue the estimated cost of return conditions for the corresponding aircraft.

Some of the Company's master lease agreements provide that the Company pay maintenance reserves to aircraft lessors to be held as collateral in advance of the Company's required performance of major maintenance activities. Substantially all of these maintenance reserve payments are calculated based on a utilization measure, such as flight hours or cycles, while some maintenance reserve payments are fixed contractual amounts. Fixed maintenance reserve payments for these aircraft and related flight equipment, including estimated amounts for contractual price escalations, are expected to be \$3.6 million for the remainder of 2016, \$6.6 million in 2017, \$5.6 million in 2018, \$4.2 million in 2019, \$3.9 million in 2020, and \$10.2 million in 2021 and beyond. These lease agreements provide that maintenance reserves are reimbursable to the Company upon completion of the maintenance event in an amount equal to either (1) the amount of the maintenance reserves held by the lessor associated with the specific maintenance event or (2) the qualifying costs related to the specific maintenance event. Some of the master lease agreements do not require that the Company pay maintenance reserves so long as the Company's cash balance does not fall below a certain level. As of June 30, 2016, the Company was in full compliance with those requirements and does not anticipate having to pay reserves related to these master leases in the future.

In July 2015, the Company executed an upgrade service agreement with Airbus Americas Customer Services Inc. (Airbus) to reconfigure the seating and increase capacity in 40 of the Company's existing A320 aircraft from 178 to 182 seats (reconfiguration). The reconfiguration of the aircraft commenced in the first quarter of 2016 and is expected to be completed during the fourth quarter of 2017. The cost of the reconfiguration is expected to be approximately \$0.6 million per aircraft and purchase commitments for the reconfiguration kits are estimated to be approximately \$6.6 million for the remainder of 2016, \$8.3 million in 2017 and none thereafter.

In September 2015, the Company executed a lease agreement with Wayne County Airport Authority (the Authority), which owns and operates Detroit Metropolitan Wayne County Airport (DTW). Under the lease agreement, the Company leases a 10-acre site, adjacent to the airfield at DTW, in order to construct, operate and maintain an approximately 126,000-square-foot hangar facility (the project). The project allows for the development of a maintenance hangar in order to fulfill the requirements of the Company's growing fleet and to reduce dependence on third-party facilities and contract line maintenance. The lease agreement has a 30-year term with two 10-year extension options. Upon termination of the lease, ownership will automatically pass to the Authority. The Company estimates it will complete the project during the fourth quarter of 2016 at a

**Notes to Condensed Financial Statements—(Continued)**

cost of approximately \$32 million . The Company will depreciate all capitalized costs related to the project over the lesser of the useful life of the asset or the lease term.

The Company is contractually obligated to pay the following minimum guaranteed payments for its reservation system and advertising media as of June 30, 2016 : \$2.6 million for the remainder of 2016 , \$4.3 million in 2017 , \$2.8 million in 2018 , and none thereafter . The Company's current agreement with its reservation system provider expires in 2018.

**Litigation**

The Company is subject to commercial litigation claims and to administrative and regulatory proceedings and reviews that may be asserted or maintained from time to time. The Company believes the ultimate outcome of such lawsuits, proceedings and reviews will not, individually or in the aggregate, have a material adverse effect on its financial position, liquidity or results of operations.

**Credit Card Processing Arrangements**

The Company has agreements with organizations that process credit card transactions arising from the purchase of air travel, baggage charges, and other ancillary services by customers. As is standard in the airline industry, the Company's contractual arrangements with credit card processors permit them, under certain circumstances, to retain a holdback or other collateral, which the Company records as restricted cash, when future air travel and other future services are purchased via credit card transactions. The required holdback is the percentage of the Company's overall credit card sales its credit card processors hold to cover refunds to customers if the Company fails to fulfill its flight obligations.

The Company's credit card processors do not require the Company to maintain cash collateral if the Company satisfies certain liquidity and other financial covenants. Failure to meet these covenants would provide the processors the right to place a holdback, resulting in a commensurate reduction of unrestricted cash. As of June 30, 2016 and December 31, 2015 , the Company was in compliance with such liquidity and other financial covenants in its credit card processing agreements, and the processors were holding back no remittances.

The maximum potential exposure to cash holdbacks by the Company's credit card processors, based upon advance ticket sales and \$9 Fare Club memberships as of June 30, 2016 and December 31, 2015 , was \$335.7 million and \$250.2 million , respectively.

**Employees**

The Company has four union-represented employee groups that together represented approximately 74% of all employees at June 30, 2016 . The table below sets forth the Company's employee groups and status of the collective bargaining agreements as of June 30, 2016 .

<b>Employee Groups</b>	<b>Representative</b>	<b>Amendable Date</b>	<b>Percentage of Workforce</b>
Pilots	Air Line Pilots Association, International (ALPA)	August 2015	26%
Flight Attendants	Association of Flight Attendants (AFA-CWA)	May 2021	43%
Dispatchers	Transport Workers Union (TWU)	August 2018	1%
Ramp Service Agents	International Association of Machinists and Aerospace Workers (IAMAW)	June 2020	4%

In March 2016, under the supervision of the National Mediation Board (NMB), the Company and AFA-CWA reached a tentative agreement for a five -year contract with the Company's flight attendants. In May 2016, the flight attendants voted to approve the new five -year contract with the Company. In connection with this agreement, the Company paid a \$9.6 million ratification incentive payment to the flight attendants.

In August 2015, the Company's collective bargaining agreement with its pilots, represented by ALPA, became amendable. In June 2016, ALPA requested the services of the National Mediation Board (NMB) to facilitate negotiations for an amended agreement and the Company joined ALPA in the request. The NMB has assigned a mediator and both parties are waiting for the mediator to set meeting dates. Under the RLA, the parties' current agreement remains in effect until an amended agreement is reached.

In July 2014, certain ramp service agents directly employed by the Company voted to be represented by the IAMAW. In May 2015, the Company entered into a five -year interim collective bargaining agreement with the IAMAW, including material

economic terms. In June 2016, the Company ratified the interim agreement and entered into a new five -year collective bargaining agreement with the IAMAW, which is amendable in June 2021. As of June 30, 2016, ramp service agents represented by the IAMAW service 1 of the 56 airports where the Company operates.

The Company is self-insured for health care claims, up to a stop loss amount for eligible participating employees and qualified dependent medical claims, subject to deductibles and limitations. The Company's liabilities for claims incurred but not reported are determined based on an estimate of the ultimate aggregate liability for claims incurred. The estimate is calculated from actual claim rates and adjusted periodically as necessary. The Company has accrued \$5.0 million and \$4.3 million in health care claims as of June 30, 2016 and December 31, 2015, respectively.

#### 8. Fair Value Measurements

Under ASC 820, *Fair Value Measurements and Disclosures*, disclosures relating to how fair value is determined for assets and liabilities are required, and a hierarchy for which these assets and liabilities must be grouped is established, based on significant levels of inputs, as follows:

*Level 1* —Quoted prices in active markets for identical assets or liabilities.

*Level 2* —Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

*Level 3* —Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The Company utilizes several valuation techniques in order to assess the fair value of the Company's financial assets and liabilities.

##### *Fuel Derivative Instruments*

From time to time, the Company may enter into fuel derivative contracts in order to mitigate the risk of future volatility in fuel prices. The Company's fuel derivative contracts generally consist of jet fuel swaps and jet fuel options. These instruments are valued using energy and commodity market data, which is derived by combining raw inputs with quantitative models and processes to generate forward curves and volatilities.

The Company utilizes the market approach to measure fair value for its fuel derivative instruments, if any. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities.

The Company does not elect hedge accounting on its fuel derivative instruments. As a result, the Company records the fair value adjustment of its fuel derivatives in the accompanying statement of operations within aircraft fuel and on the balance sheet within prepaid expenses and other current assets or other current liabilities, depending on whether the net fair value of the derivatives is in an asset or liability position as of the respective date. Fair values of the fuel derivative instruments are determined using standard option valuation models. The Company also considers counterparty risk and its own credit risk in its determination of all estimated fair values. The Company offsets fair value amounts recognized for derivative instruments executed with the same counterparty under a master netting arrangement. The Company determines fair value of jet fuel options utilizing an option pricing model based on inputs that are either readily available in public markets or can be derived from information available in publicly quoted markets. The Company has consistently applied these valuation techniques in all periods presented and believes it has obtained the most accurate information available for the types of derivative contracts it holds.

The fair value of the Company's jet fuel swaps is determined based on inputs that are readily available in public markets or can be derived from information available in publicly quoted markets; therefore, the Company categorizes these instruments as Level 2. Due to the fact that certain inputs utilized to determine the fair value of jet fuel options are unobservable (principally implied volatility), the Company categorizes these derivatives as Level 3. Implied volatility of a jet fuel option is the volatility of the price of the underlying commodity that is implied by the market price of the option based on an option pricing model. Thus, it is the volatility that when used in a particular pricing model yields a theoretical value for the option equal to the current market price of that option. Implied volatility, a forward-looking measure, differs from historical volatility because the latter is calculated from known past returns. At each balance sheet date, the Company substantiates and adjusts unobservable inputs. The Company routinely assesses the valuation model's sensitivity to changes in implied volatility. Based

**Notes to Condensed Financial Statements—(Continued)**

on the Company's assessment of the valuation model's sensitivity to changes in implied volatility, it concluded that holding other inputs constant, a significant increase (decrease) in implied volatility would result in a significantly higher (lower) fair value measurement for the Company's aircraft fuel derivatives. As of June 30, 2016 and December 31, 2015, the Company had no outstanding fuel derivatives.

**Long-Term Debt**

The estimated fair value of the Company's non-publicly held debt agreements has been determined to be Level 3, as certain inputs used to determine the fair value of these agreements are unobservable. The Company utilizes a discounted cash flow method to estimate the fair value of the Level 3 long-term debt. The estimated fair value of the Company's publicly held debt agreements has been determined to be Level 2, as the Company utilizes quoted market prices to estimate the fair value of its public long-term debt.

The carrying amounts and estimated fair values of the Company's long-term debt at June 30, 2016 and December 31, 2015 were as follows:

	June 30, 2016		December 31, 2015		Fair value level hierarchy
	Carrying Value	Estimated Fair Value	Carrying Value	Estimated Fair Value	
	(in millions)				
Senior long-term debt	\$ 468.2	\$ 470.7	\$ 484.2	\$ 477.8	Level 3
Junior long-term debt	50.7	51.5	54.3	54.6	Level 3
Class A equipment trust certificates	333.3	340.9	95.8	94.8	Level 2
Class B equipment trust certificates	88.1	87.6	25.0	25.2	Level 2
<b>Total long-term debt</b>	<b>\$ 940.3</b>	<b>\$ 950.7</b>	<b>\$ 659.3</b>	<b>\$ 652.4</b>	

**Cash and Cash Equivalents**

Cash and cash equivalents at June 30, 2016 and December 31, 2015 are comprised of liquid money market funds and cash, and are categorized as Level 1 instruments. The Company maintains cash with various high-quality financial institutions.

Assets and liabilities measured at gross fair value on a recurring basis are summarized below:

	Fair Value Measurements as of June 30, 2016			
	Total	Level 1	Level 2	Level 3
	(in millions)			
Cash and cash equivalents	\$ 1,014.1	\$ 1,014.1	\$ —	\$ —
Total assets	\$ 1,014.1	\$ 1,014.1	\$ —	\$ —
Total liabilities	\$ —	\$ —	\$ —	\$ —

  

	Fair Value Measurements as of December 31, 2015			
	Total	Level 1	Level 2	Level 3
	(in millions)			
Cash and cash equivalents	\$ 803.6	\$ 803.6	\$ —	\$ —
Total assets	\$ 803.6	\$ 803.6	\$ —	\$ —
Total liabilities	\$ —	\$ —	\$ —	\$ —

**Notes to Condensed Financial Statements—(Continued)**

The Company had no transfers of assets or liabilities between any of the above levels during the periods ended June 30, 2016 and December 31, 2015 .

The Company's Valuation Group is made up of individuals from the Company's Treasury and Corporate Accounting departments. The Valuation Group is responsible for the execution of the Company's valuation policies and procedures. The Company's Valuation Group reports to the Company's Chief Financial Officer and seeks approval for certain derivative transactions from the Audit Committee. The Valuation Group compares the results of the Company's internally developed valuation methods with counterparty reports at each balance sheet date, assesses the Company's valuation methods for accurateness and identifies any needs for modification.

**9. Long-Term Debt**

As of June 30, 2016 , the Company has issued non-public and public debt instruments. The Company's indebtedness includes the 2014 Framework Agreement, the 2015 Facility Agreements and the 2015-1 EETCs, as defined in the Company's Form 10-K for the year ended December 31, 2015 .

**2015-1 EETCs**

In August 2015, the Company created two separate pass-through trusts, which issued approximately \$576.6 million aggregate face amount of Series 2015-1 Class A and Class B enhanced equipment trust certificates (EETCs) in connection with the financing of 15 aircraft. Each class of certificates represents a fractional undivided interest in the respective pass-through trusts and is not an obligation of the Company. The proceeds from the issuance of these certificates are initially held in escrow by a depository and, upon satisfaction of certain terms and conditions, are released and used to purchase equipment notes which are issued by the Company and secured by the Company's aircraft. As of June 30, 2016 , \$421.3 million of the proceeds from the sale of the 2015-1 EETCs had been used to purchase equipment notes in connection with the financing of three Airbus A320 aircraft and eight Airbus A321 aircraft. The remaining four aircraft are scheduled for delivery between August 2016 and January 2017.

The Company evaluated whether the pass-through trusts formed are variable interest entities (VIEs) required to be consolidated by the Company under applicable accounting guidance. The Company determined that the pass-through trusts are VIEs and that it does not have a variable interest in the pass-through trusts. Based on this analysis, the Company determined that it is not required to consolidate these pass-through trusts.

Long-term debt is comprised of the following:

	As of		Three Months Ended June 30,		Six Months Ended June 30,	
	June 30, 2016	December 31, 2015	2016	2015	2016	2015
	(in millions)		(weighted-average interest rates)			
Fixed-rate senior term loans due through 2027	\$ 468.2	\$ 484.2	4.10%	4.04%	4.10%	4.04%
Fixed-rate junior term loans due through 2022	50.7	54.3	6.90%	6.89%	6.90%	6.89%
Fixed-rate class A enhanced equipment trust certificates due through 2028	333.3	95.8	4.03%	N/A	4.03%	N/A
Fixed-rate class B enhanced equipment trust certificates due through 2024	88.1	25.0	4.38%	N/A	4.38%	N/A
<b>Long-term debt</b>	<b>\$ 940.3</b>	<b>\$ 659.3</b>				
Less current maturities	78.6	49.6				
Less unamortized discounts, net	25.3	13.0				
<b>Total</b>	<b>\$ 836.4</b>	<b>\$ 596.7</b>				

During the six months ended June 30, 2016 and 2015 , the Company made scheduled principal payments of \$19.6 million and \$8.2 million on its outstanding debt obligations, respectively.



**Notes to Condensed Financial Statements—(Continued)**

At June 30, 2016, long-term debt principal payments for the next five years and thereafter were as follows:

	<b>June 30, 2016</b>	
	<b>(in millions)</b>	
remainder of 2016	\$	44.7
2017		75.6
2018		74.9
2019		74.1
2020		72.6
2021 and thereafter		598.4
<b>Total debt principal payments</b>	<b>\$</b>	<b>940.3</b>

**Interest Expense**

Interest expense related to long-term debt consisted of the following:

	<b>Three Months Ended June 30</b>		<b>Six Months Ended June 30,</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>(in thousands)</b>			
Senior term loans	\$ 4,964	\$ 3,426	\$ 10,012	\$ 5,620
Junior term loans	905	678	1,842	1,097
Class A enhanced equipment trust certificates	2,698	—	3,881	—
Class B enhanced equipment trust certificates	773	—	1,109	—
Commitment fees	30	—	65	—
Amortization of debt discounts	794	230	1,310	389
<b>Total</b>	<b>\$ 10,164</b>	<b>\$ 4,334</b>	<b>\$ 18,219</b>	<b>\$ 7,106</b>

**10. Subsequent Events**

In July 2016, the Company purchased three A319 aircraft, which were formerly financed under operating lease agreements, at a purchase price of \$ 58.8 million. The Company will record the aircraft at the lower of cost or estimated fair value within flight equipment.

Subsequent to June 30, 2016 and through July 28, 2016, the Company repurchased an additional 269 thousand shares of common stock for \$12.1 million under the October 2015 repurchase program.

## ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

### Forward-Looking Statements

*This Quarterly Report on Form 10-Q contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the Securities Act), and Section 21E of the Securities Exchange Act of 1934, as amended (the Exchange Act), which are subject to the "safe harbor" created by those sections. Forward-looking statements are based on our management's beliefs and assumptions and on information currently available to our management. All statements other than statements of historical facts are "forward-looking statements" for purposes of these provisions. In some cases, you can identify forward-looking statements by terms such as "may," "will," "should," "could," "would," "expect," "plan," "anticipate," "believe," "estimate," "project," "predict," "potential," and similar expressions intended to identify forward-looking statements. Such forward-looking statements are subject to risks, uncertainties and other important factors that could cause actual results and the timing of certain events to differ materially from future results expressed or implied by such forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those identified below, and those discussed in the section titled "Risk Factors" in this report and in Item 1A "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2015 and subsequent Quarterly Reports on Form 10-Q. Furthermore, such forward-looking statements speak only as of the date of this report. Except as required by law, we undertake no obligation to update any forward-looking statements to reflect events or circumstances after the date of such statements.*

### Overview

Spirit Airlines is an ultra low-cost, low-fare airline that offers affordable travel to price-conscious customers. Our all-Airbus Fit Fleet™, one of the youngest fleets of any major U.S. airline, currently operates more than 400 daily flights to 56 destinations in the United States, Caribbean and Latin America. Our stock trades on the NASDAQ Global Select Stock Market under the symbol "SAVE."

Our ultra low-cost carrier, or ULCC, business model allows us to compete principally by offering customers our Bare Fares™, which are unbundled base fares that remove components traditionally included in the price of an airline ticket. We then give customers Frill Control™, which provides customers the freedom to save by paying only for the options they choose such as bags, advance seat assignments and refreshments. We record revenue related to these options in our financial statements as non-ticket revenue.

We are focused on price-sensitive travelers who pay for their own travel, and our business model is designed to deliver what we believe our customers want: low fares. We aggressively use low fares to address an underserved market, which helps us to increase passenger volume, load factors and non-ticket revenue on the flights we operate. We also have high-density seating configurations on our aircraft and a simplified onboard product designed to lower costs, which is part of our Plane Simple™ strategy. High passenger volumes and load factors help us sell more ancillary products and services, which in turn allows us to reduce the base fare we offer even further. We strive to be recognized by our customers and potential customers as the low-fare leader in the markets we serve.

We compete based on total price. We believe other airlines have used an all-inclusive pricing concept to effectively maintain higher total prices to consumers, rather than lowering fares by unbundling each product or service. For example, carriers that tout "free bags" have included the cost of checking bags in the total ticket price, which does not allow passengers to see how much they would save if they did not check luggage. We believe that we and our customers benefit when we allow our customers to know the total price of their travel by breaking out the cost of optional products or services.

We allow our customers to see all available options and their respective prices prior to purchasing a ticket, and this full transparency illustrates that our total price, including options selected, is lower than other airlines on average. Through branded campaigns, we educate the public on how our unbundled pricing model works, showing them how it gives them choice on how they spend their money and saves them money compared to other airlines.

**Comparative Operating Statistics:**

The following tables set forth our operating statistics for the three and six -month periods ended June 30, 2016 and 2015 :

	<b>Three Months Ended June 30,</b>		<b>Percent Change</b>
	<b>2016</b>	<b>2015</b>	
<b>Operating Statistics (unaudited) (A):</b>			
Average aircraft	85.2	71.4	19.3 %
Aircraft at end of period	87	73	19.2 %
Average daily aircraft utilization (hours)	12.7	12.9	(1.6)%
Average stage length (miles)	971	974	(0.3)%
Block hours	98,399	83,861	17.3 %
Departures	38,025	32,164	18.2 %
Passenger flight segments (PFSS) (thousands)	5,606	4,514	24.2 %
Revenue passenger miles (RPMs) (thousands)	5,549,411	4,481,064	23.8 %
Available seat miles (ASMs) (thousands)	6,419,419	5,213,299	23.1 %
Load factor (%)	86.4%	86.0%	0.4 pts
Average ticket revenue per passenger flight segment (\$)	52.87	68.35	(22.6)%
Average non-ticket revenue per passenger flight segment (\$)	51.32	54.24	(5.4)%
Total revenue per passenger flight segment (\$)	104.19	122.59	(15.0)%
Average yield (cents)	10.53	12.35	(14.7)%
TRASM (cents)	9.10	10.62	(14.3)%
CASM (cents)	7.20	8.27	(12.9)%
Adjusted CASM (cents)	7.07	8.33	(15.1)%
Adjusted CASM ex-fuel (cents)	5.30	5.80	(8.6)%
Fuel gallons consumed (thousands)	77,013	63,134	22.0 %
Average economic fuel cost per gallon (\$)	1.47	2.08	(29.3)%

(A) See "Glossary of Airline Terms" elsewhere in this quarterly report for definitions used in this table.

	Six Months Ended June 30,		Percent Change
	2016	2015	
<b>Operating Statistics (unaudited) (A):</b>			
Average aircraft	82.4	69.3	18.9 %
Aircraft at end of period	87	73	19.2 %
Average daily aircraft utilization (hours)	12.8	12.8	— %
Average stage length (miles)	983	982	0.1 %
Block hours	191,943	160,896	19.3 %
Departures	73,185	61,208	19.6 %
Passenger flight segments (PFSs) (thousands)	10,594	8,494	24.7 %
Revenue passenger miles (RPMs) (thousands)	10,619,724	8,498,622	25.0 %
Available seat miles (ASMs) (thousands)	12,402,423	9,942,762	24.7 %
Load factor (%)	85.6%	85.5%	0.1 pts
Average ticket revenue per passenger flight segment (\$)	53.71	68.52	(21.6)%
Average non-ticket revenue per passenger flight segment (\$)	52.22	54.71	(4.6)%
Total revenue per passenger flight segment (\$)	105.93	123.23	(14.0)%
Average yield (cents)	10.57	12.32	(14.2)%
TRASM (cents)	9.05	10.53	(14.1)%
CASM (cents)	7.25	8.20	(11.6)%
Adjusted CASM (cents)	7.05	8.20	(14.0)%
Adjusted CASM ex-fuel (cents)	5.44	5.76	(5.6)%
Fuel gallons consumed (thousands)	147,563	119,857	23.1 %
Average economic fuel cost per gallon (\$)	1.35	2.02	(33.2)%

(A) See "Glossary of Airline Terms" elsewhere in this quarterly report for definitions used in this table.

### Executive Summary

For the second quarter of 2016, we achieved a 20.9% operating margin, a decrease of 1.2 points compared to the prior year period. We generated pre-tax income of \$115.7 million and net income of \$73.1 million on operating revenues of \$584.1 million. For the second quarter of 2015, we generated pre-tax income of \$120.9 million and net income of \$76.7 million on operating revenues of \$553.4 million.

For the second quarter of 2016, our CASM decreased 12.9% from 8.27 cents to 7.20 cents. Excluding special charges, loss on disposal of assets and unrealized losses and gains resulting from our fuel derivatives, our adjusted CASM ex-fuel for the second quarter of 2016 was 5.30 cents, an 8.6% decrease year over year. This decrease was primarily due to a decrease in aircraft rent per ASM driven by a change in the mix of leased and purchased aircraft. Additionally, we purchased two previously leased aircraft during the first quarter and purchased one previously leased aircraft as well as negotiated several lease extensions during the second quarter which contributed to lower aircraft rent per ASM. Significant decreases were also noted in salaries, wages and benefits expense, maintenance, materials and repairs expense and other operating expense on a per-ASM basis.

As of June 30, 2016, we had 87 Airbus A320-family aircraft in our fleet comprised of 29 A319s, 45 A320s, and 13 A321s. With the scheduled delivery of 8 aircraft during the remainder of 2016, we expect to end 2016 with 95 aircraft in our fleet.

### Comparison of three months ended June 30, 2016 to three months ended June 30, 2015

#### Operating Revenues

Operating revenues increased \$30.7 million, or 5.5%, to \$584.1 million for the second quarter of 2016, as compared to the second quarter of 2015, due primarily to an increase in traffic of 23.8%, mostly offset by lower passenger yields as a result of continued competitive pressures from major U.S. carriers aggressively discounting fare prices in the current period.

Total revenue per available seat mile (TRASM) for the second quarter of 2016 was 9.10 cents, a decrease of 14.3%, compared to the second quarter of 2015. Total revenue per passenger flight segment decreased 15.0% year over year, primarily driven by a decrease of 22.6% in ticket revenue per passenger flight segment. These decreases were driven by a 14.7% decrease in average yield, period over period, as a result of competitive pressures noted above during the current period.

Our non-ticket revenue per passenger flight segment declined to a lesser extent, by 5.4%, despite the increased competitive pressures noted above. Our unbundled model provides a more stable revenue stream as demonstrated during periods of lower passenger ticket yields. The decrease in non-ticket revenue per passenger flight segment was primarily attributable to lower bag and change fee revenue per flight segment.

#### Operating Expenses

Operating expenses increased \$31.2 million, or 7.2%, to \$462.3 million for the second quarter of 2016 compared to \$431.1 million for the second quarter of 2015. This increase is primarily due to a 23.1% growth in capacity and \$8.1 million of special charges for aircraft lease terminations, offset by an 11.5% decrease in aircraft fuel expense resulting from lower fuel prices per gallon, as compared to the prior year period.

Aircraft fuel expense includes into-plane fuel expense (defined below) and realized and unrealized gains and losses associated with our fuel derivative contracts. Into-plane fuel expense is defined as the price that we generally pay at the airport, including taxes and fees. Into-plane fuel prices are affected by the global oil market, refining costs, taxes and fees, which can vary by region in the United States and other countries where we operate. Into-plane fuel expense approximates cash paid to the supplier and does not reflect the effect of our fuel derivatives. We had no activity related to fuel derivative instruments during the first half of 2016. Management chose not to elect hedge accounting on any fuel derivative instruments during 2015 and, as a result, changes in the fair value of those fuel derivative contracts are recorded each period in aircraft fuel expense.

Aircraft fuel expense decreased in the second quarter of 2016 by \$14.7 million, or 11.5%, compared to \$127.9 million in the second quarter of 2015, due primarily to a 29.3% decrease in average economic fuel price per gallon, partially offset by a 22.0% increase in fuel gallons consumed.

The elements of the changes in aircraft fuel expense are illustrated in the following table:

	<b>Three Months Ended June 30,</b>		<b>Percent Change</b>
	<b>2016</b>	<b>2015</b>	
	<b>(in thousands, except per gallon amounts)</b>		
Fuel gallons consumed	77,013	63,134	22.0%
Into-plane fuel cost per gallon	\$ 1.47	\$ 2.02	(27.2)%
Into-plane fuel expense	113,192	127,344	(11.1)%
Realized losses (gains) related to fuel derivative contracts, net	—	4,232	NM
Unrealized losses (gains) related to fuel derivative contracts, net	—	(3,669)	NM
<b>Aircraft fuel expense (per statement of operations)</b>	<b>\$ 113,192</b>	<b>\$ 127,907</b>	<b>(11.5)%</b>

Gulf Coast Jet indexed fuel is the basis for a substantial majority of our fuel consumption and is impacted by both the price of crude oil as well as increases or decreases in refining margins associated with the conversion of crude oil to jet fuel. The into-plane fuel cost per gallon decrease of 27.2% was primarily a result of a decrease in jet fuel prices.

We track economic fuel expense, which we believe is the best measure of the effect fuel prices are currently having on our business, because it most closely approximates the net cash outflow associated with purchasing fuel used for our operations during the period. We define economic fuel expense as into-plane fuel expense and realized gains or losses on fuel derivative contracts. The key difference between aircraft fuel expense as recorded in our statement of operations and economic fuel expense is unrealized mark-to-market changes in the value of aircraft fuel derivatives outstanding. Many industry analysts evaluate airline results using economic fuel expense and it is used in our internal management reporting.

The elements of the changes in economic fuel expense are illustrated in the following table:

	Three Months Ended June 30,		Percent Change
	2016	2015	
	(in thousands, except per gallon amounts)		
Into-plane fuel expense	\$ 113,192	\$ 127,344	(11.1)%
Realized losses (gains) related to fuel derivative contracts, net	—	4,232	NM
Economic fuel expense	\$ 113,192	\$ 131,576	(14.0)%
Fuel gallons consumed	77,013	63,134	22.0 %
<b>Economic fuel cost per gallon</b>	<b>\$ 1.47</b>	<b>\$ 2.08</b>	<b>(29.3)%</b>

During the three months ended June 30, 2016, we had no activity related to fuel derivatives and thus had no realized or unrealized losses (gains) related to fuel derivative contracts, as we have in prior periods. During the three months ended June 30, 2015, we did not acquire any fuel derivatives. Total realized loss recognized for fuel derivatives that expired during the second quarter of 2015 was \$4.2 million. Total realized losses include cash paid for premiums in previous periods of \$4.7 million which expired during the three months ended June 30, 2015 and cash received for settlement of fuel derivatives of \$0.4 million. We had \$3.7 million in unrealized gains related to our outstanding fuel derivatives during the three months ended June 30, 2015.

From time to time, we may enter into fuel derivative contracts to protect the refining price risk between the price of crude oil and the price of refined jet fuel. As of June 30, 2016, we had no outstanding fuel derivatives.

We measure our operating cost performance on a per-ASM basis, since one ASM is the unit of production of an airline's capacity. The following table presents our cost per ASM, or unit cost, for the three months ended June 30, 2016 and 2015, followed by explanations of the material changes on a dollar basis and/or unit cost basis:

	Three Months Ended June 30,		Per-ASM Change	Percent Change
	2016	2015		
	(in cents, except for percentages)			
Aircraft fuel	1.76	2.45	(0.69)	(28.2)%
Salaries, wages, and benefits	1.76	1.86	(0.10)	(5.4)%
Aircraft rent	0.78	1.02	(0.24)	(23.5)%
Landing fees and other rents	0.62	0.64	(0.02)	(3.1)%
Distribution	0.38	0.43	(0.05)	(11.6)%
Maintenance, materials and repairs	0.32	0.41	(0.09)	(22.0)%
Depreciation and amortization	0.39	0.33	0.06	18.2 %
Other operating	1.05	1.12	(0.07)	(6.3)%
Loss on disposal of assets	0.01	0.01	—	NM
Special charges	0.13	0.01	0.12	NM
CASM	7.20	8.27	(1.07)	(12.9)%
Adjusted CASM (1)	7.07	8.33	(1.26)	(15.1)%
Adjusted CASM ex-fuel (2)	5.30	5.80	(0.50)	(8.6)%

## (1) Reconciliation of CASM to Adjusted CASM:

	Three Months Ended June 30,			
	2016		2015	
	(in millions)	Per ASM	(in millions)	Per ASM
CASM (cents)		7.20		8.27
Less:				
Unrealized losses (gains) related to fuel derivative contracts, net	\$ —	—	\$ (3.7)	(0.07)
Loss on disposal of assets	0.5	0.01	0.4	0.01
Special charges	8.1	0.13	0.3	0.01
Adjusted CASM (cents)		7.07		8.33

(2) Excludes aircraft fuel expense, loss on disposal of assets and special charges.

Our Adjusted CASM ex-fuel for the second quarter of 2016 was down 8.6% as compared to the second quarter of 2015. The decrease on a per-ASM basis was primarily a result of a decrease in aircraft rent expense per ASM due to our newer aircraft being purchased under secured debt financing rather than being leased through operating leases, as is the case with the older aircraft in our fleet. Additionally, we purchased two previously leased aircraft during the first quarter and purchased one previously leased aircraft as well as negotiated several lease extensions during the second quarter which contributed to lower aircraft rent per ASM. Significant decreases were also noted in salaries, wages and benefits expense, maintenance, materials and repairs expense and other operating expense on a per-ASM basis.

Labor costs for the second quarter of 2016 increased \$15.9 million, or 16.4%, compared to the second quarter of 2015, primarily driven by a 27.8% increase in our pilot and flight attendant workforce resulting from the introduction of 14 new aircraft since the second quarter of 2015. On a per-ASM basis, labor costs decreased due to a decrease in our group health care costs on a per-ASM basis, scale benefits from overall growth and larger gauge aircraft, and the outsourcing of ramp service agents at certain stations.

Aircraft rent expense for the second quarter of 2016 decreased by \$3.3 million, or 6.1%, compared to the second quarter of 2015. The decrease in aircraft rent expense was primarily driven by the purchase of three previously leased aircraft completed during the six months ended June 30, 2016. For further discussion on these purchases, please see "Notes to Condensed Financial Statements - 3. Special Charges." Additionally, we negotiated several lease extensions during the quarter which contributed to lower aircraft rent. On a per-ASM basis, aircraft rent expense decreased due to a change in the composition of our aircraft fleet between leased aircraft (for which rent expense is recorded under aircraft rent) and purchased aircraft (for which depreciation expense is recorded under depreciation and amortization). Since the prior year period, we have taken delivery of 14 purchased aircraft, which increased capacity but had no effect on aircraft rent expense, as these assets are being depreciated over their useful life. Had the respective aircraft been leased, the change in rent expense, on both a dollar and per-ASM basis, would have been greater than the increase currently experienced in depreciation and amortization as result of these purchases.

Landing fees and other rents for the second quarter of 2016 increased \$6.6 million, or 19.7%, as compared to the second quarter of 2015, primarily due to a 18.2% increase in departures. On a per-ASM basis, landing fees and other rents decreased due to scale benefits from increased volume at our airports.

Distribution costs increased by \$2.3 million, or 10.5%, in the second quarter of 2016 as compared to the second quarter of 2015. The increase on a dollar basis was primarily due to increased sales volume. On a per-ASM basis, distribution costs decreased primarily due to lower average fare resulting in a decrease in credit card fees year over year.

Maintenance, materials and repairs expense for the second quarter of 2016 decreased by \$0.6 million, or 3.0%, compared to the second quarter of 2015. The decrease in maintenance costs on a dollar basis was due to fewer and lower cost events in the current year as compared to the prior year period. On a per-unit basis, our growth outpaced the increase in maintenance costs during the period, as compared to the prior year period. In addition, the timing and mix of maintenance events resulted in lower cost events in the current year period as compared to the prior year period. We expect maintenance expense, on a dollar basis, to increase as our fleet continues to grow and age, resulting in the need for additional or more frequent repairs over time.

We account for heavy maintenance under the deferral method. Under the deferral method, the cost of heavy maintenance is capitalized and amortized as a component of depreciation and amortization expense in the statement of operations until the earlier of the next heavy maintenance event or end of the lease term, if applicable. The amortization of heavy maintenance costs was \$11.1 million and \$10.2 million for the second quarters of 2016 and 2015, respectively. As our fleet continues to age, we expect that the amount of deferred heavy maintenance events will increase and will result in an increase in the amortization of those costs. If heavy maintenance events were amortized within maintenance, materials, and repairs expense in the statement of

operations, our maintenance, materials, and repairs expense would have been \$31.7 million and \$31.5 million for the second quarters of 2016 and 2015, respectively.

Depreciation and amortization increased by \$7.8 million, or 45.6%, compared to the prior year period. The increase on both a dollar and per-ASM basis was primarily due to depreciation expense resulting from the purchase of 14 new aircraft and the purchase of 3 previously rented aircraft since the second quarter of 2015.

Other operating expense for the second quarter of 2016 increased by \$9.3 million, or 16.1%, compared to the second quarter of 2015 due to an increase in overall operations. As compared to the prior year period, we increased departures by 18.2% and had 24.2% more passenger flight segments, which drove increases in variable operating expenses. The outsourcing of ramp service agents at certain stations, completed in the latter part of the second quarter of 2015, also drove increases in other operating expense year over year. The decrease on a per-ASM basis is primarily due to a decrease in passenger re-accommodation expense, as compared to the prior year period. In June 2015, our operations were negatively impacted by numerous cancellations related to adverse weather conditions. A decrease in litigation expense period over period also contributed to the decrease in other operating expense on a per-ASM basis. These decreases were partially offset by the increase on a per-ASM basis resulting from the outsourcing of our ramp service agents during the second quarter of 2015.

Special charges for the three months ended June 30, 2016 consisted primarily of \$8.2 million in lease termination charges recognized in connection with the purchase of one aircraft formerly financed under an operating lease agreement. The amount recorded as lease termination charges represents the excess of the purchase price paid over the appraised fair value of the aircraft. For further discussion on these purchases, please see "Notes to Condensed Financial Statements - 3. Special Charges."

#### **Other Income (Expenses)**

Our interest expense and corresponding capitalized interest for the three months ended June 30, 2016 and 2015 primarily represents interest related to the financing of purchased aircraft. As of June 30, 2016 and 2015, the Company had 26 and 12 purchased aircraft financed through secured long-term debt arrangements, respectively. Please see "Notes to Condensed Financial Statements - 9. Long-term Debt" for further discussion.

Our interest income for the three months ended June 30, 2016 primarily represents interest income earned on short-term investments and on funds required to be held in escrow in accordance with the terms of our EETC.

#### **Income Taxes**

Our effective tax rate for the second quarter of 2016 was 36.8% compared to 36.5% for the second quarter of 2015. In arriving at these rates, we considered a variety of factors, including our forecasted full-year pre-tax results, the U.S. federal rate of 35%, expected nondeductible expenses, and estimated state income taxes. We evaluate our tax rate each quarter and make adjustments when necessary. Our final effective tax rate for the full year is dependent on the level of pre-tax income and the magnitude of any nondeductible expenses in relation to the respective pre-tax income.

#### **Comparison of six months ended June 30, 2016 to six months ended June 30, 2015**

##### **Operating Revenues**

Operating revenues increased \$75.5 million, or 7.2%, to \$1,122.3 million for the six months ended June 30, 2016, compared to the prior year period, due primarily to an increase in traffic of 25.0%, partially offset by lower passenger yields.

TRASM for the six months ended June 30, 2016 was 9.05 cents, a decrease of 14.1% compared to the same period of 2015. This decrease was primarily driven by a 14.2% decrease in average yield, period over period, due to lower fares driven by continued competitive pressures, as well as our growth in new and mature markets.

Total revenue per passenger flight segment decreased 14.0% from \$123.23 for the six months ended June 30, 2015 to \$105.93 for the six months ended June 30, 2016. Our average ticket fare per passenger flight segment decreased from \$68.52 to \$53.71, or 21.6%, compared to the prior year period, and non-ticket revenue per passenger flight segment decreased from \$54.71 to \$52.22, or 4.6%, compared to the prior year period. The decrease in non-ticket revenue per passenger flight segment was primarily attributable to lower bag revenue year over year.

##### **Operating Expenses**



Operating expenses increased for the six months ended June 30, 2016 by \$83.9 million, or 10.3%, compared to the same period for 2015 primarily due to our 24.7% capacity growth and \$24.3 million of special charges for aircraft lease terminations, offset by a 17.1% decrease in aircraft fuel expense resulting from lower fuel prices per gallon, as compared to the prior year period.

Aircraft fuel expense for the six months ended June 30, 2016 decreased \$41.2 million, or 17.1%, compared to the prior year period primarily as a result of a 33.2% decrease in economic fuel price per gallon and a decrease of \$4.9 million in net realized and unrealized losses from fuel derivatives, offset by a 23.1% increase in fuel gallons consumed year over year.

The elements of the changes in aircraft fuel expense are illustrated in the following table:

	Six Months Ended June 30,		Percent Change
	2016	2015	
	(in thousands, except per gallon amounts)		
Fuel gallons consumed	147,563	119,857	23.1 %
Into-plane fuel cost per gallon	\$ 1.35	\$ 1.96	(31.1)%
Into-plane fuel expense	\$ 199,174	\$ 235,468	(15.4)%
Realized losses (gains) related to fuel derivative contracts, net	—	6,839	NM
Unrealized losses (gains) related to fuel derivative contracts, net	—	(1,974)	NM
<b>Aircraft fuel expense (per Statement of Operations)</b>	<b>\$ 199,174</b>	<b>\$ 240,333</b>	<b>(17.1)%</b>

The elements of the changes in economic fuel expense are illustrated in the following table:

	Six Months Ended June 30,		Percent Change
	2016	2015	
	(in thousands, except per gallon amounts)		
Into-plane fuel expense	\$ 199,174	\$ 235,468	(15.4)%
Realized losses (gains) related to fuel derivative contracts, net	—	6,839	NM
<b>Economic fuel expense</b>	<b>\$ 199,174</b>	<b>\$ 242,307</b>	<b>(17.8)%</b>
Fuel gallons consumed	147,563	119,857	23.1 %
Economic fuel cost per gallon	\$ 1.35	\$ 2.02	(33.2)%

During the six months ended June 30, 2016, we had no activity related to fuel derivatives and thus had no realized or unrealized losses (gains) related to fuel derivative contracts, as we have in prior periods. During the six months ended June 30, 2015, we paid \$2.1 million in premiums to acquire jet fuel options. Total realized loss recognized for fuel derivatives that expired during the six months ended 2015 was \$6.8 million. Total realized losses included \$7.4 million of cash paid for premiums for fuel derivatives that expired during the six months ended 2015 as well as \$0.6 million of cash received for settlement of fuel derivatives in the period. We had \$2.0 million in unrealized gains related to our outstanding fuel derivatives during the six months ended June 30, 2015.

As of June 30, 2016, we had no outstanding fuel derivatives.

We measure our operating cost performance on a per-ASM basis, since one ASM is the unit of production of an airline's capacity. The following table presents our cost per-ASM, or unit cost, for the six months ended June 30, 2016 and 2015, followed by explanations of the material changes on a unit cost basis and/or dollar basis:

	Six Months Ended June 30,		Per-ASM Change	Percent Change
	2016	2015		
	(in cents, except for percentages)			
Aircraft fuel	1.61	2.42	(0.81)	(33.5)%
Salaries, wages, and benefits	1.85	1.87	(0.02)	(1.1)%
Aircraft rent	0.82	1.07	(0.25)	(23.4)%
Landing fees and other rents	0.60	0.64	(0.04)	(6.3)%
Distribution	0.38	0.43	(0.05)	(11.6)%
Maintenance, materials and repairs	0.34	0.41	(0.07)	(17.1)%
Depreciation and amortization	0.39	0.32	0.07	21.9%
Other operating	1.06	1.03	0.03	2.9%
Loss on disposal of assets	0.01	0.01	—	NM
Special charges (credits)	0.20	0.01	0.19	NM
CASM	7.25	8.20	(0.95)	(11.6)%
Adjusted CASM (1)	7.05	8.20	(1.15)	(14.0)%
Adjusted CASM ex-fuel (2)	5.44	5.76	(0.32)	(5.6)%

(1) Reconciliation of CASM to Adjusted CASM:

	Six Months Ended June 30,			
	2016		2015	
	(in millions)	Per ASM	(in millions)	Per ASM
CASM (cents)		7.25		8.20
Less:				
Unrealized losses (gains) related to fuel derivative contracts, net	\$ —	—	\$ (2.0)	(0.02)
Loss on disposal of assets	0.7	0.01	1.0	0.01
Special charges	24.3	0.20	0.7	0.01
Adjusted CASM (cents)		7.05		8.20

(2) Excludes aircraft fuel expense, loss on disposal of assets and special charges and credits.

Our adjusted CASM ex-fuel for the six months ended June 30, 2016 decreased by 5.6% as compared to the same period in 2015. The decrease on a per-ASM basis was primarily a result of a decrease in aircraft rent expense per ASM due to our newer aircraft being purchased under secured debt financing rather than being leased through operating leases, as is the case with the older aircraft in our fleet. In addition, we purchased three previously leased aircraft during the six months ended June 30, 2016 which contributed to lower aircraft rent per ASM.

Labor costs for the six months ended June 30, 2016 increased \$43.2 million, or 23.2%, compared to the same period in 2015. The increase was primarily driven by a 30.3% increase in our pilot and flight attendant workforce resulting from the introduction of 14 new aircraft since the end of the second quarter of 2015. On both a dollar and per-ASM basis, labor costs increased as a result of a non-recurring ratification incentive in the amount of \$8.4 million recorded during the first quarter of 2016, related to the five-year collective bargaining agreement with our flight attendants. Scale benefits from overall growth as well as larger gauge aircraft, a decrease in our group health care costs and the outsourcing of ramp service agents at certain stations also contributed to the decrease in labor costs on a per-ASM basis.

Aircraft rent expense for the six months ended June 30, 2016 decreased by \$3.8 million, or 3.6%, compared to the same period in 2015. The decrease in aircraft rent expense was primarily driven by the purchase of three previously leased aircraft made during the six months ended June 30, 2016. For further discussion on these purchases, please see "Notes to Condensed Financial Statements - 3. Special Charges." Additionally, we negotiated several lease extensions during the second quarter which contributed to lower aircraft rent. On a per-ASM basis, aircraft rent expense decreased due to a change in the composition of our aircraft fleet between leased aircraft (for which rent expense is recorded under aircraft rent) and purchased

aircraft (for which depreciation expense is recorded under depreciation and amortization). Since the prior year period, we have taken delivery of 14 purchased aircraft, which increased capacity but had no effect on aircraft rent expense, as these assets are being depreciated over their useful life. Had the respective aircraft been leased, the change in rent expense, on both a dollar and per-ASM basis, would have been greater than the increase currently experienced in depreciation and amortization as result of these purchases.

Landing fees and other rents for the six months ended June 30, 2016 increase d \$10.8 million , or 17.0% , as compared to the same period in 2015 primarily due to a 19.6% increase in departures. On a per-ASM basis, landing fees and other rents decreased due to scale benefits from increased volume at our airports.

Distribution costs increase d by \$4.8 million , or 11.2% , for the six months ended June 30, 2016 as compared to the same period in 2015 . The increase was due primarily to increased sales volume. On a per-ASM basis, distribution costs decreased primarily due to lower average fare resulting in a decrease in credit card fees year over year.

Maintenance costs for the six months ended June 30, 2016 increase d by \$1.1 million , or 2.8% , compared to the prior year period. The increase in maintenance costs on a dollar basis was due to routine and ongoing maintenance on a growing fleet. On a per-unit basis, our growth outpaced the increase in maintenance costs during the period, as compared to the prior year period. In addition, the timing and mix of maintenance events resulted in lower cost events in the current year period as compared to the prior year period. We expect maintenance expense, on a dollar basis, to increase as our fleet continues to grow and age, resulting in the need for additional or more frequent repairs over time.

Depreciation and amortization increase d by \$16.1 million , or 50.2% , compared to the prior year period. The increase on both a dollar and per-ASM basis was primarily due to depreciation expense resulting from the purchase of 14 new aircraft and the purchase of 3 previously rented aircraft made since the second quarter of 2015 .

We account for heavy maintenance under the deferral method. Under the deferral method, the cost of heavy maintenance is capitalized and amortized as a component of depreciation and amortization expense in the statement of operations until the next heavy maintenance event or end of the lease term, if applicable. The amortization of heavy maintenance costs was \$23.0 million and \$19.7 million for the six months ended June 30, 2016 and 2015 , respectively. As our fleet continues to age, we expect that the amount of deferred heavy maintenance events will increase and will result in an increase in the amortization of those costs. If heavy maintenance events were amortized within maintenance, materials and repairs expense in the statement of operations, our maintenance, materials and repairs expense would have been \$64.5 million and \$60.1 million for the six months ended June 30, 2016 and 2015 , respectively.

Other operating expense for the six months ended June 30, 2016 increase d by \$29.6 million , or 29.1% , compared to the prior year period, primarily due to our growth. The outsourcing of ramp service agents at certain stations, completed in the latter part of the second quarter of 2015, also drove increases in other operating expense, on both a dollar and per-ASM basis, year over year. On a per-ASM basis, this increase was offset by lower passenger re-accommodation expense and litigation expense, as compared to the prior year period.

Special charges for the six months ended June 30, 2016 consisted of \$24.3 million in lease termination charges recognized in connection with the purchase of three aircraft formerly financed under operating lease agreements. The amount recorded as lease termination charges represents the excess of the purchase price paid over the appraised fair value of the aircraft. For further discussion on these purchases, please see "Notes to Condensed Financial Statements - 3. Special Charges."

#### **Other income (expenses)**

Our interest expense and corresponding capitalized interest for the six months ended June 30, 2016 and 2015 primarily represents interest related to the financing of purchased aircraft. As of June 30, 2016 and 2015 , the Company had 26 and 12 purchased aircraft financed through secured long-term debt arrangements, respectively. Please see "Notes to Condensed Financial Statements - 9. Long-term Debt" for further discussion.

Our interest income for the six months ended June 30, 2016 primarily represents interest income earned on short-term investments and on funds required to be held in escrow in accordance with the terms of our EETC.

#### **Income Taxes**

Our effective tax rate for the six months ended June 30, 2016 was 36.9% compared to 36.6% for the six months ended June 30, 2015 . In arriving at these rates, we considered a variety of factors, including our forecasted full-year pre-tax results, the U.S. federal rate of 35%, expected nondeductible expenses, and estimated state income taxes. We evaluate our tax rate each

quarter and make adjustments when necessary. Our final effective tax rate for the full year is dependent on the level of pre-tax income and the magnitude of any nondeductible expenses in relation to the respective pre-tax income.

## Liquidity and Capital Resources

Our primary sources of liquidity are cash on hand, cash provided by operations and capital from debt financing. Primary uses of liquidity are for working capital needs, capital expenditures, aircraft and engine pre-delivery deposit payments (PDPs) and maintenance reserves. Our total cash at June 30, 2016 was \$1,014.1 million, an increase of \$210.4 million from December 31, 2015.

Currently, our single largest capital need is funding the acquisition costs of our aircraft. Aircraft are acquired through debt financing, sale leaseback transactions, or cash purchases. In debt financing transactions, capital is needed to make equity investments in capital assets and payments on debt obligations (principal and interest) after the acquisition of the aircraft. During the six months ended June 30, 2016, we purchased eight aircraft through debt financing transactions and made \$46.8 million in debt payment obligations (principal, interest and fees). The debt entered into in the current period has maturity dates ranging from 2024 to 2028 and interest rates ranging from 4.100% to 4.450%. In sale leaseback transactions, capital is needed to fund the initial purchase of the aircraft prior to the sale to the lessor. During the six months ended June 30, 2016, we entered into no sale leaseback transactions as all of our aircraft deliveries for the current period were financed through secured debt. During the six months ended June 30, 2016, we purchased three aircraft that were previously financed under operating leases for \$65.9 million, comprised of cash payment of \$33.8 million and the application of maintenance and security deposits held by the previous lessors of \$32.1 million.

PDPs relating to future deliveries under our agreement with Airbus are required at various times prior to each delivery date. During the six months ended June 30, 2016, we paid \$100.5 million of PDPs for future deliveries of aircraft and spare engines. As of June 30, 2016, we had \$249.4 million of PDPs on our balance sheet.

As of June 30, 2016, we have secured debt financing commitments for four of the aircraft deliveries that will be received from Airbus through January 2017. An additional five aircraft will be leased directly from a third party. We do not have financing commitments in place for the remaining 75 Airbus aircraft currently on firm order, which are scheduled for delivery between 2017 and 2021. Future aircraft deliveries may be leased or otherwise financed based on market conditions, our prevailing level of liquidity, and capital market availability.

In addition to funding the acquisition of our fleet, we are required to make maintenance reserve payments for some of the aircraft in our current fleet. Maintenance reserves are paid to aircraft lessors and are held as collateral in advance of our performance of major maintenance activities. In the six months ended June 30, 2016, we paid \$29.8 million in maintenance reserves and as of June 30, 2016, we had \$279.5 million (\$77.6 million in aircraft maintenance deposits and \$201.9 million in long-term aircraft maintenance deposits) on our balance sheet.

On October 26, 2015, our Board of Directors authorized a new repurchase program of up to \$100 million in aggregate value of shares of our Common Stock, par value \$0.0001 per share, from time to time in open market or privately negotiated transactions. The authorization will expire on October 26, 2016. The timing and amount of any stock repurchase are subject to prevailing market conditions and other considerations.

*Net Cash Flows Provided By Operating Activities.* Operating activities in the six months ended June 30, 2016 provided \$360.8 million in cash compared to \$299.6 million provided in the six months ended June 30, 2015. The increase is mainly driven by higher revenues, lower cost of fuel, and a \$65.0 million income tax refund during the current period. This increase was offset by higher salary, wages and benefits and interest paid (excluding amounts capitalized) on the debt financing of aircraft year over year.

*Net Cash Flows Used In Investing Activities.* In the six months ended June 30, 2016, investing activities used \$368.5 million, compared to \$381.9 million used in the prior year period. The decrease was mainly driven by a decrease in paid PDPs, net of refunds, driven by timing of future aircraft deliveries. During the six months ended June 30, 2016, our main investing activities were \$284.0 million in expenditures for flight equipment consisting primarily of the purchase of eight new aircraft, three previously leased aircraft and rotatable equipment. During the six months ended June 30, 2015, our main investing activities were \$302.0 million in expenditures for flight equipment primarily for the purchase of eight new aircraft.

*Net Cash Flows Provided By Financing Activities.* During the six months ended June 30, 2016, financing activities provided \$218.1 million. We received \$300.5 million in connection with the debt financing of eight aircraft delivered during the six months ended June 30, 2016. We spent \$62.3 million to repurchase common stock primarily under our stock repurchase.

authorization, which became effective in October 2015, and we paid \$19.6 million in debt principal payment obligations in the six months ended June 30, 2016 related to the financing of our aircraft.

#### Commitments and Contractual Obligations

We have contractual obligations and commitments primarily with regard to future purchases of aircraft and engines, repayment of debt, and lease arrangements. The following table discloses aggregate information about our contractual obligations as of June 30, 2016 and the periods in which payments are due (in millions):

	Remainder of 2016	2017 - 2018	2019 - 2020	2021 and beyond	Total
Long-term debt (1)	\$ 45	\$ 150	\$ 147	\$ 598	\$ 940
Interest and fee commitments (2)	20	71	58	107	256
Operating lease obligations	119	428	344	566	1,457
Flight equipment purchase obligations	209	1,318	1,504	803	3,834
Other (3)	9	16	—	—	25
Total future payments on contractual obligations	\$ 402	\$ 1,983	\$ 2,053	\$ 2,074	\$ 6,512

(1) Includes principal only associated with senior term loans due through 2027, junior term loans due through 2022 and Class A and Class B enhanced equipment trust certificates due through 2028 and 2024, respectively. Please see "Notes to Condensed Financial Statements - 9. Long-term Debt."

(2) Related to senior and junior term loans and Class A and Class B enhanced equipment trust certificates only.

(3) Primarily related to the reconfiguration of seating in 40 of our A320ceos from 178 to 182 seats.

Some of our master lease agreements provide that we pay maintenance reserves to aircraft lessors to be held as collateral in advance of our required performance of major maintenance activities. Some maintenance reserve payments are fixed contractual amounts, while others are based on utilization. In addition to the contractual obligations disclosed in the table above, we have fixed maintenance reserve payments for these aircraft and related flight equipment, including estimated amounts for contractual price escalations, which are approximately \$3.6 million for the remainder of 2016, \$6.6 million in 2017, \$5.6 million in 2018, \$4.2 million in 2019, \$3.9 million in 2020, and \$10.2 million in 2021 and beyond.

In August 2015, we created two separate pass-through trusts which issued approximately \$576.6 million aggregate face amount of Series 2015-1 Class A and Class B EETCs in connection with the financing of 15 aircraft. The proceeds from the issuance of EETCs are initially held in escrow by a depository and, upon satisfaction of certain terms and conditions, are released and used to purchase equipment notes which are issued by the Company and secured by the Company's aircraft. As of June 30, 2016, \$421.3 million of the proceeds from the sale of the 2015-1 EETCs had been used to purchase equipment notes in connection with the financing of three Airbus A320 aircraft and eight Airbus A321 aircraft.

The remaining four aircraft are scheduled for delivery between August 2016 and January 2017.

Principal and interest commitments related to our future secured debt financing as of June 30, 2016 are approximately \$3.2 million for the remainder of 2016, \$23.7 million in 2017, \$16.4 million in 2018, \$14.9 million in 2019, \$14.2 million in 2020, and \$131.2 million in 2021 and beyond.

We evaluated whether the pass-through trusts formed are variable interest entities (VIEs) required to be consolidated by the Company under applicable accounting guidance. We determined that the pass-through trusts are VIEs and that we do not have a variable interest in the pass-through trusts. As such, we are not required to consolidate these pass-through trusts.

In September 2015, we executed a lease agreement with Wayne County Airport Authority (the Authority), which owns and operates Detroit Metropolitan Wayne County Airport (DTW). Under the lease agreement, we lease a 10-acre site, adjacent to the airfield at DTW, in order to construct, operate and maintain an approximately 126,000-square-foot hangar facility. The lease agreement has a 30-year term with two 10-year extension options. Upon termination of the lease, title of the project, which will be fully depreciated, will automatically pass to the Authority. We estimate the project will be completed during the fourth quarter of 2016. Future commitment amounts for the project are included within operating lease obligations in the table above.

**Off-Balance Sheet Arrangements**

We have significant lease obligations for our aircraft and spare engines as 58 of our 87 aircraft and all of our 11 spare engines are financed under operating leases and are therefore not reflected on our balance sheets. These leases expire between 2016 and 2029. Aircraft rent payments were \$52.5 million and \$54.5 million for the three months ended June 30, 2016 and 2015, respectively, and \$106.8 million and \$108.6 million for the six months ended June 30, 2016 and 2015, respectively. Our aircraft lease payments for 55 of our aircraft are fixed-rate obligations. Three of our aircraft leases provide for variable rent payments, which fluctuate based on changes in the London Interbank Offered Rate (LIBOR).

Our contractual purchase commitments consist primarily of aircraft and engine acquisitions through manufacturers and aircraft leasing companies. As of June 30, 2016, our aircraft orders consisted of the following:

	Airbus			Third-Party	Total
	A320ceo	A320neo	A321ceo	Lessor	
remainder of 2016			3	5	8
2017	4			11	15
2018	5	4	5		14
2019	1	12			13
2020		16			16
2021		18			18
	10	50	19	5	84

We also have four spare engine orders for V2500 SelectOne engines with IAE and nine spare engine orders for PurePower PW1100G-JM engines with Pratt & Whitney. Spare engines are scheduled for delivery from 2017 through 2023. Committed expenditures for these aircraft and spare engines, including estimated amounts for contractual price escalations and aircraft PDPs, are expected to be approximately \$209 million for the remainder of 2016, \$668 million in 2017, \$650 million in 2018, \$680 million in 2019, \$824 million in 2020 and \$803 million in 2021 and beyond.

As of June 30, 2016, we had lines of credit related to corporate credit cards of \$18.6 million from which we had drawn \$6.4 million.

As of June 30, 2016, we had lines of credit with counterparties for physical fuel delivery and derivatives in the amount of \$48.0 million. As of June 30, 2016, we had drawn \$8.5 million on these lines of credit. We are required to post collateral for any excess above the lines of credit if the derivatives are in a net liability position and make periodic payments in order to maintain an adequate undrawn portion for physical fuel delivery. As of June 30, 2016, we did not hold any fuel derivatives.

As of June 30, 2016, we had \$6.2 million in uncollateralized surety bonds and \$25.2 million in unsecured standby letter of credit facilities of which \$15.5 million had been drawn upon for issued letters of credit.

## GLOSSARY OF AIRLINE TERMS

Set forth below is a glossary of industry terms:

“Adjusted CASM” means operating expenses, excluding unrealized gains or losses related to fuel derivative contracts, out of period fuel federal excise tax, loss on disposal of assets, and special charges (credits), divided by ASMs.

“Adjusted CASM ex-fuel” means operating expenses excluding aircraft fuel expense, loss on disposal of assets, and special charges (credits), divided by ASMs.

“AFA-CWA” means the Association of Flight Attendants-CWA.

“Air traffic liability” or “ATL” means the value of tickets sold in advance of travel.

“ALPA” means the Airline Pilots Association, International.

“ASIF” means an Aviation Security Infrastructure Fee assessed by the TSA on each airline.

“Available seat miles” or “ASMs” means the number of seats available for passengers multiplied by the number of miles the seats are flown, also referred to as “capacity.”

“Average aircraft” means the average number of aircraft in our fleet as calculated on a daily basis.

“Average daily aircraft utilization” means block hours divided by number of days in the period divided by average aircraft.

“Average economic fuel cost per gallon” means total aircraft fuel expense, excluding unrealized gains or losses related to fuel derivative contracts and out of period fuel federal excise tax, divided by the total number of fuel gallons consumed.

“Average non-ticket revenue per passenger flight segment” means the total non-ticket revenue divided by passenger flight segments.

“Average ticket revenue per passenger flight segment” means total passenger revenue divided by passenger flight segments.

“Average stage length” represents the average number of miles flown per flight.

“Average yield” means average operating revenue earned per RPM, calculated as total revenue divided by RPMs.

“Block hours” means the number of hours during which the aircraft is in revenue service, measured from the time of gate departure before take-off until the time of gate arrival at the destination.

“CASM” or “unit costs” means operating expenses divided by ASMs.

“CBA” means a collective bargaining agreement.

“CBP” means United States Customs and Border Protection.

“DOT” means the United States Department of Transportation.

“EPA” means the United States Environmental Protection Agency.

“EETC” means enhanced equipment trust certificate.

“FAA” means the United States Federal Aviation Administration.

“FCC” means the United States Federal Communications Commission.

“GDS” means Global Distribution System (e.g., Amadeus, Galileo, Sabre and Worldspan).

“IAMAW” means the International Association of Machinists and Aerospace Workers.

“Into-plane fuel cost per gallon” means into-plane fuel expense divided by number of fuel gallons consumed.

“Into-plane fuel expense” represents the cost of jet fuel and certain other charges such as fuel taxes and oil.

“Load factor” means the percentage of aircraft seats actually occupied on a flight (RPMs divided by ASMs).

“NMB” means the National Mediation Board.

“OTA” means Online Travel Agent (e.g., Orbitz and Travelocity).

“Passenger flight segments” or “PFS” means the total number of passengers flown on all flight segments.

“PDP” means pre-delivery deposit payment.

“Revenue passenger mile” or “RPM” means one revenue passenger transported one mile. RPMs equals revenue passengers multiplied by miles flown, also referred to as “traffic.”

“RLA” means the United States Railway Labor Act.

“Total operating revenue per-ASM,” “TRASM” or “unit revenue” means operating revenue divided by ASMs.

“TWU” means the Transport Workers Union of America.

“TSA” means the United States Transportation Security Administration.

“ULCC” means “ultra low-cost carrier.”



### ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

#### Market Risk-Sensitive Instruments and Positions

We are subject to certain market risks, including commodity prices (specifically aircraft fuel) and interest rates. The adverse effects of changes in these markets could pose a potential loss as discussed below. The sensitivity analysis provided below 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 vary materially due to changes in the price and availability of aircraft fuel. Aircraft fuel expense for the six months ended June 30, 2016 and 2015 represented 22.2% and 29.5% of our operating expenses, respectively. Increases in aircraft fuel prices or a shortage of supply could have a material adverse effect on our operations and operating results. We source a significant portion of our fuel from refining resources located in the southeast United States, particularly facilities adjacent to the Gulf of Mexico. Gulf Coast fuel is subject to volatility and supply disruptions, particularly during hurricane season when refinery shutdowns have occurred, or when the threat of weather related disruptions has caused Gulf Coast fuel prices to spike above other regional sources. Both jet fuel swaps and jet fuel options are used at times to protect the refining price risk between the price of crude oil and the price of refined jet fuel, and to manage the risk of increasing fuel prices. Gulf Coast Jet indexed fuel is the basis for a substantial majority of our fuel consumption. Based on our fuel consumption over the last twelve months, a 10% increase in the average price per gallon of aircraft fuel would have increased into-plane aircraft fuel expense by approximately \$42.0 million .

As of June 30, 2016 and December 31, 2015 , we had no outstanding jet fuel derivatives. We measure our financial derivative instruments at fair value. Fair value of the instruments is determined using standard option valuation models. Changes in the related commodity derivative instrument cash flows may change by more or less than this amount based upon further fluctuations in futures prices. Outstanding financial derivative instruments expose us to credit loss in the event of nonperformance by the counterparties to the agreements. However, we do not expect the counterparties to fail to meet their obligations.

*Interest Rates* . We have market risk associated with changing interest rates due to LIBOR-based lease rates on three of our aircraft. A hypothetical 10% change in interest rates would affect total aircraft rent expense by less than \$0.1 million per annum.

*Fixed-Rate Debt* . As of June 30, 2016 , we had \$940.3 million outstanding in fixed-rate debt related to the purchase of 15 Airbus A320 aircraft and 11 Airbus A321 aircraft which had a fair value of \$950.7 million . As of December 31, 2015 , we had \$659.3 million outstanding in fixed-rate debt related to the purchase of 12 Airbus A320 aircraft and 6 Airbus A321 aircraft, which had a fair value of \$652.4 million .

### ITEM 4. CONTROLS AND PROCEDURES

#### Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer and our Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures as of June 30, 2016 . The term “disclosure controls and procedures,” as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, means controls and other procedures of a company that are designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the Securities and Exchange Commission’s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the Company’s management, including its principal executive and principal financial officers, as appropriate to allow timely decisions regarding required disclosure.

Management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Based on the evaluation of our disclosure controls and procedures as of June 30, 2016 , our Chief Executive Officer and Chief Financial Officer concluded that, as of such date, our disclosure controls and procedures were effective at the reasonable assurance level.

**Changes in Internal Control over Financial Reporting**

There were no changes in our internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act) during the quarter ended June 30, 2016, 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 commercial litigation claims and to administrative and regulatory proceedings and reviews that may be asserted or maintained from time to time. We believe the ultimate outcome of pending lawsuits, proceedings and reviews will not, individually or in the aggregate, have a material adverse effect on our financial position, liquidity, or results of operations.

**ITEM 1A. RISK FACTORS**

There have been no material changes to the risk factors disclosed in Item 1A Risk Factors contained in our Annual Report on Form 10-K for the year ended December 31, 2015, filed with the Securities and Exchange Commission on February 17, 2016. Investors are urged to review these risk factors carefully.

**ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS****Repurchases of Equity Securities**

The following table reflects our repurchases of our common stock during the second quarter of 2016. Repurchases of equity securities during this period include repurchases made from employees who received restricted stock or performance share awards as well as open market repurchases made under our stock repurchase authorization that became effective in October 2015, which authorizes the repurchase of up to \$100 million of the Company's common stock. All employee stock repurchases were made at the election of each employee pursuant to an offer to repurchase by us. In each case, the shares repurchased constituted the portion of vested shares necessary to satisfy minimum withholding tax requirements.

**ISSUER PURCHASES OF EQUITY SECURITIES**

<b>Period</b>	<b>Total Number of Shares Purchased</b>	<b>Average Price Paid per Share</b>	<b>Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs</b>	<b>Approximate Dollar Value of Shares that May Yet be Purchased Under Plans or Programs</b>
April 1-30, 2016	331,612	\$ 47.69	320,277	\$ 73,752,925
May 1-31, 2016	568,234	\$ 41.82	567,750	\$ 50,000,040
June 1-30, 2016	284,437	\$ 43.52	282,904	\$ 37,679,276
<b>Total</b>	<b>1,184,283</b>	<b>\$ 43.87</b>	<b>1,170,931</b>	

On October 26, 2015, our Board of Directors authorized a new repurchase program of up to \$100 million in aggregate value of shares of our Common Stock, par value \$0.0001 per share, from time to time in open market or privately negotiated transactions. The authorization will expire on October 26, 2016. The timing and amount of any stock repurchase is subject to prevailing market conditions and other considerations, and may be discontinued at any time.

**ITEM 3. DEFAULTS UPON SENIOR SECURITIES**

None

**ITEM 4. MINE SAFETY DISCLOSURES**

Not applicable

**ITEM 5. OTHER INFORMATION**

None

ITEM 6. EXHIBITS

Exhibit Number	Description of Exhibits
10.1**	Amendment No. 15, dated as of November 21, 2013, to the Airbus A320 Family Purchase Agreement, by and between the Company and Airbus S.A.S. (legal successor to AVSA S.A.R.L.), dated May 5, 2004.
10.2**	Amendment No. 16, dated as of December 17, 2013, to the Airbus A320 Family Purchase Agreement, by and between the Company and Airbus S.A.S. (legal successor to AVSA S.A.R.L.), dated May 5, 2004.
10.3**	Amendment No. 17, dated as of March 11, 2014, to the Airbus A320 Family Purchase Agreement, by and between the Company and Airbus S.A.S. (legal successor to AVSA S.A.R.L.), dated May 5, 2004, together with four letter agreements and two amended and restated letter agreements.
10.4**	Amendment No. 18, dated as of July 31, 2014, to the Airbus A320 Family Purchase Agreement, by and between the Company and Airbus S.A.S. (legal successor to AVSA S.A.R.L.), dated May 5, 2004.
10.5**	Amendment No. 19, dated as of August 21, 2015, to the Airbus A320 Family Purchase Agreement, by and between the Company and Airbus S.A.S. (legal successor to AVSA S.A.R.L.), dated May 5, 2004.
10.6**	Amendment No. 20, dated as of April 27, 2016, to the Airbus A320 Family Purchase Agreement, by and between the Company and Airbus S.A.S. (legal successor to AVSA S.A.R.L.), dated May 5, 2004.
31.1	Certification of the Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of the Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1*	Certification of the Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2*	Certification of the Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema
101.CAL	XBRL Taxonomy Extension Calculation Linkbase
101.LAB	XBRL Taxonomy Extension Label Linkbase
101.PRE	XBRL Taxonomy Extension Presentation Linkbase

\* Exhibits 32.1 and 32.2 are being furnished and shall not be deemed to be “filed” for purposes of Section 18 of the Exchange Act, or otherwise subject to the liability of that section, nor shall such exhibits be deemed to be incorporated by reference in any registration statement or other document filed under the Securities Act or the Exchange Act, except as otherwise specifically stated in such filing.

\*\* Confidential treatment has been requested for portions of this exhibit. The copy filed herewith omits the information subject to the confidentiality request. A complete version of this exhibit has been filed separately with the Securities and Exchange Commission.

**SIGNATURE**

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.

SPIRIT AIRLINES, INC.

Date: July 29, 2016

By:

\_\_\_\_\_  
/s/ Edward Christie

Edward Christie  
Senior Vice President and  
Chief Financial Officer

THE USE OF THE FOLLOWING NOTATION IN THIS EXHIBIT INDICATES THAT THE CONFIDENTIAL PORTION HAS BEEN OMITTED PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT AND THE OMITTED MATERIAL HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION:

[\*\*\*]

AMENDMENT NO. 15

TO

THE A320 FAMILY PURCHASE AGREEMENT

Dated as of May 5, 2004

BETWEEN AIRBUS S.A.S. (legal successor to AVSA S.A.R.L.)

AND

SPIRIT AIRLINES, INC.

This Amendment No. 15 to the A320 Family Purchase Agreement dated as of May 5, 2004 (this “ **A mendment** ”), is entered into as of November 21, 2013, by and between AIRBUS S.A.S. (legal successor to AVSA S.A.R.L.), organized and existing under the laws of the Republic of France, having its registered office located at 1, Rond Point Maurice Bellonte, 31700 Blagnac, France (the “ **Seller** ”) and SPIRIT AIRLINES, INC., a corporation organized and existing under the laws of the State of Delaware, United States of America, having its principal corporate office located at 2800 Executive Way, Miramar, Florida 33025, U.S.A. (the “ **Buyer** ”).

WHEREAS, the Buyer and the Seller have entered into an A320 Family Purchase Agreement, dated as of May 5, 2004, which, together with all Exhibits, Appendices and Letter Agreements attached thereto and as amended, modified or supplemented from time to time is hereinafter called the “ **Agreement** ”; and

WHEREAS, the Buyer has requested and the Seller has agreed to advance the Scheduled Delivery Months of [\*\*\*] A320 Aircraft in accordance with the terms and conditions herein, and

WHEREAS, the Buyer and the Seller will amend certain other terms of the Agreement in consideration of the foregoing.

---



NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

The capitalized terms used herein and not otherwise defined in this Amendment will have the meanings assigned to them in the Agreement. Except as used within quoted text, the terms "herein," "hereof," and "hereunder" and words of similar import refer to this Amendment.

1 - AMENDMENT

Delivery Stream

Clause 9.1.1.3 of the Agreement is deleted in its entirety and is replaced by the following:

QUOTE

9.1.1.3 The Scheduled Delivery Months for the A320 Group 1 Aircraft and A320 Group 2 Aircraft are as follows:

---



**2 - PROPULSION SYSTEMS**

A320 Group 3 Aircraft Propulsion Systems Selection

The Buyer and the Seller hereby acknowledge and agree that the A320 Group 3 Aircraft will be delivered with two (2) IAE V2527-A5 Propulsion Systems.

**3 - CONDITION PRECEDENT**

It is a condition precedent to the effectiveness of this Amendment No. 15 that, at the time of execution hereof, the Buyer shall pay to the Seller

US \$[\*\*\*]  
(US dollars – [\*\*\*])

as Predelivery Payments due in respect of A320 Group 2 Aircraft bearing CAC ID [\*\*\*] and A320 Group 2 Aircraft bearing CAC ID [\*\*\*].

**4 - EFFECT OF THE AMENDMENT**

- 4.1 The Agreement as amended by this Amendment contains the entire agreement between the parties with respect to the subject matter hereof and supersedes any previous understanding, commitments or representations whatsoever, whether oral or written between the Buyer and the Seller.
- 4.2 The Agreement will be deemed amended to the extent provided in this Amendment and, except as specifically amended hereby, will continue in full force and effect in accordance with its original terms.

**5 - CONFIDENTIALITY**

This Amendment and the terms and condition hereof are subject to the terms and conditions of Clause 22.7 of the Agreement.

**6 - GOVERNING LAW**

- 6.1 THIS AMENDMENT AND THE AGREEMENTS CONTEMPLATED HEREIN WILL BE GOVERNED BY AND CONSTRUED AND THE PERFORMANCE THEREOF WILL BE DETERMINED IN ACCORDANCE WITH THE PROVISIONS OF CLAUSE 22.4 OF THE AGREEMENT.
-

6.2 IT IS AGREED THAT THE UNITED NATIONS CONVENTION ON CONTRACTS FOR THE INTERNATIONAL SALE OF GOODS WILL NOT APPLY TO THIS AMENDMENT.

7 - **COUNTERPARTS**

This Amendment may be executed by the parties hereto in separate counterparts, each of which when so executed will be an original, but all such counterparts will together constitute one and the same instrument. Such counterparts may be delivered via facsimile and/or electronic mail (provided that an original is subsequently delivered).

---

IN WITNESS WHEREOF, the parties have caused this Amendment to be signed by their respective officers thereunto duly authorized as of the day and year first above written.

SPIRIT AIRLINES, INC.

AIRBUS S.A.S.

By: /s/ Edward M. Christie  
Its: SVP and CFO

By: /s/ Christophe Mourey  
Its: SVP Contracts

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APPENDIX A

***	Converted A321 Aircraft	***	***	A321 Amd 14 Aircraft	***
***	A320 NEO Aircraft	***	***	A320 NEO Aircraft	***
***	A320 NEO Aircraft	***	***	A320 NEO Aircraft	***
***	2013 Converted Aircraft (A321 NEO)	***	***	A320 NEO Aircraft	***
***	A320 NEO Aircraft	***	***	A320 NEO Aircraft	***
***	A320 NEO Aircraft	***	***	2013 Converted Aircraft (A321 NEO)	***
***	A320 NEO Aircraft	***	***	2013 Converted Aircraft (A321 NEO)	***
***	A320 NEO Aircraft	***	***	A320 NEO Aircraft	***
***	A320 NEO Aircraft	***	***	A320 NEO Aircraft	***
***	A320 NEO Aircraft	***	***	A320 NEO Aircraft	***
***	A320 Group 3 Aircraft	***	***	A320 NEO Aircraft	***
***	A321 Amd 14 Aircraft	***	***	A320 NEO Aircraft	***
***	A321 Amd 14 Aircraft	***	***	A320 NEO Aircraft	***
***	A320 Group 3 Aircraft	***	***	A320 NEO Aircraft	***
***	A320 Group 3 Aircraft	***	***	A320 NEO Aircraft	***

THE USE OF THE FOLLOWING NOTATION IN THIS EXHIBIT INDICATES THAT THE CONFIDENTIAL PORTION HAS BEEN OMITTED PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT AND THE OMITTED MATERIAL HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION:

[\*\*\*]

AMENDMENT NO. 16

TO

THE A320 FAMILY PURCHASE AGREEMENT

Dated as of May 5, 2004

BETWEEN AIRBUS S.A.S. (legal successor to AVSA S.A.R.L.)

AND

SPIRIT AIRLINES, INC.

This Amendment No. 16 to the A320 Family Purchase Agreement dated as of May 5, 2004 (this “ **A m e n d m e n t** ”), is entered into as of December 17, 2013, by and between AIRBUS S.A.S. (legal successor to AVSA S.A.R.L.), organized and existing under the laws of the Republic of France, having its registered office located at 1, Rond Point Maurice Bellonte, 31700 Blagnac, France (the “ **S e l l e r** ”) and SPIRIT AIRLINES, INC., a corporation organized and existing under the laws of the State of Delaware, United States of America, having its principal corporate office located at 2800 Executive Way, Miramar, Florida 33025, U.S.A. (the “ **B u y e r** ”).

WHEREAS, the Buyer and the Seller have entered into an A320 Family Purchase Agreement, dated as of May 5, 2004, which, together with all Exhibits, Appendices and Letter Agreements attached thereto and as amended, modified or supplemented from time to time is hereinafter called the “ **A g r e e m e n t** ”; and

WHEREAS, the Buyer has requested and the Seller has agreed to advance the Scheduled Delivery Months of [\*\*\*] A320 Aircraft in accordance with the terms and conditions herein, and

WHEREAS, the Buyer and the Seller will amend certain other terms of the Agreement in consideration of the foregoing.

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

The capitalized terms used herein and not otherwise defined in this Amendment will have the meanings assigned to them in the Agreement. Except as used within quoted text, the

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terms "herein," "hereof," and "hereunder" and words of similar import refer to this Amendment.

**1 - AMENDMENTS**

1.1 Delivery Stream

Clause 9.1.1.3 of the Agreement is deleted in its entirety and is replaced by the following:

QUOTE

9.1.1.3 The Scheduled Delivery Months for the A320 Group 1 Aircraft and A320 Group 2 Aircraft are as follows:

---

<u>Aircraft</u>	<u>Quantity</u>	<u>Month</u>	<u>Year</u>	<u>CAC ID No.</u>
A320 Group 1 Aircraft	***	***	***	***
A320 Group 1 Aircraft	***	***	***	***
A320 Group 1 Aircraft	***	***	***	***
A320 Group 1 Aircraft	***	***	***	***
A320 Group 1 Aircraft	***	***	***	***
A320 Group 1 Aircraft	***	***	***	***
A320 Group 1 Aircraft	***	***	***	***
A320 Group 2 Aircraft	***	***	***	***
A320 Group 2 Aircraft	***	***	***	***
A320 Group 2 Aircraft	***	***	***	***
A320 Group 2 Aircraft	***	***	***	***
A320 Group 2 Aircraft	***	***	***	***
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A320 Group 2 Aircraft	***	***	***	***
A320 Group 2 Aircraft	***	***	***	***
A320 Group 2 Aircraft	***	***	***	***
A320 Group 2 Aircraft	***	***	***	***
A320 Group 2 Aircraft	***	***	***	***
A320 Group 2 Aircraft	***	***	***	***
UNQUOTE				

For the avoidance of doubt, the entire delivery schedule for the Buyer’s backlog Aircraft is included in Appendix A of this Amendment No. 16.

1.2 **PRICE**

Clauses 3.1.1.3.4 and 3.1.1.3.5 of the Agreement are deleted in their entirety and are replaced with the following:

---

QUOTE

3.1.1.3.4 The base price (the "**CFMI LEAP-X1A26 Base Price**") of a set of two (2) CFM International LEAP-X1A26 engines, at delivery conditions prevailing in January 2011 is:

US\$ [\*\*\*]  
(US dollars-[\*\*\*]).

Said base price has been calculated from the reference price (the "**CFMI LEAP-X1A26 Reference Price**") indicated by the NEO Propulsion System Manufacturer of US\$ [\*\*\*] (US dollars - [\*\*\*]) in accordance with delivery conditions prevailing in January 2010.

3.1.1.3.5 The base price (the "**PW1127G-JM Base Price**") of a set of two (2) Pratt & Whitney PW1127G-JM engines, at delivery conditions prevailing in January 2011 is:

US\$ [\*\*\*]  
(US dollars-[\*\*\*]).

Said base price has been calculated from the reference price (the "**PW1127G-JM Reference Price**") indicated by the NEO Propulsion System Manufacturer of US\$ [\*\*\*] (US dollars-[\*\*\*]) in accordance with delivery conditions prevailing in January 2010.

UNQUOTE

---

**2 - CONDITION PRECEDENT**

It is a condition precedent to the effectiveness of this Amendment No. 16 that, at the time of execution hereof, the Buyer shall pay to the Seller

US \$[\*\*\*]  
(US dollars – [\*\*\*])

as Predelivery Payments due in respect of A320 Group 2 Aircraft bearing CAC ID [\*\*\*] and A320 Group 2 Aircraft bearing CAC ID [\*\*\*].

**3 - EFFECT OF THE AMENDMENT**

3.1 The Agreement as amended by this Amendment contains the entire agreement between the parties with respect to the subject matter hereof and supersedes any previous understanding, commitments or representations whatsoever, whether oral or written between the Buyer and the Seller.

3.2 The Agreement will be deemed amended to the extent provided in this Amendment and, except as specifically amended hereby, will continue in full force and effect in accordance with its original terms.

**4 - CONFIDENTIALITY**

This Amendment and the terms and condition hereof are subject to the terms and conditions of Clause 22.7 of the Agreement.

**5 - GOVERNING LAW**

5.1 THIS AMENDMENT AND THE AGREEMENTS CONTEMPLATED HEREIN WILL BE GOVERNED BY AND CONSTRUED AND THE PERFORMANCE THEREOF WILL BE DETERMINED IN ACCORDANCE WITH THE PROVISIONS OF CLAUSE 22.4 OF THE AGREEMENT.

5.2 IT IS AGREED THAT THE UNITED NATIONS CONVENTION ON CONTRACTS FOR THE INTERNATIONAL SALE OF GOODS WILL NOT APPLY TO THIS AMENDMENT.

**6 - COUNTERPARTS**

This Amendment may be executed by the parties hereto in separate counterparts, each of which when so executed will be an original, but all such counterparts will together constitute one and the same instrument. Such counterparts may be delivered via facsimile and/or electronic mail (provided that an original is subsequently delivered).

---

IN WITNESS WHEREOF, the parties have caused this Amendment to be signed by their respective officers thereunto duly authorized as of the day and year first above written.

SPIRIT AIRLINES, INC.

AIRBUS S.A.S.

By: /s/ Edward M. Christie  
Its: SVP and CFO

By: /s/ Christophe Mourey  
Its: SVP Contracts

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THE USE OF THE FOLLOWING NOTATION IN THIS EXHIBIT INDICATES THAT THE CONFIDENTIAL PORTION HAS BEEN OMITTED PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT AND THE OMITTED MATERIAL HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION:

[\*\*\*]

AMENDMENT NO. 17

TO

THE A320 FAMILY PURCHASE AGREEMENT

Dated as of May 5, 2004

BETWEEN AIRBUS S.A.S. (legal successor to AVSA S.A.R.L.)

AND

SPIRIT AIRLINES, INC.

This Amendment No. 17 to the A320 Family Purchase Agreement dated as of May 5, 2004 (this “**A mendment**”), is entered into as of March 11<sup>th</sup>, 2014, by and between AIRBUS S.A.S. (legal successor to AVSA S.A.R.L.), organized and existing under the laws of the Republic of France, having its registered office located at 1, Rond Point Maurice Bellonte, 31700 Blagnac, France (the “**Seller**”) and SPIRIT AIRLINES, INC., a corporation organized and existing under the laws of the State of Delaware, United States of America, having its principal corporate office located at 2800 Executive Way, Miramar, Florida 33025, U.S.A. (the “**Buyer**”).

WHEREAS, the Buyer and the Seller have entered into an A320 Family Purchase Agreement, dated as of May 5, 2004, which, together with all Exhibits, Appendices and Letter Agreements attached thereto and as amended, modified or supplemented from time to time is hereinafter called the “**Agreement**”; and

WHEREAS, the Buyer has requested and the Seller has agreed to convert [\*\*\*] A320 Group 3 Aircraft to Converted A321 Aircraft, convert [\*\*\*] A320 NEO Aircraft to A321 NEO Aircraft and reschedule [\*\*\*] A320 Group 3 Aircraft in accordance with the terms and conditions herein, and

WHEREAS, the Buyer and the Seller will amend certain other terms of the Agreement in consideration of the foregoing.

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NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

The capitalized terms used herein and not otherwise defined in this Amendment will have the meanings assigned to them in the Agreement. Except as used within quoted text, the terms “herein,” “hereof,” and “hereunder” and words of similar import refer to this Amendment.

**1 - SCOPE**

**1.1 Additional A320 Group 3 Aircraft conversions to Converted A321 Aircraft**

The Buyer’s order for Aircraft is hereby amended to increase the number of A320 Group 3 Aircraft that are converted to Converted A321 Aircraft as defined herein, from ten (10) pursuant to Amendment No. 14 to fifteen (15). A320 Group 3 Aircraft bearing CAC ID Nos. [\*\*\*] are hereby converted to Converted A321 Aircraft pursuant to the terms and conditions herein.

**1.2 A320 NEO Aircraft conversions to A321 NEO Aircraft**

Notwithstanding the provisions of Clause 2.1.2 of the Agreement, the Buyer hereby irrevocably exercises five (5) NEO Conversion Rights on A320 NEO Aircraft bearing CAC ID Nos. [\*\*\*], thereby converting them to A321 NEO Aircraft (the “**2014 Converted A321 NEO Aircraft**”) pursuant to the terms and conditions herein.

**1.3 A320 Group 2 Aircraft and A320 Group 3 Aircraft Advancements**

1.3.1 On an exceptional basis and in recognition of the Buyer’s desire to accelerate growth of its fleet of A321 aircraft, the A320 Group 3 Aircraft bearing CAC ID No. [\*\*\*] which is being converted to a Converted A321 Aircraft through the execution of this Amendment No. 17, is hereby advanced from its original Scheduled Delivery Month of [\*\*\*] to its new Scheduled Delivery Month of [\*\*\*].

1.3.2 In order to streamline the customization process and reduce the period of time during which A320 Group 2 Aircraft and A320 Group 3 Aircraft are being delivered concurrently, the Seller hereby advances the Scheduled Delivery Month of A320 Group 2 Aircraft bearing CAC ID No. [\*\*\*], from [\*\*\*] to [\*\*\*].

**1.4 A320 Group 3 Aircraft Rescheduling**

In an effort to assist the Buyer in redistributing its backlog Aircraft, the Buyer and the Seller agree to reschedule two (2) A320 Group 3 Aircraft bearing CAC ID Nos. [\*\*\*], originally scheduled for delivery in [\*\*\*] to [\*\*\*].

For the purpose of this Amendment No.17 to the Agreement, the Aircraft mentioned in Clause 1 shall be hereinafter referred to as the “**Amendment No. 17 Aircraft**”.

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## 2 - AMENDMENTS

### 2.1 Definitions

Clause 0 of the Agreement is amended to either modify or add the terms and corresponding definitions set forth below:

A319 NEO Standard Specification – has the meaning set out in Clause 2.1.2.2

A320 Family Base Period - the average economic conditions prevailing in December 2009, January 2010, February 2010 and corresponding to a theoretical delivery in January 2011.

A320 Group 3 Aircraft – any or all of the fifteen (15) firmly ordered A320-200 model aircraft for which the delivery schedule is set forth in Clause 9.1.1.4 hereof, including the A320 Airframe and all components, equipment, parts and accessories installed in or on such aircraft and the applicable A320 Propulsion Systems installed thereon upon delivery.

A320 NEO Aircraft – any or all of the forty (40) firmly ordered A320-200N type Aircraft for which the delivery schedule is set forth in Clause 9.1.1.5 hereof.

A320 NEO Aircraft Specification - The A320 NEO Aircraft shall be manufactured in accordance with the A320 NEO Standard Specification, as may already have been modified or varied at the date of this Agreement by the Specification Change Notices listed in Exhibit A-4C.

A320 NEO Standard Specification means the A320-200N standard specification document Number D.000.02000N Issue 1, dated 21<sup>st</sup> December 2013, a copy of which has been annexed hereto as Exhibit A-2C.

A321 NEO Standard Specification – has the meaning set out in Clause 2.1.2.2

Base Price of the A321 Amd. 14 Airframe - as defined in Clause 3.1.1.2.10

Base Price of the Converted A321 Airframe – as defined in Clause 3.1.1.2.10

Converted A321 Aircraft – any or all of the fifteen (15) firmly ordered A321-200 model aircraft that have been converted from A320 Group 3 Aircraft and for which the delivery schedule is set forth in Clause 9.1.1.4, including the Converted A321 Airframe and all components, equipment, parts and accessories installed in or on such aircraft and the applicable A321 Propulsion System installed thereon upon delivery.

Irrevocable SCNs – the list of SCNs set forth in Exhibits A-4D and A-4E that are irrevocably part of the A319 NEO Aircraft and A321 NEO Aircraft, respectively.

New Order Aircraft – any or all of the New Order CEO Aircraft and New Order NEO Aircraft.

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New Order CEO Aircraft – any or all of the A320 Group 3 Aircraft and Converted A321 Aircraft.

New Order NEO Aircraft – any or all of the A320 NEO Aircraft and 2014 Converted A321 NEO Aircraft

NEO Standard Specification means individually or collectively the A319 NEO Standard Specification, the A320 NEO Standard Specification or the A321 NEO Standard Specification, as applicable.

Sharklets - a new large wingtip device, designed to enhance the eco-efficiency and payload range performance of the A320 family aircraft, and which are fitted on the NEO Aircraft and are part of the A320 NEO Standard Specification or the Irrevocable SCNs, as applicable.

Specification – any or all of the A319 Aircraft Iss. 7 Specification, A319 Specification, A320 Aircraft Iss 7. Specification, A320 Aircraft Iss. 8 Specification, A320 Specification, A320 NEO Aircraft Specification, A321 Aircraft Iss. 5 Specification and A321 Specification, as the context may require.

Standard Specification – any or all of the A319 Aircraft Iss. 7 Standard Specification, A319 Standard Specification, A320 Aircraft Iss. 7 Standard Specification, A320 Aircraft Iss. 8 Standard Specification, A320 Standard Specification, A320-200N standard specification Iss. 1, A321 Aircraft Iss. 5 Standard Specification and A321 Standard Specification, as applicable.”

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2.2 Specification

2.2.1 Clause 2.1 of the Agreement is deleted in its entirety and replaced with the following quoted text:

QUOTE

2.1 Aircraft Specification

2.1.1 The Aircraft will be manufactured in accordance with the following Specifications:

Aircraft	Specification
A319 Aircraft	A319 Specification
A319 NEO Aircraft	A319 Aircraft Iss. 7 Specification
A320 Aircraft	A320 Specification
A320 Group 1 Aircraft	A320 Aircraft Iss. 7 Specification
A320 Group 2 Aircraft, A320 Group 3 Aircraft	A320 Aircraft Iss. 8 Specification
A320 NEO Aircraft	A320 NEO Aircraft Specification
A321 Aircraft	A321 Specification
A321 Amd 14 Aircraft	A321 Aircraft Iss. 5 Specification
Converted A321 Aircraft	A321 Aircraft Iss. 5 Specification
A321 NEO Aircraft	A321 Aircraft Iss. 5 Specification

2.1.2 A319 and A321 NEO Aircraft Specification

2.1.2.1 New Engine Option

The Seller is currently developing a new engine option (the “ **New Engine Option** ” or “ **NEO** ”), applicable to the A319/A321 aircraft. The specification of:

- (i) The A319 NEO Aircraft shall be derived from the A319 Aircraft Iss. 7 Standard Specification and based on the A319 NEO Propulsion Systems, and
- (ii) INTENTIONALLY LEFT BLANK
- (iii) the A321 NEO Aircraft shall be derived from the A321 Aircraft Iss. 5 Standard Specification and based on the A321 NEO Propulsion Systems.

In addition, each such specification shall also include Sharklets, required airframe structural adaptations and Aircraft systems and software adaptations required to operate such New Engine Option Aircraft. The foregoing is currently reflected in the Irrevocable SCNs listed in Exhibits, A-4D and A-4E, the implementation of which is hereby irrevocably accepted by the Buyer.



2.1.2.2 Notwithstanding the foregoing, upon the freeze of the technical configuration applicable to the combination of the respective CEO Standard Specification(s) and the corresponding Irrevocable SCNs, the Seller shall issue respectively an A319-100N Standard Specification Issue 1 (the " **A319 NEO Aircraft Standard Specification** ") and an A321-200N Standard Specification Issue 1 (the " **A321 NEO Aircraft Standard Specification** "), which shall each automatically supersede the combination of the respective CEO Standard Specification(s) and the corresponding Irrevocable SCNs. The A319 NEO Aircraft and the A321 NEO Aircraft shall be manufactured in accordance with each such Issue 1 of the A319 NEO Aircraft Standard Specification and A321 NEO Aircraft Standard Specification, as applicable, as may already have been modified or varied at the date of this Agreement by the Specification Change Notices listed in Exhibit A4-D and Exhibit A-4E.

2.1.2.3 A319 NEO and A321 NEO Weights

The New Engine Option shall modify the design weights of the respective CEO Standard Specifications as follows:

	<b>A319-100</b>	<b>A321-200</b>
<b>MTOW</b>	[***]	[***]
<b>MLW</b>	[***]	[***]
<b>MZFW</b>	[***]	[***]

The estimated basic Manufacturer's Weight Empty (MWE) of the respective CEO Standard Specifications § 13-10.01.00 shall be modified as follows:

<b>Propulsion Systems as per Clause 2.3</b>	<b>A319-100</b>	<b>A321-200</b>
<b>PW</b>	[***]	[***]

It is agreed and understood that the above weights may be updated in each of the A319 NEO Standard Specification and A321 NEO Standard Specification.

UNQUOTE



2.2.1.1 EXHIBIT A-4C to the Agreement is deleted in its entirety and is replaced with the Exhibit A-4C set forth hereto.

2.2.1.2 EXHIBIT A-4E to the Agreement is deleted in its entirety and is replaced with the Exhibit A-4E set forth hereto.

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2.3 PRICE

Clause 3.1 and 3.2 of the Agreement are hereby deleted in their entirety and are replaced with the following quoted text:

QUOTE

3 - **PRICE**

3.1 Base Price of the Aircraft

3.1.1 The Base Price of each applicable Aircraft is the sum of:

- (i) The Base Price of the applicable Airframe, and
- (ii) the Base Price of the applicable Propulsion Systems for the Aircraft.

3.1.1.2 Base Price of the Airframe

3.1.1.2.1 INTENTIONALLY LEFT BLANK

3.1.1.2.2 INTENTIONALLY LEFT BLANK

3.1.1.2.3 INTENTIONALLY LEFT BLANK

3.1.1.2.4 INTENTIONALLY LEFT BLANK

3.1.1.2.5 A320 Group 2 Airframe and A320 Group 3 Airframe

The “ **Base Price of the A320 Group 2 Airframe** ” and the “ **Base Price of the A320 Group 3 Airframe** ” is the sum of the Base Prices set forth below in (i) and (ii):

- (i) The Base Price of the A320 Group 2 Airframe and the Base Price of the A320 Group 3 Airframe, as defined in the A320 Aircraft Iss. 8 Standard Specification (excluding Buyer Furnished Equipment and SCNs) including nacelles and thrust reversers, which is:  
 US\$ [\*\*\*]  
 (US dollars-[\*\*\*]), and
-

- (ii) the sum of the base prices of any and all SCNs set forth in Exhibit A-4B, which is:

US\$ [\*\*\*]  
(US dollars-[\*\*\*])

The Base Price of the A320 Group 2 Airframe and the Base Price of the A320 Group 3 Airframe have been established in accordance with the average economic conditions prevailing in the A320 Family Base Period.

#### 3.1.1.2.6 Base Price of the A320 NEO Airframe

The “ **Base Price of the A320 NEO Airframe** ” is the sum of the following base prices:

- (i) The base price of the A320 NEO Airframe as defined in the A320 NEO Standard Specification (excluding Buyer Furnished Equipment), including nacelles and thrust reversers, which is:

US\$ [\*\*\*]  
(US dollars-[\*\*\*]), and

- (ii) the sum of the base prices of any and all SCNs set forth in Exhibit A-4C, which is:

US\$ [\*\*\*]  
(US dollars-[\*\*\*]), and

The Base Price of the A320 NEO Airframe has been established in accordance with the average economic conditions prevailing in the A320 Family Base Period.

#### 3.1.1.2.7 The “ **Base Price of the A319 NEO Airframe** ” is the sum of the following base prices:

- (i) The base price of the A319 NEO Airframe as defined in the A319 Aircraft Iss. 7 Standard Specification (excluding Buyer Furnished Equipment), including nacelles and thrust reversers, which is:

US\$ [\*\*\*]  
(US dollars-[\*\*\*]), and

- (ii) the sum of the base prices of any and all SCNs (other than Irrevocable SCNs to the extent included in Clause (iii) below) set forth in Exhibit A-4D, which is:

US\$ [\*\*\*]  
(US dollars-[\*\*\*]), and

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(iii) the sum of the base prices of the Irrevocable SCNs set forth in Exhibit A-4D, which is the sum of:

(a) The base price of the New Engine Option:

US\$ [\*\*\*]  
(US dollars-[\*\*\*]), and

(b) The base price of the Sharklets:

US\$ [\*\*\*]  
(US dollars-[\*\*\*])

The Base Price of the A319 NEO Airframe has been established in accordance with the average economic conditions prevailing in the A320 Family Base Period.

### 3.1.1.2.8 Base Price of the A321 NEO Airframe

The “ **Base Price of the A321 NEO Airframe** ” is the sum of the following base prices:

(i) The base price of the A321 NEO Airframe as defined in the A321 Aircraft Iss. 5 Standard Specification (excluding Buyer Furnished Equipment), including nacelles and thrust reversers, which is:

US\$ [\*\*\*]  
(US dollars-[\*\*\*]), and

(ii) the sum of the base prices of any and all SCNs (other than Irrevocable SCNs to the extent included in Clause (iii) below) set forth in Exhibit A-4E, which is:

US\$ [\*\*\*]  
(US dollars-[\*\*\*]), and

(iii) the sum of the base prices of the Irrevocable SCNs set forth in Exhibit A-4E, which is the sum of:

(a) the base price of the New Engine Option:

US\$ [\*\*\*]  
(US dollars-[\*\*\*]), and

(b) the base price of the Sharklets:

US\$ [\*\*\*]  
(US dollars-[\*\*\*])

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The Base Price of the A321 NEO Airframe has been established in accordance with the average economic conditions prevailing in the A320 Family Base Period.

3.1.1.2.9 It is hereby agreed and understood between the parties that, upon issuance of the respective Issue 1.0 of the A319 NEO Standard Specification(s) and the A321 NEO Standard Specification, the Airframe Base Price reflecting the Airframe as defined in each such Standard Specification(s) shall correspond to the sum of (i) and (ii) as set forth in respectively Clauses 3.1.1.2.7 and 3.1.1.2.8 above, as applicable

3.1.1.2.10 A321 Amd 14 Airframe and Converted A321 Airframe

The Base Price of the A321 Amd 14 Airframe or the Converted A321 Airframe, as applicable, is the sum of the following Base Prices:

- (i) The Base Price of the A321 Amd 14 Airframe or the Converted A321 Airframe, as applicable, as defined in the A321 Aircraft Iss. 5 Standard Specification (excluding Buyer Furnished Equipment and SCNs), at delivery conditions prevailing in January 2011, which is:  
US \$ [\*\*\*]  
(US dollars—[\*\*\*]), and
- (ii) The Base Price of anticipated SCNs for the A321 Amd 14 Aircraft and the Converted A321 Aircraft as set forth in Exhibit A-4F, at delivery conditions prevailing in January 2011, which is:  
US \$ [\*\*\*]  
(US dollars—[\*\*\*]).

The Base Price of the A321 Amd 14 Airframe and the Converted A321 Airframe has been established in accordance with the average economic conditions prevailing in the A320 Family Base Period.

3.1.1.3 Base Price of the Propulsion Systems

3.1.1.3.1 INTENTIONALLY LEFT BLANK

3.1.1.3.2 A320 Propulsion Systems

The Base Price of the IAE V2527-A5 Propulsion Systems, at delivery conditions prevailing in January 2011, is:

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US \$[\*\*\*]  
(US dollars – [\*\*\*])

Said Base Price has been calculated from the Reference Price for the A320 Propulsion Systems indicated by International Aero Engines of US \$[\*\*\*] (US dollars – [\*\*\*]) in accordance with delivery conditions prevailing in January 2006.

3.1.1.3.3A321 Propulsion Systems

The Base Price of the IAE V2533-A5 Propulsion Systems for the A321 Aircraft, at delivery conditions prevailing in January 2011, is:

US \$[\*\*\*]  
(US dollars – [\*\*\*])

Said Base Price has been calculated from the Reference Price for the A321 Propulsion Systems indicated by International Aero Engines of US \$[\*\*\*] (US dollars – [\*\*\*]) in accordance with delivery conditions prevailing in January 2006.

3.1.1.3.4INTENTIONALLY LEFT BLANK

3.1.1.3.5The base price (the “ **PW1127G-JM Base Price** ”) of a set of two (2) Pratt & Whitney PW1127G-JM engines, at delivery conditions prevailing in January 2011 is:

US\$ [\*\*\*]  
(US dollars–[\*\*\*]).

Said base price has been calculated from the reference price (the “ **PW1127G-JM Reference Price** ”) indicated by the NEO Propulsion System Manufacturer of US\$ [\*\*\*] (US dollars–[\*\*\*]) in accordance with the delivery conditions prevailing in January 2010.

3.1.1.3.6Notwithstanding the foregoing, the Propulsion Systems Reference Prices correspond to the thrust ratings defined for the respective Propulsion Systems in Clause 2.3.2 and may be revised to reflect thrust rating adjustments upon final NEO specification freeze.

3.1.1.3.7INTENTIONALLY LEFT BLANK

3.1.1.3.8The base price (the “ **PW1124G-JM Base Price** ”) of a set of two (2) Pratt & Whitney PW1124G-JM engines, at delivery conditions prevailing in January 2011 is:

US\$ [\*\*\*]  
(US dollars–[\*\*\*]).

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Said base price has been calculated from the reference price (the "PW1124G-JM Reference Price") indicated by the NEO Propulsion System Manufacturer of USS [\*\*\*] (US dollars-[\*\*\*]) in accordance with the delivery conditions prevailing in January 2010.

3.1.1.3.9 Notwithstanding the foregoing, the Propulsion Systems Reference Prices correspond to the thrust ratings defined for the respective Propulsion Systems in Clause 2.3.2 and may be revised to reflect thrust rating adjustments upon final NEO specification freeze.

3.1.1.3.10 INTENTIONALLY LEFT BLANK

3.1.1.3.11 The base price (the "PW1133G-JM Base Price") of a set of two (2) Pratt & Whitney PW1133G-JM engines, at delivery conditions prevailing in January 2011 is:

USS [\*\*\*]  
(US dollars-[\*\*\*]).

Said base price has been calculated from the reference price (the "PW1133G-JM Reference Price") indicated by the Propulsion System Manufacturer of USS [\*\*\*] (US dollars-[\*\*\*]) in accordance with delivery conditions prevailing in January 2010.

3.1.1.3.12 Notwithstanding the foregoing, the Propulsion Systems Reference Prices correspond to the thrust ratings defined for the respective Propulsion Systems in Clause 2.3.2 and may be revised to reflect thrust rating adjustments upon final NEO specification freeze.

3.2 Final Contract Price

3.2.1 INTENTIONALLY LEFT BLANK

3.2.2 INTENTIONALLY LEFT BLANK

3.2.3 INTENTIONALLY LEFT BLANK

3.2.4 The Final Contract Price of an A320 Group 2 Aircraft, A320 Group 3 Aircraft, A321 Amd 14 Aircraft or Converted A321 Aircraft will be the sum of:

- (i) The Base Price of the A320 Group 2 Airframe, A320 Group 3 Airframe, A321 Amd 14 Airframe or Converted A321 Airframe, as applicable, as adjusted to the Delivery Date of such Aircraft, in accordance with the Seller Price Revision Formula 2011;
-

- (ii) the price of any SCNs for the A320 Group 2 Aircraft, A320 Group 3 Aircraft, A321 Amd 14 Aircraft or Converted A321 Aircraft, as applicable, entered into after the date of signature of this Agreement, as adjusted to the Delivery Date of such Aircraft, in accordance with the Seller Price Revision Formula 2011;
- (iii) the Reference Price of the A320 Propulsion Systems constituting a part of such A320 Group 2 Aircraft or A320 Group 3 Aircraft, or the A321 Propulsion System constituting a part of such A321 Amd 14 Aircraft or Converted A321 Aircraft, as applicable, and as adjusted to the Delivery Date of such Aircraft, in accordance with the Propulsion Systems Price Revision Formula;
- (iv) the aggregate of all increases or decreases to the Propulsion Systems Reference Price as agreed in any Specification Change Notice or part thereof applicable to the Propulsion Systems subsequent to the date of this Agreement as revised as of the Delivery Date in accordance with Clause 4.2; and
- (v) any other amount resulting from any other provisions of this Agreement and/or any other written agreement between the Buyer and the Seller relating to the A320 Group 2 Aircraft, A320 Group 3 Aircraft, A321 Amd 14 Aircraft or Converted A321 Aircraft, as applicable.”

3.2.5 The Final Contract Price of an A320 NEO Aircraft will be the sum of:

- (i) The Base Price of the A320 NEO Airframe, as adjusted to the Delivery Date of such A320 NEO Aircraft in accordance with the Seller Price Revision Formula 2011;
  - (ii) the price of any SCNs for the A320 NEO Aircraft entered into after the date of signature of this Amendment, as adjusted to the Delivery Date of such A320 NEO Aircraft in accordance with the Seller Price Revision Formula 2011;
  - (iii) the Propulsion Systems Reference Price, as adjusted to the Delivery Date of such A320 NEO Aircraft in accordance with the relevant Propulsion Systems Price Revision Formula;
  - (iv) the aggregate of all increases or decreases to the Propulsion Systems Reference Price as agreed in any Specification Change Notice or part thereof applicable to the Propulsion Systems subsequent to the date of this Agreement as revised as of the Delivery Date in accordance with Clause 4.2; and
  - (v) any other amount resulting from any other provisions of this Agreement and/or any other written agreement between the Buyer and the Seller relating to the A320 NEO Aircraft.
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3.2.6 The Final Contract Price of an A319 NEO Aircraft will be the sum of:

- (i) The Base Price of the A319 NEO Airframe, as adjusted to the Delivery Date of such A319 NEO Aircraft in accordance with the Seller Price Revision Formula 2011;
- (ii) the price of any SCNs for the A319 NEO Aircraft entered into after the date of signature of this Amendment, as adjusted to the Delivery Date of such A319 NEO Aircraft in accordance with the Seller Price Revision Formula 2011;
- (iii) the Propulsion Systems Reference Price, as adjusted to the Delivery Date of such A319 NEO Aircraft in accordance with the relevant Propulsion Systems Price Revision Formula;
- (iv) the aggregate of all increases or decreases to the Propulsion Systems Reference Price as agreed in any Specification Change Notice or part thereof applicable to the A319 NEO Propulsion Systems subsequent to the date of this Agreement as revised as of the Delivery Date in accordance with Clause 4.2; and
- (v) any other amount resulting from any other provisions of this Agreement and/or any other written agreement between the Buyer and the Seller relating to the A319 NEO Aircraft.

3.2.7 The Final Contract Price of an A321 NEO Aircraft will be the sum of:

- (i) The Base Price of the A321 NEO Airframe, as adjusted to the Delivery Date of such A321 NEO Aircraft in accordance with the Seller Price Revision Formula 2011;
- (ii) the price of any SCNs for the A321 NEO Aircraft entered into after the date of signature of this Amendment, as adjusted to the Delivery Date of such A321 NEO Aircraft in accordance with the Seller Price Revision Formula 2011;
- (iii) the Propulsion Systems Reference Price, as adjusted to the Delivery Date of such A321 NEO Aircraft in accordance with the relevant Propulsion Systems Price Revision Formula;
- (iv) the aggregate of all increases or decreases to the Propulsion Systems Reference Price as agreed in any Specification Change Notice or part thereof applicable to the A321 NEO Propulsion Systems subsequent to the date of this Agreement as revised as of the Delivery Date in accordance with Clause 4.2; and
- (v) any other amount resulting from any other provisions of this Agreement and/or any other written agreement between the Buyer and the Seller relating to the A321 NEO Aircraft.

UNQUOTE

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2.4 Payment terms

2.4.1 Clause 5.2.2 of the Agreement is deleted in its entirety and is replaced with the following:

QUOTE

5.2.2 Predelivery Payments References Prices

5.2.2.1 INTENTIONALLY LEFT BLANK

5.2.2.2 The fixed Predelivery Payment Reference Price for the A320 Group 2 Aircraft is

US \$[\*\*\*]  
(US dollars — [\*\*\*])

5.2.2.3 The Predelivery Payment Reference Price for the A320 Group 3 Aircraft, A321 Amd 14 Aircraft, A321 Converted Aircraft and the NEO Aircraft is defined as:

A = [\*\*\*]

where

A = the Predelivery Payment Reference Price for an A320 Group 3 Aircraft, A321 Amd 14 Aircraft, A321 Converted Aircraft and the NEO Aircraft to be delivered in calendar year T.

Pb = the Base Price of the relevant A320 Group 3 Aircraft, A321 Amd 14 Aircraft, A321 Converted Aircraft and the NEO Aircraft as defined in Clause 3 of the Agreement.

N = T - [\*\*\*].

T = the year of delivery of the relevant A320 Group 3 Aircraft, A321 Amd 14 Aircraft, A321 Converted Aircraft and the NEO Aircraft.

UNQUOTE

## 2.4.2 Predelivery Payments

2.4.2.1 Prior to signature of this Amendment No. 17 to the Agreement, the Buyer has paid and the Seller has received Predelivery Payments amounting to US\$ [\*\*\*] (US dollars [\*\*\*]) in respect of the Amendment 17 Aircraft.

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2.4.2.2 Upon signature of this Amendment No. 17 to the Agreement, the Predelivery Payments due in respect of the Amendment No. 17 Aircraft are detailed under the “Due Predelivery Payments” column in table 1.

Aircraft	CAC ID	Converted/Advanced/Rescheduled	Due Predelivery Payments
A320	***	***	***
A320	***	***	***
A320	***	***	***
A320	***	***	***
A320	***	***	***
A320	***	***	***
A320	***	***	***
A320	***	***	***
A320	***	***	***
A320	***	***	***
A320	***	***	***
A320	***	***	***
A320	***	***	***
A320	***	***	***
Total			***

Table 1





9.1.1.4 The Scheduled Delivery Quarters for the A320 Group 3 Aircraft, A321 Amd 14 Aircraft and the Converted A321 Aircraft are as follows:

---

Year	Delivery Period	Aircraft	CAC ID
***	***	A320 Group 3 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	A320 Group 3 Aircraft	***



***	***	A320 NEO Aircraft	***
***	***	A320 NEO Aircraft	***
***	***	A320 NEO Aircraft	***
***	***	A320 NEO Aircraft	***
***	***	A320 NEO Aircraft	***
***	***	A320 NEO Aircraft	***
***	***	A320 NEO Aircraft	***
***	***	A320 NEO Aircraft	***

2.5.2 For ease of reference, Clause 9.1.1.7 in the quoted text below is hereby added to the Agreement.

QUOTE

9.1.1.7 As of the date of signature of this Amendment No. 17, the Delivery Schedule for the Aircraft is:

Year	Delivery Period	Aircraft	CAC ID
***	***	A320 Group 2 Aircraft	***
***	***	A320 Group 2 Aircraft	***
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***	***	A320 Group 2 Aircraft	***
***	***	A320 Group 2 Aircraft	***
***	***	A320 Group 2 Aircraft	***
***	***	A320 Group 2 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A321 Amd 14 Aircraft	***

***	***	Converted A321 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A320 NEO Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	A320 NEO Aircraft	***
***	***	A320 NEO Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	A320 NEO Aircraft	***
***	***	A320 NEO Aircraft	***
***	***	A320 NEO Aircraft	***
***	***	A320 NEO Aircraft	***
***	***	2014 Converted A321 NEO Aircraft	***
***	***	2013 Converted Aircraft (A321 NEO)	***
***	***	2014 Converted A321 NEO Aircraft	***
***	***	2014 Converted A321 NEO Aircraft	***



Seller harmless of any consequences resulting from the Buyer and the Propulsion Systems Manufacturers' failure to reach an agreement to revised commercial terms that may be required as a result of the terms of this Amendment No. 17.

**4 - CONDITION PRECEDENT**

It is a condition precedent to the effectiveness of this Amendment No. 17 to the Agreement that by close of business on date of signature of this Amendment No. 17 the Buyer shall pay to the Seller:

US\$ [\*\*\*]  
(US dollars [\*\*\*])

in Predelivery Payments, due in respect of the Amendment No.17 Aircraft.

**5 - EFFECT OF THE AMENDMENT**

5.1 The Agreement as amended by this Amendment contains the entire agreement between the parties with respect to the subject matter hereof and supersedes any previous understanding, commitments or representations whatsoever, whether oral or written between the Buyer and the Seller.

5.2 The Agreement will be deemed amended to the extent provided in this Amendment and, except as specifically amended hereby, will continue in full force and effect in accordance with its original terms.

**6 - CONFIDENTIALITY**

This Amendment and the terms and condition hereof are subject to the terms and conditions of Clause 22.7 of the Agreement.

**7 - GOVERNING LAW**

7.1 THIS AMENDMENT AND THE AGREEMENTS CONTEMPLATED HEREIN WILL BE GOVERNED BY AND CONSTRUED AND THE PERFORMANCE THEREOF WILL BE DETERMINED IN ACCORDANCE WITH THE PROVISIONS OF CLAUSE 22.4 OF THE AGREEMENT.

7.2 IT IS AGREED THAT THE UNITED NATIONS CONVENTION ON CONTRACTS FOR THE INTERNATIONAL SALE OF GOODS WILL NOT APPLY TO THIS AMENDMENT.

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**8 - COUNTERPARTS**

This Amendment may be executed by the parties hereto in separate counterparts, each of which when so executed will be an original, but all such counterparts will together constitute one and the same instrument. Such counterparts may be delivered via facsimile and/or electronic mail (provided that an original is subsequently delivered).

---

IN WITNESS WHEREOF, the parties have caused this Amendment to be signed by their respective officers thereunto duly authorized as of the day and year first above written.

Very truly yours,  
AIRBUS S.A.S.  
By: /s/ Christophe Mourey  
Its: SVP Contracts

SPIRIT AIRLINES, INC.  
By: /s/ Edward M. Christie  
Its: SVP and CFO

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**A320-200N Standard Specification Iss. 1  
has been provided to the Buyer separately**

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**SPIRIT AIRLINES A320NEO CUSTOMIZATION BUDGET PROPOSAL**

Based on A320-200N Standard Spec Issue 1.0

New Engine Option (NEO) A320-200

*LIST OF ADDITIONAL SCNS*

NB: Certain options from the currently available Airbus catalogues may not be applicable and/or certified for Aircraft equipped with New Engine Option in 2016 and 2017.

		A320-200N	
ATA	TITLE	SCN Budget \$US DC01/11 per aircraft	Estimated BFE Budget \$US DC01/11 per aircraft
***	***	***	***
***	***	***	***
***	***	***	***
<b>TOTAL OF ADDITIONAL SCNS AND ESTIMATED BFE BUDGET - \$US DC01/2011 PER AIRCRAFT</b>		***	***

(\*\*) : The indicated thrust is the Airbus Equivalent Thrust at Mach number 0.25 / ISA +15C / sea level thrust divided by 0.8 (representative of sea level aircraft performance). It may differ from the nominal thrust that will be eventually indicated by the engine manufacturer.

**SPIRIT AIRLINES - Customization budget proposal**  
**A321-200 NEO**  
*Based on A321-200 Standard Specification issue 5.0 dated June 2011*

**LIST OF IRREVOCABLE SCNS ASSOCIATED WITH THE NEO OPTIONS**

**NB: These options shall be irrevocably part of the A321 NEO specification**

		A321-200 NEO with CFM LEAP-1A	A321-200 NEO with PW1100G-JM
ATA	TITLE	SCN Budget \$US DC01/11 per aircraft	SCN Budget \$US DC01/11 per aircraft
***	***	***	***
***	***	***	***
***	***	***	***
<b>TOTAL OF IRREVOCABLE SCNS - \$US DC01/2011 PER AIRCRAFT</b>		***	***

**LIST OF ADDITIONAL SCNS**

**NB: Certain options from this list and currently available Airbus catalogues may not be applicable and/or certified for Aircraft equipped with New Engine Option in 2016 and 2017.**

		A321-200 NEO	
ATA	TITLE	A321-200 NEO SCNs \$US DC01/11 per aircraft	Estimated BFE Budget \$US DC01/11 per aircraft
***	***	***	***
***	***	***	***
***	***	***	***
<b>TOTAL OF SCNS AND ESTIMATED BFE BUDGET - \$US DC01/2011 PER AIRCRAFT</b>		***	***
<b>GRAND TOTAL SCN FOR A321-200 EQUIPPED WITH NEO PER A/C (DC / 2011)</b>		***	***

(\*) : MLW and MZFW are indicative design weights representative of the A321-200 with NEO option. NEO design weights shall be updated with the final specification

(\*\*) : The indicated thrust is the Airbus Equivalent Thrust at Mach number 0.25 / ISA +15C / sea level thrust divided by 0.8 (representative of sea level aircraft performance).

It may differ from the nominal thrust that will be eventually indicated by the engine manufacturer.

## LETTER AGREEMENT NO. 1

TO

## AMENDMENT NO. 17

As of March 11th, 2014

Spirit Airlines, Inc.  
2800 Executive Way  
Miramar, Florida 33025

RE: PURCHASE INCENTIVES

Dear Ladies and Gentlemen,

SPIRIT AIRLINES, INC. (the “**Buyer**”) and AIRBUS S.A.S. (legal successor to AVSA S.A.R.L.) (the “**Seller**”) have entered into Amendment No. 17, of even date herewith (the “**Amendment**”), to the Airbus A320 Family Purchase Agreement dated as of May 5, 2004, as amended from time to time (the “**Agreement**”), which Agreement covers, among other things, the sale by the Seller and the purchase by the Buyer of certain Aircraft, under the terms and conditions set forth in said Agreement. The Buyer and the Seller have agreed to set forth in this Letter Agreement No. 1 to the Amendment (the “**Letter Agreement**”) certain additional terms and conditions regarding the purchase and sale of the Aircraft. Capitalized terms used herein and not otherwise defined in this Letter Agreement will have the meanings assigned thereto in the Agreement. Except when used in quoted text, the terms “herein,” “hereof” and “hereunder” and words of similar import refer to this Letter Agreement.

Both parties agree that this Letter Agreement will constitute an integral, nonseverable part of said Amendment, that the provisions of said Amendment are hereby incorporated herein by reference, and that this Letter Agreement will be governed by the provisions of said Agreement, except that if the Agreement, the Amendment and this Letter Agreement have specific provisions which are inconsistent, the specific provisions contained in this Letter Agreement will govern.

**1 AMENDMENTS**

## 1.1 CREDIT MEMORANDUMS

Paragraph 1.1 of Letter Agreement No. 1 to Amendment No. 14 is deleted in its entirety and is replaced with the following quoted text.

QUOTE

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1.1 A320 Group 3 Aircraft

1.1.1 In consideration of the Buyer's order for [\*\*\*] A321 Amd 14 Aircraft, upon delivery of each A320 Group 3 Aircraft and 2014 Converted A321 NEO Aircraft, the Seller will provide the Buyer with a [\*\*\*].

1.1.2 [\*\*\*]

1.1.3 [\*\*\*]

UNQUOTE

1.2 SAVE CREDIT

Paragraph No. 6 of Letter Agreement No .1 to the Agreement as amended by Paragraph No. 3.2 of Letter Agreement No. 1 to Amendment No. 14 to the Agreement is deleted in its entirety and replaced by the following quoted text:

QUOTE

6 [\*\*\*].

6.1 [\*\*\*].

6.2 [\*\*\*].

6.3 The Save Credit will be deemed an A320 Group 3 Aircraft and Converted A321 Aircraft Credit Memoranda as set forth in Paragraph 2 of this Letter Agreement.

UNQUOTE

2 ASSIGNMENT

This Letter Agreement and the rights and obligations of the parties will be subject to the provisions of Clause 20 of the Agreement; provided, however, this Letter Agreement may not be assigned by the Buyer under either Clause 20.3.3 or 20.3.4 without the express written consent of the Seller, which the Seller may withhold in its sole discretion.

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**3 CONFIDENTIALITY**

This Amendment and the terms and condition hereof are subject to the terms and conditions of Clause 22.7 of the Agreement.

**4 GOVERNING LAW**

THIS LETTER AGREEMENT AND THE AGREEMENTS CONTEMPLATED HEREBY WILL BE GOVERNED BY AND CONSTRUED AND THE PERFORMANCE THEREOF WILL BE DETERMINED IN ACCORDANCE WITH THE PROVISIONS OF CLAUSE 22.4 OF THE AGREEMENT.

IT IS AGREED THAT THE UNITED NATIONS CONVENTION ON CONTRACTS FOR THE INTERNATIONAL SALE OF GOODS WILL NOT APPLY TO THIS AMENDMENT.

**5 COUNTERPARTS**

This Letter Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed shall be an original, but all such counterparts shall together constitute one and the same instrument. Such counterparts may be delivered via facsimile and/or electronic mail (provided that an original is subsequently delivered).

---



If the foregoing correctly sets forth your understanding, please execute the original and one (1) copy hereof in the space provided below and return a copy to the Seller.

Very truly yours,  
AIRBUS S.A.S.  
By: /s/ Christophe Mourey  
Its: SVP Contracts

Accepted and Agreed,  
SPIRIT AIRLINES, INC.  
By: /s/ Edward M. Christie  
Its: SVP and CFO

---

## LETTER AGREEMENT NO. 2

TO

## AMENDMENT NO. 17

As of March 11<sup>th</sup>, 2014

Spirit Airlines, Inc.  
2800 Executive Way  
Miramar, Florida 33025

RE: Payment Terms

Dear Ladies and Gentlemen,

SPIRIT AIRLINES, INC. (the “**Buyer**”) and AIRBUS S.A.S. (legal successor to AVSA S.A.R.L.) (the “**Seller**”) have entered into Amendment No. 17, of even date herewith (the “**Amendment**”), to the Airbus A320 Family Purchase Agreement dated as of May 5, 2004, as amended from time to time (the “**Agreement**”), which Agreement covers, among other things, the sale by the Seller and the purchase by the Buyer of certain Aircraft, under the terms and conditions set forth in said Agreement. The Buyer and the Seller have agreed to set forth in this Letter Agreement No. 2 to the Amendment (the “**Letter Agreement**”) certain additional terms and conditions regarding the purchase and sale of the Aircraft. Capitalized terms used herein and not otherwise defined in this Letter Agreement will have the meanings assigned thereto in the Agreement. Except when used in quoted text, the terms “herein,” “hereof” and “hereunder” and words of similar import refer to this Letter Agreement.

Both parties agree that this Letter Agreement will constitute an integral, nonseverable part of said Amendment, that the provisions of said Amendment are hereby incorporated herein by reference, and that this Letter Agreement will be governed by the provisions of said Agreement, except that if the Agreement, the Amendment and this Letter Agreement have specific provisions which are inconsistent, the specific provisions contained in this Letter Agreement will govern.

**1 AMENDMENTS**

Clause 5.2.3 is deleted in its entirety and is replaced with the following quoted text:

QUOTE

5.2.3 A. INTENTIONALLY LEFT BLANK

B. Predelivery Payments for the A320 Group 2 Aircraft will be paid according to the following schedule:

Payment Date		Percentage of Predelivery Payment Reference Price
1 <sup>st</sup> Payment	Upon Signature of Amendment No. 4 to the Agreement, in respect of each A320 Group 2 Aircraft	[***]
	No later than the [***] Working Day of the following months:	
2 <sup>nd</sup> Payment	The [***] month before the Scheduled Delivery Month of each A320 Group 2 Aircraft as set forth in this Agreement.	[***]
3 <sup>rd</sup> Payment	The [***] month before the Scheduled Delivery Month of each A320 Group 2 Aircraft as set forth in this Agreement.	[***]
4 <sup>th</sup> Payment	The [***] month before the Scheduled Delivery Month of each A320 Group 2 Aircraft as set forth in this Agreement.	[***]
5 <sup>th</sup> Payment	The [***] month before the Scheduled Delivery Month of each A320 Group 2 Aircraft as set forth in this Agreement.	[***]
6 <sup>th</sup> Payment	The [***] month before the Scheduled Delivery Month of each A320 Group 2 Aircraft as set forth in this Agreement.	[***]
TOTAL PAYMENT PRIOR TO DELIVERY		[***]

C. Predelivery Payments for each A320 Group 3 Aircraft, A321 Amd 14 Aircraft and Converted A321 Aircraft will be paid to the Seller according to the following schedule:

Payment Date		Percentage of Predelivery Payment Reference Price
1 <sup>st</sup> Payment	Upon the Effective Date (as such term is defined in Letter Agreement No. 8 to the Amendment) in respect of each A320 Group 3 Aircraft	[***]
	No later than the [***] Working Day of the following months:	
2 <sup>nd</sup> Payment	The [***] month before the Scheduled Delivery Month of each A320 Group 3 Aircraft as set forth in this Agreement.	[***]
3 <sup>rd</sup> Payment	The [***] month before the Scheduled Delivery Month of each A320 Group 3 Aircraft as set forth in this Agreement.	[***]
4 <sup>th</sup> Payment	The [***] month before the Scheduled Delivery Month of each A320 Group 3 Aircraft as set forth in this Agreement.	[***]
5 <sup>th</sup> Payment	The [***] month before the Scheduled Delivery Month of each A320 Group 3 Aircraft as set forth in this Agreement.	[***]
6 <sup>th</sup> Payment	The [***] month before the Scheduled Delivery Month of each A320 Group 3 Aircraft as set forth in this Agreement.	[***]
TOTAL PAYMENT PRIOR TO DELIVERY		[***]

D. Predelivery Payments for each NEO Aircraft will be paid to the Seller according to the following schedule:

Payment Date		Percentage of Predelivery Payment Reference Price
1 <sup>st</sup> Payment	On signature of Amendment No. 11 to the Agreement in respect of each NEO Aircraft	***
2 <sup>nd</sup> Payment	January 2, 2013	***
3 <sup>rd</sup> Payment	January 2, 2014	***
4 <sup>th</sup> Payment	January 2, 2015	***
	No later than the *** Working Day of the following months:	
5 <sup>th</sup> Payment	The *** month before the Scheduled Delivery Month of each A320 NEO Aircraft as set forth in this Agreement.	***
6 <sup>th</sup> Payment	The *** month before the Scheduled Delivery Month of each A320 NEO Aircraft as set forth in this Agreement.	***
7 <sup>th</sup> Payment	The *** month before the Scheduled Delivery Month of each A320 NEO Aircraft as set forth in this Agreement.	***
8 <sup>th</sup> Payment	The *** month before the Scheduled Delivery Month of each A320 NEO Aircraft as set forth in this Agreement.	***
TOTAL PAYMENT PRIOR TO DELIVERY		***

In the event of the above schedules resulting in any Predelivery Payment falling due prior to the date of signature of the Agreement, such Predelivery Payments shall be made upon signature of this Agreement.

**2 ASSIGNMENT**

This Letter Agreement and the rights and obligations of the parties will be subject to the provisions of Clause 20 of the Agreement; provided, however, this Letter Agreement may not be assigned by the Buyer under either Clause 20.3.3 or 20.3.4 without the express written consent of the Seller, which the Seller may withhold in its sole discretion.

**3 CONFIDENTIALITY**

This Amendment and the terms and condition hereof are subject to the terms and conditions of Clause 22.7 of the Agreement.

**4 GOVERNING LAW**

THIS LETTER AGREEMENT AND THE AGREEMENTS CONTEMPLATED HEREBY WILL BE GOVERNED BY AND CONSTRUED AND THE PERFORMANCE THEREOF WILL BE DETERMINED IN ACCORDANCE WITH THE PROVISIONS OF CLAUSE 22.4 OF THE AGREEMENT.

IT IS AGREED THAT THE UNITED NATIONS CONVENTION ON CONTRACTS FOR THE INTERNATIONAL SALE OF GOODS WILL NOT APPLY TO THIS AMENDMENT.

**5 COUNTERPARTS**

This Letter Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed shall be an original, but all such counterparts shall together constitute one and the same instrument. Such counterparts may be delivered via facsimile and/or electronic mail (provided that an original is subsequently delivered).

---

If the foregoing correctly sets forth your understanding, please execute the original and one (1) copy hereof in the space provided below and return a copy to the Seller.

Very truly yours,

AIRBUS S.A.S.

By: /s/ Christophe Mourey

Its: SVP Contracts

Accepted and Agreed,

SPIRIT AIRLINES, INC.

By: /s/ Edward M. Christie

Its: SVP and CFO

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LETTER AGREEMENT NO. 3

TO

AMENDMENT NO. 17

As of March 11<sup>th</sup>, 2014

Spirit Airlines, Inc.  
2800 Executive Way  
Miramar, Florida 33025

RE: SUPPORT MATTERS

Dear Ladies and Gentlemen,

SPIRIT AIRLINES, INC. (the “**Buyer**”) and AIRBUS S.A.S. (legal successor to AVSA S.A.R.L.) (the “**Seller**”) have entered into Amendment No. 17, of even date herewith (the “**Amendment**”), to the Airbus A320 Family Purchase Agreement dated as of May 5, 2004, as amended from time to time (the “**Agreement**”), which Agreement covers, among other things, the sale by the Seller and the purchase by the Buyer of certain Aircraft, under the terms and conditions set forth in said Agreement. The Buyer and the Seller have agreed to set forth in this Letter Agreement No. 3 to the Amendment (the “**Letter Agreement**”) certain additional terms and conditions regarding the purchase and sale of the Aircraft. Capitalized terms used herein and not otherwise defined in this Letter Agreement will have the meanings assigned thereto in the Agreement. Except when used in quoted text, the terms “herein,” “hereof” and “hereunder” and words of similar import refer to this Letter Agreement.

Both parties agree that this Letter Agreement will constitute an integral, nonseverable part of said Amendment, that the provisions of said Amendment are hereby incorporated herein by reference, and that this Letter Agreement will be governed by the provisions of said Agreement, except that if the Agreement, the Amendment and this Letter Agreement have specific provisions which are inconsistent, the specific provisions contained in this Letter Agreement will govern.

**1 AMENDMENT**

- 1.1 Appendix A-1 to Clause 16 of the Agreement is deleted in its entirety and replaced by the revised Appendix A-1 set forth hereto.
-



**APPENDIX "A-1" TO CLAUSE 16****TRAINING ALLOWANCES**

For the avoidance of doubt, all quantities indicated below are the total quantities granted for the whole of the Buyer's fleet of ninety-five (95) additional Aircraft made up of fifteen (15) A320 Group 3 Aircraft, fifteen (15) Converted A321 Aircraft, fifteen (15) A321 Amd 14 Aircraft, forty (40) A320 NEO Aircraft and ten (10) A321 NEO Aircraft, unless otherwise specified. For the purposes of this Appendix A-1, the defined term "Aircraft" is limited to the fifteen (15) A320 Group 3 Aircraft, fifteen (15) Converted A321 Aircraft, fifteen (15) A321 Amd 14 Aircraft, forty (40) A320 NEO Aircraft and ten (10) A321 NEO Aircraft.

The contractual training courses defined in this Appendix A-1 will be provided up to [\*\*\*] of the last firmly ordered Aircraft delivered under this Agreement.

Notwithstanding the above, flight operations training courses granted per firmly ordered Aircraft in this Appendix A-1 will be provided by the Seller [\*\*\*] before and ending [\*\*\*].

Any deviation to said training delivery schedule will be mutually agreed between the Buyer and the Seller.

**1 FLIGHT OPERATIONS TRAINING****1.1 Flight Crew Training**

The Seller will provide to the Buyer [\*\*\*] flight crew training (standard transition course) for [\*\*\*] of the Buyer's flight crews per firmly ordered A320 Group 3 Aircraft, Converted A321 Aircraft and NEO Aircraft and [\*\*\*] of the Buyer's flight crews per firmly ordered A321 Amd 14 Aircraft.

The Seller will provide to the Buyer [\*\*\*] of dry simulator time in consideration of the Buyer's order for A320 Group 3 Aircraft, Converted A321 Aircraft and NEO Aircraft.

The Seller will provide to the Buyer [\*\*\*] of dry simulator time in consideration of the Buyer's order for firmly ordered A321 Amd 14 Aircraft.

**1.2 Low Visibility Operations Training**

The Seller will provide [\*\*\*] Low Visibility Operations Training for [\*\*\*] flight crews per firmly ordered A320 Group 3 Aircraft, Converted A321 Aircraft and NEO Aircraft and [\*\*\*] flight crews per firmly ordered A321 Amd 14 Aircraft.

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**1.3 Flight Crew Line Initial Operating Experience**

The Seller will provide to the Buyer pilot Instructor (s) [\*\*\*] for a period of [\*\*\*] pilot instructor [\*\*\*] in consideration of the Buyer's order for A320 Group 3 Aircraft, Converted A321 Aircraft and NEO Aircraft.

The Seller will provide to the Buyer pilot Instructor (s) [\*\*\*] for a period of [\*\*\*] pilot instructor [\*\*\*] in consideration of the Buyer's order for A321 Amd 14 Aircraft.

Unless otherwise agreed during the Training Conference, in order to follow the Aircraft Delivery schedule, the maximum number of pilot instructors present at any one time will be limited to [\*\*\*] pilot instructors.

**1.4 Type Specific Cabin Crew Training Course**

The Seller will provide to the Buyer [\*\*\*] type specific training for cabin crews for [\*\*\*] of the Buyer's cabin crew instructors, pursers or cabin attendants in consideration of the Buyer's order for A320 Group 3 Aircraft, Converted A321 Aircraft and NEO Aircraft.

The Seller will provide to the Buyer [\*\*\*] type specific training for cabin crews for [\*\*\*] of the Buyer's cabin crew instructors, pursers or cabin attendants in consideration of the Buyer's order for A321 Amd 14 Aircraft.

**1.5 Airbus Pilot Instructor Course (APIC)**

The Seller will provide to the Buyer transition Airbus pilot instructor course(s) (APIC), for flight and synthetic instruction, [\*\*\*] for the Buyer's personnel [\*\*\*] for [\*\*\*] of the Buyer's flight instructors in consideration of the Buyer's order for A320 Group 3 Aircraft, Converted A321 Aircraft and NEO Aircraft.

The Seller will provide to the Buyer transition Airbus pilot instructor course(s) (APIC), for flight and synthetic instruction, [\*\*\*] for the Buyer's personnel [\*\*\*] for [\*\*\*] of the Buyer's flight instructors in consideration of the Buyer's order for A321 Amd 14 Aircraft.

APIC courses will be performed in groups of [\*\*\*] trainees.

**2 PERFORMANCE / OPERATIONS COURSE(S)**

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The Seller will provide to the Buyer [\*\*\*] trainee [\*\*\*] of performance / operations training [\*\*\*] for the Buyer's personnel in consideration of the Buyer's order for A320 Group 3 Aircraft, Converted A321 Aircraft and NEO Aircraft.

The Seller will provide to the Buyer [\*\*\*] trainee [\*\*\*] of performance / operations training [\*\*\*] for the Buyer's personnel in consideration of the Buyer's order for A321 Amd 14 Aircraft.

**3 MAINTENANCE TRAINING**

**3.1** The Seller will provide to the Buyer [\*\*\*] trainee [\*\*\*] of maintenance training [\*\*\*] for the Buyer's personnel in consideration of the Buyer's order for A320 Group 3 Aircraft, Converted A321 Aircraft and NEO Aircraft.

The Seller will provide to the Buyer [\*\*\*] trainee [\*\*\*] of maintenance training [\*\*\*] for the Buyer's personnel in consideration of the Buyer's order for A321 Amd 14 Aircraft.

**3.2** The Seller will provide to the Buyer [\*\*\*] Engine Run-up course.

**4 TRAINEE DAYS ACCOUNTING**

Trainee days are counted as follows:

**4.1** For instruction at the Seller's Training Centers: [\*\*\*] day of instruction for [\*\*\*] trainee equals [\*\*\*] trainee day. The number of trainees originally registered at the beginning of the course will be counted as the number of trainees to have taken the course.

**4.2** For instruction outside of the Seller's Training Centers: [\*\*\*] day of instruction by [\*\*\*] Seller Instructor equals the actual number of trainees attending the course or a minimum of [\*\*\*] trainee days, except for structure maintenance training course(s).

**4.3** For structure maintenance training courses outside the Seller's Training Center(s), [\*\*\*] day of instruction by [\*\*\*] Seller Instructor equals the actual number of trainees attending the course or the minimum number of trainees as indicated in the Seller's Customer Services Catalog.

**4.4** For practical training, whether on training devices or on aircraft, [\*\*\*] day of instruction by [\*\*\*] Seller Instructor equals the actual number of trainees attending the course or a minimum of [\*\*\*] trainee days.

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**15 - ASSIGNMENT**

This Letter Agreement and the rights and obligations of the parties will be subject to the provisions of Clause 20 of the Agreement; provided, however, this Letter Agreement may not be assigned by the Buyer under either Clause 20.3.3 or 20.3.4 without the express written consent of the Seller, which the Seller may withhold in its sole discretion.

**16 - CONFIDENTIALITY**

This Amendment and the terms and condition hereof are subject to the terms and conditions of Clause 22.7 of the Agreement.

**17 - GOVERNING LAW**

THIS LETTER AGREEMENT AND THE AGREEMENTS CONTEMPLATED HEREBY WILL BE GOVERNED BY AND CONSTRUED AND THE PERFORMANCE THEREOF WILL BE DETERMINED IN ACCORDANCE WITH THE PROVISIONS OF CLAUSE 22.4 OF THE AGREEMENT.

IT IS AGREED THAT THE UNITED NATIONS CONVENTION ON CONTRACTS FOR THE INTERNATIONAL SALE OF GOODS WILL NOT APPLY TO THIS AMENDMENT.

**18 - COUNTERPARTS**

This Letter Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed shall be an original, but all such counterparts shall together constitute one and the same instrument. Such counterparts may be delivered via facsimile and/or electronic mail (provided that an original is subsequently delivered).

---

If the foregoing correctly sets forth your understanding, please execute the original and one (1) copy hereof in the space provided below and return a copy to the Seller.

Very truly yours,

AIRBUS S.A.S.

By: /s/ Christophe Mourey

Its: SVP Contracts

Accepted and Agreed,

SPIRIT AIRLINES, INC.

By: /s/ Edward M. Christie

Its: SVP and CFO

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## LETTER AGREEMENT NO. 4

TO

## AMENDMENT NO. 17

As of March 11<sup>th</sup>, 2014

Spirit Airlines, Inc.  
2800 Executive Way  
Miramar, Florida 33025

RE: MISCELLANEOUS

Dear Ladies and Gentlemen,

SPIRIT AIRLINES, INC. (the “**Buyer**”) and AIRBUS S.A.S. (legal successor to AVSA S.A.R.L.) (the “**Seller**”) have entered into Amendment No. 17, of even date herewith (the “**Amendment**”), to the Airbus A320 Family Purchase Agreement dated as of May 5, 2004, as amended from time to time (the “**Agreement**”), which Agreement covers, among other things, the sale by the Seller and the purchase by the Buyer of certain Aircraft, under the terms and conditions set forth in said Agreement. The Buyer and the Seller have agreed to set forth in this Letter Agreement No. 4 to the Amendment (the “**Letter Agreement**”) certain additional terms and conditions regarding the purchase and sale of the Aircraft. Capitalized terms used herein and not otherwise defined in this Letter Agreement will have the meanings assigned thereto in the Agreement. Except when used in quoted text, the terms “herein,” “hereof” and “hereunder” and words of similar import refer to this Letter Agreement.

Both parties agree that this Letter Agreement will constitute an integral, nonseverable part of said Amendment, that the provisions of said Amendment are hereby incorporated herein by reference, and that this Letter Agreement will be governed by the provisions of said Agreement, except that if the Agreement, the Amendment and this Letter Agreement have specific provisions which are inconsistent, the specific provisions contained in this Letter Agreement will govern.

**1 AMENDMENT**1.4 Aircraft Non-Delivery

Paragraph 1 of Letter Agreement No. 4 to Amendment No. 11 to the Agreement as amended by Paragraph 1.4 of Letter Agreement No.3 to Amendment No. 14 to the Agreement is deleted in its entirety and replaced by the following quoted text:

---

**“ 1 AIRCRAFT NON-DELIVERY**

[\*\*\*]

**2 ASSIGNMENT**

This Letter Agreement and the rights and obligations of the parties will be subject to the provisions of Clause 20 of the Agreement; provided, however, this Letter Agreement may not be assigned by the Buyer under either Clause 20.3.3 or 20.3.4 without the express written consent of the Seller, which the Seller may withhold in its sole discretion.

**3 CONFIDENTIALITY**

This Amendment and the terms and condition hereof are subject to the terms and conditions of Clause 22.7 of the Agreement.

**4 GOVERNING LAW**

THIS LETTER AGREEMENT AND THE AGREEMENTS CONTEMPLATED HEREBY WILL BE GOVERNED BY AND CONSTRUED AND THE PERFORMANCE THEREOF WILL BE DETERMINED IN ACCORDANCE WITH THE PROVISIONS OF CLAUSE 22.4 OF THE AGREEMENT.

IT IS AGREED THAT THE UNITED NATIONS CONVENTION ON CONTRACTS FOR THE INTERNATIONAL SALE OF GOODS WILL NOT APPLY TO THIS AMENDMENT.

**5 COUNTERPARTS**

This Letter Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed shall be an original, but all such counterparts shall together constitute one and the same instrument. Such counterparts may be delivered via facsimile and/or electronic mail (provided that an original is subsequently delivered).

---

If the foregoing correctly sets forth your understanding, please execute the original and one (1) copy hereof in the space provided below and return a copy to the Seller.

Very truly yours,

AIRBUS S.A.S.

By: /s/ Christophe Mourey

Its: SVP Contracts

Accepted and Agreed,

SPIRIT AIRLINES, INC.

By: /s/ Edward M. Christie

Its: SVP and CFO

---



AMENDED AND RESTATED LETTER AGREEMENT NO. 1

TO

AMENDMENT NO. 17

As of April 27, 2016

Spirit Airlines, Inc.  
2800 Executive Way  
Miramar, Florida 33025

RE: PURCHASE INCENTIVES

Dear Ladies and Gentlemen,

SPIRIT AIRLINES, INC. (the “**Buyer**”) and AIRBUS S.A.S. (legal successor to AVSA S.A.R.L.) (the “**Seller**”) have entered into the Airbus A320 Family Purchase Agreement dated as of May 5, 2004, as amended, supplemented or otherwise modified to and including the date hereof (the “**Agreement**”), which Agreement covers, among other things, the sale by the Seller and the purchase by the Buyer of certain Aircraft, under the terms and conditions set forth in said Agreement.

This amended and restated Letter Agreement No. 1 to Amendment No. 17 to the Agreement (hereinafter referred to as the “**Amended and Restated Letter Agreement No. 1 to Amendment No. 17**”) cancels and replaces the Letter Agreement No. 1 to Amendment No. 17 entered into between the Buyer and the Seller on August 21<sup>st</sup>, 2015.

The Buyer and the Seller have agreed to set forth in this Amended and Restated Letter Agreement No. 1 to Amendment No. 17 certain additional terms and conditions regarding the purchase and sale of the Aircraft. Capitalized terms used herein and not otherwise defined in this Amended and Restated Letter Agreement No. 1 to Amendment No. 17 will have the meanings assigned thereto in the Agreement. Except when used in quoted text, the terms “herein,” “hereof” and “hereunder” and words of similar import refer to this Amended and Restated Letter Agreement No. 1 to Amendment No. 17.

Both Parties agree that this Amended and Restated Letter Agreement No. 1 to Amendment No. 17 will constitute an integral, non-severable part of said Agreement, that the provisions of said Agreement are hereby incorporated herein by reference, and that this Amended and Restated Letter Agreement No. 1 to Amendment No. 17 will be governed by the provisions of said Agreement, except that if the Agreement and this Amended and Restated Letter Agreement No. 1 to Amendment No. 17 have specific provisions which are inconsistent, the specific provisions contained in this Amended and Restated Letter Agreement No. 1 to Amendment No. 17 will govern.

---

**1 AMENDMENTS**

**1.1 CREDIT MEMORANDUMS**

Paragraph 1.1 of Letter Agreement No. 1 to Amendment No. 14 is deleted in its entirety and is replaced with the following quoted text.

QUOTE

1.1 A320 Group 3 Aircraft

1.1.1 In consideration of the Buyer's order for [\*\*\*] A321 Amd 14 Aircraft, upon delivery of each A320 Group 3 Aircraft, the Seller will provide the Buyer with [\*\*\*].

1.1.2 [\*\*\*]

1.1.3 [\*\*\*]

UNQUOTE

**1.2 SAVE CREDIT**

Paragraph No. 6 of Letter Agreement No. 1 to Amendment No. 11 to the Agreement as amended by Paragraph No. 3.2 of Letter Agreement No. 1 to Amendment No. 14 to the Agreement is deleted in its entirety and replaced by the following quoted text:

QUOTE

6 SAVE CREDIT

6.1 [\*\*\*].

6.2 [\*\*\*].

6.3 The Save Credit will be deemed an A320 Group 3 Aircraft and Converted A321 Aircraft Credit Memoranda as set forth in Paragraph 2 of this Letter Agreement.

UNQUOTE

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**2 ASSIGNMENT**

This Amended and Restated Letter Agreement No.1 to Amendment No. 17 and the rights and obligations of the Parties will be subject to the provisions of Clause 20 of the Agreement; provided, however, this Amended and Restated Letter Agreement No.1 to Amendment No. 17 may not be assigned by the Buyer under either Clause 20.3.3 or 20.3.4 without the express written consent of the Seller, which the Seller may withhold in its sole discretion.

**3 CONFIDENTIALITY**

This Amended and Restated Letter Agreement No.1 to Amendment No. 17 and the terms and condition hereof are subject to the terms and conditions of Clause 22.7 of the Agreement.

**4 GOVERNING LAW**

THIS AMENDED AND RESTATED LETTER AGREEMENT NO. 1 TO AMENDMENT NO. 17 AND THE AGREEMENTS CONTEMPLATED HEREBY WILL BE GOVERNED BY AND CONSTRUED AND THE PERFORMANCE THEREOF WILL BE DETERMINED IN ACCORDANCE WITH THE PROVISIONS OF CLAUSE 22.4 OF THE AGREEMENT.

IT IS AGREED THAT THE UNITED NATIONS CONVENTION ON CONTRACTS FOR THE INTERNATIONAL SALE OF GOODS WILL NOT APPLY TO THIS THIS AMENDED AND RESTATED LETTER AGREEMENT NO. 1 TO AMENDMENT NO. 17.

**5 COUNTERPARTS**

This Amended and Restated Letter Agreement No.1 to Amendment No. 17 may be executed by the Parties hereto in separate counterparts, each of which when so executed shall be an original, but all such counterparts shall together constitute one and the same instrument. Such counterparts may be delivered via facsimile and/or electronic mail (provided that an original is subsequently delivered).

---

If the foregoing correctly sets forth your understanding, please execute the original and one (1) copy hereof in the space provided below and return a copy to the Seller.

Very truly yours,

AIRBUS S.A.S.

By: /s/ Benoit de Saint-Exupery

Its: VP Contracts

Accepted and Agreed,

SPIRIT AIRLINES, INC.

By: /s/ Edward M. Christie

Its: SVP and CFO

---

AMENDED AND RESTATED LETTER AGREEMENT NO. 3

TO

AMENDMENT NO. 17

As of April 27, 2016

Spirit Airlines, Inc.  
2800 Executive Way  
Miramar, Florida 33025

RE: SUPPORT MATTERS

Dear Ladies and Gentlemen,

SPIRIT AIRLINES, INC. (the “**Buyer**”) and AIRBUS S.A.S. (legal successor to AVSA S.A.R.L.) (the “**Seller**”) have entered into the Airbus A320 Family Purchase Agreement dated as of May 5, 2004, as amended, supplemented or otherwise modified to and including the date hereof (the “**Agreement**”), which Agreement covers, among other things, the sale by the Seller and the purchase by the Buyer of certain Aircraft, under the terms and conditions set forth in said Agreement.

This amended and restated Letter Agreement No. 3 to Amendment No. 17 to the Agreement (hereinafter referred to as the “**Amended and Restated Letter Agreement No. 3 to Amendment No. 17**”) cancels and replaces the Letter Agreement No. 3 to Amendment No. 17 entered into between the Buyer and the Seller on August 21<sup>st</sup>, 2015.

The Buyer and the Seller have agreed to set forth in this Amended and Restated Letter Agreement No. 3 to Amendment No. 17 certain additional terms and conditions regarding the purchase and sale of the Aircraft. Capitalized terms used herein and not otherwise defined in this Amended and Restated Letter Agreement No. 3 to Amendment No. 17 will have the meanings assigned thereto in the Agreement. Except when used in quoted text, the terms “herein,” “hereof” and “hereunder” and words of similar import refer to this Amended and Restated Letter Agreement No. 3 to Amendment No. 17.

Both Parties agree that this Amended and Restated Letter Agreement No. 3 to Amendment No. 17 will constitute an integral, non-severable part of said Agreement, that the provisions of said Agreement are hereby incorporated herein by reference, and that this Amended and Restated Letter Agreement No. 3 to Amendment No. 17 will be governed by the provisions of said Agreement, except that if the Agreement and this Amended and Restated Letter Agreement No. 3 to Amendment No. 17 have specific provisions which are inconsistent, the specific provisions contained in this Amended and Restated Letter Agreement No. 3 to Amendment No. 17 will govern.

---

**1 AMENDMENT**

Appendix A-1 to Clause 16 of the Agreement is deleted in its entirety and replaced by the revised Appendix A-1 set forth hereto.

**2 ASSIGNMENT**

This Letter Agreement and the rights and obligations of the Parties will be subject to the provisions of Clause 20 of the Agreement; provided, however, this Letter Agreement may not be assigned by the Buyer under either Clause 20.3.3 or 20.3.4 without the express written consent of the Seller, which the Seller may withhold in its sole discretion.

**3 CONFIDENTIALITY**

This Amendment and the terms and condition hereof are subject to the terms and conditions of Clause 22.7 of the Agreement.

**4 GOVERNING LAW**

THIS LETTER AGREEMENT AND THE AGREEMENTS CONTEMPLATED HEREBY WILL BE GOVERNED BY AND CONSTRUED AND THE PERFORMANCE THEREOF WILL BE DETERMINED IN ACCORDANCE WITH THE PROVISIONS OF CLAUSE 22.4 OF THE AGREEMENT.

IT IS AGREED THAT THE UNITED NATIONS CONVENTION ON CONTRACTS FOR THE INTERNATIONAL SALE OF GOODS WILL NOT APPLY TO THIS AMENDMENT.

**5 COUNTERPARTS**

This Letter Agreement may be executed by the Parties hereto in separate counterparts, each of which when so executed shall be an original, but all such counterparts shall together constitute one and the same instrument. Such counterparts may be delivered via facsimile and/or electronic mail (provided that an original is subsequently delivered).

---

If the foregoing correctly sets forth your understanding, please execute the original and one (1) copy hereof in the space provided below and return a copy to the Seller.

Very truly yours,

AIRBUS S.A.S.

By: /s/ Christophe Mourey

Its: SVP Contracts

Accepted and Agreed,

SPIRIT AIRLINES, INC.

By: /s/ Edward M. Christie

Its: SVP and CFO

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**APPENDIX "A-1" TO CLAUSE 16****TRAINING ALLOWANCES**

For the avoidance of doubt, all quantities indicated below are the total quantities granted for the whole of the Buyer's fleet of ninety-five (95) additional Aircraft made up of fifteen (15) A320 Group 3 Aircraft, fifteen (15) Converted A321 Aircraft, fifteen (15) A321 Amd 14 Aircraft, fifty (50) A320 NEO Aircraft, unless otherwise specified. For the purposes of this Appendix A-1, the defined term "Aircraft" is limited to the fifteen (15) A320 Group 3 Aircraft, fifteen (15) Converted A321 Aircraft, fifteen (15) A321 Amd 14 Aircraft and fifty (50) A320 NEO Aircraft.

The contractual training courses defined in this Appendix A-1 will be provided up to [\*\*\*] last firmly ordered Aircraft delivered under this Agreement.

Notwithstanding the above, flight operations training courses granted per firmly ordered Aircraft in this Appendix A-1 will be provided by the Seller within a period starting [\*\*\*] before and ending [\*\*\*] after said Aircraft Delivery.

Any deviation to said training delivery schedule will be mutually agreed between the Buyer and the Seller.

**1 FLIGHT OPERATIONS TRAINING****1.1 Flight Crew Training**

The Seller will provide to the Buyer [\*\*\*] flight crew training (standard transition course) for [\*\*\*] of the Buyer's flight crews per firmly ordered A320 Group 3 Aircraft, Converted A321 Aircraft and NEO Aircraft and [\*\*\*] of the Buyer's flight crews per firmly ordered A321 Amd 14 Aircraft.

The Seller will provide to the Buyer [\*\*\*] of dry simulator time in consideration of the Buyer's order for A320 Group 3 Aircraft, Converted A321 Aircraft and NEO Aircraft.

The Seller will provide to the Buyer [\*\*\*] of dry simulator time in consideration of the Buyer's order for firmly ordered A321 Amd 14 Aircraft.

**1.2 Low Visibility Operations Training**

The Seller will provide [\*\*\*] Low Visibility Operations Training for [\*\*\*] flight crews per firmly ordered A320 Group 3 Aircraft, Converted A321 Aircraft and NEO Aircraft and [\*\*\*] flight crews per firmly ordered A321 Amd 14 Aircraft.

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**1.3 Flight Crew Line Initial Operating Experience**

The Seller will provide to the Buyer pilot Instructor (s) [\*\*\*] for a period of [\*\*\*] pilot instructor [\*\*\*] in consideration of the Buyer's order for A320 Group 3 Aircraft, Converted A321 Aircraft and NEO Aircraft.

The Seller will provide to the Buyer pilot Instructor (s) [\*\*\*] for a period of [\*\*\*] pilot instructor [\*\*\*] in consideration of the Buyer's order for A321 Amd 14 Aircraft.

Unless otherwise agreed during the Training Conference, in order to follow the Aircraft Delivery schedule, the maximum number of pilot instructors present at any one time will be limited to [\*\*\*] pilot instructors.

**1.4 Type Specific Cabin Crew Training Course**

The Seller will provide to the Buyer [\*\*\*] type specific training for cabin crews for [\*\*\*] of the Buyer's cabin crew instructors, pursers or cabin attendants in consideration of the Buyer's order for A320 Group 3 Aircraft, Converted A321 Aircraft and NEO Aircraft.

The Seller will provide to the Buyer [\*\*\*] type specific training for cabin crews for [\*\*\*] of the Buyer's cabin crew instructors, pursers or cabin attendants in consideration of the Buyer's order for A321 Amd 14 Aircraft.

**1.5 Airbus Pilot Instructor Course (APIC)**

The Seller will provide to the Buyer transition Airbus pilot instructor course(s) (APIC), for flight and synthetic instruction, [\*\*\*] for the Buyer's personnel [\*\*\*] for [\*\*\*] of the Buyer's flight instructors in consideration of the Buyer's order for A320 Group 3 Aircraft, Converted A321 Aircraft and NEO Aircraft.

The Seller will provide to the Buyer transition Airbus pilot instructor course(s) (APIC), for flight and synthetic instruction, [\*\*\*] for the Buyer's personnel [\*\*\*] for [\*\*\*] of the Buyer's flight instructors in consideration of the Buyer's order for A321 Amd 14 Aircraft.

APIC courses will be performed in groups of [\*\*\*] trainees.

**2 PERFORMANCE / OPERATIONS COURSE(S)**

The Seller will provide to the Buyer [\*\*\*] trainee days of performance / operations training [\*\*\*] for the Buyer's personnel in consideration of the Buyer's order for A320 Group 3 Aircraft, Converted A321 Aircraft and NEO Aircraft.

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The Seller will provide to the Buyer [\*\*\*] trainee days of performance / operations training [\*\*\*] for the Buyer's personnel in consideration of the Buyer's order for A321 Amd 14 Aircraft.

**3 MAINTENANCE TRAINING**

**3.1** The Seller will provide to the Buyer [\*\*\*] trainee days of maintenance training [\*\*\*] for the Buyer's personnel in consideration of the Buyer's order for A320 Group 3 Aircraft, Converted A321 Aircraft and NEO Aircraft.

The Seller will provide to the Buyer [\*\*\*] trainee days of maintenance training [\*\*\*] for the Buyer's personnel in consideration of the Buyer's order for A321 Amd 14 Aircraft.

**3.2** The Seller will provide to the Buyer [\*\*\*] Engine Run-up course.

**4 TRAINEE DAYS ACCOUNTING**

Trainee days are counted as follows:

**4.1** For instruction at the Seller's Training Centers: [\*\*\*] day of instruction for [\*\*\*] trainee equals [\*\*\*] trainee day. The number of trainees originally registered at the beginning of the course will be counted as the number of trainees to have taken the course.

**4.2** For instruction outside of the Seller's Training Centers: [\*\*\*] day of instruction by [\*\*\*] Seller Instructor equals the actual number of trainees attending the course or a minimum of [\*\*\*] trainee days, except for structure maintenance training course(s).

**4.3** For structure maintenance training courses outside the Seller's Training Center(s), [\*\*\*] day of instruction by [\*\*\*] Seller Instructor equals the actual number of trainees attending the course or the minimum number of trainees as indicated in the Seller's Customer Services Catalog.

**4.4** For practical training, whether on training devices or on aircraft, [\*\*\*] day of instruction by [\*\*\*] Seller Instructor equals the actual number of trainees attending the course or a minimum of [\*\*\*] trainee days.

THE USE OF THE FOLLOWING NOTATION IN THIS EXHIBIT INDICATES THAT THE CONFIDENTIAL PORTION HAS BEEN OMITTED PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT AND THE OMITTED MATERIAL HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION:

[\*\*\*]

AMENDMENT NO. 18

TO

THE A320 FAMILY PURCHASE AGREEMENT

Dated as of May 5, 2004

BETWEEN AIRBUS S.A.S. (legal successor to AVSA S.A.R.L.)

AND

SPIRIT AIRLINES, INC.

This Amendment No. 18 to the A320 Family Purchase Agreement dated as of May 5, 2004 (this “**A mendment**”), is entered into as of July 31<sup>st</sup>, 2014, by and between AIRBUS S.A.S. (legal successor to AVSA S.A.R.L.), organized and existing under the laws of the Republic of France, having its registered office located at 1, Rond Point Maurice Bellonte, 31700 Blagnac, France (the “**Seller**”) and SPIRIT AIRLINES, INC., a corporation organized and existing under the laws of the State of Delaware, United States of America, having its principal corporate office located at 2800 Executive Way, Miramar, Florida 33025, U.S.A. (the “**Buyer**”).

WHEREAS, the Buyer and the Seller have entered into an A320 Family Purchase Agreement, dated as of May 5, 2004, which, together with all Exhibits, Appendices and Letter Agreements attached thereto and as amended, modified or supplemented from time to time is hereinafter called the “**Agreement**”; and

WHEREAS, the Buyer and the Seller agree to advance the Scheduled Delivery Month of the A320 Group 2 Aircraft bearing CAC ID number [\*\*\*] from [\*\*\*] to [\*\*\*] and defer the Scheduled Delivery Month of the A320 Group 3 Aircraft bearing CAC ID number [\*\*\*] from [\*\*\*] to [\*\*\*] in accordance with the terms and conditions herein, and

WHEREAS, the Buyer and the Seller will amend certain other terms of the Agreement in consideration of the foregoing.

---

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

The capitalized terms used herein and not otherwise defined in this Amendment will have the meanings assigned to them in the Agreement. Except as used within quoted text, the terms “herein,” “hereof,” and “hereunder” and words of similar import refer to this Amendment.

**1 - AMENDMENTS**

**1.1 Delivery Stream**

1.1.1 Clauses 9.1.1.3, 9.1.1.4 and 9.1.1.5 of the Agreement are deleted in their entirety and are replaced with the following quoted text:

QUOTE

9.1.1.3 The Scheduled Delivery Months for the A320 Group 2 Aircraft are as follows:

Year	Scheduled Delivery Month	Aircraft	CAC ID
***	***	A320 Group 2 Aircraft	***
***	***	A320 Group 2 Aircraft	***
***	***	A320 Group 2 Aircraft	***
***	***	A320 Group 2 Aircraft	***
***	***	A320 Group 2 Aircraft	***
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***	***	A320 Group 2 Aircraft	***
***	***	A320 Group 2 Aircraft	***
***	***	A320 Group 2 Aircraft	***
***	***	A320 Group 2 Aircraft	***
***	***	A320 Group 2 Aircraft	***

9.1.1.4 The Scheduled Delivery Months or the Scheduled Delivery Quarters for the A320 Group 3 Aircraft, A321 Amd 14 Aircraft and the Converted A321 Aircraft are as follows:

Year	Scheduled Delivery Month/Quarter	Aircraft	CAC ID
***	***	A320 Group 3 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	Converted A321 Aircraft	***

***	***	Converted A321 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	A320 Group 3 Aircraft	***



[**]	[**]	A320 NEO Aircraft	[**]
[**]	[**]	A320 NEO Aircraft	[**]
[**]	[**]	A320 NEO Aircraft	[**]
[**]	[**]	A320 NEO Aircraft	[**]
[**]	[**]	A320 NEO Aircraft	[**]
[**]	[**]	A320 NEO Aircraft	[**]
[**]	[**]	A320 NEO Aircraft	[**]
[**]	[**]	A320 NEO Aircraft	[**]
[**]	[**]	A320 NEO Aircraft	[**]
[**]	[**]	A320 NEO Aircraft	[**]
[**]	[**]	A320 NEO Aircraft	[**]

UNQUOTE

1.1.2 Clause 9.1.1.7 of the Agreement is hereby deleted in its entirety and is replaced with the following quoted text:

QUOTE

9.1.1.7 The combined Scheduled Delivery Months or Scheduled Delivery Quarters for all Aircraft are:

Year	Scheduled Delivery Month/Quarter	Aircraft	CAC ID
[**]	[**]	A320 Group 2 Aircraft	[**]
[**]	[**]	A320 Group 2 Aircraft	[**]
[**]	[**]	A320 Group 2 Aircraft	[**]
[**]	[**]	A320 Group 2 Aircraft	[**]
[**]	[**]	A320 Group 2 Aircraft	[**]
[**]	[**]	A320 Group 2 Aircraft	[**]
[**]	[**]	A320 Group 2 Aircraft	[**]
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[**]	[**]	A320 Group 2 Aircraft	[**]
[**]	[**]	A320 Group 2 Aircraft	[**]
[**]	[**]	A320 Group 2 Aircraft	[**]
[**]	[**]	A320 Group 2 Aircraft	[**]
[**]	[**]	A320 Group 3 Aircraft	[**]
[**]	[**]	A320 Group 3 Aircraft	[**]
[**]	[**]	Converted A321 Aircraft	[**]
[**]	[**]	Converted A321 Aircraft	[**]

***	***	Converted A321 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A320 NEO Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	A320 NEO Aircraft	***
***	***	A320 NEO Aircraft	***





***	***	A320 NEO Aircraft	***
***	***	A320 NEO Aircraft	***
***	***	A320 NEO Aircraft	***
***	***	A320 NEO Aircraft	***
***	***	A320 NEO Aircraft	***

UNQUOTE

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**2 - EFFECT OF THE AMENDMENT**

- 2.1 The Agreement as amended by this Amendment contains the entire agreement between the parties with respect to the subject matter hereof and supersedes any previous understanding, commitments or representations whatsoever, whether oral or written between the Buyer and the Seller.
- 2.2 The Agreement will be deemed amended to the extent provided in this Amendment and, except as specifically amended hereby, will continue in full force and effect in accordance with its original terms.

**3 - CONFIDENTIALITY**

This Amendment and the terms and condition hereof are subject to the terms and conditions of Clause 22.7 of the Agreement.

**4 - GOVERNING LAW**

- 4.1 THIS AMENDMENT AND THE AGREEMENTS CONTEMPLATED HEREIN WILL BE GOVERNED BY AND CONSTRUED AND THE PERFORMANCE THEREOF WILL BE DETERMINED IN ACCORDANCE WITH THE PROVISIONS OF CLAUSE 22.4 OF THE AGREEMENT.
- 4.2 IT IS AGREED THAT THE UNITED NATIONS CONVENTION ON CONTRACTS FOR THE INTERNATIONAL SALE OF GOODS WILL NOT APPLY TO THIS AMENDMENT.

**5 - COUNTERPARTS**

This Amendment may be executed by the parties hereto in separate counterparts, each of which when so executed will be an original, but all such counterparts will together constitute one and the same instrument. Such counterparts may be delivered via facsimile and/or electronic mail (provided that an original is subsequently delivered).

---

IN WITNESS WHEREOF, the parties have caused this Amendment to be signed by their respective officers thereunto duly authorized as of the day and year first above written.

SPIRIT AIRLINES, INC.

AIRBUS S.A.S.

By: /s/ Edward M. Christie  
Its: SVP and CFO

By: /s/ Christophe Mourey  
Its: SVP Contracts

THE USE OF THE FOLLOWING NOTATION IN THIS EXHIBIT INDICATES THAT THE CONFIDENTIAL PORTION HAS BEEN OMITTED PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT AND THE OMITTED MATERIAL HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION:

[\*\*\*]

AMENDMENT NO. 19

TO

THE A320 FAMILY PURCHASE AGREEMENT

Dated as of May 5, 2004

BETWEEN AIRBUS S.A.S. (legal successor to AVSA S.A.R.L.)

AND

SPIRIT AIRLINES, INC.

This Amendment No. 19 to the A320 Family Purchase Agreement dated as of May 5, 2004 (this “ **A mendment** ”), is entered into as of August 21<sup>st</sup>, 2015, by and between AIRBUS S.A.S. (legal successor to AVSA S.A.R.L.), organized and existing under the laws of the Republic of France, having its registered office located at 1, Rond Point Maurice Bellonte, 31700 Blagnac, France (the “ **Seller** ”) and SPIRIT AIRLINES, INC., a corporation organized and existing under the laws of the State of Delaware, United States of America, having its principal corporate office located at 2800 Executive Way, Miramar, Florida 33025, U.S.A. (the “ **Buyer** ”).

WHEREAS, the Buyer and the Seller have entered into an A320 Family Purchase Agreement, dated as of May 5, 2004, which, together with all Exhibits, Appendices and Letter Agreements attached thereto and as amended, modified or supplemented from time to time is hereinafter called the “ **Agreement** ”; and

WHEREAS, the Buyer and the Seller agree to advance the Scheduled Delivery Months of two (2) A320 Group 3 Aircraft; and

WHEREAS, the Buyer and the Seller will amend certain other terms of the Agreement in consideration of the foregoing.

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

The capitalized terms used herein and not otherwise defined in this Amendment will have the meanings assigned to them in the Agreement. Except as used within quoted text, the terms “herein,” “hereof,” and “hereunder” and words of similar import refer to this Amendment.

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1 - AMENDMENTS

1.1 Delivery Schedule

1.1.1 The Schedule Delivery Month for the A320 Group 3 Aircraft bearing CAC id No. [\*\*\*] is advanced from [\*\*\*] to [\*\*\*] and the Scheduled Delivery Month for A320 Group 3 Aircraft bearing CAC id No. [\*\*\*] is advanced from [\*\*\*] to [\*\*\*]. Clauses 9.1.1.3, 9.1.1.4 and 9.1.1.5 of the Agreement are therefore deleted in their entirety and are replaced with the following quoted text:

QUOTE

9.1.1.3 INTENTIONALLY LEFT BLANK

9.1.1.4 The Scheduled Delivery Months and the Scheduled Delivery Quarters for the A320 Group 3 Aircraft, A321 Amd 14 Aircraft and the Converted A321 Aircraft are as follows:

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Year	Scheduled Delivery	Aircraft	CAC
***	***	Converted A321 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	A320 Group 3 Aircraft	***





Year	Scheduled Delivery Quarter	Aircraft	CAC ID
[***]	[***]	A320 NEO Aircraft	[***]
[***]	[***]	A320 NEO Aircraft	[***]
[***]	[***]	A320 NEO Aircraft	[***]
[***]	[***]	A320 NEO Aircraft	[***]
[***]	[***]	A320 NEO Aircraft	[***]
[***]	[***]	A320 NEO Aircraft	[***]
[***]	[***]	A320 NEO Aircraft	[***]
[***]	[***]	A320 NEO Aircraft	[***]
[***]	[***]	A320 NEO Aircraft	[***]
[***]	[***]	A320 NEO Aircraft	[***]

UNQUOTE

1.1.2 Clause 9.1.1.7 of the Agreement is hereby deleted in its entirety and is replaced with the following quoted text:

QUOTE

9.1.1.7 The combined Scheduled Delivery Months and Scheduled Delivery Quarters for all Aircraft are:

Year	Scheduled Delivery Month/Quarter	Aircraft	CAC ID
[***]	[***]	Converted A321 Aircraft	[***]
[***]	[***]	Converted A321 Aircraft	[***]
[***]	[***]	A321 Amd 14 Aircraft	[***]
[***]	[***]	A321 Amd 14 Aircraft	[***]
[***]	[***]	A321 Amd 14 Aircraft	[***]
[***]	[***]	Converted A321 Aircraft	[***]
[***]	[***]	A321 Amd 14 Aircraft	[***]
[***]	[***]	A320 Group 3 Aircraft	[***]
[***]	[***]	A321 Amd 14 Aircraft	[***]
[***]	[***]	A320 Group 3 Aircraft	[***]
[***]	[***]	A321 Amd 14 Aircraft	[***]
[***]	[***]	A320 Group 3 Aircraft	[***]
[***]	[***]	A321 Amd 14 Aircraft	[***]
[***]	[***]	A321 Amd 14 Aircraft	[***]
[***]	[***]	A321 Amd 14 Aircraft	[***]
[***]	[***]	A321 Amd 14 Aircraft	[***]
[***]	[***]	A320 Group 3 Aircraft	[***]

Year	Scheduled Delivery Month/Quarter	Aircraft	CAC ID
***	***	A320 Group 3 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A320 NEO Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	A320 NEO Aircraft	***
***	***	A320 NEO Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	A320 NEO Aircraft	***
***	***	A320 NEO Aircraft	***
***	***	A320 NEO Aircraft	***
***	***	A320 NEO Aircraft	***
***	***	2014 Converted A321 NEO Aircraft	***
***	***	2013 Converted Aircraft (A321 NEO)	***
***	***	2014 Converted A321 NEO Aircraft	***
***	***	2014 Converted A321 NEO Aircraft	***
***	***	2013 Converted Aircraft (A321 NEO)	***
***	***	A320 NEO Aircraft	***
***	***	2014 Converted A321 NEO Aircraft	***
***	***	2013 Converted Aircraft (A321 NEO)	***
***	***	A320 NEO Aircraft	***
***	***	2014 Converted A321 NEO Aircraft	***



**2 - CONDITION PRECEDENT**

It is a condition precedent to the effectiveness of this Amendment that by close of business on date of signature hereof, the Buyer shall pay to the Seller:

US\$ [\*\*\*]  
(US dollars - [\*\*\*])

in Predelivery Payments, due in respect of the A320 Group 3 Aircraft bearing CAC ID Nos. [\*\*\*].

**3 - EFFECT OF THE AMENDMENT**

- 3.1 The Agreement as amended by this Amendment contains the entire agreement between the parties with respect to the subject matter hereof and supersedes any previous understanding, commitments or representations whatsoever, whether oral or written between the Buyer and the Seller regarding such subject matter.
- 3.2 The Agreement will be deemed amended to the extent provided in this Amendment and, except as specifically amended hereby, will continue in full force and effect in accordance with its original terms.

**4 - CONFIDENTIALITY**

This Amendment and the terms and condition hereof are subject to the terms and conditions of Clause 22.7 of the Agreement.

**5 - GOVERNING LAW**

- 5.1 THIS AMENDMENT AND THE AGREEMENTS CONTEMPLATED HEREIN WILL BE GOVERNED BY AND CONSTRUED AND THE PERFORMANCE THEREOF WILL BE DETERMINED IN ACCORDANCE WITH THE PROVISIONS OF CLAUSE 22.4 OF THE AGREEMENT.
  - 5.2 IT IS AGREED THAT THE UNITED NATIONS CONVENTION ON CONTRACTS FOR THE INTERNATIONAL SALE OF GOODS WILL NOT APPLY TO THIS AMENDMENT.
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**6- COUNTERPARTS**

This Amendment may be executed by the parties hereto in separate counterparts, each of which when so executed will be an original, but all such counterparts will together constitute one and the same instrument. Such counterparts may be delivered via facsimile and/or electronic mail (provided that an original is subsequently delivered).

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IN WITNESS WHEREOF, the parties have caused this Amendment to be signed by their respective officers thereunto duly authorized as of the day and year first above written.

SPIRIT AIRLINES, INC.

AIRBUS S.A.S.

By: /s/ Edward M. Christie  
Its: SVP and CFO

By: /s/ Benoit de Saint-Exupery  
Its: VP Contracts

THE USE OF THE FOLLOWING NOTATION IN THIS EXHIBIT INDICATES THAT THE CONFIDENTIAL PORTION HAS BEEN OMITTED PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT AND THE OMITTED MATERIAL HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION:  
[\*\*\*]

AMENDMENT NO. 20

TO

THE A320 FAMILY PURCHASE AGREEMENT

Dated as of May 5, 2004

BETWEEN AIRBUS S.A.S. (legal successor to AVSA S.A.R.L.)

AND

SPIRIT AIRLINES, INC.

This Amendment No. 20 to the A320 Family Purchase Agreement dated as of May 5, 2004 (this “ **A mendment** ”), is entered into as of April 27, 2016, by and between AIRBUS S.A.S. (legal successor to AVSA S.A.R.L.), organized and existing under the laws of the Republic of France, having its registered office located at 1, Rond Point Maurice Bellonte, 31700 Blagnac, France (the “ **Seller** ”) and SPIRIT AIRLINES, INC., a corporation organized and existing under the laws of the State of Delaware, United States of America, having its principal corporate office located at 2800 Executive Way, Miramar, Florida 33025, U.S.A. (the “ **Buyer** ”).

WHEREAS, the Buyer and the Seller have entered into an A320 Family Purchase Agreement, dated as of May 5, 2004, which, together with all Exhibits, Appendices and Letter Agreements attached thereto and as amended, modified or supplemented from time to time is hereinafter called the “ **Agreement** ”.

WHEREAS, the Buyer and the Seller agree that the A321 NEO Aircraft shall be irrevocably converted to A320 NEO Aircraft; and

WHEREAS, the Buyer and the Seller agree to defer (i) [\*\*\*] A321 Amd 14 Aircraft from [\*\*\*] to [\*\*\*], (ii) [\*\*\*] A320 Group 3 Aircraft from [\*\*\*] to [\*\*\*] and [\*\*\*], and (iii) [\*\*\*] A320 NEO Aircraft from [\*\*\*] and [\*\*\*] to [\*\*\*]; and

WHEREAS, the Buyer and the Seller agree to modify certain provisions related to the Delivery Location; and

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WHEREAS, the Buyer and the Seller will amend certain other terms of the Agreement in consideration of the foregoing.

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

The capitalized terms used herein and not otherwise defined in this Amendment will have the meanings assigned to them in the Agreement. Except as used within quoted text, the terms "herein," "hereof," and "hereunder" and words of similar import refer to this Amendment.

## 1 AMENDMENTS

### 1.1 Definitions

Clause 0 of the Agreement is hereby amended to modify, add or replace the following terms.

A319 NEO Aircraft – an A320 NEO Aircraft converted to firmly ordered A319-100N type Aircraft including the A319 NEO Airframe and all components, equipment, parts and accessories installed in or on such aircraft and the applicable A319 NEO Propulsion Systems installed thereon upon Delivery.

A319 NEO Specification – either (a) the A319 NEO Standard Specification if no SCNs are applicable or (b) if SCNs are issued, the A319 NEO Standard Specification as amended by all applicable SCNs.

A319 NEO Standard Specification – the A319-100N standard specification document Number J.000.01000N Issue 1, dated 1<sup>st</sup> July 2014, a copy of which has been annexed hereto as Exhibit A-1B.

A320 NEO Aircraft – any or all of the fifty (50) firmly ordered A320-200N type Aircraft for which the delivery schedule is set forth in Clause 9.1.1.5 hereof.

A321 NEO Aircraft – any or all of the A320 NEO Aircraft converted to firmly ordered A321-200N model Aircraft, including the A321 NEO Airframe and all components, equipment, parts and accessories installed in or on such aircraft and the applicable A321 NEO Propulsion Systems installed thereon upon Delivery.

A321 NEO Specification – either (a) the A321 NEO Standard Specification if no SCNs are applicable or (b) if SCNs are issued, the A321 NEO Standard Specification as amended by all applicable SCNs.

A321 NEO Standard Specification – the A321-200N standard specification document Number E.000.02000N Issue 1, dated 23<sup>rd</sup> December 2014, a copy of which has been annexed hereto as Exhibit A-3B.

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A321 Propulsion System – the two (2) IAE V2533-A5 powerplants installed on an A321 Amd 14 Aircraft and Converted A321 Aircraft at Delivery, each composed of the powerplant (as such term is defined in Chapters 70-80 of ATA Specification 100 (Revision 21), but limited to the equipment, components, parts and accessories included in the powerplant, as so defined) that have been sold to the Manufacturer by the Propulsion Systems manufacturer.

Delivery Location - the facilities of the Seller at the location of final assembly of the Aircraft, which will be located in Blagnac, France, Hamburg, Germany or Mobile, Alabama, United States.

New Order NEO Aircraft – any or all of the A320 NEO Aircraft excluding those bearing CAC ID Nos [\*\*\*].

Sharklets - a large wingtip device, designed to enhance the eco-efficiency and payload range performance of the A320 family aircraft, and which are fitted on the NEO Aircraft and are part of the NEO Standard Specification.

Specification - any or all of the, A319 NEO Specification, A320 Aircraft Iss. 8 Specification, A320 NEO Specification, A321 Aircraft Iss. 5 Specification and A321 NEO Specification, as the context may require.

Standard Specification - any or all of the A319 NEO Standard Specification, A320 Aircraft Iss. 8 Standard Specification, A320 NEO Standard Specification, A321 Aircraft Iss. 5 Standard Specification and A321 NEO Standard Specification, as applicable.

1.2 Specification

Clause 2 of the Agreement is deleted in its entirety and is replaced with the following quoted text:

QUOTE

**2 SPECIFICATION**

2.1 Aircraft Specification

2.1.1 The Aircraft will be manufactured in accordance with the following Specifications:

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Aircraft	Specification	Exhibit
A319 NEO Aircraft	A319 NEO Specification	A-4D
A320 Group 3 Aircraft	A320 Aircraft Iss. 8 Specification	A-4B
A320 NEO Aircraft	A320 NEO Specification	A-4C
A321 Amd 14 Aircraft and Converted A321 Aircraft	A321 Aircraft Iss. 5 Specification	A-4F
A321 NEO Aircraft	A321 NEO Specification	A-4E

### 2.1.2 A321 NEO Aircraft – CabinFlex Door Configuration

The Seller is currently developing a new door configuration for the A321 NEO Aircraft [\*\*\*] (the “**CabinFlex Door Configuration**” or “**ACF**”).

The baseline CabinFlex Door Configuration shall consist of a [\*\*\*] to be installed on the A321 NEO Aircraft (the “**Baseline ACF**”). The Baseline ACF shall be irrevocably implemented on all A321 NEO Aircraft with a Scheduled Delivery Month from and including [\*\*\*], [\*\*\*].

In addition to the Baseline ACF, at the time of cabin definition and within a timeframe compatible with the CDF of the A321 NEO Aircraft, the Buyer shall have the option to modify the allowable seating capacity of the A321 NEO Aircraft, [\*\*\*], by executing the relevant SCNs covering [\*\*\*] and such other additional cabin features as may be selected by the Buyer.

## 2.2 Specification Amendment

The Parties understand and agree that the Specification may be further amended following signature of this Agreement in accordance with the terms of this Clause 2.2

### 2.2.1 Specification Change Notice

The Specifications may be amended by execution by the Buyer and the Seller of a Specification Change Notice (SCN) in substantially the form set out in Exhibit B-1 hereto. An SCN will set out the SCN’s effectivity and the particular change to be made to the Specifications and the effect, if any, of such change on design, performance, weight, Delivery Date of the Aircraft affected thereby, interchangeability or replaceability requirements of the Specification and text of the Specification. An SCN may result in an adjustment of the Base Price of the Aircraft, which adjustment if any, will be specified in the SCN.

### 2.2.2 Development Changes

The Specification may also be amended to incorporate changes deemed necessary by the Seller to improve the Aircraft, prevent delay or ensure compliance with this Agreement (“**Development Changes**”), as set forth in this Clause 2.2.2.

2.2.2.1 Manufacturer Specification Change Notice

The Specifications may also be amended in writing by the Seller by a Manufacturer’s Specification Change Notice (MSCN). Each MSCN will be substantially in the form set out in Exhibit B-2 hereto and will set out the MSCN’s effectivity and the particular change to be made to the Specifications and the effect, if any, of such change on design, Base Price of the Aircraft, performance, weight, Delivery Date of the Aircraft affected thereby, interchangeability or replaceability requirements of the Specification and text of the Specification.

Except when the MSCN is necessitated by an Aviation Authority directive or by equipment obsolescence, in which case the MSCN shall be accomplished without requiring the Buyer’s consent, if the MSCN adversely affects the performance, weight, Base Price of the Aircraft, Delivery Date of the Aircraft affected thereby or the interchangeability or replaceability requirements under the Specification, the Seller shall notify the Buyer of a reasonable period of time during which the Buyer must accept or reject such MSCN. If the Buyer does not notify the Seller of the rejection of the MSCN within such period, the MSCN Shall be deemed accepted by the Buyer and the corresponding modification shall be accomplished.

2.2.2.2 In the event of the Seller revising the Specification to incorporate Development Changes which have no adverse effect on any of the elements as set forth in Clause 2.2.2.1 above, such revision will be performed by the Seller without the Buyer’s consent.

In such cases, the Seller will provide to the Buyer the details of all changes in an adapted format and on a regular basis.

2.2.2.3 INTENTIONALLY LEFT BLANK

2.3 Propulsion Systems

2.3.1 (i) Each A320 Group 3 Airframe will be equipped with an A320 Propulsion System, and

(ii) Each A321 Amd 14 Airframe and Converted A321 Airframe will be equipped with an A321 Propulsion System.

2.3.2 NEO Propulsion Systems

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- (i) Each A319 NEO Airframe will be equipped with a set of two (2) IAE LLC (“**IAE LLC**”) PW1124G-JM engines, with an AET of [\*\*\*] lbf. (such set, upon selection, an “**A319 NEO Propulsion System**”).
- (ii) Each A320 NEO Airframe will be equipped with a set of two (2) IAE LLC PW1127G-JM engines, with an AET of [\*\*\*] lbf. (such set, upon selection, an “**A320 NEO Propulsion System**”).
- (iii) Each A321 NEO Airframe will be equipped with a set of two (2) IAE LLC PW1133G-JM engines, with an AET of [\*\*\*] lbf. (such set, upon selection, an “**A321 NEO Propulsion System**”).

2.4 Customization Milestones Chart

2.4.1 Within a reasonable period following signature of the Agreement, the Seller shall provide the Buyer with a customization milestones chart (the “**Customization Milestone Chart**”), setting out how far in advance of the Scheduled Delivery Month of the Aircraft an SCN must be executed in order to integrate into the Specification any items requested by the Buyer from the Seller’s catalogues of Specification change options (the “**Option Catalogues**”).

2.4.2 Contractual Definition Freeze

The Customization Milestone Chart shall in particular define the date(s) by which the contractual definition of the Aircraft must be finalized and all SCNs need to have been executed by the Buyer (the “Contractual Definition Freeze” or “CDF”) in order to enable their incorporation into the manufacturing of the Aircraft and Delivery of the Aircraft in the Scheduled Delivery Month. Each such date shall be referred to as a “CDF Date”.

UNQUOTE

1.3 Price

Clauses 3 of the Agreement is hereby deleted in its entirety and are replaced with the following quoted text:

QUOTE

**3. PRICE**

3.1 Base Price of the Aircraft

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3.1.1 The Base Price of each Aircraft is the sum of:

- (i) The Base Price of the Airframe comprising a part of such Aircraft, and
- (ii) the Base Price of the applicable Propulsion Systems for the Aircraft.

3.1.1.2 Base Price of the Airframe

3.1.1.2.1 INTENTIONALLY LEFT BLANK

3.1.1.2.2 INTENTIONALLY LEFT BLANK

3.1.1.2.3 INTENTIONALLY LEFT BLANK

3.1.1.2.4 INTENTIONALLY LEFT BLANK

3.1.1.2.5 A320 Group 3 Airframe

The “ **Base Price of the A320 Group 3 Airframe** ” is the sum of the Base Prices set forth below in (i) and (ii):

- (i) The base price of the A320 Group 3 Airframe, as defined in the A320 Aircraft Iss. 8 Standard Specification (excluding Buyer Furnished Equipment and SCNs) including nacelles and thrust reversers, which is:

US\$ [\*\*\*]  
(US dollars-[\*\*\*]), and

- (ii) the sum of the base prices of all SCNs set forth in Exhibit A-4B, which is:

US\$ [\*\*\*]  
(US dollars-[\*\*\*])

The Base Price of the A320 Group 3 Airframe has been established in accordance with the average economic conditions prevailing in the A320 Family Base Period.

3.1.1.2.6 Base Price of the A320 NEO Airframe

The “ **Base Price of the A320 NEO Airframe** ” is the sum of the following base prices:

- (i) The base price of the A320 NEO Airframe as defined in the A320 NEO Standard Specification (excluding Buyer Furnished Equipment), including nacelles and thrust reversers, which is:

US\$ [\*\*\*]  
(US dollars-[\*\*\*]), and

- (ii) the sum of the base prices of all SCNs set forth in Exhibit A-4C, which is:

US\$ [\*\*\*]  
(US dollars-[\*\*\*])

The Base Price of the A320 NEO Airframe has been established in accordance with the average economic conditions prevailing in the A320 Family Base Period.

3.1.1.2.7 The “ **Base Price of the A319 NEO Airframe** ” is the sum of the following base prices:

- (i) The base price of the A319 NEO Airframe as defined in the A319 NEO Standard Specification, Issue 1 (excluding Buyer Furnished Equipment), including nacelles and thrust reversers, which is:

US\$ [\*\*\*]  
(US dollars-[\*\*\*]), and

- (ii) the sum of the base prices of all SCNs set forth in Exhibit A-4D, which is:

US\$ [\*\*\*]  
(US dollars-[\*\*\*]).

The Base Price of the A319 NEO Airframe has been established in accordance with the average economic conditions prevailing in the A320 Family Base Period.

#### 3.1.1.2.8 Base Price of the A321 NEO Airframe

The “ **Base Price of the A321 NEO Airframe** ” is the sum of the following base prices:

- (i) The base price of the A321 NEO Airframe as defined in the A321 NEO Standard Specification, Issue 1 (excluding Buyer Furnished Equipment), including nacelles and thrust reversers, which is:

US\$ [\*\*\*]  
(US dollars-[\*\*\*]), and

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(ii) the sum of the base prices of all SCNs set forth in Exhibit A-4E, which is:

US\$ [\*\*\*]  
(US dollars-[\*\*\*]).

The Base Price of the A321 NEO Airframe has been established in accordance with the average economic conditions prevailing in the A320 Family Base Period.

### 3.1.1.2.9 INTENTIONALLY LEFT BLANK

#### 3.1.1.2.10 Base Price of the A321 Amd 14 Airframe and Converted A321 Airframe

The Base Price of the A321 Amd 14 Airframe or the Converted A321 Airframe, as applicable, is the sum of the following Base Prices:

(i) The base price of the A321 Amd 14 Airframe and the Converted A321 Airframe, as applicable, as defined in the A321 Aircraft Iss. 5 Standard Specification (excluding Buyer Furnished Equipment and SCNs), at delivery conditions prevailing in January 2011, which is:

(US dollars—[\*\*\*]), and  
US \$ [\*\*\*]

(ii) the sum of the bases prices of all SCNs set forth in Exhibit A-4F, which is:

US \$ [\*\*\*]  
(US dollars—[\*\*\*]).

The Base Price of the A321 Amd 14 Airframe and the Base Price of the Converted A321 Airframe have been established in accordance with the average economic conditions prevailing in the A320 Family Base Period.

### 3.1.1.3 Base Price of the Propulsion Systems

#### 3.1.1.3.1 INTENTIONALLY LEFT BLANK

#### 3.1.1.3.2 A320 Propulsion Systems

The base price of a set of two (2) IAE V2527-A5 Propulsion Systems, at delivery conditions prevailing in January 2011 (the “**V2527-A5 Base Price**”), is:

US [\*\*\*]  
(US dollars – [\*\*\*])

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The V2527-A5 Base Price has been calculated from the reference price indicated by International Aero Engines of US [\*\*\*] (US dollars – [\*\*\*]) in accordance with delivery conditions prevailing in January 2006 (the “**V2527-A5 Reference Price**”).

3.1.1.3.3 A321 Propulsion Systems

The base price of a set of two (2) IAE V2533-A5 Propulsion Systems, at delivery conditions prevailing in January 2011 (the “**V2533-A5 Base Price**”), is:

US \$[\*\*\*]  
(US dollars – [\*\*\*])

The V2533-A5 Base Price has been calculated from the reference price indicated by International Aero Engines of US \$[\*\*\*] (US dollars – [\*\*\*]) in accordance with delivery conditions prevailing in January 2006 (the “**V2533-A5 Reference Price**”).

3.1.1.3.4 INTENTIONALLY LEFT BLANK

3.1.1.3.5 A320 NEO Propulsion Systems

The base price of a set of two (2) IAE LLC PW1127G-JM engines, at delivery conditions prevailing in January 2011 (the “**PW1127G-JM Base Price**”), is:

US\$ [\*\*\*]  
(US dollars–[\*\*\*]).

The PW1127G-JM Base Price has been calculated from the reference price indicated by the NEO Propulsion System Manufacturer of US\$ [\*\*\*] (US dollars–[\*\*\*]) in accordance with the delivery conditions prevailing in January 2010 (the “**PW1127G-JM Reference Price**”).

3.1.1.3.6 INTENTIONALLY LEFT BLANK

3.1.1.3.7 INTENTIONALLY LEFT BLANK

3.1.1.3.8 A319 NEO Propulsion Systems

The base price of a set of two (2) IAE LLC PW1124G-JM engines, at delivery conditions prevailing in January 2011 (the “**PW1124G-JM Base Price**”), is:

US\$ [\*\*\*]  
(US dollars–[\*\*\*]).

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The PW1124G-JM Base Price has been calculated from the reference price indicated by the NEO Propulsion System Manufacturer of US\$ [\*\*\*] (US dollars-[\*\*\*]) in accordance with the delivery conditions prevailing in January 2010 (the "PW1124G-JM Reference Price").

3.1.1.3.9 INTENTIONALLY LEFT BLANK

3.1.1.3.10 INTENTIONALLY LEFT BLANK

3.1.1.3.11 A321 NEO Propulsion Systems

The base price of a set of two (2) IAE LLC PW1133G-JM engines, at delivery conditions prevailing in January 2011 (the "PW1133G-JM Base Price"), is:

US\$ [\*\*\*]  
(US dollars-[\*\*\*]).

The PW1133G-JM Base Price has been calculated from the reference price indicated by the NEO Propulsion System Manufacturer of US\$ [\*\*\*] (US dollars-[\*\*\*]) in accordance with delivery conditions prevailing in January 2010 (the "PW1133G-JM Reference Price").

3.1.1.3.12 INTENTIONALLY LEFT BLANK

3.2 Final Contract Price

3.2.1 INTENTIONALLY LEFT BLANK

3.2.2 INTENTIONALLY LEFT BLANK

3.2.3 INTENTIONALLY LEFT BLANK

3.2.4 The Final Contract Price of an A320 Group 3 Aircraft, A321 Amd 14 Aircraft or Converted A321 Aircraft will be the sum of:

- (i) The Base Price of the A320 Group 3 Airframe, A321 Amd 14 Airframe or Converted A321 Airframe, as applicable, as adjusted to the Delivery Date of such Aircraft, in accordance with the Seller Price Revision Formula 2011;
  - (ii) the aggregate of all increases or decreases to the Base Price of the A320 Group 3 Airframe, Base Price of the A321 Amd 14 Airframe or Base Price of the Converted A321 Airframe as applicable, as agreed in any SCN or part thereof applicable to such Airframe subsequent to the date of signature of
-

this Agreement, as adjusted to the Delivery Date of such Aircraft, in accordance with the Seller Price Revision Formula 2011;

- (iii) the V2527-A5 Reference Price or the V2533-A5 Reference Price as applicable, as adjusted to the Delivery Date of such Aircraft, in accordance with the applicable Propulsion Systems Price Revision Formula;
- (iv) the aggregate of all increases or decreases to the V2527-A5 Reference Price or V2533-A5 Reference Price as applicable, and as agreed in any SCN or part thereof applicable to the Propulsion Systems subsequent to the date of this Agreement, as adjusted to the Delivery Date in accordance with the applicable Propulsion Systems Price Revision Formula; and
- (v) any other amount resulting from any other provisions of this Agreement and/or any other written agreement between the Buyer and the Seller relating to the A320 Group 3 Aircraft, A321 Amd 14 Aircraft or Converted A321 Aircraft, as applicable.

3.2.5 The Final Contract Price of an A320 NEO Aircraft will be the sum of:

- (i) The Base Price of the A320 NEO Airframe, as adjusted to the Delivery Date of such A320 NEO Aircraft in accordance with the Seller Price Revision Formula 2011;
  - (ii) the aggregate of all increases or decreases to the Base Price of the A320 NEO Airframe as agreed in any SCN or part thereof subsequent to the date of signature of the Agreement, as adjusted to the Delivery Date of such A320 NEO Aircraft in accordance with the Seller Price Revision Formula 2011;
  - (iii) the PW1127G-JM Reference Price, as adjusted to the Delivery Date of such A320 NEO Aircraft in accordance with the applicable Propulsion Systems Price Revision Formula;
  - (iv) the aggregate of all increases or decreases to the PW1127G-JM Reference Price as agreed in any SCN or part thereof applicable to the A320 NEO Propulsion Systems subsequent to the date of this Agreement, as adjusted to the Delivery Date in accordance with the applicable Propulsion Systems Price Revision Formula; and
  - (v) any other amount resulting from any other provisions of this Agreement and/or any other written agreement between the Buyer and the Seller relating to the A320 NEO Aircraft.
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3.2.6 The Final Contract Price of an A319 NEO Aircraft will be the sum of:

- (i) The Base Price of the A319 NEO Airframe, as adjusted to the Delivery Date of such A319 NEO Aircraft in accordance with the Seller Price Revision Formula 2011;
- (ii) the aggregate of all increases or decreases to the Base Price of the A319 NEO Airframe as agreed in any SCN or part thereof subsequent to the date of signature of this Agreement, as adjusted to the Delivery Date of such A319 NEO Aircraft in accordance with the Seller Price Revision Formula 2011;
- (iii) the PW1124G-JM Reference Price, as adjusted to the Delivery Date of such A319 NEO Aircraft in accordance with the applicable Propulsion Systems Price Revision Formula;
- (iv) the aggregate of all increases or decreases to the PW1124G-JM Reference Price as agreed in any SCN or part thereof applicable to the A319 NEO Propulsion Systems subsequent to the date of this Agreement, as adjusted to the Delivery Date in accordance with the applicable Propulsion Systems Price Revision Formula; and
- (v) any other amount resulting from any other provisions of this Agreement and/or any other written agreement between the Buyer and the Seller relating to the A319 NEO Aircraft.

3.2.7 The Final Contract Price of an A321 NEO Aircraft will be the sum of:

- (i) The Base Price of the A321 NEO Airframe, as adjusted to the Delivery Date of such A321 NEO Aircraft in accordance with the Seller Price Revision Formula 2011;
  - (ii) the aggregate of all increase or decreases to the A321 NEO Airframe Base Price as agreed in any SCN or part thereof applicable to the A321 NEO Airframe subsequent to the date of this Agreement, as adjusted to the Delivery Date of such A321 NEO Aircraft in accordance with the Seller Price Revision Formula 2011;
  - (iii) the PW1133G-JM Reference Price, as adjusted to the Delivery Date of such A321 NEO Aircraft in accordance with the applicable Propulsion Systems Price Revision Formula;
  - (iv) the aggregate of all increases or decreases to the PW1133G-JM Reference Price as agreed in any SCN or part thereof applicable to the A321 NEO Propulsion Systems subsequent to the date of this Agreement, as adjusted to
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the Delivery Date in accordance with the applicable Propulsion Systems Price Revision Formula; and

- (v) any other amount resulting from any other provisions of this Agreement and/or any other written agreement between the Buyer and the Seller relating to the A321 NEO Aircraft.

### 3.3 Taxes, Duties and Imposts

- 3.3.1 The Seller will pay any and all taxes, duties, imposts or similar charges of any nature whatsoever, except for taxes based on or measured by the income of the Buyer or any taxes of a similar nature or charges levied against the Buyer or its Affiliates for the privilege of doing business in any jurisdiction, that are (i) imposed upon the Buyer, (ii) imposed upon the Seller with an obligation on the Buyer to withhold or collect the amount thereof from the Seller or (iii) imposed upon the Buyer with an obligation on the Seller to withhold or collect such amount from the Buyer, and that are levied, assessed, charged or collected for or in connection with the fabrication, manufacture, modification, assembly, sale, delivery, use of or payment under this Agreement for any Aircraft, component, accessory, equipment or part delivered or furnished hereunder, provided such taxes, duties, imposts or similar charges have been promulgated and are enforceable under the laws of the country of the Delivery Location and/or the country of manufacture, modification, assembly, sale, delivery, use of or payment for any part, component, accessory, equipment or system installed on the Aircraft on or before Delivery of such Aircraft.
  - 3.3.2 The Buyer will pay any and all taxes, duties, imposts or similar charges of any nature whatsoever, except for taxes based on or measured by the income of the Seller or Associated Contractors or any taxes of a similar nature or charges levied against the Seller or its Affiliates or Associated Contractors for the privilege of doing business in any jurisdiction, that are (i) imposed upon the Seller, (ii) imposed upon the Buyer with an obligation on the Seller to collect the amount thereof for the Buyer or (iii) imposed upon the Seller with an obligation for the Buyer to withhold such amount from the Seller, and that are levied, assessed, charged or collected for or in connection with the fabrication, manufacture, modification, assembly, sale, delivery or use of or payment under this Agreement for any Aircraft, component, accessory, equipment or part delivered or furnished hereunder, provided such taxes, duties, imposts or similar charges have been levied, assessed, charged or collected under laws promulgated and enforceable in countries other than the country of the applicable Delivery Location and/or the country of manufacture, modification, assembly, sale,
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delivery, use of or payment for any part, component, accessory, equipment or system installed on the Aircraft on or before Delivery of such Aircraft.

Notwithstanding the provisions of Clauses 3.3.1 and 3.3.2, the Buyer shall be liable for any Sales Tax that may be imposed on Aircraft delivering from Mobile, Alabama, United States.

3.3.3 The Seller will arrange for the exportation of the Aircraft from the country of the Delivery Location and will pay any customs duties, taxes and fees required to be paid with respect to such exportation of the Aircraft.

3.3.4 The Buyer will arrange for the importation of the Aircraft into any country or jurisdiction and will pay any customs duties, taxes and fees required to be paid with respect to such importation of the Aircraft.

UNQUOTE

1.4 A321 NEO Aircraft Downconversion

The Parties agree to irrevocably convert (the “**Downconversion**”) A321 NEO Aircraft bearing CAC ID Nos [\*\*\*] to A320 NEO Aircraft (the “**Downconverted Aircraft**”).

1.5 Aircraft Deferrals

1.5.1 In consideration of the Seller agreeing to the Downconversion, the Scheduled Delivery Months for the following Aircraft (the “**Deferred Aircraft**”) are amended as follows:

- (i) The Scheduled Delivery Month for A321 Amd 14 Aircraft bearing CAC ID No. [\*\*\*] is amended from [\*\*\*] to [\*\*\*], and
  - (ii) The Scheduled Delivery Month for A320 Group 3 Aircraft bearing CAC ID No. [\*\*\*] is amended from [\*\*\*] to [\*\*\*], and
  - (iii) The Scheduled Delivery Month for A320 Group 3 Aircraft bearing CAC ID No. [\*\*\*] is amended from [\*\*\*] to [\*\*\*], and
  - (iv) The Scheduled Delivery Month for A320 Group 3 Aircraft bearing CAC ID No. [\*\*\*] is amended from [\*\*\*] to [\*\*\*], and
  - (v) The Scheduled Delivery Month for A320 Group 3 Aircraft bearing CAC ID No. [\*\*\*] is amended from [\*\*\*] to [\*\*\*], and
  - (vi) The Scheduled Delivery Month for A320 NEO Aircraft bearing CAC ID No. [\*\*\*] is amended from [\*\*\*] to [\*\*\*], and
  - (vii) The Scheduled Delivery Month for A320 NEO Aircraft bearing CAC ID No. [\*\*\*] is amended from [\*\*\*] to [\*\*\*], and
  - (viii) The Scheduled Delivery Month for A320 NEO Aircraft bearing CAC ID No. [\*\*\*] is amended from [\*\*\*] to [\*\*\*].
-

1.6 Predelivery Payments

Predelivery Payments paid by the Buyer to the Seller in respect of the A321 NEO Aircraft and the Deferred Aircraft shall be [\*\*\*]. The Buyer shall [\*\*\*] pay to the Seller Predelivery Payments in accordance with Clause 5.2.3.

1.7 Delivery

1.7.1 Clauses 9.1.1.3, 9.1.1.4 and 9.1.1.5 of the Agreement are hereby deleted in their entirety and are replaced with the following quoted text:

QUOTE

9.1.1.3 INTENTIONALLY LEFT BLANK

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***	***	A320 NEO Aircraft	***
***	***	A320 NEO Aircraft	***
***	***	A320 NEO Aircraft	***
***	***	A320 NEO Aircraft	***
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***	***	A320 NEO Aircraft	***
***	***	A320 NEO Aircraft	***
***	***	A320 NEO Aircraft	***
***	***	A320 NEO Aircraft	***

UNQUOTE

1.7.2 Clause 9.1.1.7 of the Agreement is hereby deleted in its entirety and is replaced with the following quoted text:

QUOTE

9.1.1.7 The combined Scheduled Delivery Months and Scheduled Delivery Quarters for all Aircraft are:

Year	Scheduled Delivery Month/Quarter	Aircraft	CAC ID
***	***	A321 Amd 14 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A321 Amd 14 Aircraft	***
***	***	A320 Group 3 Aircraft	***
***	***	Converted A321 Aircraft	***
***	***	A320 Group 3 Aircraft	***





1.8 [\*\*\*]

Paragraph 2.1 (ii) of Letter Agreement No. 3 to Amendment 11 to the Agreement is hereby [\*\*\*] the following quoted text:

[\*\*\*]

[\*\*\*] may only be exercised for [\*\*\*]

QUOTE

[\*\*\*]

UNQUOTE

1.9 Amendment 14 Order Credit

Pursuant to the Amended and Restated Letter Agreement No. 1 to Amendment No. 17, dated 21<sup>st</sup> August, 2015, the Seller grants, at Delivery of each of the [\*\*\*] 2014 Converted A321 NEO Aircraft, the [\*\*\*] in the amount of US\$ [\*\*\*] (US dollars-[\*\*\*]), subject to the Buyer taking [\*\*\*].

1.10 Mobile Deliveries

1.10.1 Certificate of Acceptance

Clause 8.3 of the Agreement is deleted in its entirety and is replaced with the following quoted text:

QUOTE

8.3 Upon successful completion of the Technical Acceptance Process, the Buyer will, on or before the Delivery Date, sign and deliver to the Seller a certificate of acceptance in respect of the Aircraft in (a) the form set forth in Exhibit D-1, if the Delivery Location is in Mobile, Alabama and (b) in the form set forth in Exhibit D-2, if the Delivery Location is in any place other than Mobile, Alabama (the "**Certificate of Acceptance**") hereto.

UNQUOTE

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1.10.2 Bill of Sale

Clause 9.2.1 of the Agreement is deleted in its entirety and replaced by the following quoted text:

QUOTE

9.2.1 The Seller will transfer title to the Aircraft to the Buyer free and clear of all liens, charges, hypothecations, mortgages and other encumbrances (except for any liens or encumbrances created by or on behalf of the Buyer), provided that the Balance of the Final Contract Price has been paid by the Buyer pursuant to Clause 5.4 and that the Certificate of Acceptance has been signed and delivered to the Seller pursuant to Clause 8.3. The Seller will provide the Buyer with (a) a bill of sale in (i) the form set forth in Exhibit E-1, if the Delivery Location is in Mobile, Alabama and (ii) in the form set forth in Exhibit E-2, if the Delivery Location is in any place other than Mobile, Alabama (the “**Bill of Sale**”), and/or (b) such other documentation confirming transfer of title and receipt of the Final Contract Price as may reasonably be requested by the Buyer and (c) if Mobile, Alabama is the Delivery Location, a warranty from Airbus S.A.S in the form of Exhibit J (the “**Airbus S.A.S Warranty**”). Property interest in and risk of loss of or damage to the Aircraft will also be transferred to the Buyer on Delivery.

UNQUOTE

1.10.3 BFE

Clause 18 of the Agreement is deleted in its entirety and is replaced with Clause 18 set forth in Appendix 1.

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1.11 Exhibits

- (i) Exhibit A-1B set forth hereto is hereby added to the Agreement.
  - (ii) Exhibit A-3B set forth hereto is hereby added to the Agreement.
  - (iii) Exhibit A-4B to the Agreement is deleted in its entirety and is replaced with the Exhibit A-4B set forth hereto.
  - (iv) Exhibit A-4C to the Agreement is deleted in its entirety and is replaced with the Exhibit A-4C set forth hereto.
  - (v) Exhibit A-4D to the Agreement is deleted in its entirety and is replaced with the Exhibit A-4D set forth hereto.
  - (vi) Exhibit A-4E to the Agreement is deleted in its entirety and is replaced with the Exhibit A-4E set forth hereto.
  - (vii) Exhibit A-4F to the Agreement is deleted in its entirety and is replaced with the Exhibit A-4F set forth hereto.
  - (viii) Exhibit G-2 to the Agreement is deleted in its entirety and is replaced with the Exhibit G-2 set forth hereto.
  - (ix) Exhibit H-4 to the Agreement is deleted in its entirety and is replaced with the Exhibit H-4 set forth hereto.
  - (x) Exhibit D is deleted in its entirety and replaced with Exhibits D-1 and D-2 attached hereto.
  - (xi) Exhibit E is deleted in its entirety and replaced with Exhibits E-1 and E-2 attached hereto.
  - (xii) Exhibit J attached hereto, is hereby added to the Agreement.
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1.12 Table of Contents

1.12.1 The reference to Exhibit D in the Table of Contents to the Agreement is deleted in its entirety and replaced with the following quoted text:

QUOTE

EXHIBIT D-1       FORM OF CERTIFICATE OF ACCEPTANCE (MOBILE DELIVERIES)

EXHIBIT D-2       FORM OF CERTIFICATE OF ACCEPTANCE (BLAGNAC/HAMBURG DELIVERIES)

UNQUOTE

1.12.2 The reference to Exhibit E in the Table of Contents to the Agreement is deleted in its entirety and replaced with the following quoted text:

QUOTE

EXHIBIT E-1 FORM OF BILL OF SALE (MOBILE DELIVERIES)

EXHIBIT E-2       FORM OF BILL OF SALE (BLAGNAC/HAMBURG DELIVERIES)

UNQUOTE

1.12.3 A new reference to Exhibit J is added to the Table of Contents to the Agreement in appropriate alphabetical order with the following quoted text:

QUOTE

EXHIBIT J   FORM OF AIRBUS S.A.S. WARRANTY

UNQUOTE

**2   EFFECT OF THE AMENDMENT**

2.1   The Agreement as amended by this Amendment contains the entire agreement between the Parties with respect to the subject matter hereof and supersedes any previous understanding, commitments or representations whatsoever, whether oral or written between the Buyer and the Seller regarding such subject matter.

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- 2.2 Notwithstanding the provisions of Paragraph 2.1 above, any SCNs executed by the Buyer and the Seller pursuant to Clause 2.2.1 of the Agreement (i) prior to the date hereof and (ii) in respect of any Aircraft which remain to be delivered, shall remain in full force and effect, except as may be otherwise agreed in writing between the Parties.
- 2.3 The Agreement will be deemed amended to the extent provided in this Amendment and, except as specifically amended hereby, will continue in full force and effect in accordance with its original terms.

**3 CONFIDENTIALITY**

This Amendment and the terms and condition hereof are subject to the terms and conditions of Clause 22.7 of the Agreement.

**4 GOVERNING LAW**

- 4.1 THIS AMENDMENT AND THE AGREEMENTS CONTEMPLATED HEREIN WILL BE GOVERNED BY AND CONSTRUED AND THE PERFORMANCE THEREOF WILL BE DETERMINED IN ACCORDANCE WITH THE PROVISIONS OF CLAUSE 22.4 OF THE AGREEMENT.
- 4.2 IT IS AGREED THAT THE UNITED NATIONS CONVENTION ON CONTRACTS FOR THE INTERNATIONAL SALE OF GOODS WILL NOT APPLY TO THIS AMENDMENT.

**5 COUNTERPARTS**

This Amendment may be executed by the Parties hereto in separate counterparts, each of which when so executed will be an original, but all such counterparts will together constitute one and the same instrument. Such counterparts may be delivered via facsimile and/or electronic mail (provided that an original is subsequently delivered).

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IN WITNESS WHEREOF, the Parties have caused this Amendment to be signed by their respective officers thereunto duly authorized as of the day and year first above written.

SPIRIT AIRLINES, INC.

AIRBUS S.A.S.

By: /s/ Edward Christie  
Its: SVP and CFO

By: /s/ Christophe Mourey  
Its: SVP Contracts

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## 18 Buyer Furnished Equipment

### 18.1 Administration

18.1.1.1 In accordance with the Specification, the Seller shall install those items of equipment that are identified in the Specification as being furnished by the Buyer (" **Buyer Furnished Equipment** " or " **BFE** "), provided that the BFE and the supplier of such BFE (the " **BFE Supplier** ") are referred to in the Airbus BFE Product Catalog valid at the time the BFE Supplier is selected.

18.1.1.2 Notwithstanding the foregoing and without prejudice to Clause 2.4, if the Buyer wishes to install BFE manufactured by a supplier who is not referred to in the Airbus BFE Product Catalog, the Buyer shall so inform the Seller and the Seller shall conduct a feasibility study of the Buyer's request, in order to consider approving such supplier, provided that such request is compatible with the Seller's industrial planning and the associated Scheduled Delivery Month for the Buyer's Aircraft. In addition, it is a prerequisite to such approval that the considered supplier be qualified by the Seller's Aviation Authorities to produce equipment for installation on civil aircraft. Any approval of a supplier by the Seller shall be performed at the Buyer's expense. The Buyer shall cause any BFE supplier approved under this Clause 18.1.1.2 (each an " **Approved BFE Supplier** ") to comply with the conditions set forth in this Clause 18 and specifically Clause 18.2.

Except for the specific purposes of this Clause 18.1.1.2, the term "BFE Supplier" shall be deemed to include Approved BFE Suppliers.

18.1.2.1 The Seller shall advise the Buyer of the dates by which, in the planned release of engineering for the Aircraft, the Seller requires a written detailed engineering definition, encompassing a Declaration of Design and Performance (the " **BFE Engineering Definition** "). The Seller shall provide to the Buyer and/or the BFE Supplier(s), within an appropriate timeframe, the necessary interface documentation to enable the development of the BFE Engineering Definition.

The BFE Engineering Definition shall include the description of the dimensions and weight of BFE, the information related to its certification and the information necessary for the installation and operation thereof, including when applicable 3D models compatible with the Seller's systems. The Buyer shall furnish, or cause the BFE Suppliers to furnish, the BFE Engineering Definition by the dates specified.

Thereafter, the BFE Engineering Definition shall not be revised, except through an SCN executed in accordance with Clause 2.

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18.1.2.2 The Seller shall also provide in due time to the Buyer a schedule of dates and the shipping addresses for delivery of the BFE and, where requested by the Seller, additional spare BFE to permit installation in the Aircraft and Delivery of the Aircraft in accordance with the Aircraft delivery schedule. The Buyer shall provide, or cause the BFE Suppliers to provide, the BFE by such dates in a serviceable condition, in order to allow performance of any assembly, installation, test or acceptance process in accordance with the Seller's industrial schedule. In order to facilitate the follow-up of the timely receipt of BFE, the Buyer shall, upon the Seller's request, provide to the Seller dates and references of all BFE purchase orders placed by the Buyer.

The Buyer shall also provide, when requested by the Seller, at Airbus Operations S.A.S. works in Toulouse, France, at Airbus Operations GmbH Works in Hamburg, Germany and/or the Airbus Americas Inc. facility in Mobile, Alabama, as applicable, adequate field service including support from BFE suppliers to act in a technical advisory capacity to the Seller in the installation, calibration and possible repair of any BFE.

18.1.3 Without prejudice to the Buyer's obligations hereunder, in order to facilitate the development of the BFE Engineering Definition, the Seller shall organize meetings between the Buyer and BFE Suppliers. The Buyer hereby agrees to participate in such meetings and to provide adequate technical and engineering expertise to reach decisions within the defined timeframe.

In addition, throughout the development phase and up to Delivery of the Aircraft to the Buyer, the Buyer agrees:

- to monitor the BFE Suppliers and ensure that they shall enable the Buyer to fulfil its obligations, including but not limited to those set forth in the Customization Milestone Chart;
  - that, should a timeframe, quality or other type of risk be identified at a given BFE Supplier, the Buyer shall allocate resources to such BFE Supplier so as not to jeopardize the industrial schedule of the Aircraft;
  - for major BFE, including, but not being limited to, seats, galleys and IFE ("Major BFE") to participate on a mandatory basis in the specific meetings that take place between BFE Supplier selection and BFE delivery, namely:
    - Preliminary Design Review ("PDR"),
    - Critical Design Review ("CDR");
  - to attend the First Article Inspection ("FAI") for the first shipset of all Major BFE. Should the Buyer not attend such FAI, the Buyer shall delegate the FAI
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to the BFE Supplier and confirmation thereof shall be supplied to the Seller in writing:

- to attend the Source Inspection ("SI") that takes place at the BFE Supplier's premises prior to shipping, for each shipset of all Major BFE. Should the Buyer not attend such SI, the Buyer shall delegate the SI to the BFE Supplier and confirmation thereof shall be brought to the Seller in writing. Should the Buyer not attend the SI, the Buyer shall be deemed to have accepted the conclusions of the BFE Supplier with respect to such SI.

The Seller shall be entitled to attend the PDR, the CDR and the FAI. In doing so, the Seller's employees shall be acting in an advisory capacity only and at no time shall they be deemed to be acting as Buyer's employees or agents, either directly or indirectly.

- 18.1.4.1 The BFE shall be imported into FRANCE or into GERMANY by the Buyer under a suspensive customs system ("Régime de l'entrepôt douanier ou régime de perfectionnement actif " or "Zollverschluss") without application of any French or German tax or customs duty, and shall be Delivered At Place (DAP) according to the Incoterms, to the following shipping addresses:

AIRBUS OPERATIONS S.A.S.  
316 Route de Bayonne  
31300 TOULOUSE  
FRANCE

or

AIRBUS OPERATIONS GmbH  
Kreetslag 10  
21129 HAMBURG  
GERMANY

or such other location as may be specified by the Seller.

- 18.1.4.2 BFE delivered to the Seller's Affiliate in Mobile, Alabama, as may be specified by the Seller pursuant to Clause 18.1.4.1, will be shipped according to the Incoterms 2010 "Delivered Duty Paid" Airbus Americas, Inc., Mobile, Alabama.
- 18.1.5 If the Buyer requests the Seller to supply directly certain items that are considered BFE according to the Specification, and if such request is notified to the Seller in due time in order not to affect the delivery date of the Aircraft, the Seller will agree to order such items subject to the execution of an SCN reflecting the effect on price, escalation adjustment, and any other conditions of the Agreement including a handling charge in the amount of [\*\*\*] of the cost of the BFE item for any items up
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to [\*\*\*]. If the cost of the BFE item exceeds [\*\*\*] the Buyer and the Seller will execute an SCN reflecting the cost of such BFE and a handling charge to be mutually agreed upon execution of such SCN. The Seller will bear no liability in respect of delay and product support commitments for such items.

## 18.2 Requirements

The Buyer is responsible for ensuring, at its expense, and warrants that the BFE shall:

- be manufactured by a qualified BFE Supplier, and
- meet the requirements of the applicable Specification of the Aircraft, and
- be delivered with the relevant certification documentation, including but not limited to the DDP, and
- comply with the BFE Engineering Definition, and
- comply with applicable requirements incorporated by reference to the Type Certificate and listed in the Type Certificate Data Sheet, and
- be approved by the Aviation Authority issuing the Export Airworthiness Certificate and by the Buyer's Aviation Authority for installation and use on the Aircraft at the time of Delivery of the Aircraft, and
- not infringe any patent, copyright or other intellectual property right of the Seller or any third party, and
- not be subject to any legal obligation or other encumbrance that may prevent, hinder or delay the installation of the BFE in the Aircraft and/or the Delivery of the Aircraft.

The Seller shall be entitled to refuse any item of BFE that it considers incompatible with the Specification, the BFE Engineering Definition or the certification requirements.

## 18.3 Buyer's Obligation and Seller's Remedies

### 18.3.1 Any delay or failure in

- (i) furnishing the BFE in serviceable condition at the requested delivery date,
  - (ii) complying with Clause 18.2 or in providing the descriptive information or service representatives required by Clause 18.1.1, or
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- (iii) obtaining any required approval for such equipment under the Aviation Authorities' regulations

may delay the performance of any act to be performed by the Seller, and cause the Final Contract Price of the Aircraft to be adjusted in accordance with the updated delivery schedule and the provisions of Clause 10. The additional costs the Seller incurs that are attributable in any material degree to such delay for storage, taxes, insurance and out of sequence installation shall be for the Buyer's account. The Seller shall use its reasonable efforts to minimize or mitigate such delay.

18.3.2 The Buyer will use reasonable commercial efforts to monitor the manufacturing, inspection and timely availability of BFE to meet the Seller's delivery requirements.

- (i) if the Buyer discovers that the BFE delivery program is behind schedule and determines in conjunction with the BFE manufacturer that the Seller's delivery requirements cannot be met, the Buyer will, without delay, notify the Seller of the situation and of the expected delivery dates. The Buyer and Seller will mutually agree on a plan to minimize any additional costs for changes to the Seller's production program to accommodate the delay in BFE delivery. Any such additional costs will be borne by the Buyer.
- (ii) provided such delay is in excess of [\*\*\*] and a mutual agreement with respect to a recovery plan referred to in (i) above has not been reached, in addition to the consequences outlined in Clause 18.3.1, in the event of a delay or failure described in 18.3.1, the Seller, using reasonable efforts to mitigate cost, may select, purchase and install equipment similar to the BFE at issue, in which event the Final Contract Price of the affected Aircraft will also be increased by the actual purchase price of such equipment, plus handling charge in the amount of [\*\*\*] of the purchase price of the BFE item and the cost of transportation, insurance, packaging and, if required and not already provided for in the price of the Aircraft, for inspection, acceptance, adjustment and calibration; or
- (iii) if the BFE is delayed more than [\*\*\*] beyond, or unapproved within, [\*\*\*] of the date referenced in Clause 18.1.1, then the Seller may deliver or the Buyer may elect to have the Aircraft delivered without the installation of such BFE, notwithstanding the terms of Clause 7.2 insofar as it may otherwise have applied, whereon the Seller will be relieved of all obligations to install such equipment.

#### 18.4 Title and Risk of Loss

Title to and risk of loss of BFE will at all times remain with the Buyer, except that risk of loss (limited to cost of replacement of said BFE and excluding in particular

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loss of use) will be with the Seller for as long as the BFE is in the care, custody and control of the Seller.

#### 18.5 Disposition of BFE Following Termination

- 18.5.1 If a termination of this Agreement pursuant to the provisions of Clause 21 hereof occurs with respect to an Aircraft in which all or any part of the BFE has been installed prior to the date of such termination, the Seller will be entitled, but not required, to remove all items of BFE which can be removed without damage to the Aircraft and to undertake commercially reasonable efforts to facilitate the sale of such items of BFE to other customers, retaining and applying the proceeds of such sales to reduce Seller's damages resulting from the termination.
- 18.5.2 The Buyer will cooperate with the Seller in facilitating the sale of BFE pursuant to Clause 18.5.1 above and will be responsible for all reasonable costs incurred by the Seller in removing and facilitating the sale of such BFE. The Buyer will reimburse the Seller for all such reasonable costs within [\*\*\*] of receiving documentation substantiating such costs from the Seller.
- 18.5.3 The Seller will notify the Buyer as to those items of BFE not sold by the Seller pursuant to Clause 18.5.1 above and, at the Seller's request, the Buyer will undertake to remove such items from the Seller's facility within [\*\*\*] of the date of such notice. The Buyer will have no claim against the Seller for damage or destruction of any item of BFE removed from the Aircraft and not removed from Seller's facility within such period.
- 18.5.4 The Buyer will have no claim against the Seller for damage to or destruction of any item of BFE damaged or destroyed in the process of being deinstalled from the Aircraft, provided that the Seller shall have used reasonable care in such deinstallation.
- 18.5.5 The Buyer at no cost to the Seller will grant title to the Seller for any BFE items that cannot be removed from the Aircraft without causing damage to the Aircraft or rendering any system in the Aircraft unusable.
- 18.5.6 If the termination was not a result of an Excusable Delay attributable to the Buyer or a Buyer Termination Event, the Seller shall pay the Buyer for the cost of such BFE.

UNQUOTE

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**A319-100N Standard Specification Iss. 1  
has been provided to the Buyer separately**

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**A321-200N Standard Specification Iss. 1  
has been provided to the Buyer separately**

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**SPIRIT AIRLINES - Customization SCN List**

A320-200

Based on Standard Specification A320-200 issue 8.0 dated 20 June 2011



A320-200 Aircraft

ATA	TITLE	A320-200 SCNs \$US DC01/11 per aircraft	Estimated BFE Budget \$US DC01/11 per aircraft
***		***	***
***		***	***
***		***	***

TOTAL OF SCN AND ESTIMATED BFE BUDGET - \$US DC01/2011 PER AIRCRAFT [\*\*\*] [\*\*\*]

(\*) : The indicated thrust is the Airbus Equivalent Thrust at Mach number 0.25 / ISA +15C / sea level thrust divided by 0.8 (representative of sea level aircraft performance). It may differ from the nominal thrust that will be eventually indicated by the engine manufacturer.



**SPIRIT AIRLINES - Customization SCN List**  
**A320-200N**

Based on A320-200N Standard Specification 1.0 dated 21st december 2013



A320 Neo Aircraft

ATA	TITLE	A320-200 SCN \$ US DC01/11 per aircraft	Estimated BFE Budget \$ US DC01/11 per aircraft
[***]		[***]	[***]
[***]		[***]	[***]
[***]		[***]	[***]

TOTAL OF SCN AND ESTIMATED BFE BUDGET - \$US DC01/2011 PER AIRCRAFT [\*\*\*] [\*\*\*]

(\*) : The indicated thrust is the Airbus Equivalent Thrust at Mach number 0.25 / ISA +15C / sea level thrust divided by 0.8 (representative of sea level aircraft performance). It may differ from the nominal thrust that will be eventually indicated by the engine manufacturer.



**SPIRIT AIRLINES - Customization SCN List**

A319-100 NEO

Based on A319-100N Standard Specification 1.0 dated 1<sup>st</sup> July 2014



A319neo Aircraft

ATA	TITLE	A319-100 SCNs \$US DC01/11 per aircraft	Estimated BFE Budget \$US DC01/11 per aircraft
[***]		[***]	[***]
[***]		[***]	[***]
[***]		[***]	[***]

TOTAL OF SCNS AND ESTIMATED BFE BUDGET - \$US DC01/2011 PER AIRCRAFT [\*\*\*] [\*\*\*]

(\*) - The current design weights offered for the A320 Family Aircraft may be subject to adjustment.  
 (\*\*) - The indicated thrust is the Airbus Equivalent Thrust at Mach number 0.25 / ISA +15C / sea level thrust divided by 0.8 (representative of sea level aircraft performance). It may differ from the nominal thrust that will be eventually indicated by the engine manufacturer.



**SPIRIT AIRLINES - Customization SCN List**  
**A321-200 NEO**

Based on A321-200 Standard Specification 1.0 dated 23th december 2014



A321-200Neo Aircraft

ATA	TITLE	A321-200 NEO SCNs \$US DC01/11 per aircraft	Estimated BFE Budget \$US DC01/11 per aircraft
[***]		[***]	[***]
[***]		[***]	[***]
[***]		[***]	[***]

TOTAL OF SCNS AND ESTIMATED BFE BUDGET - \$US DC01/2011 PER AIRCRAFT [\*\*\*] [\*\*\*]

(\*) : MLW and MZFW are indicative design weights representative of the A321-200 with NEO option.  
 NEO design weights shall be updated with the final specification.  
 (\*\*): The indicated thrust is the Airbus Equivalent Thrust at Mach number 0.25 / ISA +15C / sea level thrust divided by 0.8  
 (representative of sea level aircraft performance). It may differ from the nominal thrust that will be eventually indicated by the engine manufacturer.

**AIRBUS** **SPRIT AIRLINES - Customization SCN List**  
**A321-200**  
 Based on A321-200 Standard Specification 5.0 dated 20th June 2011



A321-200 Aircraft

ATA	TITLE	A321-200 SCNs \$US DC01/11 per aircraft	Estimated BFE Budget \$US DC01/11 per aircraft
[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]

**TOTAL SCN List & Estimated BFE Budget - \$US DC01/2011 PER AIRCRAFT**      [\*\*\*]      [\*\*\*]

(\*\*): The indicated thrust is the Airbus Equivalent Thrust at Mach number 0.25 / ISA +15C / sea level thrust divided by 0.8 (representative of sea level aircraft performance). It may differ from the nominal thrust that will be eventually indicated by the engine manufacturer.

**CERTIFICATE OF ACCEPTANCE**

In accordance with the terms of clause \_\_\_\_ of the \_\_\_\_ purchase agreement dated \_\_\_\_\_ and made between Spirit Airlines, Inc (the “ **Customer** ”) and Airbus S.A.S., as amended and supplemented from time to time (the “ **Purchase Agreement** ”), the technical acceptance tests relating to one Airbus A3\_\_-\_\_ aircraft bearing manufacturer’s serial number \_\_\_\_ and registration mark \_\_\_\_ (the “ **Aircraft** ”) have taken place in Mobile, Alabama, United States.

In view of said tests having been carried out with satisfactory results, the Customer, hereby approves the Aircraft as being in conformity with the provisions of the Purchase Agreement and accepts the Aircraft for delivery in accordance with the provisions of the Purchase Agreement.

Such acceptance shall not impair the rights that may be derived from the warranties relating to the Aircraft set forth in the Purchase Agreement.

Any right at law or otherwise to revoke this acceptance of the Aircraft is hereby irrevocably waived.

IN WITNESS WHEREOF, the Customer, has caused this instrument to be executed by its duly authorised representative this \_\_\_\_ day of \_\_\_\_\_ in Mobile, Alabama, United States.

**SPIRIT AIRLINES, INC.**

Name:

Title:

Signature:



**CERTIFICATE OF ACCEPTANCE**

In accordance with the terms of clause \_\_\_\_ of the \_\_\_\_ purchase agreement dated \_\_\_\_\_ and made between Spirit Airlines, Inc (the “ **Customer** ”) and Airbus S.A.S., as amended and supplemented from time to time (the “ **Purchase Agreement** ”), the technical acceptance tests relating to one Airbus A3\_\_-\_\_ aircraft bearing manufacturer’s serial number \_\_\_\_ and registration mark \_\_\_\_ (the “ **Aircraft** ”) have taken place in [Blagnac, France /or Hamburg, Germany /or Tianjin, People’s Republic of China].

In view of said tests having been carried out with satisfactory results, the Customer, hereby approves the Aircraft as being in conformity with the provisions of the Purchase Agreement and accepts the Aircraft for delivery in accordance with the provisions of the Purchase Agreement.

Such acceptance shall not impair the rights that may be derived from the warranties relating to the Aircraft set forth in the Purchase Agreement.

Any right at law or otherwise to revoke this acceptance of the Aircraft is hereby irrevocably waived.

IN WITNESS WHEREOF, the Customer, has caused this instrument to be executed by its duly authorised representative this \_\_\_\_ day of \_\_\_\_\_ in [Blagnac, France /or Hamburg, Germany /or Tianjin, People’s Republic of China].

**SPIRIT AIRLINES, INC.**

Name:

Title:

Signature:





**BILL OF SALE**

Know all men by these presents that Airbus Americas Inc., a Delaware corporation having its principal place of business at 2550 Wasser Terrace, Suite 9100, Herndon, VA 20171, United States (the "Seller"), was, this \_\_\_\_ day of \_\_\_\_\_, the owner of the title to the following airframe (the "Airframe"), the [engines/propulsion systems] as specified (the "[Engines / Propulsion Systems] ") and all appliances, components, parts, instruments, accessories, furnishings, modules and other equipment of any nature, excluding buyer furnished equipment, ("BFE"), incorporated therein, installed thereon or attached thereto on the date hereof (the "Parts"):

**AIRFRAME : [ ENGINES / PROPULSION SYSTEMS ]:**  
AIRBUS Model A3[•]-[•] [manufacturer] Model \_\_\_\_\_

**MANUFACTURER'S SERIAL NUMBER :**

**ENGINE SERIAL NUMBERS :**

\_\_\_\_ LH: \_\_\_\_\_

RH: \_\_\_\_\_

**REGISTRATION MARK :** \_\_\_\_\_

The Airframe, [Engines/Propulsion Systems] and Parts are hereafter together referred to as the "Aircraft".

The Seller did, this \_\_\_\_ day of \_\_\_\_\_, sell, transfer and deliver all of its above described rights, title and interest in and to the Aircraft to the following entity and to its successors and assigns forever, said Aircraft to be the property thereof:

[Insert Name and Address of Buyer]  
(the "Buyer")

The Seller hereby warrants to the Buyer, its successors and assigns that it had good and lawful right to sell, deliver and transfer title to the Aircraft to the Buyer and that there was conveyed to the Buyer good, legal and valid title to the Aircraft, free and clear of all liens, claims, charges, encumbrances and rights of others and that the Seller will warrant and defend such title forever against all claims and demands whatsoever.

This Warranty Bill of Sale is governed by and shall be construed in accordance with the laws of the State of New York.



IN WITNESS WHEREOF, the Seller has caused this instrument to be executed by its duly authorized representative this \_\_\_\_ day of \_\_\_\_\_ in Mobile, Alabama, United States.

**AIRBUS AMERICAS INC.**

By: \_\_\_\_\_  
Name:  
Title:

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**BILL OF SALE**

Know all men by these presents that Airbus S.A.S., a *société par actions simplifiée* existing under French law and having its principal office at 1 rond-point Maurice Bellonte, 31707 Blagnac Cedex, FRANCE (the “**Seller**”), was this [ *day* ] [ *month* ] [ *year* ] the owner of the title to the following airframe (the “**Airframe**”), the [engines/propulsion systems] as specified (the “[**Engines / Propulsion Systems**]”) and [all appliances, components, parts, instruments, appurtenances, accessories, furnishings, modules and other equipment of any nature, excluding buyer furnished equipment (“**BFE**”), incorporated therein, installed thereon or attached thereto on the date hereof (the “**Parts**”):

**AIRFRAME :**

AIRBUS Model A3[•]-[•]

**DATE OF MANUFACTURE :** [•]

**MANUFACTURER'S**

**SERIAL NUMBER :** [•]

**REGISTRATION MARK :** [•]

**[ ENGINES / PROPULSION SYSTEMS ] :**

[Insert name of engine or propulsion system manufacturer] Model [•]

**ENGINE SERIAL NUMBERS :**

LH: [•]

RH: [•]

The Airframe, [Engines/Propulsion Systems] and Parts are hereafter together referred to as the “**Aircraft**”.

The Seller does this \_\_\_ day of [month] [year], grant, convey, bargain, sell, transfer, deliver and set over all of its rights, title and interest in and to the Aircraft to the following entity and to its successors and assigns forever, such Aircraft to be the property thereof:

[ *Insert Name/Address of Buyer* ]  
(the “**Buyer**”)

The Seller hereby warrants to the Buyer, its successors and assigns that it has [(i)] good and lawful right to sell, deliver and transfer title to the Aircraft to the Buyer and that there is hereby conveyed to the Buyer good, legal and valid title to the Aircraft, free and clear of all liens, claims, charges, encumbrances and rights of others and that the Seller will warrant and defend such title forever against all claims and demands whatsoever.

This Warranty Bill of Sale will be governed by and construed in accordance with the laws of [ *same governing law as the Purchase Agreement* ].



IN WITNESS WHEREOF, the undersigned has caused this instrument to be executed by its duly authorized representative this \_\_\_\_ day of [month], [year] in [Blagnac, France/Hamburg, Germany].

**AIRBUS S.A.S.**

By: \_\_\_\_\_  
Name:  
Title:

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SELLER PRICE REVISION FORMULA 2011

1.1 Base Prices

The Base Prices of the Airframes of the applicable Aircraft are as quoted in Clause 3.1 of the Agreement and are subject to adjustment for changes in economic conditions as measured by data obtained from the [\*\*\*]

1.2 [\*\*\*]

[\*\*\*]

1.3 [\*\*\*]

[\*\*\*]

1.4 [\*\*\*]

[\*\*\*]

1.5 [\*\*\*]

1.5.1 [\*\*\*]

[\*\*\*]

1.5.2 [\*\*\*]

[\*\*\*]

1.5.3 [\*\*\*]

[\*\*\*]

1.5.4 [\*\*\*]

[\*\*\*]

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**IAE LLC PRICE REVISION FORMULA**

**1.1 Reference Price of the Propulsion Systems**

The Reference Prices for a set of two (2) IAE LLC PW1100G-JM Propulsion Systems are as set forth in Clause 3.1.1.3 of the Agreement.

These Reference Prices are subject to adjustment for changes in economic conditions as measured by data obtained from [\*\*\*]

**1.2** [\*\*\*]

[\*\*\*]

**1.3** [\*\*\*]

[\*\*\*]

**1.4** [\*\*\*]

[\*\*\*]

---

1.5 [\*\*\*]

1.5.1 [\*\*\*]

[\*\*\*]

1.5.2 [\*\*\*]

[\*\*\*]

1.5.3 [\*\*\*]

[\*\*\*]

1.5.4 [\*\*\*]

[\*\*\*]

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**AIRBUS S.A.S WARRANTY**

Airbus S.A.S. hereby warrants to \_\_\_\_\_ (the “ **Buyer** ”), its successors and assigns that the Bill of Sale executed by Airbus Americas Inc. dated \_\_\_\_\_ and relating to one A3 - \_\_\_\_\_ aircraft bearing MSN \_\_\_\_\_ (the “ **Aircraft** ”) conveys to the said Buyer on the date hereof good, legal and valid title to the Aircraft, the [engines/propulsion systems] as described in the Bill of Sale, appliances, parts, instruments, accessories, furnishings and other equipment, free and clear of all liens, claims, charges, encumbrances and rights of others, and that Airbus S.A.S. will warrant and defend such title to the Aircraft forever against all claims and demands whatsoever.

This Airbus Warranty is governed by and shall be construed in accordance with the laws of the State of New York.

**IN WITNESS WHEREOF** , Airbus S.A.S. has caused this Airbus Warranty to be executed by its duly authorized representative this \_\_\_\_\_ day of \_\_\_\_\_ .

**AIRBUS S.A.S.**

**By:** \_\_\_\_\_  
Name:  
Title:



## CERTIFICATION

I, Robert L. Fornaro, President and Chief Executive Officer of Spirit Airlines, Inc., certify that:

1. I have reviewed this quarterly report on Form 10-Q of Spirit Airlines, Inc. (the "Registrant");
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 described 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: July 29, 2016

/s/ Robert L. Fornaro

Robert L. Fornaro

President and Chief Executive Officer

## CERTIFICATION

I, Edward Christie, Senior Vice President and Chief Financial Officer of Spirit Airlines, Inc., certify that:

1. I have reviewed this quarterly report on Form 10-Q of Spirit Airlines, Inc. (the "Registrant");
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 described 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 Company'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: July 29, 2016

/s/ Edward M. Christie

Edward M. Christie  
Senior Vice President and  
Chief Financial Officer

**Certification of Chief Executive Officer Pursuant to 18 U.S.C. § 1350 As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

Pursuant to 18 U.S.C. § 1350, adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of Spirit Airlines, Inc. (the "Company") hereby certifies, to such officer's knowledge, that:

- (i) the Quarterly Report on Form 10-Q of the Company for the quarter ended June 30, 2016 (the "Report") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and
- (ii) the information contained in the Report fairly present, in all material respects, the financial condition and results of operations of the Company.

Date: July 29, 2016

/s/ Robert L. Fornaro

Robert L. Fornaro

President and Chief Executive Officer

**Certification of Chief Financial Officer Pursuant to 18 U.S.C. § 1350 As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

Pursuant to 18 U.S.C. § 1350, adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of Spirit Airlines, Inc. (the "Company") hereby certifies, to such officer's knowledge, that:

- (i.) the Quarterly Report on Form 10-Q of the Company for the quarter ended June 30, 2016 (the "Report") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and
- (ii.) the information contained in the Report fairly present, in all material respects, the financial condition and results of operations of the Company.

Date: July 29, 2016

/s/ Edward M. Christie

Edward M. Christie  
Senior Vice President and  
Chief Financial Officer