

**MEMORANDUM OF UNDERSTANDING**

**Between**

**ALLEGIANT AIR, LLC**

**and**

**THE PILOTS**

**in the service of**

**ALLEGIANT AIR, LLC**

**as represented by**

**INTERNATIONAL BROTHERHOOD OF TEAMSTERS,**

**AIRLINE DIVISION**

**Regarding**

**LOS ANGELES DOMICILE CLOSURE**

This Memorandum of Understanding (“MOU”) is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between ALLEGIANT AIR, LLC (the “Company”), its successors and assigns, and the Pilots in the service of ALLEGIANT AIR, LLC, as represented by the International Brotherhood of Teamsters, Airline Division, (the “Union”).

**WHEREAS**, the Company and the Union are parties to a collective bargaining agreement covering the Company’s Pilots, with an effective date of August 1, 2016 (the “CBA”); and

**WHEREAS**, on March 3, 2025, the Company announced the closing of the Pilot Domicile located at the Los Angeles International Airport (“LAX”), effective September 2, 2025; and

**WHEREAS**, the Company and the Union desire to address the impact of the closing of the LAX Domicile on the Pilots currently based there.

**IT IS THEREFORE AGREED AS FOLLOWS:**

1. The Company shall post a bid for the Pilots affected by the closing of the LAX Domicile (the “LAX Domicile Closing Bid”).
  - a. The LAX Domicile Closing Bid shall not be considered a Vacancy Bid under Section 12 of the CBA.
  - b. Only those Pilots who hold a current or future vacancy award as an LAX Captain or First Officer as of March 3, 2025, and who have not voluntarily bid out of their LAX Vacancy prior to the opening of the LAX Domicile Closing Bid (the “Affected LAX Pilots”), shall participate in the LAX Domicile Closing Bid.

- i. An Affected LAX Pilot that holds a vacancy award of LAX Captain or First Officer as of March 3, 2025, with a future effective date (i.e., not yet based in LAX as of March 3, 2025) shall have the option to either maintain or withdraw from their LAX vacancy award.
  - 1. An Affected LAX Pilot who elects to withdraw from their LAX vacancy award must do so within fourteen (14) days of this MOU being fully executed by emailing [Flight.Operations@allegiantair.com](mailto:Flight.Operations@allegiantair.com). A Pilot who elects this option shall be returned to the Domicile and Position vacancy they held prior to being awarded LAX, and will not be entitled to the LAX Domicile closing benefits outlined in this agreement (i.e. not eligible for Moving Expenses and not eligible to participate in the LAX Domicile Closing Bid).
  - 2. An Affected LAX Pilot who elects to maintain their LAX vacancy award shall begin operating in LAX at their awarded effective date, and will be entitled to the benefits outlined in this agreement.
- c. Any LAX pilot that had been awarded a bid out of LAX during a voluntary CBA Section 12 vacancy bid prior to the announcement of the closure of LAX on March 3, 2025, shall not be covered by this MOU nor be entitled to any benefits outlined in this agreement even if the new award had not yet taken effect as of March 3, 2025.
- 2. The Company shall post the LAX Domicile Closing Bid electronically no later than May 26, 2025, after the conclusion of the May system vacancy bid (if applicable) and it shall remain open for at least seven (7) calendar days. LAX Domicile Closing Bid results will be posted electronically within seven (7) days of the bid closing.
- 3. The LAX Domicile Closing Bid notice shall state the number of Positions affected, the names of the Affected LAX Pilots, the effective date of the LAX Domicile Closing Bid, the maximum number of Virtual Base Domicile (“VBD”) Positions into which the Affected LAX Pilots may be absorbed, and that there is no maximum number of opportunities in Domiciles into which the Affected LAX Pilots may be absorbed.
- 4. The LAX Domicile Closing Bid shall not contain any new Vacancies.
- 5. All Affected LAX Pilots, as defined in this MOU, shall be eligible to participate in the Domicile Closing Bid and, as such, will be required to update their Standing Base Bid preferences to reflect the other Domicile(s) into which they wish to be absorbed in their most recently awarded LAX Position (current Equipment & Seat).
- 6. An Affected LAX Pilot will be permitted to exercise their seniority in their current Position (i.e., Equipment and Seat) in another Domicile if that Pilot is more senior than the most junior Pilot in that Position and Domicile.
  - a. When determining whether an LAX Pilot is more senior to the most junior Pilot in each Domicile for purposes of being absorbed during the LAX Domicile Closing Bid, the determination of relevant seniority will be based on all system vacancy awards and system seniority after the conclusion of the May 2025 system vacancy bid month in accordance with CBA section 12.

7. The effective date for each Pilot's new Domicile award from the LAX Domicile Closing Bid will be October 1, 2025. The effective date of a Pilot's new Domicile award may be earlier than October 1, 2025, if the Pilot voluntarily bids out of their LAX Vacancy pursuant to Section 12 of the CBA during a System Vacancy Bid.
  8. No Pilots in their Position and Domicile into which the Affected LAX Pilots are absorbed shall be displaced as a result of the LAX Domicile Closing Bid.
  9. An Affected LAX Pilot on a Leave of Absence pursuant to CBA Section 8 of the CBA shall still be eligible to participate in the LAX Domicile Closing Bid. If the Affected LAX Pilot who is on a Leave of Absence is unable to participate in the bid due to their leave, upon return from Leave of Absence, they shall have up to seven (7) days to update their Standing Base Bid preferences to reflect the Domicile in which they wish to be absorbed, which shall be processed in accordance with this MOU.
10. Base Closure Expenses

- a. All Affected LAX Pilots for whom LAX Captain or LAX First Officer is their most future awarded vacancy award as of March 3, 2025, regardless of whether they were entitled to participate in the LAX Domicile Closing Bid (i.e., those who voluntarily bid out of their LAX Vacancies before the opening of the LAX Domicile Closing Bid), shall, pursuant to the requirements of Section 6.E.6 of the CBA and this MOU, be entitled to receive the moving benefits associated with Section 6.E., except that Section 6.E.2.b. shall be modified for these express purposes to reflect the following:

- i. Transition Month

1. For the purposes of this agreement, Pilots affected by the closure of the LAX base shall be considered transferred to their new assigned base on September 2, 2025
2. Pilots who have not bid out of LAX voluntarily shall not bid for a September schedule. The Company shall pre-plan such Days Off from September 2-30, 2025.
3. Such Pilots shall receive a Monthly Minimum Guarantee of eighty-one (81) hours for the entire Bid Period, unless the pilot is on a Leave of Absence who will be governed by Section 8 of the CBA for compensation.
4. An affected LAX Pilot who bid out of their LAX vacancy prior to the 'LAX Domicile Closing Bid' with an awarded effective date and/or training date prior to October 1<sup>st</sup>, 2025, shall bid for their September 2025 schedule per normal bidding processes and/or continue with their currently scheduled training footprint.

ii. Per Diem

1. For the transition month, if an affected pilot is displaced from LAX, he shall receive the following FY 2025 Federal CONUS NSA (non-standard area—Los Angeles) per diem rates as published by the GSA for the month of the move.
  - a. Lodging: \$191 per night
  - b. Meals and Incidental Expenses (M&IE): \$86 per day.
  - c. First and last day of travel: \$64.50. (two days total)

iii. Lease Termination

1. The Company shall pay all verified and documented costs, penalties, and fees associated with early lease/rent termination.

iv. Moving Expenses

1. Reimbursed moves shall receive a moving stipend based on the table below (subject to proof of domicile relocation). Proof of relocation includes providing the company's requested documentation that demonstrates that the pilot has fully executed a move of the actual principal residence to their newly awarded domicile. The listed limits shall include:
  - a. Packing
  - b. Transportation
  - c. Temporary Storage Locker for either side of the move, not to exceed eighteen (18) months.

| <u>Domicile to Domicile</u> | <u>Amount</u> |
|-----------------------------|---------------|
| 120 – 2,000+ Miles -        | \$12,500      |
| Commuters -                 | \$1,200       |

- b. The timeline for Moving Expense eligibility in Section 6.E.6. of the CBA shall be extended from nine (9) months to eighteen (18) months following the effective date of the transfer to the new Domicile to complete the move and submit documentation for any stipend payment and/or benefit listed in Section 6.E.

v. Parking

1. The Company is not ceasing all operations at LAX, in addition to any parking expenses covered by the CBA and this MOU, the company shall continue to provide displaced LAX pilots with the following parking benefits:
  - a. For pilots moving to their newly awarded base, three (3) months after the transition month of September 2025, measured from September 30, 2025.
  - b. For Pilots commuting to their newly awarded base, eighteen months after the transition month, measured from September 30, 2025
  - c. Affected LAX Pilots for whom LAX Captain or LAX First Officer is their most future awarded vacancy award as of March 3, 2025, regardless of whether they were entitled to participate in the LAX Domicile Closing Bid (i.e., those who voluntarily bid out of their LAX Vacancies prior to the opening of the LAX Domicile Closing Bid), who choose not to move their principal residence to within one hundred and twenty (120) miles of their new Domicile shall be entitled to the one-time \$1,200 commuter stipend set forth in Section 6.E.2.b. of the CBA.
11. Section 6.E.2.c. of the CBA shall apply to any Pilot who voluntarily terminates their employment within ninety (90) days of submitting a moving expense stipend pursuant to this MOU.
12. This MOU is based on facts unique to the 2025 LAX Domicile closure and shall only be cited, offered or relied upon to enforce the express terms and conditions contained herein. It shall not be cited, offered or relied upon in any manner whatsoever, now or in the future, in connection with any matter involving any other Domicile closures.

This Memorandum of Understanding shall be effective on its date of signing and shall remain in full force and effect concurrent with the collective bargaining agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the representative dates set forth below.

Dated this 4<sup>th</sup> day of April, 2025.

**For the Union:**

The International Brotherhood of Teamsters,  
Teamsters Airline Division and Allegiant Air  
Pilots' Teamsters Local Union 2118

By:   
Its: Temporary Trustee

Dated this 4<sup>th</sup> day of April, 2025.

**For the Company:**

Allegiant Air, LLC

By: \_\_\_\_\_  
Its: Vice President of Labor