

Greg,

Consistent with our normal practice, the Company has been reaching out to pilots at FLL who will be affected by the upcoming closure of the FLL Airbus Domicile and the associated vacancy process. During those calls, Regional Chief Pilot Johannsen has explained that under the Company's longstanding interpretation and practice, there is no plan to conduct a Section 12.L. Displacement bid in connection with this Domicile closure because we do not anticipate that any pilots will be Displaced from their Position (i.e., Status and Equipment Type) as required to trigger Section 12.L.

This is in line with the Company's longstanding interpretation, which it has repeatedly explained to the Union. More specifically, the Company has explained that a pilot is "Displaced" within the meaning of Section 12.L. only when they are forced out of their Position (which is defined as their Status (CA/FO) and Equipment Type). That language was deliberately crafted to exclude changes to a Pilot's "Domicile," meaning that so long as a pilot is able to maintain their Status as a Captain or FO and their Equipment Type anywhere in the system, they are not subject to a Section 12.L. Displacement.

In your email below, you appear to suggest that because other fleet transitions implicated Section 12.L.'s displacement procedures, Section 12.L. must also apply here. But unlike the situation here, those past fleet transitions involved pilots who were Displaced from their Position. For example, when the company was phasing out and retiring the B757 and MD80 fleets, there was a decrease in the number of available B757 and MD80 vacancies, meaning that pilots were Displaced from their Equipment Type because they could not bid into a vacancy where that Equipment Type was available. Those pilots were therefore entitled to Section 12.L. Displacement and Exercise of Seniority rights, as they were being Displaced from their Position (i.e., Displaced from their B757 or MD80 Equipment Type). But that is not the case here. Rather, we are not reducing the number of system Airbus vacancy bids and as a result, we expect that each of the pilots at FLL will be able to retain their current Position if they so choose and thus there will be no Section 12.L. Displacements. Instead, in the case of FLL, we are closing the FLL Airbus Domicile, which is not a displacement under Section 12.L.

Next, your email states that you have heard that RCP Johannsen has been telling the pilots that the Union agrees with the Company's interpretation. I have confirmed that RCP Johannsen has not made any such representations. Instead, he has told his pilots that the union is aware of the Company's interpretation that 12.L. doesn't apply to the FLL Airbus Domicile closure.

Finally, to the extent Displacement and Seniority rights have been extended to pilots who were not forced out of their Position, that was because the parties agreed to depart from the CBA's terms – such as in our base closure MOUs – and not an agreement that 12.L. applied in those situations. That is why we offered to work with the Union again in this case to reach a voluntary MOU that provides pilots with more beneficial terms than what they are otherwise be entitled to under the current CBA. Unfortunately, the Union has refused to agree to or discuss that proposal.

For each of these reasons, the Company is in full compliance with the terms of the CBA.

Best,
Bill

Bill Fishburn | Vice President of Labor Relations
Allegiant Travel Company
1201 North Town Center Drive
Las Vegas, NV 89144