

INTERIM AGREEMENT

between

ALLEGIANT AIR, LLC

and

THE PILOTS

in the service of

ALLEGIANT AIR, LLC

as represented by

**THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS,
AIRLINE DIVISION, LOCAL 2118**

THIS INTERIM AGREEMENT ("Agreement") is made and entered into by and between ALLEGIANT AIR, LLC ("Company") and the AIRLINE PILOTS in the service of the Company, as represented by THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS, AIRLINE DIVISION ("Union") (collectively, "Parties").

WHEREAS, the Company and the Union are parties to a Collective Bargaining Agreement ("CBA") covering the period of August 1, 2016, through July 29, 2021, pursuant to the Railway Labor Act; and

WHEREAS, the Union and the Company are currently in negotiations with the assistance of the National Mediation Board ("NMB") for a successor CBA; and

WHEREAS, the Union and the Company wish to establish a program for retention bonuses for all current Pilots employed by the Company and any new Pilots hired by the Company on or after May 1, 2023.

NOW THEREFORE, the Union and the Company have agreed to the following terms:

1. Effective May 1, 2023, the Company shall begin accruing for a retention bonus to be paid to all currently employed Pilots, as well as those Pilots hired after the effective date of this Agreement but before the ratification date of the Parties' amended CBA, who:

- a. remain actively employed with the Company through the ratification date of the Parties' amended CBA; or
 - b. retire from the Company's employ due to reaching the FAA mandatory retirement age prior to the ratification date of the Parties' amended CBA.
2. The retention bonus shall be calculated and accrued as followed:
- a. A First Officer in their first year of Longevity shall have a retention bonus rate of 82.1% above their current base hourly rate. (i.e., $\$57.67 * 82.1\% = \105.00 / $\$105.00 - \$57.67 = \$47.33$ per hour retention bonus rate).
 - b. All other Pilots shall have a retention bonus rate of 35% above their current base hourly rate as provided in Section 3.CC. of the CBA.

Example:

- In the month of July, a Pilot who has a then current base hourly rate of \$232.00 would have a calculated per hour retention bonus rate of \$81.20 (i.e., $\$232.00 * 35\% = \81.20 / $\$313.20 - \$232.00 = \$81.20$ per hour retention bonus rate).
- c. For the purposes of payout, the retention bonus shall be calculated by multiplying the greater of a Pilot's actual monthly earned Pay Credit Hours ("PCH"), or eighty-five (85) PCH, through the date of actual ratification.

Example A:

- A Pilot with an \$81.20 per hour retention bonus rate ended the month of July with 95 PCH. This Pilot would receive a calculated retention bonus of \$7,714.00 for the month of July (i.e., $\$81.20 * 95 = \$7,714$).

Example B:

- A Pilot with an \$81.20 per hour retention bonus rate ended the month of July with 72 PCH. This Pilot would receive a calculated retention bonus of \$6,902.00 for the month of July (i.e., $\$81.20 * 85 = \$6,902.00$).
- d. The retention bonus rate shall be calculated on a Pilot's base hourly rate as provided in Section 3.CC. (i.e., to capture any received Longevity increases, and will not be eligible to include Premium Pay, VFN, JA, etc.).

3. The Company shall provide each Pilot a monthly statement of his/her potential accrued retention bonus utilizing eighty-five (85) PCH as the multiplier, with a copy to the Union. The actual calculated retention bonus amount to be paid to a Pilot will be determined following the ratification the Parties' amended CBA by utilizing the greater of that Pilot's actual monthly earned Pay Credit Hours ("PCH"), or eighty-five (85) PCH, through the date of actual ratification.
4. No later than sixty (60) days following the ratification of the Parties' amended CBA, the Company will payout the actual calculated retention bonus amount due to each Pilot. The actual calculated retention bonus amount to be paid to a Pilot will be determined following the ratification the Parties' amended CBA by utilizing the greater of that Pilot's actual monthly earned Pay Credit Hours ("PCH"), or eighty-five (85) PCH, from May 1, 2023, through the date of actual ratification, prorated accordingly for a partial month depending upon the date of actual ratification.
 - a. Prior to actual disbursement, the Company shall send notice to each Pilot of the actual calculated retention bonus amount to be paid, with a copy to the Union.
5. Any applicable Union dues on the retention bonus will be assessed at the time of payment of the retention bonus.
6. This Agreement shall remain in full force and effect from the date of execution by both the Company and Union, until the date the calculated retention bonuses are paid to Pilots. The terms and provisions of this Agreement shall not constitute the status quo in any future negotiations, mediations, or arbitrations between the parties.
7. This Agreement is based on the facts unique to this negotiation cycle and is offered on a non-precedential basis with respect to other instances involving contractual matters for bargaining unit employees covered under the CBA. 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 bargaining unit employees or the Union, excluding only a proceeding to enforce the express terms of this specific Agreement.
8. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, all of which together shall constitute one and the same instrument. Photographic and facsimile copies of such signed counterparts will be

sufficient to bind the Parties to this Agreement and may be used in lieu of the originals for any purpose.

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

Date: 07/21/2023

Date: 7/17/23

For the Union:

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

By: 
Andrew J. Robles, President

For the Company:

Allegiant Air, LLC

By: 
Greg Anderson, President