

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended September 30, 2023

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: 001-40304



Frontier Group Holdings, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

46-3681866
(I.R.S. Employer
Identification No.)

4545 Airport Way
Denver, CO 80239
(720) 374-4490

(Address of principal executive offices, including zip code, and Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, \$0.001 par value per share	ULCC	The Nasdaq Stock Market LLC

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

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

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

Large accelerated filer
Non-accelerated filer

Accelerated filer
Smaller reporting company
Emerging growth company

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

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

The registrant had 221,063,721 shares of common stock, \$0.001 par value per share, outstanding as of October 20, 2023.

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Cautionary Statement Regarding Forward-Looking Statements

Certain statements in this Quarterly Report on Form 10-Q should be considered 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”), and the Private Securities Litigation Reform Act of 1995. These forward-looking statements are based on our current expectations and beliefs with respect to certain current and future events and anticipated financial and operating performance. Words such as “may,” “might,” “will,” “should,” “could,” “would,” “expect,” “intends,” “plan,” “anticipate,” “believe,” “estimate,” “project,” “targets,” “predict,” “potential” and similar expressions are intended to identify forward-looking statements. Additionally, forward-looking statements include statements that do not relate solely to historical facts, such as statements which identify uncertainties or trends, discuss the possible future effects of current known trends or uncertainties, or which indicate that the future effects of known trends or uncertainties cannot be predicted, guaranteed or assured. You should read the following discussion and analysis of our financial condition and results of operations together with our unaudited condensed consolidated financial statements and related notes included elsewhere in this Quarterly Report on Form 10-Q, as well as our audited consolidated financial statements and related notes as disclosed in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022, as filed with the Securities and Exchange Commission (the “SEC”) on February 22, 2023 (the “2022 Annual Report”). This discussion contains forward-looking statements based upon current plans, expectations and beliefs involving risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of various factors, including those set forth in Part I, Item 2. “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and other factors set forth in other parts of this Quarterly Report on Form 10-Q, as well as those risks and uncertainties set forth from time to time under the sections captioned “Risk Factors” in our reports and other documents filed with the SEC, including our 2022 Annual Report. 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.

PART I – FINANCIAL INFORMATION

ITEM 1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

FRONTIER GROUP HOLDINGS, INC.
Condensed Consolidated Balance Sheets
(unaudited, in millions, except share and per share amounts)

	September 30, 2023	December 31, 2022
Assets		
Cash and cash equivalents	\$ 640	\$ 761
Accounts receivable, net	109	90
Supplies, net	75	55
Other current assets	112	114
Total current assets	936	1,020
Property and equipment, net	282	226
Operating lease right-of-use assets	2,830	2,484
Pre-delivery deposits for flight equipment	423	371
Aircraft maintenance deposits	87	105
Intangible assets, net	28	28
Other assets	349	265
Total assets	\$ 4,935	\$ 4,499
Liabilities and stockholders' equity		
Accounts payable	\$ 109	\$ 89
Air traffic liability	307	313
Frequent flyer liability	10	13
Current maturities of long-term debt, net	266	157
Current maturities of operating leases	528	465
Other current liabilities	469	518
Total current liabilities	1,689	1,555
Long-term debt, net	220	272
Long-term operating leases	2,324	2,034
Long-term frequent flyer liability	33	32
Other long-term liabilities	128	97
Total liabilities	4,394	3,990
Commitments and contingencies (Note 9)		
Stockholders' equity:		
Common stock, \$0.001 par value per share, with 221,054,287 and 217,875,890 shares issued and outstanding as of September 30, 2023 and December 31, 2022, respectively	—	—
Additional paid-in capital	399	393
Retained earnings	148	122
Accumulated other comprehensive income (loss)	(6)	(6)
Total stockholders' equity	541	509
Total liabilities and stockholders' equity	\$ 4,935	\$ 4,499

See Notes to Condensed Consolidated Financial Statements

FRONTIER GROUP HOLDINGS, INC.
Condensed Consolidated Statements of Operations
(unaudited, in millions, except per share amounts)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Operating revenues:				
Passenger	\$ 862	\$ 883	\$ 2,637	\$ 2,361
Other	21	23	61	59
Total operating revenues	883	906	2,698	2,420
Operating expenses:				
Aircraft fuel	291	306	827	856
Salaries, wages and benefits	221	182	635	528
Aircraft rent	150	140	429	401
Station operations	133	101	381	326
Sales and marketing	41	42	125	120
Maintenance, materials and repairs	48	42	145	107
Depreciation and amortization	13	8	36	36
Transaction and merger-related costs, net	—	(12)	1	8
Other operating	40	41	119	128
Total operating expenses	937	850	2,698	2,510
Operating income (loss)	(54)	56	—	(90)
Other income (expense):				
Interest expense	(8)	(4)	(21)	(16)
Capitalized interest	7	3	19	6
Interest income and other	10	3	28	5
Total other income (expense)	9	2	26	(5)
Income (loss) before income taxes	(45)	58	26	(95)
Income tax expense (benefit)	(13)	27	—	(18)
Net income (loss)	\$ (32)	\$ 31	\$ 26	\$ (77)
Earnings (loss) per share:				
Basic	\$ (0.14)	\$ 0.13	\$ 0.12	\$ (0.36)
Diluted	\$ (0.14)	\$ 0.13	\$ 0.12	\$ (0.36)

See Notes to Condensed Consolidated Financial Statements

FRONTIER GROUP HOLDINGS, INC.
Condensed Consolidated Statements of Comprehensive Income (Loss)
(unaudited, in millions)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Net income (loss)	\$ (32)	\$ 31	\$ 26	\$ (77)
Unrealized gains (losses) and amortization from cash flow hedges, net of deferred tax benefit/(expense) of \$(1) and less than \$(1), respectively, for the three and nine months ended September 30, 2023 and \$(2) for each of the three and nine months ended September 30, 2022. (Note 4)	4	7	—	7
Other comprehensive income (loss)	<u>4</u>	<u>7</u>	<u>—</u>	<u>7</u>
Comprehensive income (loss)	<u>\$ (28)</u>	<u>\$ 38</u>	<u>\$ 26</u>	<u>\$ (70)</u>

See Notes to Condensed Consolidated Financial Statements

FRONTIER GROUP HOLDINGS, INC.
Condensed Consolidated Statements of Cash Flows
(unaudited, in millions)

	Nine Months Ended September 30,	
	2023	2022
Cash flows from operating activities:		
Net income (loss)	\$ 26	\$ (77)
Deferred income taxes	—	(18)
Depreciation and amortization	36	36
Gains recognized on sale-leaseback transactions	(97)	(49)
Loss on extinguishment of debt	—	7
Stock-based compensation	10	11
Amortization of cash flow hedges, net of tax	1	1
Changes in operating assets and liabilities:		
Accounts receivable	12	(6)
Supplies and other current assets	(18)	(35)
Aircraft maintenance deposits	(13)	(14)
Other long-term assets	(132)	(68)
Accounts payable	24	(13)
Air traffic liability	(6)	23
Other liabilities	(50)	30
Cash used in operating activities	(207)	(172)
Cash flows from investing activities:		
Capital expenditures	(37)	(31)
Pre-delivery deposits for flight equipment, net of refunds	(52)	(86)
Other	(2)	—
Cash used in investing activities	(91)	(117)
Cash flows from financing activities:		
Proceeds from issuance of debt, net of issuance costs	141	214
Principal repayments on debt	(84)	(215)
Proceeds from sale-leaseback transactions	124	49
Proceeds from the exercise of stock options	1	—
Tax withholdings on share-based awards	(5)	(3)
Cash provided by financing activities	177	45
Net decrease in cash, cash equivalents and restricted cash	(121)	(244)
Cash, cash equivalents and restricted cash, beginning of period	761	918
Cash, cash equivalents and restricted cash, end of period	\$ 640	\$ 674

See Notes to Condensed Consolidated Financial Statements

FRONTIER GROUP HOLDINGS, INC.
Condensed Consolidated Statements of Stockholders' Equity
(unaudited, in millions, except share amounts)

	Common Stock		Additional paid-in capital	Retained earnings	Accumulated other comprehensive income (loss)	Total
	Shares	Amount				
Balance at December 31, 2021	217,065,096	\$ —	\$ 381	\$ 159	\$ (10)	\$ 530
Net income (loss)	—	—	—	(121)	—	(121)
Shares issued in connection with vesting of restricted stock units	676,146	—	—	—	—	—
Shares withheld to cover employee taxes on vested restricted stock units	(275,822)	—	(3)	—	—	(3)
Stock option exercises	34,461	—	—	—	—	—
Stock-based compensation	—	—	3	—	—	3
Balance at March 31, 2022	217,499,881	\$ —	\$ 381	\$ 38	\$ (10)	\$ 409
Net income (loss)	—	—	—	13	—	13
Shares issued in connection with vesting of restricted stock units	96,078	—	—	—	—	—
Shares withheld to cover employee taxes on vested restricted stock units	(10,472)	—	—	—	—	—
Amortization of cash flow hedges, net of tax	—	—	—	—	1	1
Unrealized loss from cash flows hedges, net of tax	—	—	—	—	(1)	(1)
Stock option exercises	89,950	—	—	—	—	—
Stock-based compensation	—	—	4	—	—	4
Balance at June 30, 2022	217,675,437	\$ —	\$ 385	\$ 51	\$ (10)	\$ 426
Net income (loss)	—	—	—	31	—	31
Shares issued in connection with vesting of restricted stock units	25,074	—	—	—	—	—
Shares withheld to cover employee taxes on vested restricted stock units	(10,753)	—	—	—	—	—
Unrealized gain from cash flows hedges, net of tax	—	—	—	—	7	7
Stock option exercises	72,526	—	—	—	—	—
Stock-based compensation	—	—	4	—	—	4
Balance at September 30, 2022	217,762,284	\$ —	\$ 389	\$ 82	\$ (3)	\$ 468

See Notes to Condensed Consolidated Financial Statements

FRONTIER GROUP HOLDINGS, INC.
Condensed Consolidated Statements of Stockholders' Equity (Continued)
(unaudited, in millions, except share amounts)

	Common Stock		Additional paid-in capital	Retained earnings	Accumulated other comprehensive income (loss)	Total
	Shares	Amount				
Balance at December 31, 2022	217,875,890	\$ —	\$ 393	\$ 122	\$ (6)	\$ 509
Net income (loss)	—	—	—	(13)	—	(13)
Shares issued in connection with vesting of restricted stock units	976,916	—	—	—	—	—
Shares withheld to cover employee taxes on vested restricted stock units	(402,814)	—	(5)	—	—	(5)
Unrealized loss from cash flows hedges, net of tax	—	—	—	—	(7)	(7)
Stock option exercises	53,862	—	—	—	—	—
Stock-based compensation	—	—	4	—	—	4
Balance at March 31, 2023	218,503,854	\$ —	\$ 392	\$ 109	\$ (13)	\$ 488
Net income (loss)	—	—	—	71	—	71
Shares issued in connection with vesting of restricted stock units	185,358	—	—	—	—	—
Shares withheld to cover employee taxes on vested restricted stock units	(15,080)	—	—	—	—	—
Amortization of cash flow hedges, net of tax	—	—	—	—	1	1
Unrealized gain from cash flows hedges, net of tax	—	—	—	—	2	2
Stock option exercises	2,003,261	—	1	—	—	1
Stock-based compensation	—	—	3	—	—	3
Balance at June 30, 2023	220,677,393	\$ —	\$ 396	\$ 180	\$ (10)	\$ 566
Net income (loss)	—	—	—	(32)	—	(32)
Shares issued in connection with vesting of restricted stock units	28,204	—	—	—	—	—
Shares withheld to cover employee taxes on vested restricted stock units	(9,724)	—	—	—	—	—
Unrealized gain from cash flows hedges, net of tax	—	—	—	—	4	4
Stock option exercises	358,414	—	—	—	—	—
Stock-based compensation	—	—	3	—	—	3
Balance at September 30, 2023	221,054,287	\$ —	\$ 399	\$ 148	\$ (6)	\$ 541

See Notes to Condensed Consolidated Financial Statements

FRONTIER GROUP HOLDINGS, INC.
Notes to Condensed Consolidated Financial Statements
(unaudited)

1. Summary of Significant Accounting Policies

Basis of Presentation

The condensed consolidated financial statements have been prepared in accordance with the generally accepted accounting principles in the United States (“GAAP”) and include the accounts of Frontier Group Holdings, Inc. (“FGHI” or the “Company”) and its wholly-owned direct and indirect subsidiaries, including Frontier Airlines Holdings, Inc. (“FAH”) and Frontier Airlines, Inc. (“Frontier”). All wholly-owned subsidiaries are consolidated, with all intercompany transactions and balances being eliminated.

The Company is an ultra low-cost, low-fare airline headquartered in Denver, Colorado that offers flights throughout the United States and to select international destinations in the Americas, serving approximately 90 airports.

The Company is managed as a single business unit that provides air transportation for passengers. Management has concluded there is only one reportable segment.

The accompanying condensed consolidated financial statements include the accounts of the Company and reflect all normal recurring adjustments which 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 GAAP have been condensed or omitted pursuant to the rules and regulations of the Securities and Exchange Commission (“SEC”) for Form 10-Q. These unaudited interim condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements of the Company and notes thereto included in the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2022, which was filed with the SEC on February 22, 2023 (the “2022 Annual Report”).

The interim results reflected in the unaudited condensed consolidated financial statements are not necessarily indicative of the results that may be expected for other interim periods or for the full year. The air transportation business is subject to significant seasonal fluctuations and is volatile and highly affected by economic cycles and trends.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts in the financial statements and accompanying notes. Actual results could differ from those estimates.

2. Revenue Recognition

As of September 30, 2023 and December 31, 2022, the Company’s air traffic liability balance was \$310 million and \$328 million, respectively, which includes amounts classified as other long-term liabilities. During the nine months ended September 30, 2023, 92% of the air traffic liability as of December 31, 2022 was recognized as passenger revenue within the Company’s condensed consolidated statements of operations. Of the air traffic liability balances as of September 30, 2023 and December 31, 2022, \$65 million and \$60 million, respectively, was related to unearned membership fees.

FRONTIER GROUP HOLDINGS, INC.
Notes to Condensed Consolidated Financial Statements (Continued)
(unaudited)

During the three and nine months ended September 30, 2023 and 2022, the Company recognized \$16 million, \$36 million, \$22 million and \$67 million, respectively, in passenger revenues within the Company's condensed consolidated statements of operations, related to expected and actual expiration of customer rights to book future travel.

Operating revenues are comprised of passenger revenues, which includes fare and non-fare passenger revenues, and other revenues. Disaggregated operating revenues are as follows (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Passenger revenues:				
Fare	\$ 302	\$ 386	\$ 966	\$ 1,035
Non-fare passenger revenues:				
Service fees	244	220	706	583
Baggage	211	202	664	518
Seat selection	65	61	211	183
Other	40	14	90	42
Total non-fare passenger revenue	560	497	1,671	1,326
Total passenger revenues	862	883	2,637	2,361
Other revenues	21	23	61	59
Total operating revenues	\$ 883	\$ 906	\$ 2,698	\$ 2,420

The Company is managed as a single business unit that provides air transportation for passengers. Operating revenues by principal geographic region, as defined by the U.S. Department of Transportation (the "DOT"), are as follows (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Domestic	\$ 818	\$ 832	\$ 2,476	\$ 2,197
Latin America	65	74	222	223
Total operating revenues	\$ 883	\$ 906	\$ 2,698	\$ 2,420

The Company attributes operating revenues by geographic region based upon the origin and destination of each passenger flight segment. The Company's tangible assets consist primarily of flight equipment, which are mobile across geographic markets. Accordingly, assets are not allocated to specific geographic regions.

Frequent Flyer Program

The Company's *Frontier Miles* frequent flyer program provides frequent flyer travel awards to program members based on accumulated mileage credits. Mileage credits are generally accumulated as a result of travel, purchases using the co-branded credit card and purchases from other participating partners. The Company defers revenue for mileage credits earned by passengers under its *Frontier Miles* program based on the equivalent ticket value a passenger receives by redeeming mileage credits for a ticket rather than paying cash.

The Company has a credit card affinity agreement with its credit card partner, Barclays Bank Delaware ("Barclays"), through 2029, which provides for joint marketing, grants certain benefits to co-branded credit cardholders ("Cardholders") and allows Barclays to market using the Company's customer database. Cardholders earn mileage credits under the *Frontier Miles* program and the Company sells mileage credits at agreed-upon rates to Barclays and earns fees from Barclays for the acquisition, retention and use of the co-branded credit card by Cardholders.

FRONTIER GROUP HOLDINGS, INC.
Notes to Condensed Consolidated Financial Statements (Continued)
(unaudited)

3. Other Current Assets

Other current assets consist of the following (in millions):

	September 30, 2023	December 31, 2022
Supplier incentives	\$ 63	\$ 55
Prepaid expenses	29	20
Derivative instruments	8	24
Income tax and other taxes receivable	7	8
Other	5	7
Total other current assets	\$ 112	\$ 114

4. Financial Derivative Instruments and Risk Management

The Company may be exposed to interest rate risk through aircraft and spare engine lease contracts for the time period between agreement of terms and commencement of the lease, when portions of rental payments can be adjusted and become fixed based on the swap rate. As part of its risk management program, the Company enters into contracts in order to limit the exposure to fluctuations in interest rates. During each of the three and nine months ended September 30, 2023, as well as the three months ended September 30, 2022, the Company did not enter into any swaps and, therefore, paid no upfront premiums. During the nine months ended September 30, 2022, the Company paid upfront premiums of \$9 million for the option to enter into and exercise cash-settled swaps with a forward starting effective date for seven of the Company's future aircraft deliveries. As of September 30, 2023, the Company had hedged the interest rate exposure on \$130 million of total aircraft and spare engine rent for three aircraft and one engine to be delivered by the end of 2023.

Additionally, the Company is exposed to credit losses in the event of nonperformance by counterparties to its derivative instruments but does not presently expect that any of its counterparties will fail to meet their respective obligations. The amount of such credit exposure is generally the fair value of the Company's outstanding contracts in a receivable position. To manage credit risks, the Company selects counterparties based on credit assessments and monitors the market position with each counterparty.

The assets associated with the Company's derivative instruments are presented on a gross basis and include upfront premiums paid. These assets are recorded as a component of other current assets on the Company's condensed consolidated balance sheets. There were \$8 million and \$24 million of assets outstanding as of September 30, 2023 and December 31, 2022, respectively.

The following table summarizes the effect of interest rate derivative instruments reflected in aircraft rent expense within the Company's condensed consolidated statements of operations (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Derivatives designated as cash flow hedges				
Amortization of cash flow hedges, net of tax	\$ —	\$ —	\$ (1)	\$ (1)

FRONTIER GROUP HOLDINGS, INC.
Notes to Condensed Consolidated Financial Statements (Continued)
(unaudited)

The following table summarizes the net of tax impact of the overall effectiveness of derivative instruments designated as cash flow hedging instruments within the Company's condensed consolidated statements of comprehensive income (loss) (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Derivatives designated as cash flow hedges				
Amortization of cash flow hedges, net of tax	\$ —	\$ —	\$ 1	\$ 1
Interest rate derivative contract gains (losses), net of tax	4	7	(1)	6
Total	\$ 4	\$ 7	\$ —	\$ 7

As of September 30, 2023, \$6 million of losses, net of tax, related to interest rate hedging instruments included in accumulated other comprehensive income (loss), a component of stockholders' equity on the Company's condensed consolidated balance sheets, is expected to be reclassified into aircraft rent within the Company's condensed consolidated statements of operations over the aircraft or engine lease term.

5. Other Current Liabilities

Other current liabilities consist of the following (in millions):

	September 30, 2023	December 31, 2022
Passenger and other taxes and fees payable	\$ 119	\$ 113
Salaries, wages and benefits	104	104
Aircraft maintenance	70	63
Station obligations	56	57
Fuel liabilities	34	34
Leased aircraft return costs	33	84
Other current liabilities	53	63
Total other current liabilities	\$ 469	\$ 518

6. Debt

The Company's debt obligations are as follows (in millions):

	September 30, 2023	December 31, 2022
Secured debt:		
Pre-delivery credit facility ^(a)	\$ 328	\$ 277
Floating rate building note ^(b)	16	17
Unsecured debt:		
Affinity card advance purchase of mileage credits ^(c)	80	71
PSP Promissory Notes ^(d)	66	66
Total debt	490	431
Less current maturities of long-term debt	(266)	(157)
Less debt acquisition costs and other discounts, net	(4)	(2)
Long-term debt, net	\$ 220	\$ 272

(a) The Company, through an affiliate, entered into the pre-delivery payment ("PDP") facility with Citibank, N.A., as facility agent, in December 2014 (as amended from time to time, the "PDP Financing Facility"). The PDP Financing Facility is collateralized by the Company's purchase agreement for Airbus A320neo family aircraft deliveries (see Note 9) through the term of the facility, which extends

FRONTIER GROUP HOLDINGS, INC.
Notes to Condensed Consolidated Financial Statements (Continued)
(unaudited)

through December 2026. In August 2023, the PDP Financing Facility was amended and restated to expand the number of financial institution participants as lenders and increase the total available capacity to \$365 million, among other things. The Company capitalized \$2 million in deferred financing costs related to the amendment during the three months ended September 30, 2023, which reduced the carrying value of the loan on the Company's condensed consolidated balance sheet. These costs will be amortized on a straight-line basis over the life of the facility.

Interest is paid every 90 days based on the Secured Overnight Financing Rate ("SOFR") plus a margin for each individual tranche. The PDP Financing Facility consists of separate loans for each PDP aircraft. Each separate loan matures upon the earlier of (i) delivery of that aircraft to the Company by Airbus, (ii) the date one month following the last day of the scheduled delivery month of such aircraft and (iii) if there is a delay in delivery of aircraft, depending on the cause of the delivery delay, up to six months following the last day of the scheduled delivery month of such aircraft. The PDP Financing Facility will be repaid periodically according to the preceding sentence, with the PDP Financing Facility maturing in December 2026.

- (b) Represents a note with a commercial bank related to the Company's headquarters building. Under the terms of the note, the Company began repaying the outstanding principal balance with quarterly payments beginning in January 2022 and continuing until the maturity date in December 2023. On the maturity date, one final balloon payment will be made to cover all unpaid principal, accrued unpaid interest and other amounts due. The interest rate of one-month SOFR plus a margin is payable monthly.
- (c) The Company entered into an agreement with Barclays in 2003 which, as amended, provides for joint marketing, grants certain benefits to Cardholders and allows Barclays to market using the Company's customer database, through 2029. Cardholders earn mileage credits under the *Frontier Miles* program and the Company sells mileage credits at agreed-upon rates to Barclays and earns fees from Barclays for the acquisition, retention and use of the co-branded credit card by Cardholders. In addition, Barclays will pre-purchase miles if the Company so requests and meets certain conditions precedent. The pre-purchased miles facility amount available to the Company is to be reset on January 15 of each calendar year through, and including, January 15, 2028, based on the aggregate amount of fees payable by Barclays to the Company on a calendar year basis and subject to certain other conditions, up to an aggregate maximum facility amount of \$200 million. The Company pays interest on a monthly basis, which is based on a one-month Effective Federal Funds Rate ("EFFR") plus a margin. Beginning March 31, 2028, the facility is scheduled to be repaid in 12 equal monthly installments.
- (d) As a result of the Company's participation in the payroll support programs offered by the U.S. Department of the Treasury (the "Treasury"), the Company obtained a series of 10-year, low-interest loans from the Treasury (collectively, the "PSP Promissory Notes") that are due between 2030 to 2031. The PSP Promissory Notes include an annual interest rate of 1.00% for the first five years and the SOFR plus 2.00% in the final five years, with bi-annual interest payments. The loans can be prepaid at par at any time without incurring a penalty. In connection with the term loan facility entered into with the Treasury on September 28, 2020 (the "Treasury Loan"), which was repaid in full on February 2, 2022, and the PSP Promissory Notes, the Company issued to the Treasury warrants to purchase 3,117,940 shares of FGHI common stock at a weighted-average price of \$6.95 per share. The Treasury has not exercised any warrants as of September 30, 2023.

Cash payments for interest related to debt were \$20 million and \$9 million for the nine months ended September 30, 2023 and 2022, respectively.

The Company has caused standby letters of credit and surety bonds to be issued to various airport authorities and vendors that are collateralized by a portion of the Company's property and equipment and, as of September 30, 2023 and December 31, 2022, the Company did not have any outstanding letters of credit that were drawn upon.

As of September 30, 2023, future maturities of debt are payable as follows (in millions):

	September 30, 2023
Remainder of 2023	\$ 55
2024	238
2025	51
2026	—
2027	—
Thereafter	146
Total debt principal payments	\$ 490

The Company continues to monitor covenant compliance with various parties, including, but not limited to, its lenders and credit card processors, and as of September 30, 2023, the Company was in compliance with all of its covenants.

FRONTIER GROUP HOLDINGS, INC.
Notes to Condensed Consolidated Financial Statements (Continued)
(unaudited)

7. Operating Leases

The Company leases property and equipment under operating leases. For leases with initial terms greater than 12 months, the related operating lease right-of-use asset and corresponding operating lease liability are recorded at the present value of lease payments over the term on the Company's condensed consolidated balance sheets. Some leases include rental escalation clauses, renewal options, termination options and/or other items that cause variability that are factored into the determination of lease payments, when appropriate. The Company does not separate lease and non-lease components of contracts, except for certain flight training equipment, for which consideration is allocated between lease and non-lease components.

Aircraft

As of September 30, 2023, the Company leased 134 aircraft with remaining terms ranging from 1 month to 12 years, all of which are under operating leases and are included within operating lease right-of-use assets and operating lease liabilities on the Company's condensed consolidated balance sheets. In addition, as of September 30, 2023, the Company leased 38 spare engines which are all under operating leases, with the remaining term ranging from one month to 12 years. As of September 30, 2023, the lease rates for 18 of the engines depend on usage-based metrics which are variable and, as such, these leases are not recorded on the Company's condensed consolidated balance sheets as operating lease right-of-use assets or as operating lease liabilities.

During the three and nine months ended September 30, 2023 and 2022, the Company executed sale-leaseback transactions with third-party lessors for three, seven, three and eight new Airbus A320neo family aircraft, respectively, and also entered into direct leases for five and ten new Airbus A320neo family aircraft during the three and nine months ended September 30, 2023, respectively. The Company did not enter into any direct leases during the three and nine months ended September 30, 2022. Additionally, the Company completed sale-leaseback transactions for one and three engines during the three and nine months ended September 30, 2023 and 2022, respectively. All of the leases from the sale-leaseback transactions are accounted for as operating leases. The Company recognized sale-leaseback gain transactions of \$40 million, \$97 million, \$21 million and \$49 million during the three and nine months ended September 30, 2023 and 2022, respectively, which are included as a component of other operating expenses within the Company's condensed consolidated statements of operations.

Aircraft Rent Expense and Maintenance Obligations

During the three and nine months ended September 30, 2023 and 2022, aircraft rent expense was \$150 million, \$429 million, \$140 million and \$401 million respectively. Aircraft rent expense includes supplemental rent, which is made up of maintenance reserves paid or to be paid that are not probable of being reimbursed and probable lease return condition obligations. Supplemental rent expense (benefit) for maintenance-related reserves that were deemed non-recoverable, and any impact from changes in those estimates, was less than \$1 million and \$(2) million for the three and nine months ended September 30, 2023, respectively, and less than \$1 million and \$(1) million for the three and nine months ended September 30, 2022, respectively. The portion of supplemental rent expense related to probable lease return condition obligations was \$13 million, \$37 million, \$23 million and \$56 million for the three and nine months ended September 30, 2023 and 2022, respectively. As of September 30, 2023 and December 31, 2022, the Company's total leased aircraft return cost liability was \$62 million and \$102 million, respectively, which are reflected in other current liabilities and other long-term liabilities within the Company's condensed consolidated balance sheets.

Additionally, certain of the Company's aircraft lease agreements require the Company to pay maintenance reserves to aircraft lessors to be held as collateral in advance of the Company's required performance of major maintenance activities. As of September 30, 2023 and December 31, 2022, the Company had aircraft maintenance deposits that are expected to be recoverable of \$109 million and \$117 million, respectively, on the Company's condensed consolidated balance sheets, of which \$22 million and \$12 million, respectively, are included in accounts receivable, net on the Company's condensed consolidated balance sheets as the eligible maintenance has been

FRONTIER GROUP HOLDINGS, INC.
Notes to Condensed Consolidated Financial Statements (Continued)
(unaudited)

performed. The remaining \$87 million and \$105 million are included within aircraft maintenance deposits on the Company's condensed consolidated balance sheets as of September 30, 2023 and December 31, 2022, respectively.

A majority of these maintenance reserve payments are calculated based on a utilization measure, such as flight hours or cycles. Maintenance reserves collateralize the lessor for maintenance time run off the aircraft until the completion of the maintenance of the aircraft. As of September 30, 2023, fixed maintenance reserve payments for aircraft and spare engines, including estimated amounts for contractual price escalations, were expected to be \$1 million for the remainder of 2023, \$3 million per year for 2024 through 2026, \$4 million per year for 2027 and 2028, and \$1 million thereafter, before consideration of reimbursements.

In March 2023, the Company extended the term for certain aircraft operating leases that were slated to expire in the fourth quarter of 2023. As a result, for the nine months ended September 30, 2023, the Company recorded an \$18 million benefit to aircraft rent in the Company's condensed consolidated statement of operations related to previously accrued lease return costs that were variable in nature and associated with the anticipated utilization and condition of the airframes and engines at the original return date. Given the extension of these aircraft operating leases, such variable return costs are no longer probable of occurring.

Airport Facilities

The Company's facility leases are primarily for space at approximately 90 airports that are primarily located in the United States. These leases are classified as operating leases and reflect the use of airport terminals, ticket counters, office space and maintenance facilities. Generally, this space is leased from government agencies that control the use of the airport. The majority of these leases are short-term in nature and renew on an evergreen basis. For these leases, the contractual term is used as the lease term. As of September 30, 2023, the remaining lease terms vary from one month to 11 years. At the majority of the U.S. airports, the lease rates depend on airport operating costs or use of the facilities and are reset at least annually, and because of the variable nature of the rates, these leases are not recorded on the Company's condensed consolidated balance sheets as right-of-use assets and lease liabilities.

Other Ground Property and Equipment

The Company leases certain other assets such as flight training equipment, building space and various other equipment. Certain of the Company's leases for other assets are deemed to contain fixed rental payments and, as such, are classified as operating leases and are recorded on the Company's condensed consolidated balance sheets as a right-of-use asset and liability. The remaining lease terms ranged from one month to eight years as of September 30, 2023.

FRONTIER GROUP HOLDINGS, INC.
Notes to Condensed Consolidated Financial Statements (Continued)
(unaudited)

Lease Costs

The table below presents certain information related to lease costs for operating leases during the three and nine months ended September 30, 2023 and 2022 (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Operating lease cost ^(a)	\$ 138	\$ 121	\$ 396	\$ 356
Variable lease cost ^(a)	85	50	229	169
Total lease costs	\$ 223	\$ 171	\$ 625	\$ 525

(a) Expenses are included within aircraft rent, station operations, maintenance, materials and repairs and other operating within the Company's condensed consolidated statements of operations.

During the three and nine months ended September 30, 2023 and 2022, the Company acquired, through new or modified operating leases, operating lease assets totaling \$283 million, \$621 million, \$96 million and \$244 million, respectively, which are included in operating lease right-of-use assets on the Company's condensed consolidated balance sheets. During the three and nine months ended September 30, 2023 and 2022, the Company paid cash of \$137 million, \$394 million, \$107 million and \$343 million, respectively, for amounts included in the measurement of lease liabilities.

8. Stock-Based Compensation

During the three and nine months ended September 30, 2023 and 2022, the Company recognized \$3 million, \$10 million, \$4 million and \$11 million, respectively, in stock-based compensation expense, which is included as a component of salaries, wages and benefits within the Company's condensed consolidated statements of operations.

Stock Options and Restricted Awards

There were no stock options granted during the nine months ended September 30, 2023. During the nine months ended September 30, 2023, 2,415,537 vested stock options were exercised with a weighted-average exercise price of \$0.31 per share. As of September 30, 2023, the weighted-average exercise price of outstanding options was \$2.74 per share.

During the nine months ended September 30, 2023, 1,593,826 restricted stock units were issued with a weighted-average grant date fair value of \$11.71 per share. During the nine months ended September 30, 2023, 1,190,478 restricted stock units vested, of which 427,618 restricted stock units were withheld to cover employees' tax withholding obligations, with a weighted-average grant date fair value of \$11.86 and \$12.28 per share, respectively.

Phantom Equity Awards

On December 3, 2013, to give effect to the reorganization of the Company's corporate structure, an agreement was reached to amend and restate a phantom equity agreement with the Company's pilots. Under the terms of this agreement, when an amendment to the underlying collective bargaining agreement was approved, the Company's pilots employed in June 2011 (the "Participating Pilots"), through their agent, FAPAInvest, L.L.C, received phantom equity units. Each unit represented the right to receive common stock or cash in connection with certain events, including a qualifying initial public offering, such stock to be distributed or cash paid to the Participating Pilots in 2020 and 2022 based on a predetermined formula. In accordance with the amended and restated phantom equity agreement, the obligation became fixed as of December 31, 2019 and was no longer subject to valuation adjustments. As of December 31, 2021, the remaining liability was \$26 million and presented within other current

FRONTIER GROUP HOLDINGS, INC.
Notes to Condensed Consolidated Financial Statements (Continued)
(unaudited)

liabilities on the Company's condensed consolidated balance sheet. During the nine months ended September 30, 2022, the \$26 million was fully paid.

Stockholders' Equity

As of September 30, 2023 and December 31, 2022, the Company had authorized common stock (voting), common stock (non-voting) and preferred stock of 750,000,000, 150,000,000 and 10,000,000 shares, respectively, of which only common stock (voting) were issued and outstanding. All classes of equity have a par value of \$0.001 per share.

9. Commitments and Contingencies

Flight Equipment Commitments

As of September 30, 2023, the Company's firm aircraft and engine purchase orders consisted of the following:

Year Ending	A320neo	A321neo	Total Aircraft ^(a)	Engines
Remainder of 2023	—	4	4	1
2024	—	23	23	2
2025	17	25	42	4
2026	19	22	41	4
2027	21	21	42	3
Thereafter	10	52	62	2
Total	67	147	214	16

(a) While the schedule presented reflects the contractual delivery dates as of September 30, 2023, the Company has recently experienced delays in the deliveries of Airbus aircraft which may persist in future periods.

The Company is party to certain aircraft purchase agreements with Airbus (as amended from time to time, the "Airbus Purchase Agreements") pursuant to which, as of September 30, 2023, the Company had commitments to purchase an aggregate of 67 A320neo and 147 A321neo aircraft, with deliveries expected through 2029 per the latest delivery schedule. The Company has the option to convert 18 A320neo family aircraft to A321XLR family aircraft under certain terms and conditions. Since the option has not been exercised, this conversion right is not reflected in the table above.

The Airbus Purchase Agreements also provide for, among other things, varying purchase incentives for each aircraft type (e.g., A320neo versus A321neo), which are allocated proportionally by aircraft type over the remaining aircraft to be delivered so that each aircraft's capitalized cost upon induction would be equal. Therefore, as cash paid for deliveries is greater than the capitalized cost due to the allocation of these purchase incentives, a deferred purchase incentive is recognized within other assets on the Company's condensed consolidated balance sheets, which will ultimately be offset by future deliveries of aircraft with lower cash payments than their associated capitalized cost.

FRONTIER GROUP HOLDINGS, INC.
Notes to Condensed Consolidated Financial Statements (Continued)
(unaudited)

As of September 30, 2023, purchase commitments for these aircraft and engines, including estimated amounts for contractual price escalations and PDPs, consisted of the following (in millions):

Year Ending	Total
Remainder of 2023	\$ 243
2024	1,389
2025	2,500
2026	2,357
2027	2,447
Thereafter	3,757
Total	\$ 12,693

Litigation and Other Contingencies

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 regularly evaluates the status of such matters to assess whether a loss is probable and reasonably estimable in determining whether an accrual is appropriate. Furthermore, in determining whether disclosure is appropriate, the Company evaluates each matter to assess if there is at least a reasonable possibility that a loss or additional losses may have been incurred and whether an estimate of possible loss or range of loss can be made. 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 condensed consolidated financial position, liquidity or results of operations and that the Company's current accruals cover matters where loss is deemed probable and can be reasonably estimated.

The ultimate outcome of legal actions is unpredictable and can be subject to significant uncertainties, and it is difficult to determine whether any loss is probable or even possible. Additionally, it is also difficult to estimate the amount of loss and there may be matters for which a loss is probable or reasonably possible but not currently estimable. Thus, actual losses may be in excess of any recorded liability or the range of reasonably possible loss.

Employees

The Company has seven union-represented employee groups that together represented approximately 86% of all employees as of September 30, 2023. The table below sets forth the Company's employee groups and status of the collective bargaining agreements as of September 30, 2023:

Employee Group	Representative	Amendable Date ^(a)	Percentage of Workforce
			September 30, 2023
Pilots	Air Line Pilots Association (ALPA)	January 2024	30%
Flight Attendants	Association of Flight Attendants (AFA-CWA)	May 2024	48%
Aircraft Technicians	International Brotherhood of Teamsters (IBT)	May 2025	5%
Aircraft Appearance Agents	IBT	October 2023	1%
Dispatchers	Transport Workers Union (TWU)	August 2028 ^(b)	1%
Material Specialists	IBT	March 2022 ^(c)	<1%
Maintenance Controllers	IBT	October 2023	<1%

(a) Subject to standard early opener provisions.

(b) On August 4, 2023, the Company finalized a collective bargaining agreement with its dispatchers, represented by TWU, which will be amendable in August 2028.

FRONTIER GROUP HOLDINGS, INC.
Notes to Condensed Consolidated Financial Statements (Continued)
(unaudited)

(c) The Company's collective bargaining agreement with its material specialists, represented by IBT, was still amendable as of September 30, 2023 and negotiations are ongoing; however, the agreement is operating under its current arrangement until an amendment has been reached.

The Company is self-insured for health care claims, subject to a stop-loss policy, for eligible participating employees and qualified dependent medical and dental 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 had accrued \$5 million for health care claims estimated to be incurred but not yet paid, as of September 30, 2023 and December 31, 2022, which are included as a component of other current liabilities on the Company's condensed consolidated balance sheets.

General Indemnifications

The Company has various leases with respect to real property as well as various agreements among airlines relating to fuel consortia or fuel farms at airports. Under some of these contracts, the Company is party to joint and several liability regarding environmental damages. Under others, where the Company is a member of an LLC or other entity that contracts directly with the airport operator, liabilities are borne through the fuel consortia structure.

The Company's aircraft, services, equipment lease and sale and financing agreements typically contain provisions requiring the Company, as the lessee, obligor or recipient of services, to indemnify the other parties to those agreements, including certain of those parties' related persons, against virtually any liabilities that might arise from the use or operation of the aircraft or such other equipment. The Company believes that its insurance would cover most of its exposure to liabilities and related indemnities associated with the commercial real estate leases and aircraft, services, equipment lease and sale and financing agreements described above.

Certain of the Company's aircraft and other financing transactions include provisions that require payments to preserve an expected economic return to the lenders if that economic return is diminished due to certain changes in law or regulations. In certain of these financing transactions and other agreements, the Company also bears the risk of certain changes in tax laws that would subject payments to non-U.S. entities to withholding taxes.

Certain of these indemnities survive the length of the related financing or lease. The Company cannot reasonably estimate the potential future payments under the indemnities and related provisions described above because it cannot predict (i) when and under what circumstances these provisions may be triggered, and (ii) the amount that would be payable if the provisions were triggered because the amounts would be based on facts and circumstances existing at such time.

10. Net Earnings (Loss) per Share

Basic and diluted earnings (loss) per share are computed pursuant to the two-class method. Under the two-class method, the Company attributes net income to common stock and other participating rights (including those with vested share-based awards). Basic net earnings per share is calculated by taking net income, less earnings allocated to participating rights, divided by the basic weighted-average common stock outstanding. Net loss per share is calculated by taking net loss divided by basic weighted-average common stock outstanding as participating rights do not share in losses. In accordance with the two-class method, diluted net earnings per share is calculated using the more dilutive impact of the treasury-stock method or from reducing net income for the earnings allocated to participating rights.

FRONTIER GROUP HOLDINGS, INC.
Notes to Condensed Consolidated Financial Statements (Continued)
(unaudited)

The following table sets forth the computation of net earnings (loss) per share on a basic and diluted basis pursuant to the two-class method for the periods indicated (in millions, except for share and per share amounts):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Basic:				
Net income (loss)	\$ (32)	\$ 31	\$ 26	\$ (77)
Less: net income attributable to participating rights	—	(1)	—	—
Net income (loss) attributable to common stockholders	\$ (32)	\$ 30	\$ 26	\$ (77)
Weighted-average common shares outstanding, basic	220,837,983	217,720,426	219,483,736	217,532,815
Net earnings (loss) per share, basic	\$ (0.14)	\$ 0.13	\$ 0.12	\$ (0.36)
Diluted:				
Net income (loss)	\$ (32)	\$ 31	\$ 26	\$ (77)
Less: net income attributable to participating rights	—	(1)	—	—
Net income (loss) attributable to common stockholders	\$ (32)	\$ 30	\$ 26	\$ (77)
Weighted-average common shares outstanding, basic	220,837,983	217,720,426	219,483,736	217,532,815
Effect of dilutive potential common shares	—	2,158,514	1,155,147	—
Weighted-average common shares outstanding, diluted	220,837,983	219,878,940	220,638,883	217,532,815
Net earnings (loss) per share, diluted	\$ (0.14)	\$ 0.13	\$ 0.12	\$ (0.36)

Approximately 2,128,892 and 208,041 shares were excluded from the computation of diluted shares for the nine months ended September 30, 2023 and three months ended September 30, 2022, respectively, due to antidilutive effects. Due to the net loss incurred during the three months ended September 30, 2023 and nine months ended September 30, 2022, respectively, diluted weighted-average shares outstanding are equal to basic weighted-average shares outstanding because the effect of all equity awards is anti-dilutive.

11. 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 its financial assets and liabilities.

FRONTIER GROUP HOLDINGS, INC.
Notes to Condensed Consolidated Financial Statements (Continued)
(unaudited)

Cash, Cash Equivalents and Restricted Cash

Cash, cash equivalents and restricted cash are comprised of liquid money market funds, time deposits and cash, and are categorized as Level 1 instruments. The Company maintains cash with various high-quality financial institutions and holds restricted cash to secure medical claims paid. Cash, cash equivalents and restricted cash are carried at cost, which management believes approximates fair value. As of September 30, 2023 and December 31, 2022, the Company had less than \$1 million of restricted cash.

Interest Rate Derivative Contracts

Interest rate derivative contracts are valued under an income approach based on data either readily observable in public markets, derived from public markets or provided by counterparties who regularly trade in public markets and, therefore, they are classified as Level 2 inputs. Given the swaptions will be cash-settled upon exercise and that the market value will be determined using overnight indexed swap ("OIS") discounting, OIS discounting is applied to the income approach valuation.

Debt

The estimated fair value of the Company's debt agreements has been determined to be Level 3 measurement, 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 debt.

The carrying amounts and estimated fair values of the Company's debt are as follows (in millions):

	September 30, 2023		December 31, 2022	
	Carrying Value	Estimated Fair Value	Carrying Value	Estimated Fair Value
Secured debt:				
PDP Financing Facility	\$ 328	\$ 332	\$ 277	\$ 277
Floating rate building note	16	17	17	17
Unsecured debt:				
Affinity card advance purchase of mileage credits	80	75	71	66
PSP Promissory Notes	66	54	66	52
Total debt	\$ 490	\$ 478	\$ 431	\$ 412

FRONTIER GROUP HOLDINGS, INC.
Notes to Condensed Consolidated Financial Statements (Continued)
(unaudited)

The tables below present disclosures about the fair value of assets and liabilities measured at fair value on a recurring basis on the Company's condensed consolidated balance sheets (in millions):

Description	Balance Sheet Classification	Fair Value Measurements as of September 30, 2023			
		Total	Level 1	Level 2	Level 3
Cash and cash equivalents	Cash and cash equivalents	\$ 640	\$ 640	\$ —	\$ —
Interest rate derivative contracts	Other current assets	\$ 8	\$ —	\$ 8	\$ —

Description	Balance Sheet Classification	Fair Value Measurements as of December 31, 2022			
		Total	Level 1	Level 2	Level 3
Cash and cash equivalents	Cash and cash equivalents	\$ 761	\$ 761	\$ —	\$ —
Interest rate derivative contracts	Other current assets	\$ 24	\$ —	\$ 24	\$ —

The Company had no transfers of assets or liabilities between fair value hierarchy levels between December 31, 2022 and September 30, 2023.

12. Related Parties

Management Services

Indigo Partners LLC ("Indigo Partners") manages an investment fund that is the controlling stockholder of the Company. The Company is assessed a quarterly fee by Indigo Partners for management services. The Company recorded less than \$1 million for each of the three months ended September 30, 2023 and 2022 and \$1 million for each of the nine months ended September 30, 2023 and 2022 for these fees, which are included as other operating expenses within the Company's condensed consolidated statements of operations.

Codeshare Arrangement

The Company entered into a codeshare agreement with Controladora Vuela Compañía de Aviación, S.A.B. de C.V. (an airline based in Mexico doing business as "Volaris") during 2018. Two of the Company's directors are members of the board of directors of Volaris and one is an alternate director. As of September 30, 2023, Indigo Partners holds approximately 18% of the total outstanding common stock of Volaris.

In August 2018, the Company and Volaris began operating scheduled codeshare flights. Each party bears its own costs and expenses of performance under the codeshare agreement. The codeshare agreement is subject to automatic renewals and may be terminated by either party at any time upon the satisfaction of certain conditions.

13. The Proposed Merger with Spirit Airlines, Inc. ("Spirit")

On February 5, 2022, the Company entered into an Agreement and Plan of Merger (the "Merger Agreement") with Top Gun Acquisition Corp. ("Merger Sub"), a direct wholly-owned subsidiary of the Company, and Spirit. The Merger Agreement provided that, among other things, the Merger Sub would be merged with and into Spirit (the "Merger"), with Spirit surviving the Merger and continuing as a wholly-owned subsidiary of the Company. On July 27, 2022, the Company and Spirit mutually terminated the Merger Agreement.

The Company recorded less than \$1 million and \$1 million in expenses related to the proposed Merger within transaction and merger-related costs, net in the Company's condensed consolidated statement of operations during the three and nine months ended September 30, 2023, respectively, which included merger-related retention bonus expense for all eligible employees who were subject to CARES Act compensation restrictions. During the three and nine months ended September 30, 2022, the Company recorded \$13 million and \$33 million, respectively, of

FRONTIER GROUP HOLDINGS, INC.
Notes to Condensed Consolidated Financial Statements (Continued)
(unaudited)

expenses related to the proposed Merger within transaction and merger-related costs, net in the Company's condensed consolidated statement of operations. These costs included \$9 million and \$17 million, respectively, of retention bonus expenses, and \$4 million and \$16 million, respectively, related to transaction costs, which include banking, legal and accounting fees, among others, charged in connection with the Merger. During the three and nine months ended September 30, 2022, the Company received \$25 million from Spirit for reimbursement of incurred merger-related expenses in accordance with the termination provisions set forth in the Merger Agreement, which was recorded in transaction and merger-related costs, net, resulting in net transaction and merger-related costs (credits) of \$(12) million and \$8 million, respectively.

The Merger Agreement provides that in the event that Spirit, within twelve months following the termination of the Merger Agreement, consummates an acquisition with another acquiror or enters into a definitive written agreement providing for an acquisition with another acquiror, which is ultimately consummated, the Company will be owed an additional \$69 million. Although Spirit entered into a definitive written agreement providing for an acquisition with another acquiror within this 12 month period ending July 27, 2023, the acquisition has not been consummated as of September 30, 2023.

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

General

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our condensed consolidated financial statements and the related notes included elsewhere in this Quarterly Report on Form 10-Q, as well as Part II, Item 7. "Management's Discussion and Analysis of Financial Condition and Results of Operations" and Part II, Item 8. "Financial Statements and Supplementary Data" included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022, which was filed with the SEC on February 22, 2023 (the "2022 Annual Report"). This discussion contains forward-looking statements based upon current plans, expectations and beliefs involving risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of various factors, including those set forth in the "Risk Factors" section of our 2022 Annual Report and other factors set forth in other parts of this Quarterly Report on Form 10-Q and our other reports and documents filed with the SEC.

Overview

Frontier Airlines, Inc. ("Frontier") is an ultra low-cost carrier whose business strategy is focused on *Low Fares Done Right*. We are headquartered in Denver, Colorado and offer flights throughout the United States and to select international destinations in the Americas. Our unique strategy is underpinned by our low-cost structure and superior low-fare brand.

The following table provides select financial and operational information for the three and nine months ended September 30, 2023 and 2022, respectively (in millions):

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2023		2022		2023		2022	
Total operating revenues	\$	883	\$	906	\$	2,698	\$	2,420
Total operating expenses	\$	937	\$	850	\$	2,698	\$	2,510
Income (loss) before income taxes	\$	(45)	\$	58	\$	26	\$	(95)
Available seat miles ("ASMs")		9,697		8,040		27,809		23,076

Total operating revenues for the three months ended September 30, 2023 totaled \$883 million, a decrease of 3% compared to the three months ended September 30, 2022. This was primarily due to a 19% decline in RASM driven by a decrease in fare revenue per passenger and a decrease in load factor, as compared to the corresponding periods in 2022, partially offset by an increase in capacity, as measured by ASMs.

Total operating revenues for the nine months ended September 30, 2023 totaled \$2,698 million, an increase of 11% compared to the nine months ended September 30, 2022. This was primarily due to an increase in capacity, as measured by ASMs, which was partially offset by an 8% decline in RASM due mainly to a 6% decline in total revenue per passenger.

Total operating expenses during the three months ended September 30, 2023 totaled \$937 million, resulting in a cost per available seat mile ("CASM") of 9.66¢, compared to 10.57¢ for the three months ended September 30, 2022. Fuel expense was 5% lower during the three months ended September 30, 2023, as compared to the three months ended September 30, 2022. The \$15 million decrease in fuel expense for the three months ended September 30, 2023, compared to the corresponding periods in 2022, was primarily driven by a 20% decrease in fuel prices, partially offset by the 19% increase in fuel gallons consumed during the three months ended September 30, 2023. Our non-fuel expenses increased by 19% during the three months ended September 30, 2023, as compared to the corresponding prior year period, driven primarily by higher capacity and a larger fleet size and the resulting increase in operations during these same periods, partially offset by increased sale-leaseback gains. Additionally, a \$12 million net credit related to the transaction and merger-related costs was recognized during the three months ended

September 30, 2022. While non-fuel expenses increased, CASM (excluding fuel), a non-GAAP measure, decreased 1% for the three months ended September 30, 2023 to 6.66¢ on 21% capacity growth largely due to increased sale-leaseback gains and the fixed nature of aircraft rent as well as lower sales and marketing costs which were partly offset by increases in airport costs. Also, the 2022 period benefited from the \$12 million net credit related to transaction and merger-related costs.

Total operating expenses during the nine months ended September 30, 2023 totaled \$2,698 million, resulting in a CASM of 9.70¢, compared to 10.88¢ for the nine months ended September 30, 2022. Fuel expense was 3% lower during the nine months ended September 30, 2023, as compared to the nine months ended September 30, 2022. The \$29 million decrease in fuel expense for the nine months ended September 30, 2023, compared to the corresponding periods in 2022, is primarily driven by an 18% decrease in fuel prices, partially offset by the 18% increase in fuel gallons consumed during the nine months ended September 30, 2023, as a result of our 21% increase in capacity. Our non-fuel expenses increased by 13% during the nine months ended September 30, 2023, as compared to the corresponding prior year period, driven primarily by a larger fleet size and the increase to capacity during these same periods, partially offset by an increase in sale-leaseback gains in the current period, lower lease return costs and lower transaction and merger-related costs. CASM (excluding fuel), a non-GAAP measure, decreased 6% for the nine months ended September 30, 2023 to 6.73¢, as compared to the corresponding period in 2022, as a result of the fixed nature of aircraft rent expense in connection with the aforementioned growth in capacity and other factors mentioned above.

Adjusted (non-GAAP) CASM (excluding fuel) decreased from 6.90¢ for the three months ended September 30, 2022 to 6.66¢ for the three months ended September 30, 2023. For the three months ended September 30, 2022, this excludes the impact of the \$12 million credit from net transaction and merger-related costs and \$1 million in collective bargaining contract ratification costs. There were no adjustments for the three months ended September 30, 2023. For the reconciliation to corresponding GAAP measures, see “Results of Operations—Reconciliation of CASM to CASM (excluding fuel), Adjusted CASM (excluding fuel), Adjusted CASM, Adjusted CASM including net interest and CASM including net interest.”

Adjusted (non-GAAP) CASM (excluding fuel) decreased from 7.09¢ for the nine months ended September 30, 2022 to 6.72¢ for the nine months ended September 30, 2023. For the nine months ended September 30, 2023, this excludes the impact of \$1 million in net transaction and merger-related costs, and for the nine months ended September 30, 2022, this excludes the impact of \$8 million in net transaction and merger-related costs, \$7 million in asset impairment charges, and \$2 million in collective bargaining contract ratification costs. For the reconciliation to corresponding GAAP measures, see “Results of Operations—Reconciliation of CASM to CASM (excluding fuel), Adjusted CASM (excluding fuel), Adjusted CASM, Adjusted CASM including net interest and CASM including net interest.”

We generated a net loss of \$32 million during the three months ended September 30, 2023, compared to net income of \$31 million for the three months ended September 30, 2022. Considering these aforementioned non-GAAP adjustments and the related tax impacts, our adjusted (non-GAAP) net loss was \$32 million for the three months ended September 30, 2023, as compared to an adjusted (non-GAAP) net income of \$33 million for the three months ended September 30, 2022. For the reconciliation to corresponding GAAP measures, see “Results of Operations—Reconciliation of Pre-Tax Income (Loss) to Adjusted Pre-Tax Income (Loss), Net Income (Loss) to Adjusted Net Income (Loss) and to EBITDA, EBITDAR, Adjusted EBITDA, and Adjusted EBITDAR.”

We generated net income of \$26 million during the nine months ended September 30, 2023, compared to a net loss of \$77 million for the nine months ended September 30, 2022. Considering the aforementioned non-GAAP operating adjustments along with the \$7 million non-operating write-off of deferred financing costs during the nine months ended September 30, 2022 due to the repayment of the CARES Act loan and the related tax impacts of these adjustments, our adjusted (non-GAAP) net income was \$27 million for the nine months ended September 30, 2023, as compared to an adjusted (non-GAAP) net loss of \$56 million for the nine months ended September 30, 2022. For the reconciliation to corresponding GAAP measures, see “Results of Operations—Reconciliation of Pre-Tax Income (Loss) to Adjusted Pre-Tax Income (Loss), Net Income (Loss) to Adjusted Net Income (Loss) and to EBITDA, EBITDAR, Adjusted EBITDA, and Adjusted EBITDAR.”

As of September 30, 2023, our total available liquidity was \$640 million, made up of cash and cash equivalents. On February 2, 2022, we repaid the \$150 million outstanding under our term loan facility (the "Treasury Loan") with the U.S. Department of the Treasury (the "Treasury"). The repayment of this loan unencumbered our co-branded credit card program and related brand assets that secured the Treasury Loan obligation.

Results of Operations

Three Months Ended September 30, 2023 Compared to Three Months Ended September 30, 2022

Operating Revenues

	Three Months Ended September 30,		Change	
	2023	2022		
Operating revenues (\$ in millions):				
Passenger	\$ 862	\$ 883	\$ (21)	(2)%
Other	21	23	(2)	(9)%
Total operating revenues	\$ 883	\$ 906	\$ (23)	(3)%
Operating statistics:				
ASMs (millions)	9,697	8,040	1,657	21 %
Revenue passenger miles ("RPMs") (millions)	7,755	6,635	1,120	17 %
Average stage length (miles)	996	974	22	2 %
Load factor	80.0 %	82.5 %	(2.5) pts	N/A
Total revenue per ASM ("RASM") (¢)	9.10	11.27	(2.17)	(19)%
Total ancillary revenue per passenger (\$)	75.54	77.63	(2.09)	(3)%
Total revenue per passenger (\$)	114.71	135.20	(20.49)	(15)%
Passengers (thousands)	7,697	6,704	993	15 %

Total operating revenue decreased \$23 million, or 3%, during the three months ended September 30, 2023 as compared to the three months ended September 30, 2022, as we experienced lower domestic fares, partially offset by increased capacity. Revenue was unfavorably impacted by the 19% decline in RASM due to the 15% decline in total revenue per passenger, which was mainly caused by a reduction in fare revenue per passenger and a decrease in load factor during the three months ended September 30, 2023, as compared to the three months ended September 30, 2022. Revenue was favorably impacted by a 21% capacity growth, as measured by ASMs, during the three months ended September 30, 2023 as compared to the three months ended September 30, 2022, driven by a 14% increase in average aircraft in service during the three months ended September 30, 2023, as compared to the three months ended September 30, 2022, as well as a 2% increase in average daily aircraft utilization to 11.3 hours per day for the three months ended September 30, 2023, as compared to the 11.1 hours per day for the corresponding prior year period.

Operating Expenses

	Three Months Ended September 30,			Change	Cost per ASM		Change
	2023	2022			2023	2022	
Operating expenses (\$ in millions):^(a)							
Aircraft fuel	\$ 291	\$ 306	\$ (15)	(5)%	3.00 €	3.81 €	(21)%
Salaries, wages and benefits	221	182	39	21 %	2.28	2.26	1 %
Aircraft rent	150	140	10	7 %	1.55	1.74	(11)%
Station operations	133	101	32	32 %	1.37	1.26	9 %
Sales and marketing	41	42	(1)	(2)%	0.42	0.52	(19)%
Maintenance, materials and repairs	48	42	6	14 %	0.49	0.52	(6)%
Depreciation and amortization	13	8	5	63 %	0.13	0.10	30 %
Transaction and merger-related costs, net	—	(12)	12	N/M	—	(0.15)	N/M
Other operating expenses	40	41	(1)	(2)%	0.42	0.51	(18)%
Total operating expenses	\$ 937	\$ 850	\$ 87	10 %	9.66 €	10.57 €	(9)%
Operating statistics:							
ASMs (millions)	9,697	8,040	1,657	21 %			
Average stage length (miles)	996	974	22	2 %			
Passengers (thousands)	7,697	6,704	993	15 %			
Departures	48,627	42,627	6,000	14 %			
CASM (excluding fuel) (€) ^(b)	6.66	6.76	(0.10)	(1)%			
Adjusted CASM (excluding fuel) (€) ^(b)	6.66	6.90	(0.24)	(3)%			
Fuel cost per gallon (\$)	3.08	3.85	(0.77)	(20)%			
Fuel gallons consumed (thousands)	94,459	79,566	14,893	19 %			

N/M = Not meaningful

(a) Cost per ASM figures may not recalculate due to rounding.

(b) These metrics are not calculated in accordance with GAAP. See the reconciliation to corresponding GAAP measures provided below.

Reconciliation of CASM to CASM (excluding fuel), Adjusted CASM (excluding fuel), Adjusted CASM, Adjusted CASM including net interest and CASM including net interest

	Three Months Ended September 30,			
	2023		2022	
	(\$ in millions)	Per ASM (€)	(\$ in millions)	Per ASM (€)
Non-GAAP financial data: ^(a)				
CASM		9.66		10.57
Aircraft fuel	(291)	(3.00)	(306)	(3.81)
CASM (excluding fuel) ^(b)		6.66		6.76
Transaction and merger-related costs, net ^(c)	—	—	12	0.15
Collective bargaining contract ratification ^(d)	—	—	(1)	(0.01)
Adjusted CASM (excluding fuel) ^(b)		6.66		6.90
Aircraft fuel	291	3.00	306	3.81
Adjusted CASM ^(e)		9.66		10.71
Net interest expense (income)	(9)	(0.10)	(2)	(0.03)
Adjusted CASM + net interest ^(f)		9.56		10.68
CASM		9.66		10.57
Net interest expense (income)	(9)	(0.10)	(2)	(0.02)
CASM + net interest ^(f)		9.56		10.55

(a) Cost per ASM figures may not recalculate due to rounding.

(b) CASM (excluding fuel) and Adjusted CASM (excluding fuel) are included as supplemental disclosures because we believe that excluding aircraft fuel is useful to investors as it provides an additional measure of management's performance excluding the effects of a significant cost item over which management has limited influence. The price of fuel, over which we have limited control, impacts the comparability of period-to-period financial performance, and excluding the price of fuel allows management an additional tool to understand and analyze our non-fuel costs and core operating performance, and increases comparability with other airlines that also provide a similar metric. CASM (excluding fuel) and Adjusted CASM (excluding fuel) are not determined in accordance with GAAP and should not be considered in isolation or as a substitute for performance measures calculated in accordance with GAAP.

(c) Represents \$25 million received from Spirit for the reimbursement of incurred Merger-related expenses, partially offset by \$9 million in employee retention costs and \$4 million in transaction costs, including banking, legal and accounting fees, incurred in connection with the terminated Merger with Spirit.

(d) Represents \$1 million of costs related to the collective bargaining contract ratification costs earned through May 2023 and committed to by us as part of an agreement with the union representing our aircraft technicians that was ratified and became effective in May 2022.

(e) Adjusted CASM is included as supplemental disclosure because we believe it is a useful metric to properly compare our cost management and performance to other peers, as derivations of Adjusted CASM are well-recognized performance measurements in the airline industry that are frequently used by our management, as well as by investors, securities analysts and other interested parties in comparing the operating performance of companies in the airline industry. Additionally, we believe this metric is useful because it removes certain items that may not be indicative of base operating performance or future results. Adjusted CASM is not determined in accordance with GAAP, may not be comparable across all carriers and should not be considered in isolation or as a substitute for performance measures calculated in accordance with GAAP.

(f) Adjusted CASM including net interest and CASM including net interest are included as supplemental disclosures because we believe they are useful metrics to properly compare our cost management and performance to other peers that may have different capital structures and financing strategies, particularly as it relates to financing primary operating assets such as aircraft and engines. Additionally, we believe these metrics are useful because they remove certain items that may not be indicative of base operating performance or future results. Adjusted CASM including net interest and CASM including net interest are not determined in accordance with GAAP, may not be comparable across all carriers and should not be considered in isolation or as a substitute for performance measures calculated in accordance with GAAP.

Aircraft Fuel. Aircraft fuel expense decreased by \$15 million, or 5%, during the three months ended September 30, 2023, as compared to the three months ended September 30, 2022. The decrease was primarily due to a 20% decrease in fuel prices partially offset by a 19% increase in fuel gallons consumed due to increased capacity.

Salaries, Wages and Benefits. Salaries, wages and benefits expense increased by \$39 million, or 21%, during the three months ended September 30, 2023, as compared to the three months ended September 30, 2022. The increase was primarily due to higher crew costs, driven by elevated credit hours on higher capacity and other benefit costs, as well as increased headcount of salaried support staff.

Aircraft Rent. Aircraft rent expense increased by \$10 million, or 7%, during the three months ended September 30, 2023, as compared to the three months ended September 30, 2022, primarily due a larger fleet, partially offset by lower costs associated with lease returns.

Station Operations. Station operations expense increased by \$32 million, or 32%, during the three months ended September 30, 2023, as compared to the three months ended September 30, 2022, primarily due to a 15% and 14% increase in passengers and departures, respectively.

Sales and Marketing. Sales and marketing expense decreased by \$1 million, or 2%, during the three months ended September 30, 2023, as compared to the three months ended September 30, 2022, primarily due to lower credit card fees resulting from the 3% decrease in revenue. The following table presents our distribution channel mix:

Distribution Channel	Three Months Ended September 30,		Change
	2023	2022	
Our website, mobile app and other direct channels	72 %	69 %	3 pts
Third-party channels	28 %	31 %	(3) pts

Maintenance, Materials and Repairs. Maintenance, materials and repair expense increased by \$6 million, or 14%, during the three months ended September 30, 2023, as compared to the three months ended September 30, 2022. This was primarily due to more average aircraft in service and higher average daily utilization per aircraft, which resulted in higher maintenance costs.

Depreciation and Amortization. Depreciation and amortization expense increased by \$5 million, or 63%, during the three months ended September 30, 2023, as compared to the three months ended September 30, 2022, primarily due to an increase in capitalized maintenance.

Transaction and Merger-Related Costs, Net. During the three months ended September 30, 2022, we generated a net \$12 million benefit, driven by \$25 million received from Spirit for the reimbursement of incurred merger-related expenses, partially offset by incurred expenses of \$9 million in employee retention costs and \$4 million in transaction costs, primarily related to legal and other professional fees.

Other Operating Expenses. Other operating expenses decreased by \$1 million, or 2%, during the three months ended September 30, 2023, as compared to the three months ended September 30, 2022. The decrease was primarily driven by the increase in gain on sale-leaseback transactions compared to the corresponding prior period, partially offset by the increase in travel expenses relating to crew accommodations, due to the increase in capacity and higher general and administrative costs, including IT and professional services.

Other Income (Expense). Other income increased by \$7 million during the three months ended September 30, 2023, as compared to the three months ended September 30, 2022. Higher interest rates and increased average balances in our interest-bearing cash accounts contributed to an increase in interest income. Additionally, higher interest rates contributed to greater capitalized interest which was partially offset by interest expense as a result of rate increases on our variable rate debt.

Income Taxes. Our effective tax rate for the three months ended September 30, 2023 was a benefit of 28.9%, compared to an expense of 46.6% for the three months ended September 30, 2022. The effective tax rate for the three months ended September 30, 2023 was higher than the statutory rate primarily due to the loss before taxes for the quarter coupled with the tax benefits associated with our stock-based compensation arrangements. The increase in the estimated annual tax rate for the three months ended September 30, 2022 was a result of the generation of significant pre-tax losses in the first quarter of 2022 as compared to the generation of pre-tax income in the second and third quarters of 2022 and the resulting impact on the tax expense recognized for the three months ended September 30, 2022 in conjunction with utilizing an estimated annual effective rate.

Results of Operations

Nine Months Ended September 30, 2023 Compared to Nine Months Ended September 30, 2022

Operating Revenues

	Nine Months Ended September 30,		Change	
	2023	2022		
Operating revenues (\$ in millions):				
Passenger	\$ 2,637	\$ 2,361	\$ 276	12 %
Other	61	59	2	3 %
Total operating revenues	\$ 2,698	\$ 2,420	\$ 278	11 %
Operating statistics:				
ASMs (millions)	27,809	23,076	4,733	21 %
Revenue passenger miles (millions)	22,981	18,547	4,434	24 %
Average stage length (miles)	1,028	976	52	5 %
Load factor	82.6%	80.4%	2.2 pts	N/A
RASM (¢)	9.70	10.49	(0.79)	(8)%
Total ancillary revenue per passenger (\$)	78.31	74.27	4.04	5 %
Total revenue per passenger (\$)	121.96	129.76	(7.80)	(6)%
Passengers (thousands)	22,119	18,650	3,469	19 %

Total operating revenue increased \$278 million, or 11%, during the nine months ended September 30, 2023 compared to the nine months ended September 30, 2022, as we experienced continued demand related to leisure travel through most of the year, partially offset by lower domestic fares. Revenue was favorably impacted by 21% capacity growth, as measured by ASMs, during the nine months ended September 30, 2023 as compared to the nine months ended September 30, 2022. This was driven by a 12% increase in average aircraft in service during the nine months ended September 30, 2023, as compared to the nine months ended September 30, 2022, as well as a 5% increase in average daily aircraft utilization to 11.4 hours per day for the nine months ended September 30, 2023, as compared to 10.9 hours per day for the corresponding prior year period. RASM decreased 8% for the nine months ended September 30, 2023 as compared to the nine months ended September 30, 2022, due to the 6% decline in revenue per passenger mainly caused by a reduction in fare revenue per passenger, as well as the 5% increase in stage length, partially offset by the 2.2 point increase in load factor and 5% increase in ancillary revenue per passenger.

Operating Expenses

	Nine Months Ended September 30.				Cost per ASM		
	2023	2022	Change		2023	2022	Change
Operating expenses (\$ in millions):^(a)							
Aircraft fuel	\$ 827	\$ 856	\$ (29)	(3)%	2.97 ¢	3.71 ¢	(20)%
Salaries, wages and benefits	635	528	107	20 %	2.28	2.29	— %
Aircraft rent	429	401	28	7 %	1.54	1.74	(11)%
Station operations	381	326	55	17 %	1.37	1.41	(3)%
Sales and marketing	125	120	5	4 %	0.45	0.52	(13)%
Maintenance, materials and repairs	145	107	38	36 %	0.52	0.46	13 %
Depreciation and amortization	36	36	—	— %	0.13	0.16	(19)%
Transaction and merger-related costs, net	1	8	(7)	(88)%	0.01	0.04	(75)%
Other operating expenses	119	128	(9)	(7)%	0.43	0.55	(22)%
Total operating expenses	\$ 2,698	\$ 2,510	\$ 188	7 %	9.70 ¢	10.88 ¢	(11)%
Operating statistics:							
ASMs (millions)	27,809	23,076	4,733	21 %			
Average stage length (miles)	1,028	976	52	5 %			
Passengers (thousands)	22,119	18,650	3,469	19 %			
Departures	136,747	122,040	14,707	12 %			
CASM (excluding fuel) (¢) ^(b)	6.73	7.17	(0.44)	(6)%			
Adjusted CASM (excluding fuel) (¢) ^(b)	6.72	7.09	(0.37)	(5)%			
Fuel cost per gallon (\$)	3.07	3.76	(0.69)	(18)%			
Fuel gallons consumed (thousands)	269,425	227,559	41,866	18 %			

N/M = Not meaningful

(a) Cost per ASM figures may not recalculate due to rounding.

(b) These metrics are not calculated in accordance with GAAP. See the reconciliation to corresponding GAAP measures provided below.

Reconciliation of CASM to CASM (excluding fuel), Adjusted CASM (excluding fuel), Adjusted CASM, Adjusted CASM including net interest and CASM including net interest

	Nine Months Ended September 30,			
	2023		2022	
	(\$ in millions)	Per ASM (€)	(\$ in millions)	Per ASM (€)
Non-GAAP financial data: ^(a)				
CASM		9.70		10.88
Aircraft fuel	(827)	(2.97)	(856)	(3.71)
CASM (excluding fuel) ^(b)		6.73		7.17
Transaction and merger-related costs, net ^(c)				
	(1)	(0.01)	(8)	(0.04)
Asset impairment ^(d)	—	—	(7)	(0.03)
Collective bargaining contract ratification ^(e)	—	—	(2)	(0.01)
Adjusted CASM (excluding fuel) ^(b)		6.72		7.09
Aircraft fuel	827	2.98	856	3.71
Adjusted CASM ^(f)		9.70		10.80
Net interest expense (income)	(26)	(0.10)	5	0.02
CARES Act - write-off of deferred financing costs due to payoff of loan ^(g)	—	—	(7)	(0.03)
Adjusted CASM + net interest ^(h)		9.60		10.79
CASM		9.70		10.88
Net interest expense (income)	(26)	(0.09)	5	0.02
CASM + net interest ^(h)		9.61		10.90

(a) Cost per ASM figures may not recalculate due to rounding.

(b) CASM (excluding fuel) and Adjusted CASM (excluding fuel) are included as supplemental disclosures because we believe that excluding aircraft fuel is useful to investors as it provides an additional measure of management's performance excluding the effects of a significant cost item over which management has limited influence. The price of fuel, over which we have limited control, impacts the comparability of period-to-period financial performance, and excluding the price of fuel allows management an additional tool to understand and analyze our non-fuel costs and core operating performance, and increases comparability with other airlines that also provide a similar metric. CASM (excluding fuel) and Adjusted CASM (excluding fuel) are not determined in accordance with GAAP and should not be considered in isolation or as a substitute for performance measures calculated in accordance with GAAP.

(c) Represents \$1 million in employee retention costs incurred in connection with the terminated Merger with Spirit for the nine months ended September 30, 2023. Represents \$16 million in transaction costs, including banking, legal and accounting fees, and \$17 million in employee retention costs incurred in connection with the terminated Merger with Spirit, partially offset by \$25 million received from Spirit for the reimbursement of incurred Merger-related expenses for the nine months ended September 30, 2022.

(d) Represents a write-off of \$7 million in capitalized software development costs as a result of a termination of a vendor arrangement.

(e) Represents \$2 million of costs related to a one-time contract ratification incentive, plus payroll-related taxes earned through May 2023 and committed to by us as part of an agreement with the union representing our aircraft technicians that was ratified and became effective in May 2022.

(f) Adjusted CASM is included as supplemental disclosure because we believe it is a useful metric to properly compare our cost management and performance to other peers, as derivations of Adjusted CASM are well-recognized performance measurements in the airline industry that are frequently used by our management, as well as by investors, securities analysts and other interested parties in comparing the operating performance of companies in the airline industry. Additionally, we believe this metric is useful because it removes certain items that may not be indicative of base operating performance or future results. Adjusted CASM is not determined in accordance with GAAP, may not be comparable across all carriers and should not be considered in isolation or as a substitute for performance measures calculated in accordance with GAAP.

- (g) On February 2, 2022, we repaid the Treasury Loan, which resulted in a one-time write-off of the remaining \$7 million in unamortized deferred financing costs related to the Treasury Loan. This amount is a component of interest expense.
- (h) Adjusted CASM including net interest and CASM including net interest are included as supplemental disclosures because we believe they are useful metrics to properly compare our cost management and performance to other peers that may have different capital structures and financing strategies, particularly as it relates to financing primary operating assets such as aircraft and engines. Additionally, we believe these metrics are useful because they remove certain items that may not be indicative of base operating performance or future results. Adjusted CASM including net interest and CASM including net interest are not determined in accordance with GAAP, may not be comparable across all carriers and should not be considered in isolation or as a substitute for performance measures calculated in accordance with GAAP.

Aircraft Fuel. Aircraft fuel expense decreased by \$29 million, or 3%, during the nine months ended September 30, 2023, as compared to the nine months ended September 30, 2022. The decrease was primarily due to an 18% decrease in fuel prices, partially offset by the 18% increase in gallons consumed, driven by higher capacity.

Salaries, Wages and Benefits. Salaries, wages and benefits expense increased by \$107 million, or 20%, during the nine months ended September 30, 2023, as compared to the nine months ended September 30, 2022. The increase was primarily due to higher crew costs, driven by elevated credit hours on higher capacity and other benefit costs, and an increased headcount of salaried support staff.

Aircraft Rent. Aircraft rent expense increased by \$28 million, or 7%, during the nine months ended September 30, 2023, as compared to the nine months ended September 30, 2022, primarily due to a larger fleet, partially offset by the reversal of \$22 million of previously accrued lease return costs due to lease extensions of two of our aircraft and two of our spare engines.

Station Operations. Station operations expense increased by \$55 million, or 17%, during the nine months ended September 30, 2023, as compared to the nine months ended September 30, 2022, primarily due to a 19% and 12% increase in passengers and departures, respectively, partially offset by lower passenger reaccommodation expenses.

Sales and Marketing. Sales and marketing expense increased by \$5 million, or 4%, during the nine months ended September 30, 2023, as compared to the nine months ended September 30, 2022, primarily due to higher credit card fees resulting from the 11% increase in revenue, partially offset by a reduction in media advertising. The following table presents our distribution channel mix:

Distribution Channel	Nine Months Ended September 30,		Change
	2023	2022	
Our website, mobile app and other direct channels	71 %	69 %	2 pts
Third-party channels	29 %	31 %	(2) pts

Maintenance, Materials and Repairs. Maintenance, materials and repair expense increased by \$38 million, or 36%, during the nine months ended September 30, 2023, as compared to the nine months ended September 30, 2022. This was primarily due to more average aircraft in service and higher average daily utilization per aircraft, which resulted in higher contract labor and maintenance costs.

Depreciation and Amortization. Depreciation and amortization expense was unchanged for the nine months ended September 30, 2023, as compared to the nine months ended September 30, 2022, primarily due to a loss on asset disposal recorded for the nine months ended September 30, 2022, offset by an increase in capitalized maintenance.

Transaction and Merger-Related Costs, Net. During the nine months ended September 30, 2023, we incurred \$1 million in merger-related costs, as compared to \$8 million in net costs during the nine months ended September 30, 2022, which included \$17 million in employee retention costs and \$16 million in transaction costs, primarily related to legal and other professional fees, partially offset by the \$25 million received from Spirit for the reimbursement of incurred merger-related expenses.

Other Operating Expenses. Other operating expenses decreased by \$9 million, or 7%, during the nine months ended September 30, 2023, as compared to the nine months ended September 30, 2022. The decrease was primarily driven by the increase in gains from sale-leaseback transactions compared to the corresponding prior period, partially offset by increases to travel expenses relating to crew accommodations, driven by an increase in capacity, as well as increases to IT and supplies and general and administrative costs.

Other Income (Expense). Other income increased by \$31 million during the nine months ended September 30, 2023, as compared to the nine months ended September 30, 2022. Higher interest rates and increased balances in our interest-bearing cash accounts contributed to an increase in interest income. Additionally, higher interest rates contributed to greater capitalized interest which was partially offset by interest expense as a result of rate increases on our variable rate debt, and during the nine months ended September 30, 2022, we recorded a \$7 million non-cash charge from the extinguishment of debt related to the write-off of unamortized deferred financing costs associated with the repayment of the Treasury Loan.

Income Taxes. Our effective tax rate for the nine months ended September 30, 2023 was an expense of 0%, compared to a benefit of 18.9% for nine months ended September 30, 2022. The effective tax rate for the nine months ended September 30, 2023 was lower than the statutory rate primarily due to tax benefits associated with our stock-based compensation arrangements. The effective tax rate for the nine months ended September 30, 2022 was lower than the statutory rate due to the non-deductibility of certain executive compensation costs and other employee benefits.

Reconciliation of Pre-Tax Income (Loss) to Adjusted Pre-Tax Income (Loss), Net Income (Loss) to Adjusted Net Income (Loss) and to EBITDA, EBITDAR, Adjusted EBITDA, and Adjusted EBITDAR

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2023		2022		2023		2022	
	(in millions)							
Non-GAAP financial data (unaudited):								
Adjusted pre-tax income (loss) ^(a)	\$	(45)	\$	47	\$	27	\$	(71)
Adjusted net income (loss) ^(a)	\$	(32)	\$	33	\$	27	\$	(56)
EBITDA ^(a)	\$	(41)	\$	64	\$	36	\$	(54)
EBITDAR ^(b)	\$	109	\$	204	\$	465	\$	347
Adjusted EBITDA ^(a)	\$	(41)	\$	53	\$	37	\$	(44)
Adjusted EBITDAR ^(b)	\$	109	\$	193	\$	466	\$	357

(a) Adjusted pre-tax income (loss), adjusted net income (loss), EBITDA and adjusted EBITDA are included as supplemental disclosures because we believe they are useful indicators of our operating performance. Derivations of pre-tax income (loss), net income and EBITDA are well-recognized performance measurements in the airline industry that are frequently used by our management, as well as by investors, securities analysts and other interested parties in comparing the operating performance of companies in our industry.

Adjusted pre-tax income (loss), adjusted net income (loss), EBITDA and adjusted EBITDA have limitations as analytical tools. Some of the limitations applicable to these measures include: adjusted pre-tax income (loss), adjusted net income (loss), EBITDA and adjusted EBITDA do not reflect the impact of certain cash charges resulting from matters we consider not to be indicative of our ongoing operations; adjusted pre-tax income (loss), adjusted net income (loss), EBITDA and adjusted EBITDA do not reflect our cash expenditures, or future requirements, for capital expenditures or contractual commitments; EBITDA and adjusted EBITDA do not reflect changes in, or cash requirements for, our working capital needs; EBITDA, and adjusted EBITDA do not reflect the interest expense, or the cash requirements necessary to service interest or principal payments, on our indebtedness or possible cash requirements related to our warrants; although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and EBITDA and adjusted EBITDA do not reflect any cash requirements for such replacements; and other companies in our industry may calculate adjusted pre-tax income (loss), adjusted net income (loss), EBITDA and adjusted EBITDA differently than we do, limiting their usefulness as comparative measures. Because of these limitations, adjusted pre-tax income (loss), adjusted net income (loss), EBITDA and adjusted EBITDA should not be considered in isolation from or as a substitute for performance measures calculated in accordance with GAAP. In addition, because derivations of adjusted pre-tax income (loss), adjusted net income (loss), EBITDA and adjusted EBITDA are not determined in accordance with GAAP, such measures are susceptible to varying calculations and not all companies calculate the measures in the same manner. As a result, derivations of pre-tax income (loss), net income (loss) and EBITDA, including adjusted pre-tax income (loss), adjusted net income (loss) and adjusted EBITDA, as presented may not be directly comparable to similarly titled measures presented by other companies.

For the foregoing reasons, each of adjusted pre-tax income (loss), adjusted net income (loss), EBITDA and adjusted EBITDA has significant limitations which affect its use as an indicator of our profitability. Accordingly, you are cautioned not to place undue reliance on this information.

(b) EBITDAR and adjusted EBITDAR are included as a supplemental disclosure because we believe them to be useful solely as valuation metrics for airlines as their calculations isolate the effects of financing in general, the accounting effects of capital spending and acquisitions (primarily aircraft, which may be acquired directly, directly subject to acquisition debt, by capital lease or by operating lease, each of which is presented differently for accounting purposes), and income taxes, which may vary significantly between periods and for different airlines for reasons unrelated to the underlying value of a particular airline. However, EBITDAR and adjusted EBITDAR are not determined in accordance with GAAP, are susceptible to varying calculations and not all companies calculate the measure in the same manner. As a result, EBITDAR and adjusted EBITDAR, as presented, may not be directly comparable to similarly titled measures presented by other companies. In addition, EBITDAR and adjusted EBITDAR should not be viewed as a measure of overall performance since they exclude aircraft rent, which is a normal, recurring cash operating expense that is necessary to operate our business. Accordingly, you are cautioned not to place undue reliance on this information.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
	(in millions)		(in millions)	
Adjusted net income (loss) reconciliation (unaudited):				
Net income (loss)	\$ (32)	\$ 31	\$ 26	\$ (77)
Non-GAAP Adjustments ^(a) :				
Transaction and merger-related costs, net	—	(12)	1	8
Asset impairment	—	—	—	7
Collective bargaining contract ratification	—	1	—	2
CARES Act - write-off of deferred financing costs due to paydown of loan	—	—	—	7
Pre-tax impact	—	(11)	1	24
Tax benefit (expense), related to non-GAAP adjustments ^(b)	—	13	—	(3)
Adjusted net income (loss)	\$ (32)	\$ 33	\$ 27	\$ (56)
Adjusted pre-tax income (loss) reconciliation (unaudited):				
Income (loss) before income taxes	\$ (45)	\$ 58	\$ 26	\$ (95)
Pre-tax impact	—	(11)	1	24
Adjusted pre-tax income (loss)	\$ (45)	\$ 47	\$ 27	\$ (71)
EBITDA, EBITDAR, Adjusted EBITDA and Adjusted EBITDAR reconciliation (unaudited):				
Net income (loss)	\$ (32)	\$ 31	\$ 26	\$ (77)
Plus (minus):				
Interest expense	8	4	21	16
Capitalized interest	(7)	(3)	(19)	(6)
Interest income and other	(10)	(3)	(28)	(5)
Income tax expense (benefit)	(13)	27	—	(18)
Depreciation and amortization	13	8	36	36
EBITDA	(41)	64	36	(54)
Plus: Aircraft rent	150	140	429	401
EBITDAR	\$ 109	\$ 204	\$ 465	\$ 347
EBITDA	\$ (41)	\$ 64	\$ 36	\$ (54)
Plus (minus) ^(a) :				
Transaction and merger-related costs, net	—	(12)	1	8
Collective bargaining contract ratification	—	1	—	2
Adjusted EBITDA	(41)	53	37	(44)
Plus: Aircraft rent	150	140	429	401
Adjusted EBITDAR	\$ 109	\$ 193	\$ 466	\$ 357

(a) See "Reconciliation of CASM to CASM (excluding fuel), Adjusted CASM (excluding fuel), Adjusted CASM, Adjusted CASM including net interest and CASM including net interest" above for discussion on adjusting items.

(b) For purposes of determining the tax rate applicable to Adjusted (i.e., non-GAAP) net income (loss) with respect to the three and nine months ended September 30, 2022, we established our adjusted effective tax rate by using September 30, 2022 actual results. In contrast, for all other interim periods, we determined our effective tax rate on a non-GAAP basis by using full year actual and projected results to determine the effective tax rate to calculate Adjusted net income (loss). Management believed the use of September 30, 2022 actuals to calculate an adjusted tax rate for the three and nine month interim periods then ended provided a more meaningful relationship between income tax expense and Adjusted pre-tax income (loss) than would be produced using the full year and projected results method due to the shift from an adjusted pre-tax loss in early 2022 to actual and forecasted profitability in the third and fourth quarters of 2022 combined with an expectation of annual adjusted pre-tax results being near break-even and the resulting impact of non-deductible items. GAAP permits the use of the actual results method under such circumstances. However, the foregoing methodology was applied solely to the non-GAAP presentation in the prior year periods. Income tax expense was calculated on a GAAP basis for all periods presented and on a non-GAAP basis for the current year using the estimated annual effective tax rate method which uses an expectation of full year pre-tax income (loss) in the determination of interim effective tax rates as this method does not produce significant variations in the customary relationship between income tax expense and pre-tax accounting income.

Comparative Operating Statistics

The following table sets forth our operating statistics for the three and nine months ended September 30, 2023 and 2022. These operating statistics are provided because they are commonly used in the airline industry and, as such, allow readers to compare our performance against our results for the corresponding prior year period, as well as against the performance of our peers.

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2023	2022	Percent Change	2023	2022	Percent Change
Operating statistics (unaudited)^(a)						
ASMs (millions)	9,697	8,040	21 %	27,809	23,076	21 %
Departures	48,627	42,627	14 %	136,747	122,040	12 %
Average stage length (miles)	996	974	2 %	1,028	976	5 %
Block hours	133,305	113,922	17 %	385,129	329,533	17 %
Average aircraft in service	128	112	14 %	124	111	12 %
Aircraft – end of period	134	115	17 %	134	115	17 %
Average daily aircraft utilization (hours)	11.3	11.1	2 %	11.4	10.9	5 %
Passengers (thousands)	7,697	6,704	15 %	22,119	18,650	19 %
Average seats per departure	200	193	4 %	198	193	3 %
RPMs (millions)	7,755	6,635	17 %	22,981	18,547	24 %
Load Factor	80.0 %	82.5 %	(2.5) pts	82.6 %	80.4 %	2.2 pts
Fare revenue per passenger (\$)	39.17	57.57	(32) %	43.65	55.49	(21) %
Non-fare passenger revenue per passenger (\$)	72.77	74.18	(2) %	75.57	71.09	6 %
Other revenue per passenger (\$)	2.77	3.45	(20) %	2.74	3.18	(14) %
Total ancillary revenue per passenger (\$)	75.54	77.63	(3) %	78.31	74.27	5 %
Total revenue per passenger (\$)	114.71	135.20	(15) %	121.96	129.76	(6) %
RASM (€)	9.10	11.27	(19) %	9.70	10.49	(8) %
CASM (€)	9.66	10.57	(9) %	9.70	10.88	(11) %
CASM (excluding fuel) (€) ^(b)	6.66	6.76	(1) %	6.73	7.17	(6) %
CASM + net interest (€) ^(b)	9.56	10.55	(9) %	9.61	10.90	(12) %
Adjusted CASM (€) ^(b)	9.66	10.71	(10) %	9.70	10.80	(10) %
Adjusted CASM (excluding fuel) (€) ^(b)	6.66	6.90	(3) %	6.72	7.09	(5) %
Adjusted CASM + net interest (€) ^(b)	9.56	10.68	(10) %	9.60	10.79	(11) %
Fuel cost per gallon (\$)	3.08	3.85	(20) %	3.07	3.76	(18) %
Fuel gallons consumed (thousands)	94,459	79,566	19 %	269,425	227,559	18 %
Full-time equivalent employees (FTEs)	6,959	6,126	14 %	6,959	6,126	14 %

(a) Figures may not recalculate due to rounding. See "Glossary of Airline Terms" for definitions of terms used in this table.

(b) These metrics are not calculated in accordance with GAAP. For the reconciliation to corresponding GAAP measures, see "Results of Operations—Reconciliation of CASM to CASM (excluding fuel), Adjusted CASM (excluding fuel), Adjusted CASM, Adjusted CASM including net interest and CASM including net interest."

Liquidity, Capital Resources and Financial Position

Overview

As of September 30, 2023, we had \$640 million in total available liquidity, made up of cash and cash equivalents. We had \$486 million of total debt, net, of which \$266 million is short-term and consists of amounts outstanding under our pre-delivery deposit payment facility ("PDP Financing Facility") and secured indebtedness related to our headquarters building. Our total debt, net is comprised of \$328 million outstanding under our PDP Financing Facility, \$80 million outstanding under our pre-purchased miles facility with Barclays Bank Delaware ("Barclays"), \$66 million in 10-year, low-interest loans from the Treasury (the "PSP Promissory Notes") and \$16 million in secured indebtedness for our headquarters building, partially offset by \$4 million in deferred debt acquisition costs.

On February 2, 2022, we repaid the Treasury Loan, which included the \$150 million principal balance along with accrued interest and associated fees of \$1 million. As a result, we recognized a \$7 million non-cash charge from the write-off of unamortized deferred financing costs associated with the Treasury Loan for the nine months ended September 30, 2022.

In connection with the PSP Promissory Notes and Treasury Loan, we issued to the Treasury warrants to purchase 3,117,940 shares of our common stock at a weighted-average price of \$6.95 per share. We have the intent and ability to settle the warrants issued to the Treasury in common shares and we have classified the warrant liability to additional paid-in-capital on our condensed consolidated balance sheet. The Treasury has not exercised any warrants as of September 30, 2023.

We continue to monitor our covenant compliance with various parties, including, but not limited to, our lenders and credit card processors. As of the date of this report, we are in compliance with all of our covenants.

The following table presents the major indicators of our financial condition and liquidity:

	September 30, 2023	(\$ in millions)		December 31, 2022
Cash and cash equivalents	\$	640	\$	761
Total current assets, excluding cash and cash equivalents	\$	296	\$	259
Total current liabilities, excluding current maturities of long-term debt and operating leases	\$	895	\$	933
Current maturities of long-term debt, net	\$	266	\$	157
Long-term debt, net	\$	220	\$	272
Stockholders' equity	\$	541	\$	509
Debt to capital ratio		47 %		46 %
Debt to capital ratio, including operating lease obligations		86 %		85 %

Use of Cash and Future Obligations

We expect to meet our cash requirements for the next twelve months through use of our available cash and cash equivalents, our PDP Financing Facility and cash flows from operating activities. We expect to meet our long-term cash requirements with cash flows from operating and financing activities, including, but not limited to, potential future borrowings on our PDP Financing Facility and/or potential issuances of debt or equity. Our primary uses of cash are for working capital, aircraft PDPs, debt repayments and capital expenditures.

Our single largest capital commitment relates to the acquisition of aircraft. As of September 30, 2023, we operated all of our 134 aircraft under operating leases. PDPs relating to future deliveries under our agreement with Airbus are required at various times prior to each aircraft's delivery date. As of September 30, 2023, we had \$423 million of PDPs held by Airbus which have been partially financed by our PDP Financing Facility. As of

September 30, 2023, our PDP Financing Facility, which allows us to draw up to an aggregate of \$365 million, had \$328 million outstanding. As of September 30, 2023, we had a firm obligation to purchase 214 A320neo family aircraft and 16 additional spare engines to be delivered by 2029. Of our aircraft commitments, four had committed operating leases for 2023 deliveries, and 19 were subject to non-binding letters of intent to provide operating lease financing for 2024 deliveries. We intend to evaluate financing options for the remaining aircraft.

Additionally, we are required by some of our aircraft lease agreements to pay maintenance reserves to our respective aircraft lessors in advance of the performance of major maintenance activities; these payments act as collateral for the lessors to ensure aircraft are returned in the agreed upon condition at the end of the lease period. Qualifying payments that are expected to be recovered from lessors are recorded as aircraft maintenance deposits on our condensed consolidated balance sheets. During the nine months ended September 30, 2023 and 2022, we made \$13 million and \$14 million, respectively, in maintenance deposit payments to our lessors. As of September 30, 2023, we had \$109 million in recoverable aircraft maintenance deposits on our condensed consolidated balance sheet, of which \$22 million was included in accounts receivable because the eligible maintenance had been performed and the remaining \$87 million was included within aircraft maintenance deposits.

The following table summarizes current and long-term material cash requirements as of September 30, 2023, which we expect to fund primarily with operating and financing cash flows (in millions):

	Material Cash Requirements							Total
	Remainder of 2023	2024	2025	2026	2027	Thereafter		
Debt obligations ^(a)	\$ 55	\$ 238	\$ 51	\$ —	\$ —	\$ 146	\$ 490	
Interest commitments ^(b)	8	19	8	7	7	8	57	
Operating lease obligations ^(c)	138	541	527	463	398	1,574	3,641	
Flight equipment purchase obligations ^(d)	243	1,389	2,500	2,357	2,447	3,757	12,693	
Maintenance deposit obligations ^(e)	1	3	3	3	4	5	19	
Total	\$ 445	\$ 2,190	\$ 3,089	\$ 2,830	\$ 2,856	\$ 5,490	\$ 16,900	

(a) Includes principal commitments only associated with our PDP Financing Facility with borrowings as of September 30, 2023 pertaining to aircraft with deliveries through 2025, our floating rate building note through December 2023, our affinity card unsecured debt due through 2029 and the PSP Promissory Notes due through 2031. See "Notes to Condensed Consolidated Financial Statements — 6. Debt".

(b) Represents interest on debt obligations.

(c) Represents gross cash payments related to our operating lease obligations that are not subject to discount as compared to the obligations measured on our condensed consolidated balance sheets. See "Notes to Condensed Consolidated Financial Statements — 7. Operating Leases".

(d) Represents purchase commitments for aircraft and engines. See "Notes to Condensed Consolidated Financial Statements — 9. Commitments and Contingencies".

(e) Represents fixed maintenance reserve payments for aircraft including estimated amounts for contractual price escalations. See "Notes to Condensed Consolidated Financial Statements — 7. Operating Leases".

Cash Flows

The following table presents information regarding our cash flows in the nine months ended September 30, 2023 and 2022 (in millions):

	Nine Months Ended September 30,	
	2023	2022
Net cash used in operating activities	\$ (207)	\$ (172)
Net cash used in investing activities	(91)	(117)
Net cash provided by financing activities	177	45
Net decrease in cash, cash equivalents and restricted cash	(121)	(244)
Cash, cash equivalents and restricted cash at beginning of period	761	918
Cash, cash equivalents and restricted cash at end of period	\$ 640	\$ 674

Operating Activities

During the nine months ended September 30, 2023, net cash used in operating activities totaled \$207 million, which was driven by \$183 million of outflows from changes in operating assets and liabilities and non-cash adjustments totaling \$50 million, partially offset by \$26 million of net income.

The \$183 million of outflows from changes in operating assets and liabilities include:

- \$132 million increase in other long-term assets driven by increases in capitalized maintenance, prepaid maintenance, prepaid bonuses and capitalized interest;
- \$50 million decrease in other liabilities driven primarily by leased aircraft return payments;
- \$18 million increase in supplies and other current assets;
- \$13 million increase in aircraft maintenance deposits; and
- \$6 million decrease in our air traffic liability; partially offset by
- \$24 million increase in accounts payable; and
- \$12 million decrease in accounts receivable due to the collection of station receivables.

Our net income of \$26 million was also adjusted by the following non-cash items to arrive at cash used in operating activities:

- \$97 million gain recognized on sale-leaseback transactions; partially offset by
- \$36 million depreciation and amortization;
- \$10 million stock-based compensation expense; and
- \$1 million in amortization of swaption cash flow hedges, net of tax.

During the nine months ended September 30, 2022, net cash used in operating activities totaled \$172 million, which was driven by a \$77 million net loss, outflows from changes in operating assets and liabilities of \$83 million and non-cash adjustments totaling \$12 million.

The \$83 million of outflows from changes in operating assets and liabilities include:

- \$68 million increase in other long-term assets driven by increases in deferred taxes and prepaid maintenance;
- \$35 million increase in supplies from increased fuel inventory and consumable balances and other current assets driven by supplier incentives and prepaid expenses;
- \$14 million increase in aircraft maintenance deposits;
- \$13 million decrease in accounts payable; and
- \$6 million increase in accounts receivable driven by increases in bookings; partially offset by

- \$30 million increase in other liabilities driven by growth in the business, reflected primarily through increases in leased aircraft return costs of \$26 million, aircraft maintenance costs of \$24 million, other current liabilities of \$10 million, passenger tax accounts of \$7 million and accrued fuel of \$5 million, partially offset by a \$26 million payment to FAPAInvest, LLC for their phantom equity units and a reduction to station obligations of \$16 million; and
- \$23 million increase in our air traffic liability as a result of increased bookings.

Our net loss of \$77 million was also adjusted by the following non-cash items to arrive at cash used in operating activities:

- \$49 million gain recognized on sale-leaseback transactions; and
- \$18 million deferred tax benefits; partially offset by
- \$36 million depreciation and amortization;
- \$11 million stock-based compensation expense;
- \$7 million loss from the extinguishment of debt; and
- \$1 million in amortization of swaption cash flow hedges, net of tax.

As of September 30, 2023, we did not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future material effect on our results of operations, financial condition or cash flows.

Investing Activities

During the nine months ended September 30, 2023, net cash used in investing activities totaled \$91 million, driven by:

- \$52 million net outflows for PDP activity;
- \$37 million cash outflows for capital expenditures; and
- \$2 million cash outflows relating to other investing activity.

During the nine months ended September 30, 2022, net cash used in investing activities totaled \$117 million, driven by:

- \$86 million net payments for pre-delivery deposit activity; and
- \$31 million cash outflows for capital expenditures.

Financing Activities

During the nine months ended September 30, 2023, net cash provided by financing activities was \$177 million, primarily driven by:

- \$124 million cash inflows from sale-leaseback transactions related to A320neo family aircraft and spare engines delivered during the nine months ended September 30, 2023; and
- \$141 million cash proceeds from debt issuances, consisting of \$132 million drawn on our PDP Financing Facility, net of issuance costs and \$9 million in draws on our Barclays facility; partially offset by
- \$84 million cash outflows from principal repayments on our PDP Financing Facility and our headquarters building; and
- \$5 million cash outflows for payments related to tax withholdings of share-based awards.

During the nine months ended September 30, 2022, net cash provided by financing activities was \$45 million, driven by:

- \$214 million cash proceeds from debt issuances, consisting of a \$56 million draw on our Barclays facility and \$158 million in draws on our PDP Financing Facility, net of issuance costs; and
- \$49 million in cash inflows from sale-leaseback transactions related to A320neo family aircraft and spare engines delivered during the nine months ended September 30, 2022; partially offset by
- \$215 million cash outflows from principal repayments on debt, which includes the paydown of the \$150 million Treasury Loan and \$65 million in PDP Financing Facility payments; and
- \$3 million cash outflows for payments related to tax withholdings of share-based awards.

Critical Accounting Policies and Estimates

There have been no material changes in our critical accounting policies and estimates during the nine months ended September 30, 2023. For information regarding our critical accounting policies and estimates, see “Management's Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Policies and Estimates” contained in our 2022 Annual Report.

Recently Adopted Accounting Pronouncements

See “Notes to Consolidated Financial Statements —1. Summary of Significant Accounting Policies” included in Part II, Item 8 of our 2022 Annual Report for a discussion of recent accounting pronouncements.

GLOSSARY OF AIRLINE TERMS

Set forth below is a glossary of industry terms:

“A320 family” means, collectively, the Airbus series of single-aisle aircraft, including the A320ceo, A320neo, A321ceo and A321neo aircraft.

“A320neo family” means, collectively, the Airbus series of single-aisle aircraft that feature the new engine option, including the A320neo and A321neo aircraft.

“Adjusted CASM” is a non-GAAP measure and means operating expenses, excluding special items, divided by ASMs. For a discussion of such special items and a reconciliation of CASM to CASM (excluding fuel), Adjusted CASM (excluding fuel), Adjusted CASM, Adjusted CASM including net interest, and CASM including net interest, please see “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Results of Operations.”

“Adjusted CASM including net interest” or “Adjusted CASM + net interest” is a non-GAAP measure and means the sum of Adjusted CASM and net interest expense (income) excluding special items divided by ASMs. For a discussion of such special items and a reconciliation of CASM to CASM (excluding fuel), Adjusted CASM (excluding fuel), Adjusted CASM, Adjusted CASM including net interest, and CASM including net interest, please see “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Results of Operations.”

“Adjusted CASM (excluding fuel)” is a non-GAAP measure and means operating expenses less aircraft fuel expense, excluding special items, divided by ASMs. For a discussion of such special items and a reconciliation of CASM to CASM (excluding fuel), Adjusted CASM (excluding fuel), Adjusted CASM, Adjusted CASM including net interest, and CASM including net interest, please see “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Results of Operations.”

“Air traffic liability” means the value of tickets, unearned membership fees and other related fees sold in advance of travel.

“Ancillary revenue” means the sum of non-fare passenger revenue and other revenue.

“Available seat miles” or “ASMs” means the number of seats available for passengers multiplied by the number of miles the seats are flown.

“Average aircraft in service” means the average number of aircraft used in flight operations, 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 stage length” means the average number of miles flown per flight segment.

“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.

“CASM (excluding fuel)” is a non-GAAP measure and means operating expenses less aircraft fuel expense, divided by ASMs.

“CASM including net interest” or “CASM + net interest” is a non-GAAP measure and means the sum of CASM and net interest expense (income) divided by ASMs.

“DOT” means the United States Department of Transportation.

“Fare revenue” consists of base fares for air travel, including mileage credits redeemed under our frequent flyer program, unused and expired passenger credits, other redeemed or expired travel credits and revenue derived from charter flights.

“Fare revenue per passenger” means fare revenue divided by passengers.

“FTE” means full-time equivalent employee.

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

“Net interest expenses (income)” means interest expense, capitalized interest, interest income and other.

“Non-fare passenger revenue” consists of fees related to certain ancillary items such as baggage, service fees, seat selection, and other passenger-related revenue that is not included as part of base fares for travel.

“Non-fare passenger revenue per passenger” means non-fare passenger revenue divided by passengers.

“Other revenue” consists primarily of services not directly related to providing transportation, such as the advertising, marketing and brand elements of the *Frontier Miles* affinity credit card program and commissions revenue from the sale of items such as rental cars and hotels.

“Other revenue per passenger” means other revenue divided by passengers.

“Passengers” means the total number of passengers flown on all flight segments.

“Passenger revenue” consists of fare revenue and non-fare passenger revenue.

“PDP” means pre-delivery deposit payments, which are payments required by aircraft manufacturers in advance of delivery of the aircraft.

“RASM” or “unit revenue” means total revenue divided by ASMs.

“Revenue passenger miles” or “RPMs” means the number of miles flown by passengers.

“Total ancillary revenue per passenger” means ancillary revenue divided by passengers.

“Total revenue per passenger” means the sum of fare revenue, non-fare passenger revenue, and other revenue (collectively, “Total Revenue”) divided by passengers.

“Treasury” means the U.S. Department of the Treasury.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

We are subject to market risks in the ordinary course of our business. These risks include commodity price risk, with respect to aircraft fuel, as well as interest rate risk, specifically with respect to our floating rate obligations and interest rate swaps. The adverse effects of changes in these markets could pose a potential loss as discussed below. The sensitivity analysis provided does not consider the effects that such adverse changes may have on overall economic activity, nor does it consider additional actions we may take to mitigate our exposure to such changes. Actual results may differ.

Aircraft Fuel. Our results of operations can vary materially due to changes in the price and availability of aircraft fuel and are also impacted by the number of aircraft in use and the number of flights we operate. Aircraft fuel represented approximately 31%, 31%, 36% and 34% of total operating expenses for the three and nine months ended September 30, 2023 and 2022, respectively. Unexpected changes in the pricing of aircraft fuel or a shortage or disruption in the supply could have a material adverse effect on our business, results of operations and financial condition. Based on our fuel consumption for the 12 months ended September 30, 2023, a hypothetical 10% increase in the average price per gallon of aircraft fuel would have increased aircraft fuel expense by approximately \$113 million.

Interest Rates. We are subject to market risk associated with changing interest rates, due to Secured Overnight Financing Rate (“SOFR”) based interest rates on our PDP Financing Facility and our floating rate building note and Effective Federal Funds Rate (“EFFR”) based interest rates on our affinity card advance purchase of mileage credits. During the nine months ended September 30, 2023, as applied to our average debt balances, a hypothetical increase of 100 basis points in average annual interest rates on our variable-rate debt would have increased our annual interest expense by \$4 million.

We are exposed to interest rate risk through aircraft lease contracts for the time period between agreement of terms and commencement of the lease, where portions of the rental payments are adjusted and become fixed based on swap rates. As part of our risk management program, we enter into contracts in order to limit the exposure to fluctuations in interest rates. During the three and nine months ended September 30, 2023, as well as the three months ended September 30, 2022, we did not enter into any swaps and, therefore, paid no upfront premiums for options. During the nine months ended September 30, 2022, we paid upfront premiums of \$9 million for the option to enter into and exercise cash-settled swaps with a forward starting effective date for seven of our future aircraft deliveries. As of September 30, 2023, we had hedged \$130 million in aircraft rent payments for three aircraft and one engines to be delivered by the end of 2023.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Management, with the participation of our principal executive officer and principal financial officer, evaluated the effectiveness of our disclosure controls and procedures as of September 30, 2023. The term “disclosure controls and procedures,” as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, refers to the 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 SEC’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, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. Based on such evaluation, our principal executive officer and principal financial officer concluded that, as of September 30, 2023, our disclosure controls and procedures were effective at the reasonable assurance level.

Changes in Internal Control Over Financial Reporting

During the three months ended September 30, 2023, there were no changes in our internal control over financial reporting that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

From time to time, we have been and will continue to be subject to commercial litigation claims and to administrative and regulatory proceedings and reviews that may be asserted or maintained. We believe the ultimate outcome of such lawsuits, proceedings and reviews is not reasonably likely, individually or in the aggregate, to have a material adverse effect on our business, results of operations and financial condition.

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, 2022, filed with the Securities and Exchange Commission on February 22, 2023, except for the change to the following risk factor. Investors are urged to review all such risk factors carefully.

We depend on a sole-source supplier for our aircraft and two suppliers for our engines.

A critical cost-saving element of our business strategy is to operate a single-family aircraft fleet; however, our dependence on the Airbus A320 family aircraft for all of our aircraft and on CFM International and Pratt & Whitney for our engines makes us vulnerable to any delivery delays, design defects, mechanical problems or other technical or regulatory issues associated with this aircraft type or these engines. In the event of any actual or suspected design defects or mechanical problems with the Airbus A320 family aircraft or CFM International or Pratt & Whitney engines, whether involving our aircraft or that of another airline, we may choose, or be required, to suspend or restrict the use of our aircraft. Our business could also be materially adversely affected if the public avoids flying on our aircraft due to an adverse perception of the Airbus A320 family aircraft or CFM International or Pratt & Whitney engines, whether because of safety concerns or other problems, real or perceived, or in the event of an accident involving such aircraft or engines. Separately, if any of Airbus, CFM International or Pratt & Whitney becomes unable to perform its contractual obligations, including a failure to deliver aircraft or engines on schedule, and we must lease or purchase aircraft or engines from another supplier, we would incur substantial transition costs, including expenses related to acquiring new aircraft, engines, spare parts, maintenance facilities and training activities, and we would lose the cost benefits from our current single-fleet composition, any of which could have a material adverse effect on our business, results of operations and financial condition. We have recently experienced delays in the deliveries of Airbus aircraft, which have exceeded several months, and our business could be additionally impacted if delays persist in future periods. These risks may be exacerbated by the long-term nature of our fleet and order book which commits us to Airbus aircraft and the engines available for such aircraft for a substantial period of time into the future.

Since 2022, we have begun to induct aircraft into our fleet that use the Pratt & Whitney PW1100 GTF engine, and we have elected this engine for most of our planned future deliveries. In the third quarter of 2023, Pratt & Whitney announced an expansion of an inspection program related to PW 1100 GTF engines which, for the first time, includes engines in our fleet. This inspection program is expected to begin in the second half of 2024. The impact to our operations is unknown at this time but may result in lengthy turnaround time to perform these inspections and any resulting repairs or other modifications that may be identified. This program may have an adverse impact on our operations, increase costs related to our existing fleet and potentially affect the timing of future deliveries of aircraft for which Pratt & Whitney engines have been elected, potentially materially.

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

None.

Use of Proceeds

None.

Issuer Purchases of Equity Securities

We do not have a share repurchase program and no shares were repurchased during the third quarter of 2023.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION**Rule 10b5-1 and Non-Rule 10b5-1 Trading Arrangements**

During the fiscal quarter ended September 30, 2023, none of our directors or officers adopted, modified or terminated any contract, instruction or written plan for the purchase or sale of our securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or any other “non-Rule 10b5-1 trading arrangement” except as follows:

On August 7, 2023, James G. Dempsey, our President, terminated a Rule 10b5-1(c) trading arrangement intended to satisfy the affirmative defense of Rule 10b5-1(c) originally adopted on March 6, 2023 for the sale of up to 900,000 shares of our common stock until February 28, 2024. On August 14, 2023, Daniel M. Shurz, our former Senior Vice President, Commercial, terminated a Rule 10b5-1(c) trading arrangement intended to satisfy the affirmative defense of Rule 10b5-1(c) originally adopted on November 18, 2021, most recently amended on February 22, 2023, for the sale of up to 589,233 shares of our common stock until September 15, 2023.

ITEM 6. EXHIBITS

Exhibit Number	Exhibit Description	Incorporated by Reference			Filed Herewith
		Form	File Number	Date	
3.1	Amended and Restated Certificate of Incorporation of Frontier Group Holdings, Inc.	8-K	001-40304	4/6/2021	3.1
3.2	Amended and Restated Bylaws of Frontier Group Holdings, Inc.	10-K	001-40304	2/22/2023	3.2
4.1	Form of Common Stock Certificate.	S-1	333-254004	3/8/2021	4.2
10.1†	Amendment No. 16 to Airbus A320 Family Purchase Agreement, dated as of August 9, 2023, by and between Airbus S.A.S. and Frontier Airlines, Inc.				X

10.2†	<u>Amendment No. 17 to Airbus A320 Family Purchase Agreement, dated as of September 28, 2023, by and between Airbus S.A.S and Frontier Airlines, Inc.</u>	X
10.3†	<u>Ninth Amended and Restated Credit Agreement, dated as of August 11, 2023, by and among Vertical Horizons, Ltd., as borrower, Citibank, N.A., as facility agent and arranger, Bank of Utah, not in its individual capacity but solely as security trustee, and each lender identified on the signature pages thereto.</u>	X
10.4†	<u>Amendment No. 1 to Ninth Amended and Restated Credit Agreement, dated as of October 13, 2023, by and among Vertical Horizons, Ltd., as borrower, Citibank, N.A., as facility agent and arranger, Bank of Utah, not in its individual capacity but solely as security trustee, and each lender identified on the signature pages thereto.</u>	X
10.5	<u>Ninth Amended and Restated Guarantee, dated as of August 11, 2023, by Frontier Airlines, Inc., as guarantor, in favor of Bank of Utah, not in its individual capacity but solely as security trustee.</u>	X
10.6	<u>Ninth Amended and Restated Guarantee, dated as of August 11, 2023, by Frontier Airlines Holdings, Inc., as guarantor, in favor of Bank of Utah, not in its individual capacity but solely as security trustee.</u>	X
10.7†	<u>Second Amended and Restated Guarantee, dated as August 11, 2023, by Frontier Group Holdings, Inc., as guarantor, in favor of Bank of Utah, not in its individual capacity but solely as security trustee.</u>	X
10.8†	<u>Sixth Amendment to Amended and Restated Step-In Agreement, dated as of August 11, 2023, by and among Vertical Horizons, Ltd., Bank of Utah, not in its individual capacity but solely as security trustee, and Airbus S.A.S.</u>	X
10.9†	<u>Seventh Amendment to Amended and Restated Step-In Agreement, dated as of October 13, 2023, by and among Vertical Horizons, Ltd., Bank of Utah, not in its individual capacity but solely as security trustee, and Airbus S.A.S.</u>	X
10.10†	<u>Fourth Amended and Restated IAE Engine Benefits Agreement A320neo and A321neo Aircraft (2023, 2024, 2025 and 2026 Deliveries), dated as of August 11, 2023, among Vertical Horizons, Ltd., International Aero Engines, LLC, Bank of Utah, not in its individual capacity but solely as security trustee, and Frontier Airlines, Inc.</u>	X
31.1	<u>Certification of the Chief Executive Officer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u>	X
31.2	<u>Certification of the Chief Financial Officer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u>	X
32.1*	<u>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.</u>	X
32.2*	<u>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.</u>	X

101.INS	Inline XBRL Instance Document – The instance document does not appear in the interactive data file because its XBRL tags are embedded within the Inline XBRL document.	X
101.SCH	Inline XBRL Taxonomy Extension Schema Document.	X
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.	X
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.	X
101.LAB	Inline XBRL Taxonomy Extension Labels Linkbase Document.	X
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.	X
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101).	X

* The certifications furnished in Exhibits 32.1 and 32.2 hereto are deemed to accompany this Quarterly Report on Form 10-Q and are not deemed “filed” for purposes of Section 18 of the Exchange Act, or otherwise subject to the liability of that section, nor shall they be deemed incorporated by reference into any filing under the Securities Act or the Exchange Act, irrespective of any general incorporation language contained in such filing.

† Certain portions of this document that constitute confidential information have been redacted in accordance with Regulation S-K, Item 601(b)(10).

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.

FRONTIER GROUP HOLDINGS, INC.

Date: October 26, 2023

By: /s/ Mark C. Mitchell

Mark C. Mitchell

Senior Vice President and Chief Financial Officer (Duly Authorized Officer and Principal Financial Officer)

[***] Certain information in this document has been excluded pursuant to Regulation S-K, Item 601(b)(10).

Such excluded information is not material and would likely cause competitive harm to the registrant if publicly disclosed.

Exhibit 10.1

Amendment No. 16

This Amendment No. 16 (this "Amendment") is entered into as of August 9, 2023, between Airbus S.A.S., a société par actions simplifiée organized and existing under the laws of France, having its registered office located at 2, Rond-Point Emile Dewoitine, 31700 Blagnac, France (the "Seller"), and Frontier Airlines, Inc., a corporation organized and existing under the laws of the State of Colorado, United States of America, having its principal corporate offices located at 4545 Airport Way, Denver, Colorado 80239 USA (the "Buyer" and, together with the Seller, the "Parties").

WITNESSETH

WHEREAS, the Buyer and the Seller entered into an A320 Family Aircraft Purchase Agreement dated as of September 30, 2011 (as amended, supplemented and modified from time to time prior to the date hereof, the "Agreement");

WHEREAS, Seller has notified the Buyer [***] in regards to the delivery of certain Aircraft (the "Notices"); and

WHEREAS, the Buyer and the Seller wish to amend certain terms of the Agreement as provided herein.

NOW, THEREFORE, FOR GOOD AND VALUABLE CONSIDERATION, THE RECEIPT AND SUFFICIENCY OF WHICH ARE HEREBY ACKNOWLEDGED, THE SELLER AND THE BUYER AGREE AS FOLLOWS:

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

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Confidential

1. DELIVERY

1.1 The delivery schedule table set forth in Clause 9.1 of the Agreement is deleted in its entirety and replaced with the delivery schedule table attached hereto as Attachment I.

1.2 Notwithstanding Clause 1.1 above, [***].

2. AMENDMENT NO. 7 – [***]

2.1 Paragraph 13 of Amendment No. 7 to the Agreement is hereby deleted in its entirety and replaced with the following:

"13. [***]

[***]

2.2 The parties agree that each and every reference to [***] in the Agreement is amended to be a reference to [***].

3. EFFECT OF AMENDMENT

The Agreement will be deemed to be amended to the extent herein provided and, except as specifically amended hereby, will continue in full force and effect in accordance with its terms. Except as otherwise provided by the terms and conditions hereof, this Amendment contains the entire agreement of the Parties with respect to the subject matter hereof and supersedes any previous understandings, commitments, or representations whatsoever, whether oral or written, related to the subject matter of this Amendment.

Both Parties agree that this Amendment will constitute an integral, non-severable part of the Agreement and will be governed by its provisions, except that if the Agreement and this Amendment have specific provisions that are inconsistent, the specific provisions contained in this Amendment will govern.

4. MISCELLANEOUS

This Amendment is subject to the provisions of Clauses 21, 22.6 and 22.11 of the Agreement.

5. COUNTERPARTS

This Amendment may be signed by the Parties in counterparts, which when signed and delivered will each be an original and together constitute but one and the same instrument. Counterparts may be delivered in original, faxed or emailed form, with originals to be delivered in due course.

Delivery Schedule Table

[***]

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

Airbus S.A.S.

By: /s/ Olivier Marty

Name: Olivier Marty

Title: Vice President Contracts

Frontier Airlines, Inc.

By: /s/ Howard Diamond

Name: Howard Diamond

Title: SVP, General Counsel & Secretary

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

Exhibit 10.2

Amendment No. 17

This Amendment No. 17 (this “Amendment”) is entered into as of September 28, 2023, between Airbus S.A.S., a société par actions simplifiée organized and existing under the laws of France, having its registered office located at 2, Rond-Point Emile Dewoitine, 31700 Blagnac, France (the “Seller”), and Frontier Airlines, Inc., a corporation organized and existing under the laws of the State of Colorado, United States of America, having its principal corporate offices located at 4545 Airport Way, Denver, Colorado 80239 USA (the “Buyer” and, together with the Seller, the “Parties”).

WITNESSETH

WHEREAS, the Buyer and the Seller entered into an A320 Family Aircraft Purchase Agreement dated as of September 30, 2011 (as amended, supplemented and modified from time to time prior to the date hereof, the “Agreement”);

WHEREAS, Seller has notified the Buyer [***] in regards to the delivery of certain Aircraft (the “Notices”); and

WHEREAS, the Buyer and the Seller wish to amend certain terms of the Agreement as provided herein.

NOW, THEREFORE, FOR GOOD AND VALUABLE CONSIDERATION, THE RECEIPT AND SUFFICIENCY OF WHICH ARE HEREBY ACKNOWLEDGED, THE SELLER AND THE BUYER AGREE AS FOLLOWS:

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

1. DELIVERY

1.1 The delivery schedule table set forth in Clause 9.1 of the Agreement is deleted in its entirety and replaced with the delivery schedule table attached hereto as Attachment I.

1.2 Notwithstanding Clause 1.1 above, [***].

2. PROPULSION SYSTEMS

Clause 2.3.5 of the Agreement is deleted in its entirety and replaced with the following quoted text:

“2.3.5 As of the date of Amendment No. 17 the Buyer has not selected the propulsion system or Propulsion System Manufacturer for the Supplemental Aircraft. The

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Buyer shall notify the Seller in writing of its selection of the Propulsion System for [***].”

Clause 2.3.5 as amended by Clause 3.1 of Appendix B of Amendment 11 of the Agreement is deleted in its entirety and replaced with the following quoted text:

“2.3.5 As of the date of Amendment No. 17 the Buyer has not selected the propulsion system or Propulsion System Manufacturer for the Supplemental Aircraft. The Buyer shall notify the Seller in writing of its selection of the Propulsion System for [***].”

3. EFFECT OF AMENDMENT

The Agreement will be deemed to be amended to the extent herein provided and, except as

specifically amended hereby, will continue in full force and effect in accordance with its terms. Except as otherwise provided by the terms and conditions hereof, this Amendment contains the entire agreement of the Parties with respect to the subject matter hereof and supersedes any previous understandings, commitments, or representations whatsoever, whether oral or written, related to the subject matter of this Amendment.

Both Parties agree that this Amendment will constitute an integral, non-severable part of the Agreement and will be governed by its provisions, except that if the Agreement and this Amendment have specific provisions that are inconsistent, the specific provisions contained in this Amendment will govern.

4. MISCELLANEOUS

This Amendment is subject to the provisions of Clauses 21, 22.6 and 22.11 of the Agreement.

5. COUNTERPARTS

This Amendment may be signed by the Parties in counterparts, which when signed and delivered will each be an original and together constitute but one and the same instrument. Counterparts may be delivered in original, faxed or emailed form, with originals to be delivered in due course.

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

Airbus S.A.S.

By: /s/ Benoît de Saint-Exupery
Name: Benoît de Saint-Exupery
Title: Executive Vice President, Contracts

Frontier Airlines, Inc.

By: /s/ Howard Diamond
Name: Howard Diamond
Title: SVP, General Counsel & Secretary

Attachment I to Amendment No. 17

Delivery Schedule Table

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

Exhibit 10.3

**C L I F F O R D
C H A N C E**

CLIFFORD CHANCE US LLP

Execution Version

DATED AS OF AUGUST 11, 2023

VERTICAL HORIZONS, LTD.,
AS BORROWER

EACH LENDER
IDENTIFIED ON SCHEDULE I HERETO
AS LENDERS

CITIBANK, N.A.,
AS FACILITY AGENT

CITIBANK, N.A.,
AS ARRANGER

BANK OF UTAH,
NOT IN ITS INDIVIDUAL CAPACITY BUT SOLELY
AS SECURITY TRUSTEE

NINTH AMENDED AND
RESTATED CREDIT AGREEMENT
IN RESPECT OF THE PDP FINANCING OF
THIRTY-THREE (33) AIRBUS A320NEO AIRCRAFT AND
SEVENTY-SIX (76) AIRBUS A321NEO AIRCRAFT

24006693130-v4

80-40605773

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[Citi/Frontier A320neo/A321neo PDP Ninth Amended and Restated Credit Agreement]

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THIS NINTH AMENDED AND RESTATED CREDIT AGREEMENT dated as of August 11, 2023 (this "Agreement") is among

- (1) **VERTICAL HORIZONS, LTD.**, an exempted company incorporated with limited liability under the laws of the Cayman Islands whose registered office is at the offices of Intertrust SPV (Cayman) Limited, One Nexus Way, Camana Bay, Grand Cayman KY1-9005, Cayman Islands (the "Borrower");
- (2) EACH LENDER IDENTIFIED ON SCHEDULE I HERETO;
- (3) CITIBANK, N.A., as the Facility Agent acting on behalf of the Lenders;
- (4) CITIBANK, N.A., in its capacity as the Arranger (the "Arranger"); and
- (5) BANK OF UTAH, not in its individual capacity but solely as Security Trustee acting on behalf of the Facility Agent and the Lenders.

WHEREAS, this Agreement amends and restates in its entirety the credit agreement dated as of December 23, 2014 (such date, the "Original Signing Date" and such agreement, the "Original Credit Agreement"), as amended and restated by the amended and restated credit agreement dated as of August 11, 2015 (such date, the "AR Signing Date"), as further amended by that certain amendment no. 1 to the amended and restated credit agreement dated as of December 30, 2015, as further amended by that certain amendment no. 2 to the amended and restated credit agreement dated as of January 14, 2016 (such date, the "Amendment No. 2 Signing Date"), as further amended and restated by the second amended and restated credit agreement dated as of December 16, 2016 (such date, the "AR No. 2 Signing Date"), as further amended and restated by the third amended and restated credit agreement dated as of December 29, 2017 (such date, the "AR No. 3 Signing Date"), as amended by amendment no. 1 to the third amended and restated credit agreement dated as of May 31, 2018, as further amended and restated by the fourth amended and restated credit agreement dated as of January 29, 2019 (such date, the "AR No. 4 Signing Date"), as amended by omnibus amendment no. 1 dated as of August 16, 2019 among the Borrower, each Lender identified on Schedule I thereto, the Facility Agent, the Arranger and the Security Trustee, as further amended and restated by the fifth amended and restated credit agreement dated as of March 19, 2020 (such date, the "AR No. 5 Signing Date"), as amended by omnibus amendment no.1 thereto dated as of May 4, 2020 and amendment no. 2 thereto dated as of June 18, 2020, as further amended and restated by the sixth amended and restated credit agreement dated as of December 22, 2020 (such date, the "AR No. 6 Signing Date"), as amended by omnibus amendment no.1 thereto dated as of May 6, 2021, and as further amended and restated by the seventh amended and restated credit agreement dated as of December 28, 2021 (such date, the "AR No. 7 Signing Date"), as amended by amendment no. 1 thereto dated as of March 31, 2022, among the Borrower, the Guarantors named therein, each Lender identified on Schedule I thereto, as further amended and restated by the eighth amended and restated credit agreement dated as of June 30, 2022 (such date, the "AR No. 8 Signing Date"), as amended by amendment no. 1 thereto dated as of December 29, 2022, as further amended by amendment no. 2 thereto dated as of March 1, 2023, as further amended by amendment no. 3 thereto dated as of March 31, 2023 and as further amended by amendment no. 4 thereto dated as of May 26, 2023, in each case among the Borrower,

the Facility Agent, the Arranger and the Security Trustee, pursuant to which the Lenders made Loans available with respect to the Existing Aircraft;

WHEREAS, the parties have agreed to enter into this Agreement for the purpose of making Loans available with respect to the Existing Aircraft and the Additional Aircraft; and

WHEREAS, upon the execution and delivery of this Agreement, the Borrower, the Facility Agent and the Security Trustee shall enter into that certain Ninth Amended and Restated Mortgage and Security Agreement on the date hereof (the "Mortgage") pursuant to which the Borrower agrees, among other things, that Loan Certificates issued hereunder and all other obligations to the Lenders and/or any Agent hereunder or under any other Operative Document will be secured by the mortgage and security interest granted by the Borrower in favour of the Security Trustee with respect to the Existing Aircraft and the Additional Aircraft.

NOW, THEREFORE, in consideration of the mutual agreements herein contained, the parties hereto agree as follows:

1. CERTAIN DEFINITIONS

- 1.1 Except as otherwise defined in this Agreement, including its annexes, schedules and exhibits, terms used herein in capitalized form shall have the meanings attributed thereto in Annex A.
- 1.2 Unless the context otherwise requires, any reference herein to any of the Operative Documents refers to such document as it may be modified, amended or supplemented from time to time in accordance with its terms and the terms of each other agreement restricting the modification, amendment or supplement thereof.
- 1.3 The Facility Agent does not warrant or accept responsibility for, and shall not have any liability with respect to (a) the continuation of, administration of, submission of, calculation of or any other matter related to ABR, the Term SOFR Reference Rate, Term SOFR or Term SOFR, or any component definition thereof or rates referred to in the definition thereof, or any alternative, successor or replacement rate thereto (including any Benchmark Replacement), including whether the composition or characteristics of any such alternative, successor or replacement rate (including any Benchmark Replacement) will be similar to, or produce the same value or economic equivalence of, or have the same volume or liquidity as, ABR, the Term SOFR Reference Rate, Term SOFR, Term SOFR or any other Benchmark prior to its discontinuance or unavailability, or (b) the effect, implementation or composition of any Conforming Changes. The Facility Agent and its affiliates or other related entities may engage in transactions that affect the calculation of ABR, the Term SOFR Reference Rate, Term SOFR, Term SOFR, any alternative, successor or replacement rate (including any Benchmark Replacement) or any relevant adjustments thereto, in each case, in a manner adverse to the Borrower. The Facility Agent may select information sources or services in its reasonable discretion to ascertain ABR, the Term SOFR Reference Rate, Term SOFR, Term SOFR or any other Benchmark, in each case pursuant to the terms of this Agreement, and shall have no liability to the Borrower, any Lender or any other person or entity for damages of any kind, including direct or indirect, special,

punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service.

2. COMMITMENTS; BORROWER'S NOTICE OF PAYMENT DATES; CLOSING PROCEDURE

- 2.1 Subject to the terms and conditions of this Agreement, each Lender agrees to make a secured loan to the Borrower in respect of each Advance (herein called, for such Advance, a "Loan") on a Borrowing Date to be designated pursuant to Clause 2.3, but in no event later than the Commitment Termination Date. Except as provided in Clauses 5.13 and 5.14, each Loan shall be a SOFR Loan; provided that any Loan that is deemed to be an ABR Loan as provided herein shall bear interest at a rate per annum equal to the ABR plus the

Applicable Margin. In the case of each Lender on any Borrowing Date, the Loan shall, in respect of each Aircraft, be equal to the least of:

- (a) such Lender's Participation Percentage multiplied by, on any Borrowing Date, the relevant Financed Amount; and
 - (b) such Lender's Maximum Commitment minus the aggregate amount of all Loans made by such Lender prior to such Borrowing Date that remain outstanding on such Borrowing Date (such amount, with respect to such Lender on such Borrowing Date, its "Commitment").
- 2.2 If any Lender shall default in its obligation to make the amount of its Commitment available pursuant to Clause 2.1, [***]. Without limiting the above, if the Facility Agent disburses a Lender's Commitment without first having received funds from a defaulting Lender, then such defaulting Lender hereby agrees to indemnify the Facility Agent against any loss it may incur as a result of such failure to fund by such defaulting Lender.
- 2.3 As more particularly specified in Clause 5.2, the Borrower shall execute and deliver to each Lender with appropriate insertions a Loan Certificate to evidence such Lender's Maximum Commitment. The Loan Certificates shall be issued such that each Lender receives a Loan Certificate. Each Loan shall be evidenced by this Agreement, the Loan Certificate with respect thereto, and notations made from time to time by each Lender in its books and records, including computer records. Each Lender shall record in its books and records, including computer records, the principal amount of the Loans owing to it from time to time. Absent evidence to the contrary, each Lender's books and records shall constitute presumptive evidence of the accuracy of the information contained therein. Failure by any Lender to make any such notation or record shall not affect the obligations of the Borrower to such Lender with respect to the repayment of its Loans.
- (a) Each Party hereby acknowledges that (i) prior to the Effective Date certain Lenders have made Loans in respect of certain Advances relating to certain Existing Aircraft which were paid by or on behalf of the Borrower on certain dates prior to the Effective Date in the amounts as set out in the column entitled Financed Amount in the table set out in Schedule III, (ii) the proceeds of such Loans were paid to the

Borrower or to its direction and (iii) the terms of this Agreement and the other Operative Documents shall continue to apply to such Loans.

- (b) The Borrower agrees to give the Facility Agent at least [***] prior written notice (the "Funding Notice") of each Borrowing Date in respect of any Loans, such notice to be received by the Facility Agent prior to [***], and which shall be in substantially the form of Exhibit A. On the Initial Borrowing Date, the Lenders shall make Loans (subject to the limitations specified in Clause 2.1) in respect of certain Advances relating to certain Additional Aircraft which were paid by or on behalf of the Borrower prior to the Initial Borrowing Date in the amounts equal to the applicable Financed Amounts. The proceeds of such Loans shall be paid to the Borrower; provided, however, that the Borrower shall have paid all Advances relating to any Additional Aircraft that were due and payable prior to the Initial Borrowing Date, and the Borrower shall remain responsible for the Advances in an amount equal to the Equity Contributions applicable as of the Initial Borrowing Date for each Aircraft (including the Existing Aircraft and the Additional Aircraft).
- (c) In the event that any Loan shall not be consummated in accordance with the terms hereof on the Effective Date or the Borrowing Date specified in a Funding Notice, the Lenders and the Borrower shall cooperate with each other to arrange a mutually acceptable postponement of such date (the "Delayed Borrowing Date"). [***].

Notwithstanding anything to the contrary herein, in the event that any amount paid by or on behalf of the Borrower on any Borrowing Date with respect to a pre-delivery payment obligation for any Aircraft exceeds the required Equity Contribution set forth on Schedule III for such Aircraft on such Borrowing Date as a result of any portion of the Financed Amount for such Aircraft not being available on such Borrowing Date as a result of a PDP Funding Date Deficiency, Lender agrees to refund to the Borrower the amount of such excess either by netting such excess amount against a future Equity Contribution or Loan payment obligation of the Borrower or by directly funding such amount as an additional Loan to the Borrower, in each case, as soon as reasonably practicable after such PDP Funding Date Deficiency ceases to exist. The Lender shall have the right in its sole discretion to choose whether to fund such excess amount as an additional Loan or to net

such excess amount against the Borrower's future payment obligations hereunder.

- 2.4 On the Initial Borrowing Date, each Lender, through or on behalf of the Facility Agent, agrees to pay the amount of its Commitment for the Loans in respect of the initial Advances under this Ninth Amended and Restated Agreement to such account as the Borrower shall direct the Facility Agent in writing to reimburse Borrower for a portion of previously funded Purchase Price Installments relating to Additional Aircraft. On each other Borrowing Date for each subsequent Loan specified in a Borrower's notice referred to in Clause 2.3, subject to the terms and conditions of this Agreement, each Lender, through or on behalf of the Facility Agent, agrees to pay the amount of its Commitment for the Loan in respect of each such Advance directly to Airbus by wiring such amounts to the account or accounts specified in the applicable Funding Notice. The Borrower agrees that the actual transfer of the proceeds of Loans to the bank designated by the Borrower for credit to

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Airbus's or the Borrower's account (as applicable) shall constitute conclusive evidence that the Loans were made.

3. FEES; CANCELLATION OF FACILITY AMOUNT

- 3.1 Each Loan Certificate shall bear interest and be repaid in accordance with the applicable terms of this Agreement and the Mortgage.
- 3.2 The Borrower shall pay to the Facility Agent for the account of each Lender, the fees set forth in the relevant Fee Letter.
- 3.3 The Borrower shall pay to the Facility Agent for the account of each Lender, the Commitment Fee quarterly in arrears, based on the daily average of the undrawn portion of the Facility Amount during such period, as the Facility Amount may be cancelled or reduced under Clause 3.5 on every Interest Payment Date following the Effective Date calculated daily on the basis of a year of 360 days and the actual number of days elapsed.
- 3.4 The Borrower paid to the Facility Agent for the account of the Facility Agent, an amount equal to [***] on the Original Signing Date, and shall pay an amount equal to [***] to the Facility Agent on each anniversary of the Original Signing Date until the date on which the Security Trustee releases the Collateral from the Lien of the Mortgage in accordance with Clause 7.1 of the Mortgage.
- 3.5 The Borrower may at any time permanently and irrevocably cancel or reduce the Facility Amount (in whole or in part) provided that the amount thereof shall be specified in a written notice to the Facility Agent from the Borrower and countersigned by the Guarantors [***] before the effective date of such cancellation and the undrawn portion of the Facility Amount may not be cancelled or reduced to the extent that the undrawn portion of the Facility will be required to be drawn in the future to make future Advances in respect of an Aircraft with respect to which a Loan is outstanding.

4. CONDITIONS

4.1 Conditions Precedent to the Effectiveness of the Commitments

It is agreed that the Commitments of each Lender and the effectiveness of the Lender's obligations pursuant to this Agreement are subject to the satisfaction prior to or on the Effective Date of the following conditions precedent and the occurrence of the initial Loan by the Lenders on or following the Effective Date shall be conclusive and binding evidence that such conditions precedent has been satisfied or waived by the Lender:

- (a) The following documents shall have been duly authorized, executed and delivered by the party or parties thereto, shall each be satisfactory in form and substance to the Facility Agent and shall be in full force and effect and executed counterparts shall have been delivered to the Facility Agent and its counsel:

- (i) this Agreement;

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- (ii) the Mortgage;
 - (iii) each Guarantee;
 - (iv) the Share Charge;
 - (v) each Engine Agreement;
 - (vi) each Lender's Loan Certificate;
 - (vii) the Option Agreement;
 - (viii) the Subordinated Loan Agreement;
 - (ix) the Servicing Agreement;
 - (x) the Process Agent Appointment;
 - (xi) the Step-In Agreement; and
 - (xii) the Assignment and Assumption Agreement.
- (b) The Facility Agent shall have received the following, in each case in form and substance satisfactory to it:
- (i) the memorandum and articles of association of the Borrower, a certificate of good standing of the Borrower, the certificate of incorporation of the Borrower, the declaration of trust in respect of the shares of the Borrower (as amended) and a copy of resolutions of the board of directors of the Borrower duly authorizing the execution, delivery and performance by the Borrower of this Agreement, the Mortgage and each other document required to be executed and delivered by the Borrower on the Effective Date, each certified by a director of the Borrower;
 - (ii) a copy of the organizational documents of the Parent and a copy of resolutions of the board of directors of the Parent duly authorizing the execution, delivery and performance by the Parent of the Share Charge and each other document required to be executed and delivered by the Parent on the Effective Date, each certified by the Secretary or an Assistant Secretary or two duly authorized signatories of the Parent;
 - (iii) an officer's certificate from an officer of each Guarantor (a) attaching copies of the constituent documents of such Guarantor, (b) attaching copies of the resolutions of the board of directors of such Guarantor, certified by an officer of such Guarantor, duly authorizing the execution, delivery and performance by such Guarantor of the Guarantee made by such Guarantor, and the Subordinated Loan Agreement, the Assignment and Assumption Agreement, the Step-In Agreement, the Engine Agreements, the Option

Agreement, the Servicing Agreement (in each case to the extent it is a party to such Operative Document) and each other document required to be executed and delivered by such Guarantor on the Effective Date and (c) listing the Person or Persons authorized to execute and deliver the Operative Documents, and any other documents to be executed on behalf of such Guarantor in connection with the transactions contemplated hereby, including a sample signature of such Person or Persons;

- (iv) a certificate of the Borrower as to the Person or Persons authorized to execute and deliver the Operative Documents, and any other documents to be executed on behalf of the Borrower in connection with the transactions contemplated hereby and as to the signature of such Person or Persons; and

- (v) a certificate of the Parent as to the Person or Persons authorized to execute and deliver the Operative Documents, and any other documents to be executed on behalf of the Parent in connection with the transactions contemplated hereby, including a sample signature of such Person or Persons.
- (c) The Facility Agent (with sufficient copies for each Lender) shall have received a certificate of the Borrower that the aggregate amount of Financed Amounts together with all Equity Contributions in connection with each Aircraft (including each Additional Aircraft), shall be sufficient when paid to Airbus in accordance with this Agreement to satisfy the obligation of the Borrower with respect to all Advances due and payable for each such Aircraft.
- (d) Uniform Commercial Code financing statements covering all the security interests created by or pursuant to the granting clause of the Mortgage (including with respect to the Collateral relating to the Additional Aircraft) shall have been delivered by the Borrower, and such financing statements shall have been filed in all places deemed necessary or advisable in the opinion of counsel for the Lenders, and any additional Uniform Commercial Code financing statements deemed advisable by any Lender or its counsel shall have been delivered by the Borrower and duly filed.
- (e) Evidence shall have been delivered of the entry into the Parent's register of mortgages and charges of the Share Charge (other than in respect of such entry in anticipation of the Share Charge).
- (f) All documentation required to accomplish any necessary or advisable filings or registrations in the Cayman Islands shall have been delivered to local Cayman Islands counsel, and such registrations shall be initiated and there shall exist no Lien of record in respect of the Collateral that ranks in priority to the Lien of the Mortgage and the other Operative Documents.
- (g) The Facility Agent (with sufficient copies for each Lender and the Security Trustee) shall have received an opinion addressed to each Lender, and each Agent from one

or more special counsel to the Borrower, in each applicable jurisdiction (including in the Cayman Islands and New York), with such opinions satisfactory in form and substance to such Lender, as to the valid, binding and enforceable nature of the Operative Documents in place on the Effective Date, due execution by the Borrower, each Guarantor, and the creation and perfection in the Collateral (including Collateral relating to the Additional Aircraft) assigned and charged pursuant to the Mortgage.

- (h) The Facility Agent shall have received a certificate of each Guarantor stating the aggregate amount of Loans outstanding on the Effective Date.
- (i) The Facility Agent (with sufficient copies for each Lender) shall have received an incumbency certificate together with a company extract evidencing the signing authority of the persons named in the incumbency certificate or such other evidence as shall be reasonably satisfactory to the Finance Parties as regards the signing authority of Airbus.
- (j) The Facility Agent (with sufficient copies for each Lender) shall have received an incumbency certificate together with a company extract evidencing the signing authority of the persons named in the incumbency certificate or such other evidence as shall be reasonably satisfactory to the Finance Parties as regards the signing authority of the Engine Manufacturer.
- (k) The Facility Agent should have received the amount due and payable pursuant to Clause 3.2 and 3.4.
- (l) Since December 31, 2021, (i) there shall have been no material adverse change in the business condition (financial or otherwise), or operations or prospects of any Guarantor which taken as a whole for either of them could have a material adverse effect on the ability of any Guarantor to perform its obligations under any Operative Document to which it is a party and no event or circumstance shall have occurred which in the reasonable judgment of any Lender had or would be reasonably likely to have a Material Adverse Effect and (ii) there shall have been no material and

adverse change in the Benchmark funding markets or any financial markets applicable to a Lender which would materially impair the ability of such Lender to fund a Loan in respect of an Advance hereunder.

- (m) The Facility Agent and each Lender shall have received its customary "know your customer" documentation and the Beneficial Ownership Certification completed by the Borrower and/or each Guarantor, as the case may be.
- (n) The Facility Agent shall have received a copy of the Assigned Purchase Agreement in the form agreed between the Borrower, Airbus and the Security Trustee.
- (o) The Facility Agent shall have received a certificate from the Borrower confirming that payment to Airbus of the Loans will to the extent of such payments satisfy the pre-delivery payment obligations of the Borrower to Airbus.

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- (p) The Facility Agent shall have received an audited consolidated balance sheet and related statements of Frontier Group Holdings and its subsidiaries at and as of the end of the fiscal year of such Guarantor ended December 31, 2021, together with an audited consolidated statement of income for such fiscal year, each of which shall be prepared in accordance with GAAP.
- (q) The Borrower shall discharge its obligations under the Security Trustee Fee Letter as such obligations are due to be performed.
- (r) The Facility Agent shall have received evidence that Frontier Group Holdings has, as of such date, Unrestricted Cash and Cash Equivalents in an aggregate amount of not less than [***].

The Borrower shall discharge or shall procure the discharge of all fees payable to the Parent in respect of the Borrower and the transaction as such obligations are due to be performed in accordance with the Operative Documents.

4.2 Conditions Precedent to the Lenders' Participation in each Loan

It is agreed that the obligations of each Lender to lend all or any portion of its Commitment to the Borrower in respect of each Loan (including Loans in respect of Advances made by the Borrower prior to the Effective Date) is subject to the satisfaction prior to or on the Borrowing Date for such Loan of the following conditions precedent:

- (a) The Facility Agent shall have received a Funding Notice with respect to the Borrowing Date for such Loan pursuant to Clause 2 (or shall have waived such notice either in writing or as provided in Clause 2).
- (b) In respect of the first Loan to be made hereunder with respect of an Aircraft, the Facility Agent and each Lender shall have received evidence from Airbus in form and substance reasonably satisfactory to them that the Advances falling due and payable prior to such Borrowing Date and the part of such Advance due and payable on such Borrowing Date which is financed by an Equity Contribution has been received by Airbus in full and in respect of each subsequent Loan, neither the Facility Agent nor any Lender shall have received evidence from Airbus that an Equity Contribution has not been received by Airbus in full.
- (c) As of the Borrowing Date (i) it is not illegal for a Lender to fund a Loan in respect of such Advance, to acquire its Loan Certificate(s) or to realize the benefits of the security afforded by the Mortgage and the Share Charge, and (ii) since 26 November 2014 there shall have been no material and adverse change, whether in effect on the Original Signing Date or coming into effect thereafter in the Benchmark funding markets or any financial markets applicable to a Lender which would materially impair the ability of such Lender to fund a Loan in respect of an Advance hereunder.
- (d) A certificate of a director of the Borrower, certifying that on such Borrowing Date, (A) the representations and warranties of the Borrower contained in Clause 7 are

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true and accurate in all material respects as though made on and as of such date except to the extent that such representations and warranties relate solely to an earlier date (in which case such representations and warranties shall be true and accurate on and as of such earlier date) and (B) no event has occurred or is continuing which constitutes (or would, with the passage of time or the giving of notice or both, constitute) an Event of Default, and (C) no event or circumstance has occurred which is reasonably likely to have a Material Adverse Effect.

- (e) On such Borrowing Date, when taking into consideration future Equity Contributions required to be paid as set forth in Schedule III and the amount the Borrower is required to pay pursuant to Clause 10.21, the available undrawn Commitment is sufficient to satisfy all future Advances payable under the terms of the Assigned Purchase Agreement.
- (f) The Facility Agent shall have received for the account of the Lenders all fees specified in Clauses 3.3 and 3.4 that are due and payable on or prior to such Borrowing Date and any other amounts the Borrower is required to pay in connection with such Advance in accordance with this Agreement.
- (g) The Facility Agent shall not have received any notice, or is not otherwise aware, that an Airbus Termination Event has occurred and is continuing, and the Facility Agent is satisfied (acting reasonably) that the Aircraft Purchase Agreement is in full force and effect.
- (h) The Facility Agent shall have received a copy of any other Authorization which the Facility Agent reasonably considers to be necessary following advice from its legal advisors (if it has notified the Borrower accordingly) in connection with the entry into and performance of the transactions contemplated by any Operative Document or for the validity and enforceability of any Operative Document.
- (i) The Facility Agent shall be satisfied that the Liens constituted by the relevant Operative Documents which purport to create such Liens and which are required pursuant to the terms of this Agreement are in full force and effect and have been fully perfected.
- (j) No Default or Event of Default shall have occurred and be continuing.
- (k) Each Guarantee shall be in full force and effect.
- (l) If the Annualized FCCR was [***] on the immediately preceding FCCR Test Date, the Borrower is in compliance with the LTV Test before and after giving effect to the making of the applicable Loan.
- (m) The Loans have not become due and payable or will, with the passing of time, become due and payable pursuant to Clause 5.9(c), (d), or (e).

5. THE CERTIFICATES

5.1 Form of Loan Certificates

The Loan Certificates shall each be substantially in the form specified in Exhibit F.

5.2 Terms of Loan Certificates; Loans

- (a) On the Effective Date, each Lender shall return the original counterparts of the existing Loan Certificates to the Borrower and the Borrower shall issue a Loan Certificate to each Lender in an aggregate original principal amount equal to such Lender's Maximum Commitment. The Borrower shall be entitled to borrow Loans against each Loan Certificate in accordance with Clauses 2.1 and 4.

- (b) Each Loan Certificate shall bear interest on the unpaid principal amount thereof from time to time outstanding from and including the date thereof until such principal amount is paid in full. Such interest shall accrue with respect to each Interest Period at the Applicable Rate in effect for such Interest Period and shall be payable in arrears on each Interest Payment Date and on the date such Loan is repaid in full. The Interest Periods for the Loans can vary in accordance with the definition of Interest Period. Interest shall be payable with respect to the first but not the last day of each Interest Period and shall be payable from (and including) the date of a (i) Loan or (ii) the immediately preceding Interest Payment Date, as the case may be, to (and excluding) the next succeeding Interest Payment Date. Interest hereunder and under the Loan Certificates shall be calculated on the basis of a year of 360 days and actual number of days elapsed.
- (c) If any sum payable under the Loan Certificates or under the Mortgage falls due on a day which is not a Business Day, then such sum shall be payable on the next succeeding Business Day.
- (d) The principal of the Loans relating to an Aircraft shall be due and payable in full upon the first to occur of (i) the Delivery Date of such Aircraft, as notified by the Borrower to the Facility Agent [***] prior to such day, (ii) except as specified in clause (iii), the date falling [***] after the final day of the Scheduled Delivery Month for such Aircraft, (iii) in the event of a Relevant Delay, the date falling [***] after the final day of the Scheduled Delivery Month of such Aircraft, and (iv) the Termination Date. The Borrower shall notify the Facility Agent and the Lenders of the expected Delivery Date of each Aircraft, not less than [***] prior to the Interest Payment Date immediately preceding such expected Delivery Date. Upon receipt of such notice, the Lenders shall effect a stub Interest Period ending on such expected Delivery Date for the Loans allocable to such Aircraft. If a Delivery Date is delayed, then the Facility Agent and the Lenders shall continue to make funds available in accordance with the terms hereof, at the Term SOFR rate plus the Applicable Margin until the earlier of (x) the actual Delivery Date of such Aircraft (y) the date falling [***] after the final day of the Scheduled Delivery Month of such Aircraft and (z) in the event of a Relevant Delay, the date falling [***] after

the last day of the Scheduled Delivery Month specified for such Aircraft in Schedule III.

- (e) Each Loan Certificate shall bear interest at the Past Due Rate on any principal thereof and, to the extent permitted by Applicable Law, interest (other than interest accrued at the Past Due Rate) and other amounts due thereunder and hereunder, not paid when due (whether at stated maturity, by acceleration or otherwise), for any period during which the same shall be overdue, payable on demand by the Lender given through the Facility Agent.
- (f) The Loan Certificates shall be executed on behalf of the Borrower by one of its authorized officers. Loan Certificates bearing the signatures of individuals who were at any time the proper officers of the Borrower shall bind the Borrower, notwithstanding that such individuals or any of them have ceased to hold such offices prior to the delivery of such Loan Certificates or did not hold such offices at the respective dates of such Loan Certificates. No Loan Certificates shall be issued hereunder except those provided for in Clause 5.2(a) and any Loan Certificates issued in exchange or replacement therefor pursuant to the terms of this Agreement.
- (g) Upon the request of the Borrower, the Lenders shall have the right in their sole discretion to extend the Commitment Termination Date by one year to the next Extension Date by delivering an Extension Notice to the Borrower no later than [***] prior to the then-current Commitment Termination Date. Any such extension shall require the unanimous consent of all Lenders, each acting at their own discretion.

5.3 Taxes

- (a) Any and all payments by or on account of any obligation of the Borrower hereunder to the Lenders, the Facility Agent or the Security Trustee, under the Loan Certificates and each other Operative Document shall be made free and clear of and without deduction for any Taxes, except as required by Applicable Law; provided that if the Borrower shall be required to deduct any identified Taxes from such

that if the Borrower shall be required to deduct any indemnified Taxes from such payments, then (i) the sum payable shall be increased as necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Clause 5.3) the Security Trustee, the Facility Agent and each Lender (as the case may be) receives an amount equal to the sum it would have received had no such deductions been made, (ii) the Borrower shall, or shall cause the Security Trustee to, make such deductions and (iii) the Borrower shall, or shall cause the Security Trustee to, pay the full amount deducted to the relevant Governmental Entity in accordance with Applicable Law.

- (b) In addition, the Borrower shall, or shall cause the Security Trustee to, pay any Indemnified Taxes or Taxes addressed in Clause 5.3(j) to the relevant Governmental Entity in accordance with Applicable Law and shall indemnify the Security Trustee, the Facility Agent and each Lender on an After-Tax Basis within

[***] after written demand therefor, for the full amount of any Indemnified Taxes paid by the Security Trustee, the Facility Agent or such Lender, as the case may be, on or with respect to any payment by or on account of any obligation of the Borrower hereunder or under the other Operative Documents (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Clause) and, other than any of the following to the extent (but only to the extent) resulting from the gross negligence or willful misconduct of the Security Trustee, the Facility Agent or such Lender, any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes are correctly or legally imposed or asserted by the relevant Governmental Entity. Determinations and calculations made by a Lender with respect to an indemnity due hereunder shall be conclusive absent manifest error, provided that such determinations and calculations are made on a reasonable basis.

- (c) As soon as practicable after any payment of Taxes by the Borrower to a Governmental Entity, the Borrower shall, or shall cause the Security Trustee to, deliver to the Facility Agent the original or a certified copy of a receipt issued by such Governmental Entity evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Facility Agent.
- (d) Any Person that at any time is entitled to an exemption from or reduction of any Indemnified Tax, at the request of the Borrower or the Security Trustee, shall deliver to it (with a copy to the Facility Agent) such properly completed and executed documentation prescribed by Applicable Law or reasonably requested by the Borrower or the Security Trustee as will permit the utilization of such exemption or reduction, provided that such Person has determined in its reasonable good faith judgment that to do so will not result in any adverse consequences to such Person, unless the adverse consequence can be cured through an indemnity (such determination to be made by such Person in its reasonable good faith judgment), and such Person is indemnified for any adverse consequence by the Borrower in a manner reasonably satisfactory to such Person.
- (e) If the Borrower becomes obligated to pay any Indemnified Taxes pursuant to this Clause 5.3, each applicable Lender and the Facility Agent hereby agrees to cooperate with the Borrower, as described in Clauses 5.11(d).
- (f) (i) If the Security Trustee, the Facility Agent or a Lender receives a refund of any Taxes in respect of which additional amounts were paid by the Borrower pursuant to this Clause 5.3, the Security Trustee, the Facility Agent or such Lender shall, as soon as reasonably practicable, pay to the Borrower the amount of such refund plus any interest received on such refund fairly attributable to such Tax and not in excess of amounts previously paid by the Borrower to the Security Trustee, the Facility Agent or such Lender pursuant to this Clause 5.3 (other than interest actually received on such refund and fairly attributable to such Tax), provided, however, that such amount shall be reduced by the amount of any obligation of the Borrower under this Agreement then due and not made (and the amount of such reduction



shall not be payable before such time and to the extent as such obligation shall have been satisfied). The Security Trustee, the Facility Agent and each Lender shall in good faith use diligence in filing its tax returns and in dealing with taxing authorities to seek and claim any such refund and to minimize the Taxes payable or indemnifiable by the Borrower hereunder if it can do so, in its sole opinion, without adverse consequences. If the Facility Agent or a Lender actually utilizes any credit with respect to any Taxes in respect of which additional amounts were paid by the Borrower pursuant to this Clause 5.3, the Security Trustee, the Facility Agent or such Lender shall pay to the Borrower an amount equal to the amount of such credit, but not in excess of amounts previously paid by the Borrower to the Security Trustee, the Facility Agent or such Lender, provided, however, that such amount shall be reduced by the amount of any obligation of the Borrower under this Agreement then due and not made (and the amount of such reduction shall not be payable before such time and to the extent as such obligation shall have been satisfied) and that no Person shall be required to claim any credit if to do so would, in its sole opinion, result in any adverse consequences to it and, provided, further, that no Person shall be required to claim any credit in respect of this Clause 5.3 in priority of any other credits (any utilization of such credit being in such Person's sole discretion). Any refund or credit which is subsequently disallowed in whole or in part shall be promptly repaid by the Borrower on the demand of the Security Trustee, the Facility Agent or relevant Lender.

- (g) Each Lender hereby agrees to indemnify the Borrower or the Security Trustee, as the case may be, for any Taxes of a type collected by way of withholding which the Borrower or the Security Trustee fails to withhold on payments to such Lender as a direct result of the failure of such Lender to provide the form or certificate required to be provided by such Lender by Clause 5.3(d) or the invalidity of any such form or certificate required to be provided by such Lender by Clause 5.3(d).
- (h) Without limiting the foregoing, each Person that is an assignee of a Lender pursuant to Clause 5.6 and/or Clause 19.3(b) shall, upon the effectiveness of such transfer, be required to provide all of the forms and statements to the extent required pursuant to this Clause 5.3.
- (i) The Borrower will pay to each Indemnitee interest at the Past Due Rate, to the extent permitted by Applicable Law, on any amount not paid when due under this Clause 5.3 until the same shall be paid.
- (j) The Borrower agrees to pay any present or future stamp or documentary Taxes or any other license, excise or property Taxes (i) imposed by any taxing authority which may arise from the registration, filing, recording, or perfection of any security interest of or in connection with this Agreement or the other Operative Documents or (ii) imposed by any taxing authority in connection with an Event of Default. The Borrower will provide appropriate documentation, including receipts if available, when requested to evidence payment by the Borrower of any such Taxes.

- (k) All consideration expressed to be payable under an Operative Document by any party to any Finance Party shall be deemed to be exclusive of any VAT. If VAT is chargeable on any supply made by any Finance Party to any party in connection with an Operative Document, that party shall pay to the Lender (in addition to and at the same time as paying the consideration) an amount equal to the amount of the VAT. Where an Operative Document requires any party to reimburse the Lender for any costs or expenses, that party shall also at the same time pay and indemnify the Lender against all VAT incurred by the Lender in respect of the costs or expenses to the extent that the Lender reasonably determines that neither it nor any other member of any group of which it is a member for VAT purposes is entitled to credit or repayment from the relevant tax authority in respect of the VAT.
- (l) If a payment made to a Lender under any Operative Document would be subject to

withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Borrower and the Security Trustee at the time or times prescribed by law and at such time or times reasonably requested by the Borrower or the Security Trustee such documentation prescribed by Applicable Law including as prescribed by Applicable Law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrower or the Security Trustee as may be necessary for the Borrower and the Security Trustee to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (l), "FATCA" shall include all amendments made to FATCA after the Original Signing Date.

5.4 Distribution of Funds Received

- (a) The Facility Agent shall maintain records of all amounts paid to it by the Borrower hereunder.
- (b) Provided that no Event of Default has occurred and is then continuing, each installment of interest payable on the Loan Certificates shall be distributed as promptly as possible on or after the date that such amount is actually received by the Facility Agent from the Borrower:

First, to the Lenders ratably, without priority of one over the other, to the payment in full of (A) the aggregate amount of interest due under the Loan Certificates in an amount equal to (i) accrued interest at the rate provided in each Loan Certificate, (ii) any overdue interest thereon, and (iii) the breakage costs, if any, and (B) any other amounts (other than principal) then due and owing to the Lenders or any Agent hereunder and under the other Operative Documents;

Second, the balance, if any, thereof thereafter remaining to the Borrower or such other Person(s) as may then lawfully be entitled thereto.

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- (c) Provided that no Event of Default has occurred and is then continuing, on the Delivery Date of the related Aircraft, each payment made by the Borrower as repayment of Loans shall be distributed as promptly as possible on or after the date that such amount is actually received by the Facility Agent from the Borrower:

First, to the Lenders ratably, without priority of one over the other, to the payment in full of (A) the aggregate amount of interest due under the Loan Certificates in respect of such Aircraft being in an amount equal to (i) accrued interest at the rate provided in each Loan Certificate, and (ii) any overdue interest thereon plus the breakage costs, if any, due to the Lenders in respect of such payment, and (B) any other amounts (other than principal) then due and owing to the Lenders or any Agent hereunder and under the other Operative Documents;

Second, to the Lenders ratably, without priority of one over the other, to the payment in full of the outstanding principal amount of the Loans in respect of such Aircraft made by the Lenders which is being repaid;

Third, the balance, if any, thereof thereafter remaining to the Borrower or such other Person(s) as may then lawfully be entitled thereto.

- (d) Upon any partial optional repayment of the Loan Certificates pursuant to Clause 5.10(a) hereof, the amount paid by Borrower shall be applied against the amounts which Borrower is obligated to pay in connection with such prepayment pursuant to Clause 5.10(a) (it being understood that no prepayment shall be permitted under Clause 5.10(a) unless the Borrower pays a sufficient amount to satisfy the amounts owed by it under Clause 5.10(a) in connection with such prepayment).
- (e) After an Event of Default shall have occurred, and so long as such Event of Default shall be continuing, amounts actually received by the Security Trustee from the Borrower and all proceeds resulting from any sale of any of the Collateral shall be applied in the following order of priority:

First, to the extent not theretofore paid by or on behalf of the Borrower, to pay all

First, to the extent not theretofore paid by or on behalf of the Borrower, to pay all costs and expenses of each Agent incurred in connection with the performance of its duties hereunder or under any other Operative Document, including reasonable attorneys' fees and expenses, and all costs and expenses incurred by the Security Trustee in connection with its entering upon, taking possession of, holding, operating, managing, selling or otherwise disposing of the Collateral or any part thereof, any and all Taxes, assessments or other charges of any kind prior to the Lien of any Operative Document that the Security Trustee determined in good faith to pay or be paid, and all amounts payable to each Agent hereunder or under any of the Operative Documents in respect of any indemnities or other obligations of the Borrower;

Second, to the Lenders ratably, without priority of one over the other, to the payment of all accrued and unpaid interest (including the breakage costs, if any,

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and interest on account of overdue payments of principal and interest) then due the Lenders under this Agreement or any of Loan Certificates;

Third, to the Lenders ratably, without priority of one over the other, to the payment of any other amount, indebtedness or obligations (other than principal) due and payable to the Lenders under any Operative Documents;

Fourth, to the Lenders ratably, without priority of one over the other, to the payment in full of the principal amount of the Loan Certificates;

Fifth, the balance, if any, thereof thereafter remaining, to the Borrower or such other Person(s) as may then lawfully be entitled thereto.

If the Security Trustee purchases and subsequently sells any Aircraft to a third party (or otherwise disposes of any of its rights under the Operative Documents relating to such Aircraft), any net sale proceeds (after deduction of all relevant costs, including maintenance, storage and insurance) which exceed the Loan allocable to such Aircraft to the extent actually received by the Security Trustee shall be distributed under this Clause (e).

5.5 Method of Payment

- (a) Principal and interest and other amounts due hereunder or under the Loan Certificates or in respect hereof or thereof shall be payable in Dollars in immediately available funds prior to [***], on the due date thereof, to the Facility Agent and the Facility Agent shall, subject to the terms and conditions of Clause 5.4, remit all such amounts so received by it to the Lenders at such account or accounts at such financial institution or institutions in New York as the Lenders shall have designated to the Facility Agent in writing, in immediately available funds for distribution to the relevant Lenders.
- (b) All such payments by the Borrower and the Facility Agent shall be made free and clear of and without reduction on account of all wire and other like charges. Prior to the due presentment for registration of transfer of any Loan Certificate, the Borrower and the Facility Agent may deem and treat the Person in whose name any Loan Certificate is registered on the Certificate Register as the absolute owner of such Loan Certificate for the purpose of receiving payment of all amounts payable with respect to such Loan Certificate and for all other purposes whether or not such Loan Certificate shall be overdue, and neither the Borrower nor the Facility Agent shall be affected by any notice to the contrary.
- (c) If the Facility Agent disburses funds on a payment date without first having received funds from the Borrower and if the Borrower subsequently fails to make such payment before the end of the day, then on the next succeeding Business Day following demand from the Facility Agent, each Lender which has received such funds will refund to the Facility Agent the amount advanced by the Facility Agent which such Lender received.

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5.6 Registration, Transfer and Exchange of Loan Certificates

- (a) The Facility Agent agrees with the Borrower that the Facility Agent shall keep a register (herein sometimes referred to as the "Certificate Register") in which provision shall be made for the registration of Loan Certificates.
- (b) Prior to the due presentment for registration of the transfer of any Loan Certificate, the Borrower and the Facility Agent shall deem and treat the person in whose name such Loan Certificate is registered on the Certificate Register as the absolute owner of such Loan Certificate, and the Lender for the purpose of receiving payment of all amounts payable with respect to such Loan Certificate, and for all other purposes whether or not such Loan Certificate is overdue, and neither the Borrower nor the Facility Agent shall be affected by notice to the contrary.
- (c) The Certificate Register shall be kept at the office of the Facility Agent specified in this Agreement or at the office of any successor Facility Agent, and the Facility Agent is hereby appointed "Certificate Registrar" for the purpose of registering Loan Certificates and transfers of Loan Certificates as herein provided.
- (d) Upon surrender for registration of transfer of any Loan Certificate at the office of the Facility Agent specified in this Agreement and upon delivery by the Facility Agent to the Borrower of such surrendered Loan Certificate, the Borrower shall execute, and the Facility Agent shall deliver, in the name of the designated transferee or transferees, one or more new Loan Certificates of a like aggregate principal amount.
- (e) Each Lender may assign all or part of an interest in any Loan Certificate held by it to any Person, subject to the extent to which it may transfer its interest in any such Loan Certificate held by it in accordance with Clause 19.3(c), (d) and (e).
- (f) All Loan Certificates issued upon any registration of transfer or exchange of Loan Certificates shall be the valid obligations of the Borrower evidencing the same obligations, and entitled to the same security and benefits under the Mortgage and this Agreement, as the Loan Certificates surrendered upon such registration of transfer.
- (g) Every Loan Certificate presented or surrendered for registration of transfer, shall (if so required by the Facility Agent) be duly endorsed, or be accompanied by a written instrument of transfer in form satisfactory to the Facility Agent duly executed by the Lender thereof or its attorney duly authorized in writing, and the Facility Agent may require evidence satisfactory to it as to the compliance of any such transfer with the Securities Act and the securities laws of any applicable state.
- (h) The Facility Agent shall make a notation on each new Loan Certificate or Loan Certificates of the then available Commitment on the old Loan Certificate or Loan Certificates with respect to which such new Loan Certificate is issued, the current outstanding principal and the date to which interest accrued on such old Loan

Certificate or Loan Certificates has been paid and the extent, if any, to which any interest therein has been subject to a registered assignment.

- (i) The Facility Agent shall not be required to register the transfer of any surrendered Loan Certificates as above provided during the [***] period preceding the due date of any payment on such Loan Certificates.
- (j) The Facility Agent shall give the Borrower, the Security Trustee and each Lender notice of such transfer of a Loan Certificate under this Clause 5.6.
- (k) Prior to or simultaneously with the transfer by a Lender of its Loan Certificates or its interest in this Agreement, the transferee of such Lender shall notify the Borrower of its identity and of the country of which such transferee is a resident for

tax purposes.

5.7 Mutilated, Destroyed, Lost or Stolen Loan Certificates

- (a) If any Loan Certificate shall become mutilated, destroyed, lost or stolen, the Borrower shall, upon the written request of the affected Lender, execute and deliver in replacement thereof, a new Loan Certificate, in the same principal amount, dated the date of such Loan Certificate.
- (b) If the Loan Certificate being replaced has become mutilated, such Loan Certificate shall be surrendered to the Facility Agent and the original thereof shall be furnished to the Borrower by the Facility Agent.
- (c) If the Loan Certificate being replaced has been destroyed, lost or stolen, the affected Lender shall furnish to the Borrower and the Facility Agent such security or indemnity as may be reasonably required by them to hold the Borrower and the Facility Agent harmless and evidence satisfactory to the Borrower and the Facility Agent of the destruction, loss or theft of such Loan Certificate and of the ownership thereof, provided, however, that if the affected Lender is an original party to this Agreement or an Affiliate thereof, the written notice of such destruction, loss or theft and such ownership and the written undertaking of such Lender delivered to the Borrower and the Facility Agent to hold harmless the Borrower and the Facility Agent in respect of the execution and delivery of such new Loan Certificate shall be sufficient evidence, security and indemnity.

5.8 Payment of Expenses on Transfer

Upon the issuance of a new Loan Certificate or new Loan Certificates pursuant to Clause 5.6 or 5.7, the Borrower and/or the Facility Agent may require from the party requesting such new Loan Certificate or Loan Certificates payment of a sum sufficient to reimburse the Borrower and/or the Facility Agent for, or to provide funds for, the payment of any transfer or registration tax or other governmental charge of the same type in connection therewith or any charges and expenses connected with such tax or other governmental charge paid or payable by the Borrower or the Facility Agent, and any out

of pocket expenses, including legal fees (for external counsel) incurred, of the Borrower or the Facility Agent.

5.9 Prepayment

- (a) The Borrower may at any time voluntarily prepay all or part of any Loan outstanding with respect to an Aircraft in accordance with the terms and conditions hereof; provided that, (i) the Borrower shall provide irrevocable written notice to the Facility Agent not less than [***] prior to the date of such prepayment specifying (A) the outstanding principal amount of the Loan to be prepaid, together with accrued interest therein to the date of prepayment plus, in the case of a prepayment of a Loan, the breakage costs, if any, and all other amounts due under the Operative Documents with respect to such Aircraft, (B) in the case of prepayment of a Loan, the Aircraft to which such prepayment is allocable, and (C) the Business Day on which such prepayment shall be made; and (ii) such prepayment shall be in an amount at least equal to [***].
- (b) If, as of any LTV Test Date, the LTV Test is not satisfied with respect to an Aircraft, the Borrower may prepay the Loan(s) relating to such Aircraft in respect of which such failure occurred in an amount equal to that which when applied to such Loan(s), would reduce the principal outstanding thereof in order that the LTV Test would be satisfied if the LTV for such Aircraft were calculated following such prepayment. Except with respect to a prepayment pursuant to Clause 4.2, any such prepayment must be made with [***] required to cure the breach of the LTV Test.
- (c) In the event that Frontier Holdings ceases to Control or own the entire issued share capital of Frontier Airlines or that Frontier Group Holdings ceases to Control or own the entire issued share capital of Frontier Holdings, the aggregate outstanding principal amount of all Loans shall become immediately due and payable, and the Borrower shall thereupon prepay the Loan Certificates relating to such Loans, together with accrued interest thereon to the date of prepayment plus breakage costs, if any, and all other amounts due, owing and payable under the Operative Documents.

- (d) Upon the occurrence of a Material Event of Default, the aggregate outstanding principal amount of all Loans shall become immediately due and payable, and the Borrower shall thereupon prepay the Loan Certificates relating to such Loans, together with accrued interest thereon to the date of prepayment plus breakage costs, if any, and all other amounts due, owing and payable under the Operative Documents
- (e) Upon the occurrence of a termination or cancellation of the Assigned Purchase Agreement with respect to any Aircraft for any reason whatsoever, the aggregate outstanding principal amount of all Loans relating to such Aircraft shall become due and payable within [***], and the Borrower shall thereupon prepay the Loan Certificates to the extent of the Loans with respect to such Aircraft, together with

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accrued interest thereon to the date of prepayment plus breakage costs, if any, and all other amounts due under the Operative Documents with respect to such Aircraft.

- (f) In the event that a Lender is entitled to a payment under Clause 5.3, 5.11, 5.12 or Error! Reference source not found. (an "Affected Lender") and without prejudice to the Finance Party's rights hereunder and under the Mortgage, the Borrower, the Facility Agent and the Affected Lender shall cooperate (at no cost to itself) for a period of [***] to restructure the Loan for the Affected Lender with a view to eliminating or reducing the need for any such payment, it being agreed that the Affected Lender shall have no obligation to proceed with such restructuring to the extent such restructuring would or may reasonably be expected to:
 - (1) result in an adverse regulatory consequence for the Affected Lender; or
 - (2) involve any unreimbursed or unindemnified cost for the Affected Lender; or
 - (3) be inconsistent with the Affected Lender's internal policies.

If no restructuring can be arranged within such time period, the Borrower may, with notice to the Affected Lender, attempt within such time period to find an entity reasonably satisfactory to the Facility Agent to purchase the Affected Lender's Loan Certificate and assume the Affected Lender's Commitment.

The Affected Lender shall be paid (by the purchasing entity or the Borrower) the outstanding principal balance of its Loan Certificate, all accrued and unpaid interest thereon, the breakage costs, if any, incurred (calculated as if such purchase were a prepayment of such Affected Lender's Loan Certificate) and all other amounts owed to the Affected Lender under any Operative Document as a condition precedent to such purchase. Upon such payment, such Affected Lender shall transfer its Loan Certificate to the Borrower or such other purchaser, without representation or warranty except for the absence of any Liens.

- (g) In the event the Borrower is unable to find a purchaser of the Affected Lender's Loan Certificate pursuant to clause (f) above, then, so long as no Default or Event of Default shall have occurred and be continuing on at least [***] prior written notice, the Borrower may prepay on the date specified in its notice of prepayment, in whole the Affected Lender's Loan Certificate at the principal amount thereof together with accrued and unpaid interest thereon to the date of prepayment plus the breakage costs, if any, and all other amounts due to the Affected Lender hereunder, thereunder and under the other Operative Documents.
- (h) In the event that Airbus refunds any amounts under the Assigned Purchase Agreement relating to the Aircraft, a principal amount of the Loans (and breakage costs, if any, related thereto) relating to such Aircraft equal to such refund shall become immediately due and payable.

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- (i) Any notice of prepayment delivered pursuant to Clauses 5.9(a), (f), (g) or (h) shall be irrevocable and shall identify the amount to be prepaid and the Loans relating to an Aircraft.
- (j) If the aggregate outstanding principal amount of all Loan Certificates exceeds the Maximum PDP Loan Amount, the Loans (and all interest accrued thereon and breakage costs, if any, related thereto) shall become immediately due and payable in a principal amount equal to that which when applied, would reduce the aggregate outstanding principal amount of all Loan Certificates to below the Maximum PDP Loan Amount.

5.10 Provisions Relating to Prepayment

- (a) Notice of prepayment having been given, the principal amount of the Loan Certificates to be prepaid, plus accrued interest thereon to the date of prepayment, together with the breakage costs, if any, shall become due and payable on the prepayment date.
- (b) On the date fixed for prepayment under Clause 5.9, immediately available funds in Dollars shall be deposited by the Borrower in the account of the Facility Agent at the place and by the time and otherwise in the manner provided in Clause 5.5, in an amount equal to the principal amount of Loan Certificates to be prepaid together with accrued and unpaid interest thereon to the date fixed for such prepayment, the breakage costs, if any, and all other amounts due to the Lenders under the Operative Documents.
- (c) Each Lender shall furnish to the Borrower, with a copy to the Facility Agent, a certificate setting forth the breakage costs, if any, due to such Lender, which certificate shall be presumptively correct.

5.11 Increased Costs

- (a) The Borrower shall pay directly to each Lender from time to time such amounts as such Lender may determine to be necessary to compensate such Lender on an After-Tax Basis for any increase in costs that such Lender determines are attributable to its making or maintaining of its Commitment or the Loans evidenced by its Loan Certificates or funding arrangements utilized in connection with such Loans, or any reduction in any amount receivable by such Lender hereunder or under any Operative Document in respect of any of its Commitments, such Loans or such arrangements (such increases in costs and reductions in amounts receivable (including any amounts covered by clause (b) below) being herein called "Additional Costs"), resulting from any Regulatory Change that:
 - (i) imposes any Tax that is the functional equivalent of any reserve, special deposit or similar requirement of the sort covered by Clause 5.11(a)(ii); or
 - (ii) imposes or modifies any reserve, special deposit or similar requirements (including any Reserve Requirement) relating to any extension of credit or

other assets of, or any deposits with or other liabilities of, such Lender, any commitment of such Lender (including, without limitation the Commitment of such Lender hereunder); or

- (iii) imposes any other condition affecting this Agreement, the Loan Certificates (or any of such extensions of credit or liabilities) or its Commitments.
- (b) Without limiting the effect of the foregoing provisions of this Clause 5.11 (but without duplication), the Borrower shall pay directly to each Lender from time to time on request such amounts as such Lender may determine to be necessary to compensate such Lender (or, without duplication, the bank holding company of which such Lender is a subsidiary) for any increase in costs that it determines are attributable to the maintenance by such Lender (or any lending office or such bank

holding company) of capital in respect of the Commitments or Loan of such Lender hereunder, pursuant to any law or regulation or any interpretation, directive or request (whether or not having the force of law and whether or not failure to comply therewith would be unlawful so long as compliance therewith is standard banking practice in the relevant jurisdiction) of any court or governmental or monetary authority following:

- (i) any Regulatory Change; or
- (ii) implementing any risk-based capital guideline or other similar requirement issued by any government or governmental or supervisory authority implementing at the national level the Basel Accord; or
- (iii) implementing any requirements of the Dodd-Frank Wall Street Reform and Consumer Protection Act;

in each case after the Original Signing Date (such compensation to include, without limitation, an amount equal to any reduction of the rate of return on assets or equity of such Lender (or any lending office or such bank holding company) could have achieved but for such law, regulation, interpretation, directive or request). For purposes of this Clause 5.11(b), "Basel Accord" means the proposals for risk-based capital framework described by the Basel Committee on Banking Regulations and Supervisory Practices commonly known as Basel III, as amended, modified and supplemented and in effect from time to time, or any replacement thereof.

- (c) Clauses 5.11(d) and (e) apply in respect of this Clause 5.11.
- (d) Each Lender shall notify the Borrower of any event occurring after the Original Signing Date entitling such Lender to compensation under paragraph (a) or (b) of this Clause 5.11 as promptly as practicable, but in any event within [***], after such Lender obtains actual knowledge thereof; provided that (i) such Lender shall, with respect to compensation payable pursuant to this Clause 5.11 in respect of any Additional Costs resulting from such event, only be entitled to payment under this Clause 5.11 for Additional Costs incurred from and after the date that is [***] prior to the date of receipt of such notice by the Borrower, (ii) each Lender will use

commercially reasonable efforts (at the Borrower's expense) to mitigate the amount of compensation under paragraph (a) or (b) of this Clause 5.11 associated with such event, including designating a different lending office for the Loan evidenced by such Lender's Loan Certificate affected by such event if such designation will avoid the need for, or reduce the amount of, such compensation and will not, in the sole opinion of such Lender, result in any economic, legal or regulatory disadvantage to such Lender, and (iii) no Lender shall discriminate against the Borrower in making any claim for compensation under this Clause 5.11, and no Lender shall treat the Borrower less favorably than such Lender's other similarly situated borrowers. When submitting a claim pursuant to Clause 5.11, each Lender will furnish to the Borrower an officer's certificate setting forth in reasonable detail (x) the events giving rise to compensation under paragraph (a) or (b) of this Clause 5.11, (y) the basis for determining and allocating such compensation and (z) the amount of each request by such Lender for such compensation (subject, however, to any limitations such Lender may require in respect of disclosure of confidential information relating to its capital structure), together with a statement that the determinations and allocations made in respect of such compensation comply with the provisions of this Clause 5.11, including as provided by the last proviso of this paragraph (d). Determinations and allocations by any Lender for purposes of this Clause 5.11 of the effect of any Regulatory Change pursuant to Clause 5.11(a), or of the effect of capital maintained pursuant to Clause 5.11(b), on its costs or rate of return of maintaining the Loan evidenced by its Loan Certificate or its Commitment, or on amounts receivable by it in respect of its Loan Certificate, and of the amounts required to compensate such Lender under this Clause 5.11, shall be conclusive absent manifest error; provided that such determinations and allocations are made on a reasonable basis and, in the case of allocations, are made fairly.

- (e) The Borrower shall not be required to make payments under this Clause 5.11 to any Lender if (i) a claim hereunder arises solely through circumstances peculiar to such Lender and which do not affect commercial banks in the jurisdiction of organization of such Lender generally, (ii) such Lender is not seeking similar compensation for such costs from its borrowers generally in commercial loans, or (iii) the claim arises out of a voluntary relocation by such Lender of its lending office (it being

understood that any such relocation effected pursuant to this Clause 5.11 is not "voluntary").

5.12 Illegality

Notwithstanding any other provision of this Agreement or the Mortgage, if any Lender (an "Illegal Lender") shall notify the Facility Agent that the introduction after the Original Signing Date of or any change after the Original Signing Date in or in the interpretation of any law or regulation shall make it unlawful, or any central bank or other Governmental Entity asserts that it is unlawful, for such Lender to make, fund or allow to remain outstanding its Loan Certificate, then such Lender shall, promptly after becoming aware of the same, deliver to the Borrower through the Facility Agent a certificate to that effect, and, if the Facility Agent on behalf of such Lender so requires, the Borrower shall attempt to cure such illegality or otherwise, on or before [***] (but in any event at least [***] before

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such illegality occurs and if such illegality has already occurred, immediately) following such notification, the Borrower shall prepay the aggregate outstanding principal amount of the Loan Certificate held by such Illegal Lender in full, together with accrued interest thereon to the date of prepayment plus the breakage costs, if any, and all other amounts due thereunder and hereunder and under the other Operative Documents to such Illegal Lender.

5.13 Inability to Determine Rates.

Subject to Clause 5.14, if, on or prior to the first day of any Interest Period for any SOFR Loan:

- (a) the Facility Agent determines (which determination shall be conclusive and binding absent manifest error) that "Term SOFR" cannot be determined pursuant to the definition thereof, or
- (b) the Majority Lenders determine that for any reason in connection with any request for a SOFR Loan or a conversion thereto or a continuation thereof that Term SOFR for any requested Interest Period with respect to a proposed SOFR Loan does not adequately and fairly reflect the cost to such Lenders of funding such Loan, and the Required Lenders have provided notice of such determination to the Facility Agent,

the Facility Agent will promptly so notify the Borrower and each Lender.

Upon notice thereof by the Facility Agent to the Borrower, any obligation of the Lenders to make SOFR Loans, and any right of the Borrower to continue SOFR Loans or to convert ABR Loans to SOFR Loans, shall be suspended (to the extent of the affected SOFR Loans or affected Interest Periods) until the Facility Agent (with respect to clause (b), at the instruction of the Majority Lenders) revokes such notice. Upon receipt of such notice, (i) the Borrower may revoke any pending request for a borrowing of, conversion to or continuation of SOFR Loans (to the extent of the affected SOFR Loans or affected Interest Periods) or, failing that, the Borrower will be deemed to have converted any such request into a request for a borrowing of or conversion to ABR Loans in the amount specified therein and (ii) any outstanding affected SOFR Loans will be deemed to have been converted into ABR Loans at the end of the applicable Interest Period. Upon any such conversion, the Borrower shall also pay accrued interest on the amount so converted, together with any additional amounts required pursuant to Clause 5.11. Subject to Clause 5.14, if the Facility Agent determines (which determination shall be conclusive and binding absent manifest error) that "Term SOFR" cannot be determined pursuant to the definition thereof on any given day, the interest rate on ABR Loans shall be determined by the Facility Agent without reference to clause (c) of the definition of "ABR" until the Facility Agent revokes such determination.

5.14 Benchmark Replacement Setting

- (a) **Benchmark Replacement.** Notwithstanding anything to the contrary herein or in any other Operative Document, upon the occurrence of a Benchmark Transition Event, the Facility Agent and the Borrower may amend this Agreement to replace

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the then-current Benchmark with a Benchmark Replacement. Any such amendment with respect to a Benchmark Transition Event will become effective at [***] after the Facility Agent has posted such proposed amendment to all affected Lenders and the Borrower so long as the Facility Agent has not received, by such time, written notice of objection to such amendment from Lenders comprising the Majority Lenders. No replacement of a Benchmark with a Benchmark Replacement pursuant to this Clause 5.14(a) will occur prior to the applicable Benchmark Transition Start Date.

- (b) Benchmark Replacement Conforming Changes. In connection with the use, administration, adoption or implementation of a Benchmark Replacement, the Facility Agent will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Operative Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Operative Document.
- (c) Notices; Standards for Decisions and Determinations. The Facility Agent will promptly notify the Borrower and the Lenders of (i) the implementation of any Benchmark Replacement and (ii) the effectiveness of any Conforming Changes in connection with the use, administration, adoption or implementation of a Benchmark Replacement. The Facility Agent will notify the Borrower of (x) the removal or reinstatement of any tenor of a Benchmark pursuant to Clause 5.14(d) and (y) the commencement of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the Facility Agent or, if applicable, any Lender (or group of Lenders) pursuant to this Clause 5.14, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party to this Agreement or any other Operative Document, except, in each case, as expressly required pursuant to this Clause 5.14.
- (d) Unavailability of Tenor of Benchmark. Notwithstanding anything to the contrary herein or in any other Operative Document, at any time (including in connection with the implementation of a Benchmark Replacement), (i) if the then-current Benchmark is a term rate (including the Term SOFR Reference Rate) and either (A) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Facility Agent in its reasonable discretion or (B) the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is not or will not be representative, then the Facility Agent may modify the definition of "Interest Period" (or any similar or analogous definition) for any Benchmark settings at or after such time to remove such unavailable or non-representative tenor and (ii) if a tenor that was removed pursuant to clause (i) above either (A) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark

Replacement) or (B) is not, or is no longer, subject to an announcement that it is not or will not be representative for a Benchmark (including a Benchmark Replacement), then the Facility Agent may modify the definition of "Interest Period" (or any similar or analogous definition) for all Benchmark settings at or after such time to reinstate such previously removed tenor.

- (e) Benchmark Unavailability Period. Upon the Borrower's receipt of notice of the commencement of a Benchmark Unavailability Period, the Borrower may revoke any pending request for a SOFR Borrowing of, conversion to or continuation of SOFR Loans to be made, converted or continued during any Benchmark Unavailability Period and, failing that, the Borrower will be deemed to have converted any such request into a request for a Borrowing of or conversion to ABR Loans. During a Benchmark Unavailability Period or at any time that a tenor for

the then-current Benchmark is not an Available Tenor, the component of ABR based upon the then-current Benchmark or such tenor for such Benchmark, as applicable, will not be used in any determination of ABR.

6. TERMINATION OF INTEREST IN COLLATERAL

None of the Facility Agent, Security Trustee or any Lender shall have any further interest in, or other right with respect to, the Collateral with respect to any Aircraft when and if the principal amount of, the breakage costs on, if any, interest on and other amounts due under all Loans in relation to such Aircraft held by such Lender and all other sums due to such Lender hereunder and under the other Operative Documents in respect of such Aircraft shall have been finally and indefeasibly paid in full; provided, however, that the interests and rights of the Lenders in and with respect to the mortgage and security interests created by the Mortgage shall continue (except with respect to any Aircraft as to which the related Loans have been repaid) after all such amounts have been paid in full so long as no Event of Default has occurred and is continuing and the Commitments have not terminated. Upon payment in full of any Loans relating to an Aircraft, the Security Trustee shall release that portion of the Collateral which relates solely to the applicable Aircraft from the Lien of the Mortgage and such Aircraft shall thereafter cease to be an "Aircraft" for the purposes of the Operative Documents.

7. BORROWER'S REPRESENTATIONS AND WARRANTIES

The Borrower represents and warrants that on the date hereof and on each Borrowing Date:

- (a) the Borrower is a Cayman Islands exempted company, duly organized and validly existing pursuant to the laws of the Cayman Islands; is duly qualified to do business as a foreign corporation in each jurisdiction in which its operations or the nature of its business requires, except where the failure to be so qualified would not have a Material Adverse Effect; and has the corporate power and authority to purchase the Aircraft under the Assigned Purchase Agreement and to enter into and perform its obligations under the Operative Documents to which it is or shall be a party;

- (b) the execution, delivery and performance by the Borrower of the Operative Documents to which it is a party have been duly authorized by all necessary corporate action on the part of the Borrower, do not require any shareholder approval, or approval or consent of any trustee or holders of any indebtedness or obligations of the Borrower except such as have been duly obtained and are in full force and effect, and none of the execution, delivery or performance by the Borrower of such Operative Documents contravenes any law, judgment, government rule, regulation or order binding on the Borrower or the memorandum and articles of association of the Borrower or contravenes the provisions of, or constitutes a default under, or results in the creation of any Lien (other than Permitted Liens) upon the property of the Borrower under, any indenture, mortgage, contract or other agreement to which the Borrower is a party or by which it or its properties may be bound;
- (c) neither the execution and delivery by the Borrower of the Operative Documents to which it is a party nor the performance by the Borrower of its obligations thereunder requires the consent or approval of, the giving of notice to, or the registration with, or the taking of any other action in respect of any Federal, state or foreign government authority or agency, except for those specified in the opinions referred to in Clause 4.1(g) or those that would not have a Material Adverse Effect (the "Permits");
- (d) the Operative Documents to which the Borrower is a party each constitute legal, valid and binding obligations of the Borrower enforceable against the Borrower in accordance with the terms thereof except as such enforceability may be limited by equitable principles or applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally;
- (e) there is no pending or (to the best of Borrower's knowledge) threatened action or proceeding before any court, arbitrator or administrative agency that individually (or in the aggregate in the case of any group of related actions or proceedings) is expected by the Borrower to have a Material Adverse Effect;

- (f) except as specified in the opinions referred to in Clause 4.1(g), no further action, including any filing or recording of any document, is necessary or advisable in order to establish and perfect the first ranking Lien on the Collateral in favor of the Security Trustee pursuant to the Mortgage;
- (g) there has not occurred any event which constitutes a Default or an Event of Default, in each case, which is presently continuing;
- (h) the Assigned Purchase Agreement and the Engine Agreements are in full force and effect and none of the Borrower or, to the knowledge of the Borrower, Airbus or any Engine Manufacturer is in default of any of its material obligations thereunder. Neither the Borrower nor any Guarantor has assigned or granted any Lien in its rights under the Assigned Purchase Agreement in respect of any of the Aircraft or the Engine Agreements or the Engines;

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- (i) the Borrower has filed or caused to be filed all state, local and foreign tax returns which are required to be filed and has paid or caused to be paid or provided adequate reserves for the payment of all taxes shown to be due and payable on such returns or (except to the extent being contested in good faith and by appropriate proceedings and for the payment of which adequate reserves have been provided in accordance with generally accepted accounting principles) on any assessment received by the Borrower, to the extent that such taxes have become due and payable, except such returns or taxes as to which the failure to file or pay, as the case may be, could not be reasonably expected to materially and adversely affect the assets, operations or financial condition, of the Borrower;
- (j) the Borrower is not in violation of any law, order, injunction, decree, rule or regulation applicable to the Borrower of any court or administrative body, which default or violation would reasonably be expected to materially and adversely affect the operations or financial condition of the Borrower or the Borrower's ability to execute, deliver and perform its obligations under the Operative Documents;
- (k) the Borrower is not an "investment company" as defined in, or subject to regulation under, the Investment Company Act of 1940;
- (l) none of the information furnished by or on behalf of the Borrower to the Facility Agent or any Lender in connection with the negotiation of this Agreement or delivered hereunder (as modified or supplemented by other information so furnished) contains any misstatement of a material fact or omits any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;
- (m) the Borrower is fully solvent (on a cash flow and balance sheet basis) and will be fully solvent immediately following the execution of this Agreement and the Operative Documents;
- (n) no Liens have been granted or created by any Person and exist over any of the Collateral except Permitted Liens;
- (o) each of the dates in the column entitled "Borrowing Date" in the table set out in Schedule III is the date on which the Advance to which such date is expressed to correspond in such table is due and payable to Airbus in accordance with the Assigned Purchase Agreement;
- (p) the Borrower is in compliance with all requirements of law except where such non-compliance could not reasonably be expected to have a material adverse effect; provided, however, that where such compliance relates to any Anti-Corruption Laws, Anti-Money Laundering Laws or Sanctions, each of the Borrower and the Guarantors is in compliance;
- (q) the Borrower and each Guarantor maintains and enforces policies and procedures designed to promote and achieve compliance by the Borrower and the Guarantors

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with applicable Anti-Corruption Laws, Anti-Money Laundering Laws and Sanctions;

- (r) none of the Borrower or the Guarantors or, any of their respective directors, officers or, to the Borrower's knowledge, any of their respective affiliates, agents or employees (i) has conducted their respective businesses or taken any action that would constitute or give rise to a violation of any Anti-Corruption Law, Anti-Money Laundering Law or Sanctions, or (ii) is or has been subject to any action, proceeding, litigation, claim or, to the Borrower's knowledge, investigation brought by any Governmental Entity with regard to any actual or alleged violation of any Anti-Corruption Laws or Anti-Money Laundering Laws;
- (s) the Borrower shall not directly or indirectly, (i) use, lend, contribute or otherwise make available any part of the proceeds of any Loan hereunder to fund any activities or business of a Sanctioned Person or in any manner that would result in a violation of Sanctions by any Person party hereto or (ii) fund all or part of any repayment or reimbursement of the obligations hereunder out of proceeds derived from any transaction or activity involving a Sanctioned Person or Sanctioned Jurisdiction; and
- (t) the Borrower shall not, directly or indirectly, use any part of the proceeds of any Loan hereunder for any payments to any governmental official or employee, political party, official of a political party, candidate for political office, or anyone else acting in an official capacity, in order to obtain, retain or direct business or obtain any improper advantage, in each case in violation of Anti-Corruption Laws or Anti-Money Laundering Laws.

8. GENERAL INDEMNITY

8.1 Subject to the next following paragraph, the Borrower hereby agrees to indemnify each Indemnitee against, and agrees to protect, save and keep harmless each of them from any and all Expenses imposed on, incurred by or asserted against any Indemnitee arising out of or directly resulting from:

- (a) following delivery of any Aircraft, Airframe or Engine, the operation, possession, use, maintenance, overhaul, testing, registration, re-registration, delivery, non-delivery, lease, non-use, modification, alteration, or sale of any such Aircraft, Airframe or Engine, or any engine used in connection with any such Airframe or any part of any of the foregoing, any lessee or any other Person whatsoever, including, without limitation, claims for death, personal injury or property damage or other loss or harm to any person whatsoever and claims relating to any laws, rules or regulations pertaining to such operation, possession, use, maintenance, overhaul, testing, registration, re-registration, delivery, non-delivery, lease, non-use, modification, alteration, sale or return including environmental control, noise and pollution laws, rules or regulations;

- (b) following delivery of any Aircraft, Airframe or Engine, the manufacture, design, purchase, acceptance, rejection, delivery, or condition of any such Aircraft, Airframe or Engine, any engine used in connection with any such Airframe, or any part of any of the foregoing including, without limitation, latent and other defects, whether or not discoverable, or trademark or copyright infringement;
- (c) any breach of or failure to perform or observe, or any other noncompliance with, any covenant or agreement to be performed, or other obligation of any Obligor under any of the Operative Documents, or the falsity of any representation or warranty of any Obligor in any of the Operative Documents;
- (d) assuming the Lenders are making Loans in the ordinary course of their business for their own accounts, the offer, sale and delivery by the Borrower or anyone acting

on behalf of the Borrower of any Loan Certificates or successor debt obligations issued in connection with the refunding or refinancing thereof (including, without limitation, any claim arising out of the Securities Act, the Securities Exchange Act of 1934, as amended, or any other federal or state statute, law or regulation, or at common law or otherwise relating to securities (collectively "Securities Liabilities")) (the indemnity provided in this Clause 8.1(d) to extend also to any Person who controls an Indemnitee, its successors, assigns, employees, directors, officers, servants and agents within the meaning of clause 15 of the Securities Act);

- (e) purchasing any Aircraft following an Event of Default, including any costs incurred after purchasing such Aircraft and prior to resale of such Aircraft and the recovery of all other amounts owing hereunder following an Event of Default or the enforcement against the Borrower or any other Obligor of any of the terms thereof (including, without limitation, pursuant to clause 5 of the Mortgage) and including any amounts payable by any Indemnitee pursuant to clause 11.2 of the Step-In Agreement; and
- (f) execution of this Agreement and the transactions completed hereunder.

8.2 The foregoing indemnity shall not extend to any Expense of any Indemnitee to the extent attributable to one or more of the following:

- (a) acts or omissions involving the willful misconduct or gross negligence of such Indemnitee;
- (b) any Tax, or increase in Tax liability under any Tax law (such matter being subject to the indemnity in Clause 5.3); provided, however, that this clause (b) shall not apply to (A) Taxes which have arisen as a result of or while an Event of Default has occurred and is continuing; (B) Taxes taken into consideration in making any payments on an After-Tax Basis or (C) to any license, documentation, registration or filing fees imposed upon or in connection with the execution, delivery, registration or filing in connection with the Mortgage as otherwise contemplated in the Operative Documents;

- (c) except to the extent attributable to acts or events occurring prior thereto, acts or events (other than acts or events related to the performance by any Obligor of its obligations pursuant to the terms of the Operative Documents) that occur after the Mortgage is required to be terminated in accordance with clause 7.1 of the Mortgage; provided, that nothing in this clause (c) shall be deemed to exclude or limit any claim that any Indemnitee may have under Applicable Law by reason of an Event of Default or for damages from any Obligor for breach of any Obligor's covenants contained in the Operative Documents or to release any Obligor from any of its obligations under the Operative Documents that expressly provide for performance after termination of the Mortgage;
- (d) to the extent attributable to any transfer by or on behalf of such Indemnitee of any Loan Certificate or interest therein, except for Expenses incurred as a result of any such transfer after an Event of Default, pursuant to the exercise of remedies under any Operative Document;
- (e) to the extent solely attributable to the incorrectness or breach of any representation or warranty of such Indemnitee or any related Indemnitee contained in or made pursuant to any Operative Document;
- (f) to the extent solely attributable to the failure by such Indemnitee or any related Indemnitee to perform or observe any agreement, covenant or condition on its part to be performed or observed in any Operative Document;
- (g) to the extent solely attributable to the offer or sale by such Indemnitee or any related Indemnitee of any interest in the Collateral, the Loan Certificates, or any similar interest in violation of the Securities Act or other applicable federal, state or foreign securities laws (other than any thereof caused by acts or omissions of any Obligor);
- (h) to the extent attributable to any amount which such Indemnitee expressly agrees with the Borrower to pay or such Indemnitee expressly agrees with the Borrower shall not be paid by or be reimbursed by the Borrower; or
- (i) for any loss attributable to such Indemnitee or any related Indemnitee other than

(v) for any Lien attributable to such Indemnitee or any related Indemnitee other than any Lien created pursuant to any Operative Document,

in each case, as determined by a court of competent jurisdiction in a final non-appealable judgment.

- 8.3 For purposes of this Clause 8, a Person shall be considered a "related" Indemnitee with respect to an Indemnitee if such Person is an Affiliate or employer of such Indemnitee, a director, officer, employee, agent, or servant of such Indemnitee or any such Affiliate or a successor or permitted assignee of any of the foregoing.
- 8.4 The Borrower further agrees that any payment or indemnity pursuant to this Clause 8 in respect of any "Expense" shall be on an After-Tax Basis.

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- 8.5 If a claim is made against an Indemnitee involving one or more Expenses and such Indemnitee has notice thereof, such Indemnitee shall after receiving such notice give notice of such claim to the Borrower; provided that the failure to provide such notice shall not release the Borrower from any of its obligations to indemnify hereunder except to the extent that the Borrower is prejudiced as a result of the failure to give such notice, and no payment by the Borrower to an Indemnitee pursuant to this Clause 8 shall be deemed to constitute a waiver or release of any right or remedy which the Borrower may have against such Indemnitee for any actual damages as a result of the failure by such Indemnitee to give the Borrower such notice.
- 8.6 Notwithstanding any other provision of this Clause 8 to the contrary, in the case of any Expense indemnified by the Borrower hereunder which is covered by a policy of insurance maintained by the Borrower, it shall be a condition of such indemnity with respect to any particular Indemnitee that such Indemnitee shall cooperate (at no cost or liability to itself, and (if so requested) subject to being indemnified by the Borrower with respect to any liabilities it may incur as a result of an insurer's investigation, defense or compromise) with the insurers in the exercise of their rights to investigate, defend or compromise such claim as may be required to retain the benefits of such insurance with respect to such claim.
- 8.7 To the extent of any payment of any Expense pursuant to this Clause 8, the Borrower, without any further action, shall be subrogated to any claims the Indemnitee may have relating thereto. The Indemnitee agrees to give such further assurances or agreements and to cooperate with the Borrower to permit the Borrower to pursue such claims, if any, to the extent reasonably requested by the Borrower at no cost or liability to itself, and (if so requested) subject to being indemnified with respect to the Borrower's pursuit of such claims.
- 8.8 In the event that the Borrower shall have paid an amount to an Indemnitee pursuant to this Clause 8, and such Indemnitee subsequently shall be reimbursed in respect of such indemnified amount from any other Person, such Indemnitee shall promptly pay the Borrower the amount of such reimbursement, including interest received attributable thereto (but net of costs, if any, of recovery of such amounts), provided that no Default or Event of Default has occurred and is continuing.
- 8.9 The Borrower will pay to each Indemnitee on demand, to the extent permitted by Applicable Law, interest on any amount of indemnity not paid when due pursuant to this Clause 8 until the same shall be paid, at the Past Due Rate.
- 8.10 To the fullest extent permitted by Applicable Law, the Borrower shall not assert, and hereby waives, any claim against any Indemnitee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Operative Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, any Loan or the use of the proceeds thereof. No Indemnitee referred to in this Clause 8 shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed by it through telecommunications, electronic

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or other information transmission systems in connection with this Agreement or the other Operative Documents or the transactions contemplated hereby or thereby.

9. INDEMNITY TO THE FACILITY AGENT

The Borrower shall promptly indemnify the Facility Agent against any actual cost, loss or liability incurred by the Facility Agent as a result of investigating any event which it reasonably believes is an Event of Default and upon such investigation such event transpires to be a Default or an Event of Default other than any cost, loss or liability resulting from the Facility Agent's willful misconduct or gross negligence.

10. COVENANTS OF THE BORROWER.

The Borrower hereby covenants for the benefit of all Lenders, as follows:

10.1 Transfer: Except as expressly contemplated by the Operative Documents the Borrower shall not (and the Borrower shall procure that each other Obligor shall not) directly or indirectly assign, convey or otherwise transfer any of its right, title or interest in and to the Collateral or this Agreement or any of the other Operative Documents.

10.2 Taxes and Adequate Records: The Borrower will (and will procure that each other Obligor will):

- (a) pay and discharge all taxes, assessments and governmental charges or levies imposed on it or on its income or profits or on any of its property prior to the date on which penalties attach thereto, except for any such tax, assessment, charge or levy the payment of which is being contested in good faith and by proper proceedings and against which adequate reserves are being maintained;
- (b) (other than in respect of itself) keep adequate records and books of account, in which complete entries will be made in accordance with generally accepted accounting principles consistently applied; and
- (c) permit representatives of any Lender, the Facility Agent or the Security Trustee, during normal business hours and upon reasonable prior notice, to examine, copy and make extracts from its books and records and to discuss its business and affairs with its officers, all to the extent reasonably requested by such Lender, the Facility Agent or the Security Trustee (as the case may be).

10.3 Special Purpose: The Borrower will not:

- (a) have any employees earning compensation;
- (b) except for the Loans and as expressly contemplated by the Operative Documents, incur or contract to incur any indebtedness;

- (c) engage in any activity other than the execution, delivery and performance of the Operative Documents to which it is a party and activities incidental thereto, as well as ordinary corporate housekeeping activities;
- (d) except as required to perform its obligation under the Operative Documents to which it is a party, make or agree to make any capital expenditure;
- (e) create or own any subsidiary;
- (f) except as required to perform its obligation under the Operative Documents to which it is a party, make any investments;
- (g) except as required to perform its obligation under the Operative Documents to

which it is a party, declare or make any dividend payment or distribution to its shareholders; or

- (h) enter into any contracts with, incur any material obligation to, or grant any security interest, pledge or lien to, any third party (excluding any contracts entered into in connection with, any payment or other obligation incurred pursuant to, and any liens granted pursuant to, the Operative Documents).

10.4 Operative Documents: The Borrower shall ensure that the Servicing Agreement, the Option Agreement and the Subordinated Loan Agreement remain in place and in full force and effect and that neither it nor any other Obligor shall breach any of the terms of any of such documents. The Borrower shall ensure that no amendment, variation, waiver or other change is made to its memorandum and articles of association or other constituent documents, the Servicing Agreement, the Option Agreement or the Subordinated Loan Agreement.

10.5 Assigned Purchase Agreement and Engine Agreements: The Borrower shall:

- (a) duly perform all of its obligations under the Assigned Purchase Agreement and the Engine Agreements, and take all actions necessary to keep the Assigned Purchase Agreement and the Engine Agreements in full force and effect;
- (b) promptly upon acquiring actual knowledge of the same, notify the Facility Agent of any material default (whether by the Borrower, Airbus or an Engine Manufacturer) under or cancellation, termination or rescission or purported cancellation, termination or rescission of the Assigned Purchase Agreement or an Engine Agreement specifying in reasonable detail the nature of such default, cancellation, rescission or termination;
- (c) not, without the Security Trustee's prior written consent, in any way modify, cancel, terminate or amend or consent to the modification, cancellation, termination or amendment of the Assigned Purchase Agreement or an Engine Agreement;
- (d) not accept delivery of any Aircraft from Airbus before or concurrently repaying to the Lenders all amounts owing in respect of the Loans relating to that Aircraft;

- (e) not enter into or consent to any change order or other amendment, modification or supplement to the Assigned Purchase Agreement or an Engine Agreement, in relation to the Aircraft, without the written consent and countersignature of the Security Trustee (acting at the unanimous direction of the Lenders) if such change order, amendment, modification or supplement would require the consent of the Security Trustee under the Step-In Agreement or under this Agreement; and
- (f) provide to the Security Trustee promptly after the execution of the same copies, certified by the Borrower, of all material change orders (other than non charge change orders), amendments, modifications or supplements to the Assigned Purchase Agreement that would require the consent of the Security Trustee under the Step-In Agreement or under this Agreement.

10.6 Leasing or Sale of Aircraft: The Borrower shall not enter into any binding agreement for the leasing or sale of any Aircraft other than pursuant to the Option Agreement.

10.7 Further Assurances: The Borrower covenants and agrees with each Agent and the Lenders as follows:

- (a) The Borrower will cause to be done, executed, acknowledged and delivered all further documents and agreements and assurances as reasonably necessary and as any Lender shall reasonably require for accomplishing the purposes of this Agreement and the other Operative Documents;
- (b) The Borrower, at its expense, will take, or cause to be taken, all actions (including the filing of financing statements under the Uniform Commercial Code in all applicable jurisdictions and perfection in any other jurisdiction in relation to any Operative Document) to (A) cause the security interest granted in respect of the Collateral to at all times be and remain perfected, (B) establish the priority of the Mortgage with respect to the Mortgage Collateral, (C) cause the lien of the Mortgage to at all times be and remain a perfected Lien, (D) establish the priority of the Mortgage; and (E) establish the priority of the share charge with respect to the shares of the Borrower and (F) establish the priority of the Security Trustee's security interest in the Aircraft to the extent possible or feasible prior to delivery

security interest in the Aircraft to the extent possible or feasible prior to delivery (or when manufacturer's serial numbers are available in respect of the Airframe and the Engines are anticipated as being delivered and there is a possibility that such equipment may be delivered by Airbus before the Lenders are repaid the Loans in respect of an Aircraft), including by, subject to the terms of the Step-In Agreement, making filings in respect of one or more of prospective international interests, international interests or associated rights with the International Registry.

- (c) The Borrower shall pay all reasonable costs and expenses (including costs and disbursements of counsel) incurred by each Agent and the Lenders after the Original Signing Date in connection with (A) any supplements or amendments of the Operative Documents (including, without limitation, any related recording costs) (other than any supplement or amendment associated with the syndication or transfer of the Loan Certificates or the sale of participation interests therein),

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(B) any Default and any enforcement or collection proceedings resulting therefrom or in connection with the negotiation of any restructuring or "work-out" (whether or not consummated), or (C) the enforcement of this Clause 10.

- 10.8 **Conduct of Business, Maintenance of Existence:** The Borrower shall: (i) engage in business solely for the purpose of fulfilling its obligations under the Operative Documents; (ii) preserve, renew and keep in full force and effect its corporate existence and take all reasonable action to maintain all rights, privileges and franchises necessary or desirable in the normal conduct of business of the Borrower; provided that the Borrower shall not be required to maintain any such rights, privileges or franchises, if the failure to do so could not reasonably be expected to result in a Material Adverse Effect; and (iii) comply with all contractual obligations and requirements of law, except to the extent that failure to comply therewith could not reasonably be expected to result in a Material Adverse Effect; and comply with the provisions of its Memorandum and Articles of Association.
- 10.9 **Increase in Lender's Net Price:** The Borrower shall not amend the detail specification for an Aircraft or consent to the amendment of the detail specification for an Aircraft, including, without limitation, by issuing an SCN, if such amendment would cause the purchase price of the Aircraft to exceed the Lender's Net Price payable upon a Step-In pursuant to the Step-In Agreement.
- 10.10 **BFE:** the Borrower shall not agree to any change in the specification of BFE to be installed on the Aircraft on or prior to the Delivery Date, which is listed in 0, if such amendment would result in the cost of the BFE outstanding to be paid on the Delivery Date in respect of such Aircraft to exceed the BFE Budget (as escalated in accordance with the escalation formula set out in 0).
- 10.11 **Change in Configuration or Specification as a Passenger Carrying Aircraft:** The Borrower shall not alter the configuration or specification of any Aircraft as a commercial passenger carrying aircraft and shall ensure that the Aircraft is at all times required to be delivered by Airbus in the Required Specification.
- 10.12 **Extension of Scheduled Delivery Date:** The Borrower shall not agree to extend the Scheduled Delivery Date of any Aircraft beyond the end of the applicable Scheduled Delivery Month; provided that if and to the extent that there is a delay in the delivery of an Aircraft by Airbus arising out of circumstances beyond the control of Frontier Airlines or the Borrower and which Airbus is entitled to impose upon Frontier Airlines or the Borrower without their consent pursuant to the terms of the Assigned Purchase Agreement including an "Excusable Delay" and a "Non-Excusable Delay" under (and as defined in) the Assigned Purchase Agreement (any such delay, a "Relevant Delay"), then the Scheduled Delivery Date for such Aircraft may be delayed by no more than [***] from the last day of the Scheduled Delivery Month specified for such Aircraft in Schedule III.
- 10.13 **Liens:** The Borrower will not directly or indirectly create, incur, assume or suffer to exist any Lien on or with respect to any of its assets including the Mortgage Collateral except:

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- (a) the rights of the Borrower as provided in the Mortgage the Liens thereof and any other rights existing pursuant to the Operative Documents;
- (b) Liens for Taxes of the Borrower and Frontier Airlines either not yet due or being contested in good faith by appropriate proceedings (and for which adequate reserves have been provided in accordance with GAAP), so long as the continuing existence of such Liens during such proceedings do not involve any material risk of the termination, sale, forfeiture or loss of, the Assigned Purchase Agreement, an Engine Agreement;
- (c) Liens arising out of any judgment or award against the Borrower or Frontier Airlines with respect to which an appeal or proceeding for review is being prosecuted diligently and in good faith, so long as such Liens do not result in a material risk of the termination, sale, forfeiture or loss of, the Assigned Purchase Agreement or an Engine Agreement; and
- (d) any other Lien with respect to which the Borrower or Frontier Airlines shall have provided a bond or other security in an amount and under terms reasonably satisfactory to the Security Trustee.

The Borrower will promptly, at its own expense, take (or cause to be taken) such actions as may be necessary duly to discharge any Lien not excepted above if the same shall arise at any time.

10.14 Amendments, Supplements, Etc.: Forthwith upon the execution and delivery of any amendment to the Mortgage, if an applicable legal system having jurisdiction over the Borrower or the Mortgage Collateral is in existence that permits for filing and/or recording of the Mortgage and amendments or supplements thereto, the Borrower will cause such amendment to be duly filed and recorded, and maintained of record, in accordance with all Applicable Laws. In addition, the Borrower will promptly and duly execute and deliver to the Security Trustee such further documents and take such further action as the Security Trustee may from time to time reasonably request in order to more effectively carry out the intent and purpose of the Mortgage and establish and protect the rights and remedies created or intended to be created in favor of the Security Trustee under the Mortgage and the other Operative Documents, including, without limitation, if requested by the Security Trustee, at the expense of Borrower, the execution and delivery of supplements or amendments hereto, each in recordable form, in accordance with the laws of such jurisdiction as the Security Trustee may reasonably request.

10.15 Access to or Furnishing of Information: The Borrower agrees to furnish to the Facility Agent and to each Lender:

- (a) as soon as available, but not later than [***] after the close of each fiscal year of Frontier Group Holdings occurring after the Original Signing Date, an audited and consolidated balance sheet and related statements of Frontier Group Holdings and its subsidiaries at and as of the end of such fiscal year, together with an audited and

consolidated statement of income for such fiscal year, each of which shall be prepared in accordance with GAAP;

- (b) as soon as available, but not later than [***] after the close of (i) each of the first three quarters of each fiscal year of Frontier Group Holdings and (ii) the fourth fiscal quarter of Frontier Group Holdings for the fiscal year ended December 31, 2022, an unaudited and consolidated balance sheet of Frontier Group Holdings and its subsidiaries at and as of the end of such quarter, together with an unaudited and consolidated statement of income for such quarter, each of which shall be prepared in accordance with GAAP;
- (c) as soon as available, but not later than [***] after the close of each fiscal year of Frontier Group Holdings occurring while amounts are outstanding under this

Agreement or any Loan Certificate, a certificate of the chief financial officer, Treasurer, any Vice President, or other officer of Frontier Group Holdings stating that such authorized officer has reviewed the activities of the Borrower and itself and that, to the best of the knowledge of such authorized officer, there exists no Default or Event of Default or event which would require the prepayment of any loans pursuant to Clause 5.9(c), (d) or (e);

- (d) from time to time, notification of any material changes to BFE, optional features or SCNs with respect to any Aircraft, and such other information as the Facility Agent or any Lender may reasonably request;
- (e) promptly after the occurrence thereof and actual knowledge thereof by a responsible officer of the Borrower, notice of any Default or Event of Default;
- (f) promptly after the occurrence thereof, any Aviation Authority required modifications in respect of the Aircraft that the Borrower is aware of, and any optional changes effected in the prior calendar month, that would lead to an increase in the Lender's Net Price; and
- (g) promptly upon receiving notification thereof from Airbus, the Scheduled Delivery Date of an Aircraft.

10.16 Maintenance of Separate Existence: The Borrower shall maintain certain policies and procedures relating to its existence as a separate company as follows and shall do all things necessary to maintain their corporate existence separate and distinct from any other Person. The Borrower shall:

- (a) observe all formalities necessary to remain a legal entity separate and distinct from each Guarantor and any other Person;
- (b) maintain its assets and liabilities separate and distinct from those of each Guarantor and any other Person in such a manner that it is not difficult to segregate, identify or ascertain such assets;

- (c) maintain records, books and accounts separate from those of each Guarantor and any other Person (other than as otherwise specified in the Operative Documents);
- (d) pay its obligations in the ordinary course of business as a legal entity separate from each Guarantor and any other Person;
- (e) keep its funds separate and distinct from any funds of each Guarantor and any other Person, and receive, deposit, withdraw and disburse such funds separately from any funds of each Guarantor and any other Person;
- (f) not agree to pay, assume, guarantee or become liable for any debt of, or otherwise pledge its assets for the benefit of, any Guarantor or any other Person except as otherwise permitted under the Operative Documents;
- (g) not hold out that it is a division of any Guarantor or any other Person or that any Guarantor or any other Person is a division of it;
- (h) not induce any third party to rely on the creditworthiness of any Guarantor or any other Person in order that such third party will contract with it (other than the guarantee of the Guarantors in favor of Airbus made in connection with the Assigned Purchase Agreement);
- (i) allocate and charge fairly and reasonably any common overhead shared with any Guarantor or any other Person;
- (j) hold itself out as a separate entity, and correct any known misunderstanding regarding its separate identity;
- (k) conduct business in its own name and ensure that all communications are made solely in its name;
- (l) not acquire the securities of any Guarantor or any Affiliate thereof;
- (m) prepare separate financial statements, if required to prepare such pursuant to

Applicable Law, and separate tax returns and pay any Taxes required to be paid under applicable Tax law (provided that each Guarantor and its Affiliates may publish financial statements that consolidate those of such Guarantor and its Affiliates, and subsidiaries of such Guarantor may file consolidated Tax returns with such Guarantor and its Affiliates for Tax purposes provided that so doing does not give rise to any incremental Tax liabilities on the part of the Borrower); and

- (n) not enter into any transaction between itself and any Guarantor or their Affiliates that is more favorable to either such Guarantor or any of their Affiliates than transactions that either such Guarantor and its Affiliates would have been able to enter into at such time on an arm's-length basis with a non-affiliated third party, or vice versa.

For the avoidance of doubt, the Borrower is authorized to engage in any activity or other undertaking expressly required or expressly authorized by the Operative Documents.

10.17 Independent Director: The Borrower shall have at least one Independent Director whose vote shall be required to take any Material Action with respect to the Borrower (it being understood that this Agreement shall not require the vote of an Independent Director for any other matter other than a Material Action).

10.18 Management and Control; COMI: Management and control of, and the principal place of business of the Borrower shall be located in the Cayman Islands. The Borrower shall ensure that it does not have a Center of Main Interests (as defined in EU Insolvency Regulations) in the European Union.

10.19 Subordinated Loan: The Borrower shall not pay or repay any amount under the Subordinated Loan Agreement while the Secured Obligations remain outstanding provided that upon delivery of an Aircraft and following payment and repayment of principal, interest, breakage costs and the amounts allocable to such Aircraft and all other amounts due and owing under the Mortgage, the Borrower may repay amounts payable under the Subordinated Loan Agreement to the extent of available funds at such time.

10.20 LTV and Fixed Charge Coverage Ratio:

- (a) In this Clause 10.20 the following capitalized terms have the following meaning

"Annualized FCCR" means as of any applicable FCCR Test Date, the ratio of, (a) the sum of (i) Consolidated EBITDAR of Frontier Group Holdings for the fiscal quarter of Frontier Group Holdings immediately preceding such FCCR Test Date for which financial statements were delivered pursuant to Section 10.15(a) and (ii) the sum of the Consolidated EBITDAR of Frontier Group Holdings for each of the three fiscal quarters of Frontier Group Holdings immediately preceding the fiscal quarter referred to in clause (a)(i), to (b) the Fixed Charges of Frontier Group Holdings for the fiscal quarter of Frontier Group Holdings immediately preceding such FCCR Test Date for which financial statements were delivered pursuant to Section 10.15(a) and (ii) the sum of the Fixed Charges of Frontier Group Holdings for each of the three fiscal quarters of Frontier Group Holdings immediately preceding the fiscal quarter referred to in clause (b)(i).

"LTV" means as of any applicable LTV Test Date for an Aircraft or the Aircraft Pool, the percentage equivalent of a fraction determined by the formula of $AP - (PPI - LA - AEC) / BV$ where:

- (i) "AP" means the Assignable Price of such Aircraft or the sum of the Assignable Prices of all Aircraft in the Aircraft Pool;
- (ii) "PPI" means an amount equal to the aggregate of all Purchase Price Installments paid to Airbus as of the applicable LTV Test Date in respect of such Aircraft or the sum of the Purchase Price Installments paid to Airbus



as of the applicable LTV Test Date in respect of all Aircraft in the Aircraft Pool;

- (iii) "LA" means the aggregate amount of all Loans made in respect of such Aircraft, as of the applicable LTV Test Date (if any) or the sum of the Loans made in respect of all Aircraft in the Aircraft Pool, as of the applicable LTV Test Date;
- (iv) "AEC" means the engine credits assigned to the Security Trustee pursuant to the Mortgage in respect of the Engines relating to such Aircraft or the sum of the engine credits assigned to the Security Trustee pursuant to the Mortgage in respect of the Engines relating to all Aircraft in the Aircraft Pool; and
- (v) "BV" means the Base Value of such Aircraft, as stated in the Aircraft Appraisal prepared in respect of such LTV Test Date or the sum of the Base Values of all Aircraft in the Aircraft Pool, as stated in the Aircraft Appraisal for each Aircraft prepared in respect of such LTV Test Date.

"Maximum LTV" means on any LTV Test Date, [***].

- (b) The Borrower shall ensure that as of each LTV Test Date, with respect to an Aircraft or the Aircraft Pool (as the case may be), the LTV in respect of each applicable Aircraft or the Aircraft Pool (as the case may be) in respect of which a Loan is outstanding does not exceed an amount equal to the Maximum LTV for such Aircraft or the Aircraft Pool (as the case may be) (the "LTV Test") provided that the Borrower shall not be deemed to have breached the LTV Test if it is in compliance with its obligation set forth in Clause (c) below.
- (c) In the event of an LTV Test failure, the Borrower shall, within [***] of the LTV Test Date on which such failure occurred either:
 - (i) prepay the applicable Loans in accordance with Clause 5.9(b); or
 - (ii) pay to the Security Trustee cash, or provide such other Cash Equivalent collateral in such form as the Facility Agent in its sole discretion agrees, ("LTV Collateral") in an amount, or with a value, equal to that which if applied to prepay the Loan or Loans relating to the Aircraft in respect of which the failure of the LTV Test has occurred, would reduce the principal outstanding thereto in order that a failure of the LTV Test would not occur if it were calculated following such prepayment. Upon provision LTV Collateral in the amount required pursuant to this Clause (ii) or prepayment of the applicable Loan(s) in accordance with Clause (i) above, the relevant failure of the LTV Test shall not constitute a Default.
- (d) Except as expressly specified in this Clause 10.20(d), the Borrower shall have no entitlement to receive payment of any part of the LTV Collateral. Following the provision by the Borrower of any LTV Collateral, the Security Trustee shall, if the

Borrower is in compliance with the LTV Test as of any LTV Test Date following provision of any LTV Collateral and provided no Default is continuing, within [***] after such LTV Test Date, release to the Borrower (at the request and cost of the Borrower), by way of release of such LTV Collateral from the related Eligible Account, an amount or value equal to that by which the amount or value of LTV Collateral provided by the Borrower exceeds the amount or value required in order to not be in any breach of the LTV Test as of such LTV Test Date.

- (e) The Borrower agrees that any LTV Collateral shall be deposited in an Eligible Account.
- (f) Following the occurrence of an Event of Default which is continuing, in addition to all rights and remedies of the Security Trustee elsewhere in this Agreement or

under Law or pursuant to any Operative Document, the Security Trustee may immediately or at any time thereafter, without notice to the Borrower, use, enforce, apply and/or retain all or part of the LTV Collateral in or towards the payment or discharge of any matured obligation owed by the Borrower under this Agreement or any other Operative Documents, in such order as the Security Trustee sees fit.

- (g) If the Security Trustee exercises any of the rights described in Clause (f) above and the LTV in respect of any Aircraft or the Aircraft Pool (as the case may be) exceeds the Maximum LTV in respect of such Aircraft or the Aircraft Pool (as the case may be) after such exercise, the Borrower shall, within [***] of demand in writing from the Security Trustee, perform one of the options in (c) to the extent necessary for the LTV Test.
- (h) The Borrower shall notify the Facility Agent promptly if Frontier Group Holdings' Unrestricted Cash and Cash Equivalents have at any time fallen below the threshold required by clause 9(f) of the Frontier Group Holdings Guarantee at such time.

10.21 **Equity Contribution:** The Borrower shall pay an amount equal to each Equity Contribution in respect of an Aircraft to Airbus on or before the Borrowing Date to which such Equity Contribution corresponds as set out in Schedule III; provided that, if, on any Borrowing Date, the aggregate of the future Equity Contributions as set forth in Schedule III and the available undrawn Commitment is not sufficient to satisfy all future Advances payable under the terms of the Assigned Purchase Agreement, such shortfall shall be paid by the Borrower.

10.22 **Incremental A321neo Aircraft:** In respect of the Incremental A321neo Aircraft, the Facility Agent shall have received the following prior to September 30, 2023, in each case in form and substance satisfactory to it:

- (a) an officer's certificate from an officer of Frontier Airlines (A) certifying as to the identity of the related Engine Manufacturer and the related Required Specifications, and (B) attaching a copy of the fully executed and effective Incremental A321neo Engine Purchase Agreement;

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- (b) the related Incremental A321neo Engine Consent duly authorized, executed and delivered by the parties thereto and shall be in full force and effect; and
- (c) an incumbency certificate together with a company extract evidencing the signing authority of the persons named in the incumbency certificate or such other evidence as shall be reasonably satisfactory to the Finance Parties as regards the signing authority of the Engine Manufacturer.

10.23 **KYC Information:** Upon the reasonable request of the Facility Agent (or any Lender acting through the Facility Agent), the Borrower shall provide to the Facility Agent and the Lenders (i) the documentation and other information so requested for the purposes of compliance with applicable "know your customer" and anti-money-laundering rules and regulations, including the PATRIOT Act and (ii) a Beneficial Ownership Certification in relation to the Borrower under the Beneficial Ownership Regulation.

10.24 **Anti-Corruption Law, Anti-Money Laundering Law and Sanctions:** None of the Borrower or, any of its respective directors, officers or, to the Borrower's knowledge, any of its affiliates, agents or employees shall conduct their respective business or take any action that would constitute or give rise to a violation of any Anti-Corruption law, Anti-Money Laundering Law or Sanctions.

11. THE FACILITY AGENT

The provisions of Schedule IV (Facility Agent) shall apply to this Agreement.

12. THE SECURITY TRUSTEE

The provisions of Schedule V (The Security Trustee) shall apply to this Agreement.

13. CONDUCT OF BUSINESS BY THE FINANCE PARTIES

13.1 No provision of this Agreement or any other Operative Document will:

- 13.1.1 interfere with the right of any Finance Party to arrange its affairs (tax or otherwise)

in whatever manner it thinks fit;

- 13.1.2 without limiting the obligations of the Finance Parties to mitigate or otherwise take actions contained in this Agreement, oblige any Finance Party to investigate or claim any credit, relief, remission or repayment available to it in respect of Tax or to investigate the extent, order and manner of any such claim; or
- 13.1.3 oblige any Finance Party to disclose any information relating to its affairs (tax or otherwise) or, except as otherwise required by Clauses 5.3 and 5.11, any computations in respect of Tax.

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14. SUPPLEMENTS AND AMENDMENTS TO THIS AGREEMENT AND OTHER DOCUMENTS

14.1 Instructions of Majority; Limitations

- (a) At any time and from time to time, at the request of the Borrower, the Facility Agent (but only on the written direction of the Majority Lenders) shall (x) execute a supplement hereto for the purpose of adding provisions to, or changing or eliminating provisions of, this Agreement or any other Operative Document as specified in such request or (y) provide a consent when required by the terms of any Operative Document, provided that, except as permitted in Clause 5.14, without the consent of each Lender adversely affected thereby, no such amendment or supplement to any such document, or waiver or modification of the terms of any thereof, shall:
 - (i) modify any of the provisions of this Clause 14.1 or the definitions of the terms, "Majority Lenders" or "Operative Documents", contained herein or in any other Operative Document;
 - (ii) increase the principal amount of any Loan Certificate or reduce the amount or extend the time of payment of any amount owing or payable under any Loan Certificate or (except as provided in the Operative Documents) increase or reduce the breakage costs, if any, or interest payable on any Loan Certificate (except that only the consent of the Lender shall be required for any decrease in any amounts of or the rate of breakage costs, if any, or interest payable on such Loan Certificate or any extension for the time of payment of any amount payable under such Loan Certificate) or modify the pro rata sharing provisions;
 - (iii) reduce, modify or amend any indemnities in favor of any Lender or in favor of or to be paid by the Borrower or alter the definition of "Indemnitee" to exclude any Lender; or
 - (iv) release the Borrower from its obligations in respect of the payment of the principal and interest then outstanding (or other amounts payable therewith) or change any of the circumstances under which any amounts payable pursuant to this Agreement and the other Operative Documents are payable.
- (b) Notwithstanding the foregoing, without the consent of each Lender, no such supplement to this Agreement, the Mortgage or the Share Charge, or waiver or modification of the terms hereof or of any other agreement or document shall release a Guarantee, expressly permit the creation of any Lien on the Collateral or any part thereof, except as herein expressly permitted, or deprive any Lender of the benefit of the Lien of the Mortgage on the Collateral or the Lien of the Share Charge except in connection with the exercise of remedies under Clause 7 of the Mortgage or under equivalent provisions of the Share Charge.

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- (c) Except as provided in this Clause 14.1, the Security Trustee shall not amend, supplement or waive the terms of this Agreement, the Mortgage, the Share Charge or any other Operative Documents.

14.2 Facility Agent Protected

If, in the reasonable opinion of the institution acting as the Facility Agent hereunder any document required to be executed pursuant to the terms of Clause 14.1 affects any right, duty, immunity or indemnity with respect to it under this Agreement or any other Operative Document, the Facility Agent may in its reasonable discretion decline to execute such document.

14.3 Documents Mailed to Lenders

Promptly after the execution by the Facility Agent of any document entered into pursuant to Clause 14.1, the Facility Agent shall mail, by certified mail, postage prepaid, a conformed copy thereof to each Lender at its address shown on the Certificate Register, but the failure of the Borrower or Facility Agent, to mail such conformed copies shall not impair or affect the validity of such document.

15. NOTICES

- 15.1 All notices, demands, instructions and other communications required or permitted to be given to or made upon any party hereto shall be in writing and shall be personally delivered or sent by registered or certified mail, postage prepaid, or by facsimile or electronic mail, or by prepaid courier service, and shall be effective upon receipt.

- 15.2 Unless otherwise specified in a notice sent or delivered in accordance with the foregoing provisions of this Clause 15, notices, demands, instructions and other communications in writing shall be given to or made upon the parties hereto at their addresses (or to their facsimile numbers) as follows: (a) if to the Borrower or the Security Trustee, to the addresses specified in clause 7.6 of the Mortgage, (b) if to a Lender or the Facility Agent to the address specified on Schedule I, or (c) if to any subsequent Lender, addressed to such Lender at its address specified in the Certificate Register maintained pursuant to Clause 5.6.

- 15.3 Notices and other communications to the Lenders hereunder may be delivered or furnished by electronic communication (including e mail, FpML, and Internet or intranet websites) pursuant to procedures approved by the Facility Agent, provided that the foregoing shall not apply to notices to any Lender pursuant to Clause 2 if such Lender has notified the Facility Agent that it is incapable of receiving notices under such clause by electronic communication. The Facility Agent or the Borrower may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it; provided that approval of such procedures may be limited to particular notices or communications.

Unless the Facility Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested"

function, as available, return e-mail or other written acknowledgement), and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient, at its e-mail address as described in the foregoing clause (i), of notification that such notice or communication is available and identifying the website address therefor; provided that, for both clauses (i) and (ii) above, if such notice, email or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next business day for the recipient.

16. GOVERNING LAW; CONSENT TO JURISDICTION; WAIVER OF JURY TRIAL; AGENT FOR SERVICE OF PROCESS.

- 16.1 THIS AGREEMENT SHALL IN ALL RESPECTS BE GOVERNED BY, AND

CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WHETHER IN CONTRACT, TORT OR OTHERWISE AND WHETHER AT LAW OR IN EQUITY.

- 16.2 The Borrower hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of the Supreme Court of the State of New York sitting in New York County and of the United States District Court of the Southern District of New York, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement, or for recognition or enforcement of any judgment, whether in contract, tort or otherwise and whether at law or in equity, and the Borrower irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York State or, to the extent permitted by law, in such Federal court. The Borrower agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement shall affect any right that any Agent or any Lender may otherwise have to bring any action or proceeding relating to this Agreement against another party or its properties in the courts of any jurisdiction.
- 16.3 The Borrower irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement in any court referred to in Clause 16.2. The Borrower hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.
- 16.4 Each party to this Agreement irrevocably consents to service of process in the manner provided for notices in Clause 15. Nothing in this Agreement will affect the right of any party to this Agreement to serve process in any other manner permitted by law.
- 16.5 EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY

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OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS CLAUSE.

- 16.6 The Borrower hereby irrevocably appoints and designates Corporation Service Company (the "Agent for Service of Process"), having an address at Corporation Service Company, 80 State Street, Albany, New York 12207-2543, as its true and lawful attorney-in-fact and duly authorized agent for the limited purpose of accepting service of legal process and the Borrower agrees that service of process upon such party shall constitute personal service of such process on such person. The Borrower shall maintain the designation and appointment of the Agent for Service of Process at such address until all amounts payable under this Agreement shall have been paid in full. If the Agent for Service of Process shall cease to so act, the Borrower shall immediately designate and shall promptly deliver to the Facility Agent evidence in writing of acceptance by another agent for service of process of such appointment, which such other agent for service of process shall have an address for receipt of service of process in the State of New York and the provisions above shall equally apply to such other agent for service of process.

17. INVOICES AND PAYMENT OF EXPENSES

Each Agent and the Lenders shall promptly submit to the Borrower copies of invoices of the Transaction Expenses (as defined below) as they are received. The Borrower agrees to pay Transaction Expenses promptly upon receipt of detailed invoices of such Transaction Expenses regardless as to whether or not the Effective Date occurs (except in circumstances where such failure to occur is as a result of the breach by any Lender of its obligations hereunder following satisfaction by the Borrower of the Conditions Precedent set out in Clause 4 (Conditions)). For the purposes hereof, "Transaction Expenses" means:

- (a) with respect to the preparation, negotiation, execution and delivery of this Agreement and the payment or anticipated drawing of each Loan on each Borrowing Date, the reasonable fees, expenses and disbursements of Clifford Chance US LLP, special counsel to the Lenders and the Facility Agent, as well as the reasonable fees and expenses of special Cayman Islands counsel and any counsel to the Security Trustee (subject to any agreed caps);
- (b) all fees, taxes (including license, documentary, stamp, excise and property taxes) and other charges payable in connection with the recording or filing of instruments and financing statements;
- (c) each Agent's and each Lender's reasonable out-of-pocket costs and expenses relating to the negotiation and closing of this transaction (with any travel expenses requiring prior notice to the Borrower);

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- (d) each Agent's and each Lender's reasonable out-of-pocket costs and expenses relating to any release of any Collateral or the delivery of the Aircraft contemplated hereby (including the reasonable fees, expenses and disbursements of legal counsel and with any travel expenses requiring prior notice to the Borrower); and
- (e) each Agent's and each Lender's reasonable out-of-pocket costs and expenses relating to any waiver, amendment, modification or enforcement of the Operative Documents (including (i) the reasonable fees, expenses and disbursements of legal counsel, (ii) any travel expenses requiring prior notice to the Borrower and (iii) for the avoidance of doubt, costs and expenses reasonably incurred by the Facility Agent in responding to, evaluating, negotiating or complying with Clause 5.14).

18. CONFIDENTIALITY

Each of the Lenders and each Agent covenants and agrees to keep confidential, and not to disclose to any third parties, the Operative Documents and all non-public information received by it from the Borrower, Airbus or the Engine Manufacturer pursuant to the Operative Documents or the Assigned Purchase Agreement or an Engine Agreement, if any is so delivered, provided that, to the extent permitted by any applicable confidentiality agreement with Airbus or the Engine Manufacturer, such information may be made available:

- (a) to any transferee or participant (or any prospective transferee or participant) of a Lender's Commitments, Loan or Loan Certificates or the Security Trustee's respective interest in the Collateral, in each case so long as such transferee or participant (or prospective transferee or participant) first executes and delivers to the respective Lender a confidentiality agreement consistent with the foregoing or is otherwise bound by a substantially similar obligation of confidentiality;
- (b) to any Lender's counsel or independent certified public accountants, independent insurance advisors or other agents who agree to hold such information confidential on the terms provided;
- (c) as may be required by Applicable Law or by any statute, court or administrative order or decree or governmental ruling or regulation (or, in the case of any Lender, to any bank examiner, regulatory authorities or self-regulatory bodies with jurisdiction or oversight over such Lender and its Affiliates or other regulatory personnel);
- (d) as may be necessary for purposes of enforcement of any Operative Document;
- (e) to any Lender's Affiliates and to its and its Affiliates' officers, directors, employees, representatives and legal counsel, and to any actual or prospective party to any swap, derivative or other transactions under which payments are to be made in connection with this Agreement or the payments hereunder; provided that such persons agree to hold such information confidential on the terms provided and any such disclosure is on a "need to know" basis.

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Notwithstanding anything to the contrary herein or in any other Operative Document, none of Borrower, Frontier Airlines, Frontier Holdings or the Facility Agent shall be required to provide any confidential information (including any copy of any related Engine Agreement) to any Lender regarding any Engine manufactured by CFM International, Inc. unless such Lender has entered into a non-disclosure agreement with CFM International, Inc. with respect to such confidential information.

19. MISCELLANEOUS

19.1 The representations, warranties, indemnities and agreements of the Borrower provided for in this Agreement and each party's obligations under any and all thereof, shall survive the expiration or other termination of this Agreement or any other Operative Document, except as expressly provided herein or therein.

19.2 This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page to this Agreement by e-mail (PDF) or telecopy shall be effective as delivery of a manually executed counterpart of this Agreement. A party's electronic signature (complying with the New York Electronic Signatures and Records Act (N.Y. State Tech. §§ 301-309), as amended from time to time, or other applicable law) shall have the same validity and effect as a signature affixed by the party's hand. Neither this Agreement nor any of the terms hereof may be terminated, amended, supplemented, waived or modified, except by an instrument in writing signed by the party or parties thereto.

19.3

(a) This Agreement shall be binding upon and shall inure to the benefit of, and shall be enforceable by, the parties hereto and their respective successors and permitted assigns including each successive holder of any Loan Certificate(s) issued and delivered pursuant to this Agreement. Each Lender, by its acceptance of its Loan Certificate, agrees to be bound by all of the provisions of this Agreement and the other Operative Documents applicable to a Lender.

(b) The Borrower may not assign any of its rights or obligations under this Agreement or the other Operative Documents except to the extent expressly provided thereby.

(c) (i) Each Lender, at no cost to any Obligor, may assign any of its Loans, its Loan Certificates and its Commitments to any Person with, unless a Default is continuing, the consent of the Borrower and the Guarantors, in each case, such consent not to be unreasonably withheld or delayed; provided that (i) each such assignment by a Lender of its Loans, Loan Certificates and Commitment shall be made in such manner so that the same portion of its Loans, Loan Certificates and Commitment is assigned to the respective assignee; (ii) no assignment shall be permitted if such would result in the Borrower or any Guarantor incurring any increased liability or cost under the Operative Documents as a result of such assignment based on laws in effect as of the date of such arrangement; and (iii) such

assignment shall be effected by the execution and delivery by the assignee and assignor of an agreement in the form of the Loan Assignment Agreement attached as Exhibit B hereto. Upon execution and delivery by the assignee to the Borrower, the Facility Agent and the Security Trustee of the Loan Assignment Agreement pursuant to which such assignee agrees to become a "Lender" hereunder (if not already a Lender) having the Commitment and/or Loan amount specified in such instrument, and upon consent thereto by the Borrower and, the Facility Agent, to the extent required above, the assignee shall have, to the extent of such assignment (unless otherwise provided in such assignment with the consent of the Borrower, the Security Trustee and the Facility Agent), the obligations, rights and benefits of a Lender hereunder holding the Commitment and/or Loan (or portions thereof) assigned to it (in addition to the Commitment and Loan, if any, theretofore held by such assignee) and the assigning Lender shall, to the extent of such assignment, be

such assignment, and the assigning Lender shall, to the extent of such assignment, be released from the Commitment (or portion thereof) so assigned.

(ii) So long as no Default or Event of Default has occurred and is continuing, the Borrower, at its sole cost and expense, may request the Lenders or other financial institutions reasonably acceptable to the Facility Agent (each, an "Additional Lender") to provide additional Commitments pursuant to a Facility Increase Amendment (collectively, the "Additional Commitments") to be incorporated into this Agreement; provided that in no event shall the aggregate amount of all Loans and Commitments exceed [***]. From and after the date of effectiveness of any Facility Increase Amendment, the Commitment of each applicable Lender shall be amended pursuant to the Facility Increase Amendment and any Additional Lender not previously party hereto shall have the Commitment specified in the Facility Increase Amendment and shall become a party hereto and have the rights and obligations of a Lender under this Agreement and the other Operative Documents. Any requirements contained in this Agreement in respect of minimum borrowing, pro rata borrowing and pro rata payments shall not apply to the transactions effected pursuant to the immediately preceding sentence.

- (d) Each Lender may sell or agree to sell to one or more other Persons a participation in all or any part of the Loan held by it, or in its Commitments, in which event each purchaser of a participation (a "Participant") shall be entitled to the rights and benefits of the provisions hereof with respect to its participation in such Loan and Commitments as if such Participant were a "Lender" for purposes hereof. In no event shall a Lender that sells a participation agree with the Participant to take or refrain from taking any action hereunder or under any other Operative Document except that such Lender may agree with the Participant that it will not, without the consent of the Participant, agree to (i) increase or extend the term, or extend the time or waive any requirement for the reduction or termination, of such Lender's Commitment, (ii) extend the date fixed for the payment of regularly scheduled principal of or interest on the Loan or any portion of any fee hereunder payable to the Lender, (iii) reduce the amount of any such payment of principal or (iv) reduce the rate at which interest is payable thereon, or any fee hereunder payable to the Lenders, to a level below the portion of such rate or fee which the Participant is entitled to receive.

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- (e) In addition to the assignments and participations permitted under the foregoing provisions of this Clause 19.3(b), any Lender may assign and pledge all or any portion of its Loan and its Loan Certificates to any Federal Reserve Bank as collateral security pursuant to Regulation A and any Operating Circular issued by such Federal Reserve Bank provided that neither the Borrower nor any Guarantor would incur an increased liability or cost under the Operative Documents as a result of such arrangement or pledge based on laws in effect at the time of such sale. No such assignment shall release the assigning Lender from its obligations hereunder.
- (f) Notwithstanding the above, a Lender may not assign or transfer all or any portion of its Loan, Commitment or any Loan Certificate or interest therein in violation of the Securities Act or applicable foreign or state securities laws.

19.4 The words "execution," "signed," "signature," and words of like import in this Agreement and the other Operative Documents shall be deemed to include electronic signatures or electronic records, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any Applicable Law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

20. LIMITATION OF SECURITY TRUSTEE LIABILITY

It is expressly understood and agreed by the parties that (A) this document is executed and delivered by Bank of Utah, not individually or personally, but solely as Security Trustee, (B) each of the representations, undertakings and agreements herein made on the part of the Security Trustee is made and intended not as personal representations, undertakings and agreements by Bank of Utah, but only in its capacity as Security Trustee for the Facility Agent and the Lenders, (C) nothing herein contained shall be construed as creating any liability on Bank of Utah, individually or personally, to perform any covenant either expressed or implied contained herein, all such liability, if any, being expressly waived by the parties hereto and by any person claiming by, through or under the parties hereto, and

(D) under no circumstances shall Bank of Utah be personally liable for the payment of any indebtedness or expenses of the Lenders or the Facility Agent or be liable for the breach or failure of any obligation, representation, warranty or covenant made or undertaken by the Security Trustee under this Agreement, the Operative Documents or any other related documents excluding, in each case, gross negligence, willful misconduct or simple negligence in the handling of money by the Security Trustee for which it shall be liable in its individual capacity.

21. LIMITATION ON LIABILITY

21.1 Notwithstanding anything contained in this Agreement to the contrary, recourse against the Borrower with respect to this Agreement shall be limited to the assets of the Borrower, as they may exist from time to time and each of the Security Trustee, the Facility Agent and the Lenders agree not to seek before any court or Governmental Entity to have any

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shareholder (except for each Guarantor), director or officer of the Borrower, held liable, in their personal or individual capacities, for any actions or inactions of the Borrower or any obligations or liability of the Borrower under this Agreement other than in the case of gross negligence or willful misconduct.

21.2 Each of the Security Trustee, the Facility Agent and the Lenders agree that with respect to any actions or inactions of the Borrower or any obligations or liability of the Borrower under this Agreement, it shall not commence any case, proceeding, proposal or other action under any existing or future law of any jurisdiction relating to the bankruptcy, insolvency, reorganization, arrangement in the nature of insolvency proceedings, adjustment, winding-up, liquidation, dissolution or analogous relief with respect to the Borrower.

21.3 Nothing in this Clause 21 shall:

21.3.1 be construed to limit the exercise of remedies pursuant to this Agreement in accordance with its terms; or

21.3.2 be construed to waive, release, reduce, modify or otherwise limit the obligations and liabilities of any guarantor of the Borrower's obligations or liabilities hereunder.

21.4 The provisions of this Clause 21 shall survive the termination of this Agreement.

22. CONTRACTUAL RECOGNITION OF BAIL-IN

Notwithstanding anything to the contrary in any Operative Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial Institution arising under any Operative Document, to the extent such liability is unsecured, may be subject to the write-down and conversion powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

22.1 the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; and

22.2 the effects of any Bail-in Action on any such liability, including, if applicable:

22.2.1 a reduction in full or in part or cancellation of any such liability;

22.2.2 a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Operative Document; or

22.2.3 the variation of the terms of such liability in connection with the exercise of the write-down and conversion powers of the applicable Resolution Authority.

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22.3 The following definitions shall apply for the purposes of this Clause 22:

"Affected Financial Institution" means (a) any EEA Financial Institution or (b) any UK Financial Institution.

"Bail-In Action" means the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution.

"Bail-In Legislation" means (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law, regulation rule or requirement for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

"EEA Financial Institution" means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

"EEA Member Country" means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

"EEA Resolution Authority" means any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

"EU Bail-In Legislation Schedule" means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor person), as in effect from time to time.

"Resolution Authority" means an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

"UK Financial Institution" means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended from time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

"UK Resolution Authority" means the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

"Write-Down and Conversion Powers" means, (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of

that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

23. ACKNOWLEDGEMENT REGARDING ANY SUPPORTED QFCS

To the extent that the Operative Documents provide support, through a guarantee or otherwise, for interest rate hedges or any other agreement or instrument that is a QFC (such support, "QFC Credit Support" and each such QFC a "Supported QFC"), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the "U.S. Special Resolution Regimes") in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Operative Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States): In the event a Covered Entity that is party to a Supported QFC (each, a "Covered Party") becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Operative Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Operative Documents were governed by the laws of the United States or a state of the United States.

As used in this Clause 23, the following terms have the following meanings:

"BHC Act Affiliate" of a party means an "affiliate" (as such term is defined under, and interpreted in accordance with, 12 U.S.C. 1841(k)) of such party.

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"Covered Entity" means any of the following:

- (i) a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b);
- (ii) a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or
- (iii) a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

"Default Right" has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

"QFC" has the meaning assigned to the term "qualified financial contract" in, and shall be interpreted in accordance with, 12 U.S.C. 5390(c)(8)(D).

24. DIVISIONS

For all purposes under the Operative Documents, in connection with any division or plan of division under Delaware law (or any comparable event under a different jurisdiction's laws): (a) if any asset, right, obligation or liability of any Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent Person, and (b) if any new Person comes into existence, such new Person shall be deemed to have been organized on the first date of its existence by the holders of its equity interests at such time.

25. CERTAIN ERISA MATTERS

- 25.1 Each Lender (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Facility Agent, and not, for the avoidance of doubt, to or for the benefit of the Borrower or any other, that at least one of the following is and will be true:

- (a) such Lender is not using “plan assets” (within the meaning of 29 CFR §2510.3-101, as modified by Section 3(42) of ERISA, or otherwise) of one or more Benefit Plans in connection with the Borrowings,
- (b) the transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions involving bank collective investment funds) or PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers), is applicable with respect to such Lender’s

entrance into, participation in, administration of and performance of the Borrowings and this Agreement,

- (c) (A) such Lender is an investment fund managed by a “Qualified Professional Asset Manager” (within the meaning of Part VI of PTE 84-14), (B) such Qualified Professional Asset Manager made the investment decision on behalf of such Lender to enter into, participate in, administer and perform the Borrowings and this Agreement, (C) the entrance into, participation in, administration of and performance of the Borrowings and this Agreement satisfies the requirements of subsections (b) through (g) of Part I of PTE 84-14 and (D) to the best knowledge of such Lender, the requirements of subsection (a) of Part I of PTE 84-14 are satisfied with respect to such Lender’s entrance into, participation in, administration of and performance of the Borrowings and this Agreement, or
 - (d) such other representation, warranty and covenant as may be agreed in writing between the Facility Agent, in its sole discretion, and such Lender.
- 25.2 In addition, unless either (x) subclause (a) in the immediately preceding Clause 25.1 is true with respect to a Lender or (y) a Lender has not provided another representation, warranty and covenant as provided in subclause (d) in the immediately preceding Clause 25.1, such Lender further (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Facility Agent and not, for the avoidance of doubt, to or for the benefit of the Borrower or any other Obligor, that the Facility Agent is not a fiduciary with respect to the assets of such Lender involved in such Lender’s entrance into, participation in, administration of and performance of the Borrowings, the Commitments and this Agreement (including in connection with the reservation or exercise of any rights by the Facility Agent under this Agreement, any Operative Document or any documents related hereto or thereto).

26. NO ADVISORY OR FIDUCIARY RESPONSIBILITY

In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Operative Document), the Borrower acknowledges and agrees, and acknowledges its Affiliates’ understanding, that: (a) (i) no fiduciary, advisory or agency relationship between the Borrower and its Affiliates and the Arranger, the Facility Agent or any Lender is intended to be or has been created in respect of the transactions contemplated hereby or by the other Operative Documents, irrespective of whether the Arranger, the Facility Agent, or any Lender has advised or is advising the Borrower or its Affiliates on other matters, (ii) the arranging and other services regarding this Agreement provided by the Arranger, the Facility Agent and the Lenders are arm’s-length commercial transactions between the Borrower and its Affiliates, on the one hand, and the Arranger, the Facility Agent and the Lenders, on the other hand, (iii) the Borrower has consulted its own legal, accounting, regulatory and tax advisors to the extent that it has deemed appropriate and (iv) the Borrower is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Operative Documents;



and (b) (i) the Arranger, the Facility Agent and the Lenders each is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor, agent or fiduciary for the Borrower or its Affiliates, or any other Person; (ii) none of the Arranger, the Facility Agent and the Lenders has any obligation to the Borrower or any of its Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Operative Documents; and (iii) the Arranger, the Facility Agent and the Lenders and their respective branches and Affiliates may be engaged, for their own accounts or the accounts of customers, in a broad range of transactions that involve interests that differ from those of the Borrower and its Affiliates, and none of the Arranger, the Facility Agent and the Lenders has any obligation to disclose any of such interests to the Borrower or its Affiliates. To the fullest extent permitted by Applicable Law, the Borrower hereby waives and releases any claims that it may have against any of the Arranger, the Facility Agent and the Lenders with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transaction contemplated hereby.

27. **RIGHT OF SETOFF** If an Event of Default shall have occurred and be continuing, each Lender, and each of their respective branches and Affiliates is hereby authorized at any time and from time to time, to the fullest extent permitted by Applicable Law, to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held, and other obligations (in whatever currency) at any time owing, by such Lender or any such branch or Affiliate, to or for the credit or the account of the Borrower against any and all of the obligations of the Borrower now or hereafter existing under this Agreement or any other Operative Document to such Lender or its respective branches or Affiliates, irrespective of whether or not such Lender, branch or Affiliate shall have made any demand under this Agreement or any other Operative Document and although such obligations of the Borrower may be contingent or unmatured or are owed to a branch office or Affiliate of such Lender different from the branch office or Affiliate holding such deposit or obligated on such indebtedness. The rights of each Lender and their respective branches and Affiliates under this Section 27 are in addition to other rights and remedies (including other rights of setoff) that such Lender or its respective branches or Affiliates may have. Each Lender agrees to notify the Borrower and the Facility Agent promptly after any such setoff and application; provided that the failure to give such notice shall not affect the validity of such setoff and application.

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

BORROWER

VERTICAL HORIZONS, LTD., Borrower

By: /s/ Rachel Fisher
Name: Rachel Fisher
Title: Director

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SECURITY TRUSTEE

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

By: /s/ Kade Baird
Name: Kade Baird
Title: Assistant Vice President

FACILITY AGENT

CITIBANK, N.A., as Facility Agent

By: /s/ Michael Leonard
Name: Michael Leonard
Title: VP



ARRANGER

CITIBANK, N.A., as Arranger

By: /s/ Michael Leonard
Name: Michael Leonard
Title: VP

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LENDERS

CITIBANK, N.A., as a Lender

By: /s/ Michael Leonard
Name: Michael Leonard
Title: VP

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BARCLAYS BANK PLC, as a Lender

By: /s/ Charlene Saldanha
Name: Charlene Saldanha
Title: Vice President

DEUTSCHE BANK AG NEW YORK BRANCH,
as a Lender

By: /s/ Philip Tancorra
Name: Philip Tancorra
Title: Director

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By: /s/ Lauren Danbury
Name: Lauren Danbury
Title: Vice President



MORGAN STANLEY SENIOR FUNDING,
INC., as a Lender

By: /s/ Michael King
Name: Michael King
Title: Vice President

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CREDIT AGRICOLE CIB, as a Lender

By: /s/ Brian Bolotin
Name: Brian Bolotin
Title: Managing Director

By: /s/ Cecilia Park
Name: Cecilia Park
Title: Managing Director

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NATIXIS, NEW YORK BRANCH, as a Lender

By: /s/ Nicholas Lebonitte
Name: Nicholas Lebonitte
Title: Vice President

By: /s/ Yevgeniya Levitin
Name: Yevgeniya Levitin
Title: Managing Director

SCHEDULE I
NOTICE & ACCOUNT INFORMATION

Lenders

Citibank, N.A.
1615 Brett Road
Building 111
New Castle, DE 19720

Attention: [***]
Fax: ###
Email: ###

With a copy to:

Citibank, N.A.
388 Greenwich Street, 32nd Floor
New York, NY 10013

Attention: [***]
Email: ###

Barclays Bank PLC
745 7th Avenue, New York, NY 10019
Email: ###;
###

Deutsche Bank AG New York Branch
1 Columbus Circle, New York, NY 10019
Email: ###;
###

Morgan Stanley Senior Funding, Inc.
1585 Broadway, New York, NY 10036
Email: ###;
###

Credit Agricole CIB
1301 Avenue of the Americas
New York, NY 10019
Email: ###, ###, ###, with copy to ### and ###

Natixis, New York Branch
1251 Avenue of the Americas
New York, NY 10020
Email : ###
###



Facility Agent

Citibank, N.A.
388 Greenwich Street
New York, NY 10013

Attention: [***]
Phone: ###
Email: ###

With a copy to:

Citibank, N.A.
1 Penns Way
OPS 2/2
Global Loans
New Castle, DE 19720
Attn: [***]
Ref: [***]

Phone: ###
Fax: ###
Borrower inquiries only: ###
Borrower notifications: ###
Disclosure Team Mail (Financial Reporting): ###
Investor Relations Team (investor inquiries only): ###

Account Details:

Bank Name: Citibank, N.A.
ABA: [***]
Account Name: [***]
Account No.: [***]
Reference: [***]

SCHEDULE II
COMMITMENTS

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**SCHEDULE III
ADVANCES**

SCHEDULE IV
THE FACILITY AGENT

1. Appointment of the Facility Agent
 - 1.1 Each of the Lenders appoints the Facility Agent to act as its agent under and in connection with the Operative Documents.
 - 1.2 Each of the Lenders authorizes the Facility Agent to exercise the rights, powers, authorities and discretions specifically given to the Facility Agent under or in connection with the Operative Documents together with any other incidental rights, powers, authorities and discretions.
 - 1.3 Unless expressly provided otherwise in the Operative Documents, each of the Lenders shall exercise its rights through the Facility Agent or the Security Trustee.
2. Duties of the Facility Agent
 - 2.1
 - (a) The Facility Agent shall promptly forward to a Party the original or a copy of any document which is delivered to the Facility Agent for that Party by any other Party.
 - (b) Paragraph (a) above shall not apply to any assignment agreement executed pursuant to clause 19.3(b)(i) or (ii).
 - 2.2 The Facility Agent shall promptly forward to each of the Lenders a copy of any document or notice which is delivered to the Facility Agent by the Security Trustee.
 - 2.3 If the Facility Agent receives notice from a Party referring to this Agreement, describing a Default and stating that the circumstance described is a Default, it shall promptly notify the Lenders.
 - 2.4 The Facility Agent shall promptly notify the Lenders of any Default (in relation to which it has actual knowledge) arising under Clause 4(a) (Non Payment) of the Mortgage.
 - 2.5 The Facility Agent's duties under the Operative Documents are solely mechanical and administrative in nature.
 - 2.6 Except where an Operative Document expressly and specifically provides otherwise, the Facility Agent is not obliged to review or check the adequacy, accuracy or completeness of any document it forwards to another Party.
3. No fiduciary duties
 - 3.1 Nothing in this Agreement constitutes the Facility Agent as a trustee or fiduciary of any other Person.



- 3.2 The Facility Agent shall not be bound to account to any Lender for any sum or the profit element of any sum received by it for its own account.
4. Business with the Borrower
- The Facility Agent may accept deposits from, lend money to and generally engage in any kind of banking or other business with any member of the Group.
5. Rights and discretions of the Facility Agent
- 5.1 The Facility Agent may rely on:
- (a) any representation, notice or document believed by it to be genuine, correct and appropriately authorized; and
 - (b) any statement made by a director, authorized signatory or employee of any person regarding any matters which may reasonably be assumed to be within his knowledge or within his power to verify.
- 5.2 The Facility Agent may assume (unless it has received notice to the contrary in its capacity as agent for the Lenders) that:
- (a) no Default has occurred (unless it has actual knowledge of a Default arising under clause 4(a) (Non-Payment) of the Mortgage); and
 - (b) any right, power, authority or discretion vested in any Party or the Majority Lenders has not been exercised.
- 5.3 The Facility Agent may engage, pay for and rely on the advice or services of any lawyers, accountants, surveyors or other experts provided that such engagement shall not cause any additional expense or cost to the Borrower or any Guarantor unless approved in advance in writing by either such Guarantor.
- 5.4 The Facility Agent may act in relation to the Operative Documents through its personnel and agents.
- 5.5 The Facility Agent may disclose to any other Party any information it reasonably believes it has received as agent under this Agreement.
- 5.6 Notwithstanding any other provision of any Operative Document to the contrary, the Facility Agent is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation or a breach of a fiduciary duty or duty of confidentiality.
6. Majority Lenders' instructions
- 6.1 Unless a contrary indication appears in an Operative Document, the Facility Agent shall act in accordance with any instructions given to it by the Majority Lenders (or, if so

instructed by the Majority Lenders, refrain from acting or exercising any right, power, authority or discretion vested in it as Facility Agent) and shall not be liable for any act (or omission) if it acts (or refrains from taking any action) in accordance with such an instruction of the Majority Lenders.

- 6.2 Unless a contrary indication appears in an Operative Document, any instructions given by the Majority Lenders will be binding on all the Lenders.
- 6.3 The Facility Agent may refrain from acting in accordance with the instructions of the Majority Lenders (or, if appropriate, the Lenders) until it has received such security as it may require for any cost, loss or liability (together with any associated VAT) which it may incur in complying with the instructions.

- 6.4 In the absence of instructions from the Majority Lenders, (or, if appropriate, the Lenders) the Facility Agent may act (or refrain from taking action) as it considers to be in the best interest of the Lenders.
- 6.5 The Facility Agent is not authorized to act on behalf of a Lender (without first obtaining that Lender's consent) in any legal or arbitration proceedings relating to any Operative Document.
7. Responsibility for documentation
- The Facility Agent is not (i) responsible for the legality, validity, effectiveness, adequacy or enforceability of any Operative Document or any other agreement, arrangement or document entered into, made or executed in anticipation of or in connection with any Operative Document or (ii) responsible for any determination as to whether any information provided or to be provided to any Finance Party is non-public information the use of which may be regulated or prohibited by Applicable Law or regulation relating to insider dealing or otherwise, unless the Facility Agent is informed by the Borrower or any Guarantor in writing that specific information being provided to the Facility Agent is non-public information.
8. Exclusion of liability
- 8.1 Without limiting sub-clause 8.2, the Facility Agent will not be liable for any action taken by it under or in connection with any Operative Document, unless directly caused by its gross negligence or willful misconduct.
- 8.2 No Party may take any proceedings against any officer, employee or agent of the Facility Agent in respect of any claim it might have against the Facility Agent or in respect of any act or omission of any kind by that officer, employee or agent in relation to any Operative Document and any officer, employee or agent of the Facility Agent may rely on this sub-clause. Any third party referred to in this sub-clause 8.2 may enjoy the benefit of and enforce the terms of this sub-clause 8.2.
- 8.3 The Facility Agent will not be liable for any delay (or any related consequences) in crediting an account with an amount required under the Operative Documents to be paid

by the Facility Agent if the Facility Agent has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognized clearing or settlement system used by the Facility Agent for that purpose.

- 8.4 Nothing in this Agreement shall oblige the Facility Agent to carry out any "know your customer" or other checks in relation to any person on behalf of any Lender and each Lender confirms to the Facility Agent that it is solely responsible for any such checks it is required to carry out and that it may not rely on any statement in relation to such checks made by the Facility Agent.
9. Lenders' indemnity to the Facility Agent
- Each Lender shall (in proportion to its share of the total Commitments or, if the total Commitments are then zero, to its share of the total Commitments immediately prior to their reduction to zero) indemnify the Facility Agent, within [***] of demand, against any cost, loss or liability incurred by the Facility Agent (otherwise than by reason of the Facility Agent's gross negligence or willful misconduct) in acting as Facility Agent under the Operative Documents (unless the Facility Agent has been reimbursed by the Borrower pursuant to an Operative Document).
10. Resignation of the Facility Agent
- 10.1 The Facility Agent may resign and appoint one of its Affiliates as successor by giving notice to the other Finance Parties and the Borrower.
- 10.2 Alternatively, the Facility Agent may resign with the consent of the Borrower (such consent not to be unreasonably withheld or delayed and provided that, such consent shall not be required if there shall have occurred and be continuing an Event of Default) by giving notice to the Lenders, in which case the Majority Lenders (after consultation with the Borrower) may appoint a successor Facility Agent.
- 10.3 If the Majority Lenders have not appointed a successor Facility Agent in accordance with sub-clause 10.2 within [***] after notice of resignation was given, the Facility Agent (after consultation with the Borrower) may appoint a successor Facility Agent

- consultation with the Borrower, may appoint a successor Facility Agent.
- 10.4 The retiring Facility Agent shall, at its own cost, make available to the successor Facility Agent such documents and records and provide such assistance as the successor Facility Agent may reasonably request for the purposes of performing its functions as Facility Agent under the Operative Documents.
 - 10.5 The Facility Agent's resignation notice shall only take effect upon the appointment of a successor.
 - 10.6 Upon the appointment of a successor, the retiring Facility Agent shall be discharged from any further obligation in respect of the Operative Documents but shall remain entitled to the benefit of this Clause 10. Its successor and each of the other Parties shall have the same rights and obligations amongst themselves as they would have had if such successor had been an original Party.

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- 10.7 With (prior to the occurrence of an Event of Default that is continuing) the consent of the Borrower (such consent not to be unreasonably withheld or delayed), the Majority Lenders may, by notice to the Facility Agent, require it to resign in accordance with sub-clause 10.2. In this event, the Facility Agent shall resign in accordance with sub-clause 10.2.

11. Confidentiality

- 11.1 In acting as agent for the Lenders, the Facility Agent shall be regarded as acting through its agency division which shall be treated as a separate entity from any other of its divisions or departments.
- 11.2 If information is received by another division or department of the Facility Agent, it may be treated as confidential to that division or department and the Facility Agent shall not be deemed to have notice of it.
- 11.3 Notwithstanding any other provision of any Operative Document to the contrary, the Facility Agent is not obliged to disclose to any other person any confidential information or any other information if the disclosure would or might in its reasonable opinion constitute a breach of any law or a breach of a fiduciary duty.

12. Relationship with the Lenders

The Facility Agent may treat each Lender as a Lender, entitled to payments under this Agreement and acting through its Facility Office unless it has received not less than [***] prior notice from that Lender to the contrary in accordance with the terms of this Agreement.

13. Credit appraisal by the Lenders

Without affecting the responsibility of the Obligors for information supplied by it or on its behalf in connection with any Operative Document and the transactions contemplated thereby, each Lender confirms to the Facility Agent that it has been, and will continue to be, solely responsible for making its own independent appraisal and investigation of all risks arising under or in connection with any Operative Document including but not limited to:

- 13.1 the financial condition, status and nature of the Obligors;
- 13.2 the legality, validity, effectiveness, adequacy or enforceability of any Operative Document and any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Operative Document;
- 13.3 whether that Lender has recourse, and the nature and extent of that recourse, against any Party or any of its respective assets under or in connection with any Operative Document, the transactions contemplated by the Operative Documents or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Operative Document; and

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13.4 the adequacy, accuracy and/or completeness of any information provided by any Party or by any other person under or in connection with any Operative Document, the transactions contemplated by the Operative Documents or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Operative Document.

14. Written Directions

The Borrower shall be entitled to rely on any written direction believed by it (acting reasonably) to be given by the Facility Agent or the Security Trustee, as the case may be, as having been authorized, to the extent required by this Agreement, by all the Finance Parties.

15. Erroneous Payments

15.1 If the Facility Agent (x) notifies a Lender, the Security Trustee, or any Person who has received funds on behalf of a Lender, the Security Trustee (any such Lender, the Security Trustee or other recipient (and each of their respective successors and assigns), a "Payment Recipient") that the Facility Agent has determined in its sole discretion (whether or not after receipt of any notice under immediately succeeding Clause 15.2) that any funds (as set forth in such notice from the Facility Agent) received by such Payment Recipient from the Facility Agent or any of its Affiliates were erroneously or mistakenly transmitted to, or otherwise erroneously or mistakenly received by, such Payment Recipient (whether or not known to such Lender, the Security Trustee or other Payment Recipient on its behalf) (any such funds, whether transmitted or received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise, individually and collectively, an "Erroneous Payment") and (y) demands in writing the return of such Erroneous Payment (or a portion thereof), such Erroneous Payment shall at all times remain the property of the Facility Agent pending its return or repayment as contemplated below in this Clause 15 and held in trust for the benefit of the Facility Agent, and such Lender or Security Trustee shall (or, with respect to any Payment Recipient who received such funds on its behalf, shall cause such Payment Recipient to) promptly, but in no event later than [***] thereafter (or such later date as the Facility Agent may, in its sole discretion, specify in writing), return to the Facility Agent the amount of any such Erroneous Payment (or portion thereof) as to which such a demand was made, in same day funds (in the currency so received), together with interest thereon (except to the extent waived in writing by the Facility Agent) in respect of each day from and including the date such Erroneous Payment (or portion thereof) was received by such Payment Recipient to the date such amount is repaid to the Facility Agent in same day funds at the greater of the Federal Funds Rate and a rate determined by the Facility Agent in accordance with banking industry rules on interbank compensation from time to time in effect. A notice of the Facility Agent to any Payment Recipient under this Clause 15.1 shall be conclusive, absent manifest error.

15.2 Without limiting immediately preceding Clause 15.1, each Lender, the Security Trustee or any Person who has received funds on behalf of a Lender or the Security Trustee (and each of their respective successors and assigns), agrees that if it receives a payment, prepayment or repayment (whether received as a payment, prepayment or repayment of principal,

interest, fees, distribution or otherwise) from the Facility Agent (or any of its Affiliates) (x) that is in a different amount than, or on a different date from, that specified in this Agreement or in a notice of payment, prepayment or repayment sent by the Facility Agent (or any of its Affiliates) with respect to such payment, prepayment or repayment, (y) that was not preceded or accompanied by a notice of payment, prepayment or repayment sent by the Facility Agent (or any of its Affiliates), or (z) that such Lender, Issuing Bank or Secured Party, or other such recipient, otherwise becomes aware was transmitted, or received, in error or by mistake (in whole or in part), then in each such case:

(a) it acknowledges and agrees that (A) in the case of immediately preceding clauses (x) or (y), an error and mistake shall be presumed to have been made (absent written confirmation from the Facility Agent to the contrary) or (B) an error and mistake has been made (in the case of immediately preceding clause (z)). in each case, with

respect to such payment, prepayment or repayment; and

- (b) such Lender or Security Trustee shall (and shall cause any other recipient that receives funds on its respective behalf to) promptly (and, in all events, within [***] of its knowledge of the occurrence of any of the circumstances described in immediately preceding clauses (x), (y) and (z)) notify the Facility Agent of its receipt of such payment, prepayment or repayment, the details thereof (in reasonable detail) and that it is so notifying the Facility Agent pursuant to this Clause 15.2(b).

For the avoidance of doubt, the failure to deliver a notice to the Facility Agent pursuant to this Clause 15.2(b) shall not have any effect on a Payment Recipient's obligations pursuant to Clause 15.2(a) or on whether or not an Erroneous Payment has been made.

- 15.3 Each Lender, Issuing Bank or Secured Party hereby authorizes the Facility Agent to set off, net and apply any and all amounts at any time owing to such Lender or Financing Party under any Operative Document, or otherwise payable or distributable by the Facility Agent to such Lender or Financing Party under any Operative Document with respect to any payment of principal, interest, fees or other amounts, against any amount that the Facility Agent has demanded to be returned under immediately preceding Clause 15.1.
- 15.4 (i) In the event that an Erroneous Payment (or portion thereof) is not recovered by the Facility Agent for any reason, after demand therefor in accordance with immediately preceding Clause 15.1, from any Lender that has received such Erroneous Payment (or portion thereof) (and/or from any Payment Recipient who received such Erroneous Payment (or portion thereof) on its respective behalf) (such unrecovered amount, an "Erroneous Payment Return Deficiency"), upon the Facility Agent's notice to such Lender at any time, then effective immediately (with the consideration therefor being acknowledged by the parties hereto), (A) such Lender shall be deemed to have assigned its Loans (but not its Commitments) with respect to which such Erroneous Payment was made (the "Erroneous Payment Impacted Class") in an amount equal to the Erroneous Payment Return Deficiency (or such lesser amount as the Facility Agent may specify) (such assignment of the Loans (but not Commitments) of the Erroneous Payment Impacted Class, the "Erroneous Payment Deficiency Assignment") (on a cashless basis and such amount

calculated at par plus any accrued and unpaid interest (with the assignment fee to be waived by the Facility Agent in such instance)), and is hereby (together with the Borrower) deemed to execute and deliver an Assignment and Assumption Agreement (or, to the extent applicable, an agreement incorporating an Assignment and Assumption Agreement by reference pursuant to an approved electronic platform as to which the Facility Agent and such parties are participants) with respect to such Erroneous Payment Deficiency Assignment, and such Lender shall deliver any Loan Certificates evidencing such Loans to the Borrower or the Facility Agent (but the failure of such Person to deliver any such Notes shall not affect the effectiveness of the foregoing assignment), (B) the Facility Agent as the assignee Lender shall be deemed to have acquired the Erroneous Payment Deficiency Assignment, (C) upon such deemed acquisition, the Facility Agent as the assignee Lender shall become a Lender, as applicable, hereunder with respect to such Erroneous Payment Deficiency Assignment and the assigning Lender shall cease to be a Lender, as applicable, hereunder with respect to such Erroneous Payment Deficiency Assignment, excluding, for the avoidance of doubt, its obligations under the indemnification provisions of this Agreement and its applicable Commitments which shall survive as to such assigning Lender, (D) the Facility Agent and the Borrower shall each be deemed to have waived any consents required under this Agreement to any such Erroneous Payment Deficiency Assignment, and (E) the Facility Agent will reflect in the Certificate Register its ownership interest in the Loans subject to the Erroneous Payment Deficiency Assignment. For the avoidance of doubt, no Erroneous Payment Deficiency Assignment will reduce the Commitments of any Lender and such Commitments shall remain available in accordance with the terms of this Agreement.

(ii) The Facility Agent may, in its discretion, sell any Loans acquired pursuant to an Erroneous Payment Deficiency Assignment and upon receipt of the proceeds of such sale, the Erroneous Payment Return Deficiency owing by the applicable Lender shall be reduced by the net proceeds of the sale of such Loan (or portion thereof), and the Facility Agent shall retain all other rights, remedies and claims against such Lender (and/or against any recipient that receives funds on its respective behalf). In addition, an Erroneous Payment Return Deficiency owing by the applicable Lender (x) shall be reduced by the proceeds of prepayments or repayments of principal and interest, or other distribution in respect of principal and interest, received by the Facility Agent on or with respect to any such Loans

acquired from such Lender pursuant to an Erroneous Payment Deficiency Assignment (to the extent that any such Loans are then owned by the Facility Agent) and (y) may, in the sole discretion of the Facility Agent, be reduced by any amount specified by the Facility Agent in writing to the applicable Lender from time to time.

- 15.5 The parties hereto agree that (x) irrespective of whether the Facility Agent may be equitably subrogated, in the event that an Erroneous Payment (or portion thereof) is not recovered from any Payment Recipient that has received such Erroneous Payment (or portion thereof) for any reason, the Facility Agent shall be subrogated to all the rights and interests of such Payment Recipient (and, in the case of any Payment Recipient who has received funds on behalf of a Lender, Issuing Bank or Secured Party, to the rights and interests of such Lender, Issuing Bank or Secured Party, as the case may be) under the Operative Documents with respect to such amount (the "Erroneous Payment Subrogation Rights") (provided that the Obligors' Secured Obligations under the Operative Documents in respect of the

Erroneous Payment Subrogation Rights shall not be duplicative of such Secured Obligations in respect of Loans that have been assigned to the Facility Agent under an Erroneous Payment Deficiency Assignment) and (y) an Erroneous Payment shall not pay, prepay, repay, discharge or otherwise satisfy any Secured Obligations owed by the Borrower or any other Loan Party; provided that this Clause 15 shall not be interpreted to increase (or accelerate the due date for), or have the effect of increasing (or accelerating the due date for), the Obligations of the Borrower relative to the amount (and/or timing for payment) of the Obligations that would have been payable had such Erroneous Payment not been made by the Facility Agent; provided, further, that for the avoidance of doubt, immediately preceding clauses (x) and (y) shall not apply to the extent any such Erroneous Payment is, and solely with respect to the amount of such Erroneous Payment that is, comprised of funds received by the Facility Agent from the Borrower for the purpose of making such Erroneous Payment.

- 15.6 To the extent permitted by applicable law, no Payment Recipient shall assert any right or claim to an Erroneous Payment, and hereby waives, and is deemed to waive, any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim by the Facility Agent for the return of any Erroneous Payment received, including, without limitation, any defense based on "discharge for value" or any similar doctrine.
- 15.7 Each party's obligations, agreements and waivers under this Clause 15 shall survive the resignation or replacement of the Facility Agent, any transfer of rights or obligations by, or the replacement of, a Lender, the termination of the Commitments and/or the repayment, satisfaction or discharge of all Secured Obligations (or any portion thereof) under any Operative Document.



SCHEDULE V
THE SECURITY TRUSTEE

1. Acceptance of Trusts

The Security Trustee hereby confirms its acceptance of the trusts created under the Mortgage and the other Operative Documents and covenants and agrees to perform and observe all of its covenants and undertakings set forth in this Agreement, the Mortgage and the other Operative Documents, which shall govern the duties and responsibilities of the Security Trustee to the Finance Parties. The parties hereto agree that Bank of Utah, in its capacity as Security Trustee, acts hereunder solely as security trustee as herein provided and not in its individual capacity except as otherwise herein provided.

2. Duties and Responsibilities of the Security Trustee to the Finance Parties

2.1 In the event the Security Trustee shall have knowledge of an Event of Default (which shall not have been cured), the Security Trustee shall give prompt written notice of such Event of Default to the Facility Agent. Subject to the provisions of sub-clause 3.3 of this Schedule V, the Security Trustee shall take such action with respect to any Event of Default as the Security Trustee shall be instructed in writing by the Majority Lenders. If the Security Trustee shall not have received instructions as above provided within [***] after the mailing of notice of such Event of Default the Security Trustee shall, subject always to instructions received thereafter pursuant to the preceding sentence, take such action, or refrain from taking such action, but shall be under no duty to take or refrain from taking any action, with respect to such Event of Default as it shall determine advisable in the best interests of the Finance Parties and shall use the same degree of care and skill in connection therewith as a prudent person would use under the circumstances in the conduct of his or her own affairs. In the absence of actual knowledge of an officer in the "Corporate Trust Department" or its equivalent of the Security Trustee, the Security Trustee shall not be deemed to have knowledge of an Event Default unless notified in writing of such Event of Default by the Facility Agent.

2.2 Subject to the terms of sub-clauses 2.1 and 2.3(f) of this Schedule V, with respect to the Aircraft and each Operative Document, upon the written instructions at any time and from time to time of the Majority Lenders, the Security Trustee shall take such of the following actions as may be specified in such instructions: (i) give such notice or direction or exercise such right, remedy or power hereunder or under the Operative Documents as shall be specified in such instructions; and (ii) approve as satisfactory to the Security Trustee all matters expressly required by the terms hereof or thereof to be satisfactory to the Security Trustee, it being understood that without the written instructions of the Majority Lenders the Security Trustee shall not approve any such matter as satisfactory to the Security Trustee. The Security Trustee shall execute such documents as may be required under this Agreement or any other Operative Document as may be specified from time to time in written instructions of the Majority Lenders.

2.3 No provision of this Agreement shall be construed to relieve the Security Trustee from liability for the Security Trustee's own grossly negligent action, its own grossly negligent failure to act, or its own willful misconduct or the Security Trustee's simple negligence in the handling of money, except that:

(a) the duties and obligations of the Security Trustee shall be determined solely by the express provisions of this Agreement, and the Security Trustee shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Agreement, and no implied covenants or obligations shall be read into this Agreement against the Security Trustee;

(b) in the exercise of good faith, the Security Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon

any certificates or opinions furnished to the Security Trustee and conforming to the requirements of this Agreement; but in the case of any such certificates or opinions which by any provision hereof are specifically required to be furnished to the Security Trustee, the Security Trustee shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Agreement or the other Operative Documents;

- (c) the Security Trustee shall not be liable for any error of judgment made in good faith by a responsible officer of it, unless it shall be proved that the Security Trustee was grossly negligent in ascertaining the pertinent facts;
- (d) the Security Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith and without gross negligence (or simple negligence in the handling of money) in accordance with the direction in writing of the Majority Lenders, relating to the time, method and place of conducting any proceeding for any remedy available to the Security Trustee, or exercising any right or power conferred upon the Security Trustee under this Agreement, and shall not be obligated to perform any discretionary act under this Agreement without the instructions in writing of the Majority Lenders;
- (e) the Security Trustee shall not be under any obligation to exercise any rights or powers or take any other action upon the instructions of the Majority Lenders (including, without limitation, the insuring, taking care of or taking possession of the Aircraft or any Engine), and no provision of this Agreement shall require the Security Trustee to expend or risk its own funds or otherwise incur any financial liability, unless and until the Security Trustee shall have been fully indemnified by any person reasonably acceptable to the Security Trustee against all liability and expense in connection with the exercise of such right or power or the taking of such other action; and
- (f) the Security Trustee shall have a claim and Lien upon, the Collateral and this Agreement and the Assigned Purchase Agreement prior to the other Finance Parties for any costs or expenses incurred by the Security Trustee acting in accordance with

written instructions from Facility Agent and for which the Security Trustee shall not have been reimbursed.

- 2.4 Promptly upon receipt by the Security Trustee from either Obligor of the financial statements, reports and other documents to be furnished by either Obligor pursuant to this Agreement or pursuant to the other Operative Documents, if any, and of all other notices and documents to be delivered by the Obligors to the Security Trustee pursuant to the other Operative Documents, the Security Trustee shall furnish copies thereof to the Facility Agent, unless such notices and documents have previously been so provided.

3. Certain Rights of the Security Trustee

Except as otherwise provided above:

- 3.1 the Security Trustee may rely, and shall be protected in acting or refraining from acting, upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, trust certificate, guaranty or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties;
- 3.2 whenever in the administration of this Agreement the Security Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Security Trustee (unless other evidence be herein specifically prescribed) may, in the exercise of good faith on its part, rely on a certificate of a responsible officer of any Person;
- 3.3 the Security Trustee may consult with counsel, and the written advice of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in reliance thereon;
- 3.4 the Security Trustee shall not be liable for any action taken by it in good faith and reasonably believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Agreement; and
- 3.5 in furtherance of any trust created hereby, the other Finance Parties shall provide the

Security Trustee with all such further documents as the Security Trustee may reasonably request from time to time, in order to give effect to the trust created hereby.

4. Application of Debt Service and Other Payment

To the extent received and subject to Clause 5 (Funds May Be Held by Security Trustee) of this Schedule V, the Security Trustee covenants and agrees to apply all payments received by it under this Agreement and the other Operative Documents when and as the same shall be received in the order of priorities specified in Clause 5.4 (Distribution of Funds Received) of this Agreement.

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5. Funds May Be Held by Security Trustee

Any monies, proceeds from any Collateral, until at any time paid to or property held by the Security Trustee as part of the Collateral, paid out by the Security Trustee as herein provided, shall be held by the Security Trustee on deposit in an Eligible Account, and the Security Trustee shall (unless an Event of Default shall have occurred and be continuing) account to the Borrower for interest upon any such monies so held or shall invest such monies in Cash Equivalents.

6. Security Trustee Not Liable for Delivery Delays or Defects in the Aircraft or Title or any Operative Document; May Perform Duties by Other Finance Parties; Reimbursement of Expenses; Holding of the Operative Documents; Monies Held in Trust

6.1 Except as otherwise provided in Clause 2 (Duties and Responsibilities of the Security Trustee) of this Schedule V above, the Security Trustee shall not be liable to any Person for any delay in the delivery of the Aircraft, or for any default on the part of Airbus or the Borrower, or for any defect in the Aircraft or in the title thereto or any Operative Document, nor shall anything herein be construed as a warranty on the part of the Security Trustee in respect thereof or as a representation on the part of the Security Trustee in respect of the value thereof, or in respect of the title thereto or adequacy thereof, except to the extent provided in sub-clause 6.2 of this Schedule V.

6.2 Except as otherwise provided in Clause 2 of this Schedule V (Duties and Responsibilities of the Security Trustee) above, the Security Trustee may perform its powers and duties hereunder by or through such attorneys, agents and servants as it shall appoint, and shall be answerable for only its own acts, gross negligence, willful misconduct (or mere negligence in the handling of money), and not for the default or misconduct of any attorney, agent or servant appointed by it with due care. The Security Trustee shall not be responsible in any way for the recitals herein contained or for the execution or validity of this Agreement or any other Operative Document.

6.3 Subject to any limitations set forth in a Fee Letter, the Security Trustee shall be entitled to receive payment of its reasonable expenses and disbursements hereunder (except expenses and disbursements incurred pursuant to sub-clause 8.1 of this Schedule V but including its expenses and disbursements in connection with the enforcement of its rights as Security Trustee for the relevant Collateral, in enforcing remedies hereunder, under the Agreement or under the other Operative Documents, or in collecting upon, maintaining, refurbishing or preparing for sale any portion of the Collateral) and to receive compensation for all services rendered by it in performing its duties in accordance with the terms of this Agreement. All such fees, expenses and disbursements shall be paid by the Borrower (unless paid by a Guarantor) in accordance with the relevant Fee Letter.

6.4 Any monies or proceeds from any Collateral at any time held by the Security Trustee hereunder or any other Operative Document shall, until paid out by the Security Trustee as herein provided, be held by it in trust as herein provided for the benefit of the Finance Parties.

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7. Successor Security Trustee

7.1 Persons Eligible for Appointment as Security Trustee

There shall at all times be a Security Trustee hereunder, which shall be a banking institution, trust company or corporation having a combined capital and surplus of at least [***], and in the case of a corporation, which is authorized under Applicable Law to exercise corporate trust powers and is subject to supervision or examination by federal or state banking authority. If any such corporation publishes reports of condition at least annually, pursuant to law or to the requirements of the aforesaid supervising or examining authority, then for the purposes of this Clause 7.1, the combined capital and surplus of such corporation shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. In case at any time the Security Trustee shall cease to be eligible in accordance with the provisions of this Clause 7.1, the Security Trustee shall resign immediately in the manner and with the effect specified in Clause 8 (Resignation and Removal; Appointment of Successor Security Trustee) of this Schedule V below.

8. Resignation and Removal; Appointment of Successor Security Trustee

8.1 The Security Trustee may at any time resign by giving written notice of resignation to the Facility Agent, with a copy to the Borrower and the Facility Agent shall promptly notify the Lenders thereof. Upon receipt by the Lenders of such written notice of resignation, the Lenders shall promptly appoint a successor agent, by written instrument, which successor shall be reasonably acceptable to the Borrower so long as no Event of Default shall have occurred and be continuing, in which case, one copy of which instrument shall be delivered to the Security Trustee so resigning, one copy to the successor agent and one copy to each of the Finance Parties. If no successor agent shall have been so appointed and have accepted appointment within [***] after the giving of such notice of resignation, the resigning agent may petition any court of competent jurisdiction for the appointment of a successor agent, or the Finance Parties may petition any such court for the appointment of a successor agent. Such court may thereupon, after such notice, if any, as it may deem proper, prescribe and appoint a successor agent reasonably acceptable to Facility Agent.

8.2 With the consent of the Borrower (such consent not to be unreasonably withheld or delayed), the Majority Lenders may, by notice to the Security Trustee, require it to resign in accordance with Clause 8.1 of this Schedule V. In this event, the Security Trustee shall resign in accordance with Clause 8.1 of this Schedule V.

8.3 Any resignation or removal of the Security Trustee and appointment of a successor trustee pursuant to any of the provisions of this Clause 8 shall become effective upon acceptance of appointment by the successor trustee as provided in Clause 9 of this Schedule V (Acceptance of Appointment by Successor Security Trustee) below.

9. Acceptance of Appointment by Successor Security Trustee

Any successor trustee appointed as provided in Clause 8 of this Schedule V (Resignation and Removal; Appointment of Successor Security Trustee) above shall execute,

acknowledge and deliver to the relevant beneficiaries, and to its predecessor agent an instrument accepting such appointment hereunder, and thereupon the resignation or removal of the predecessor trustee shall become effective and such successor trustee, without any further act, deed or conveyance, shall become vested with all the title, rights, powers, duties and obligations of its predecessor hereunder and under the Operative Documents to which its predecessor was a party, with like effect as if originally named as the "Security Trustee" herein and therein, and every provision hereof or thereof applicable to the retiring trustee shall apply to such successor trustee with like effect as if such successor trustee had been originally named herein and therein in the place and instead of the Security Trustee; but nevertheless, on the written request of a Finance Party, or of the successor trustee, upon payment of its charges then unpaid, the trustee ceasing to act shall transfer and deliver to such successor all monies, if any, the Aircraft, the Collateral, the Operative Documents and other property held by the trustee so ceasing to act shall execute

Operative Documents and other property held by the trustee ceasing to act, shall execute and deliver an instrument transferring to such successor trustee all the rights and powers of the trustee so ceasing to act, and shall execute and deliver such instruments of transfer as may be reasonably requested by such successor trustee or required by any Applicable Law. Upon request of any such successor trustee, the relevant beneficiary shall execute any and all instruments in writing for more fully and certainly vesting in and confirming to such successor trustee all such rights and powers and recognizing the transfer of title as aforesaid, and shall do and perform any and all acts necessary to establish and maintain the title and rights of the successor trustee in and to the Aircraft, the Collateral, the Operative Documents and other property in the Collateral. Any trustee ceasing to act shall, nevertheless, retain a Security Interest upon all property or funds held or collected by such trustee to secure any amounts then due it pursuant to the provisions of Clause 6 of this Schedule V (Security Trustee Not Liable for Delivery Delays or Defects in the Aircraft or Title or any Operative Document; May Perform Duties by other Finance Parties; Reimbursement of Expenses; Holding of the Operative Documents; Monies held in Trust). No successor trustee shall accept appointment as provided in this Clause 9 of this Schedule V (Acceptance of Appointment by Successor Security Trustee) unless at the time of such acceptance such successor trustee shall be eligible under the provisions of Clause 7.1 of this Schedule V (Persons Eligible for Appointment as Security Trustee). Upon acceptance of appointment by a successor trustee as provided in this Clause 9 of this Schedule V such successor trustee shall mail notice of the succession of such trustee hereunder to the Finance Parties.

10. Merger or Consolidation of Security Trustee

Any corporation into which the Security Trustee may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger or conversion or consolidation to which the Security Trustee shall be a party, or any corporation succeeding to the corporate trust business of the Security Trustee, shall be the successor of the Security Trustee hereunder, provided such corporation shall be eligible under the provisions of Clause 7.1 of this Schedule V (Persons Eligible for Appointment as Security Trustee), without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

11. Appointment of Additional and Separate Security Trustees

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If at any time or times the Security Trustee shall deem it necessary or prudent in order to conform to any law of any jurisdiction in which the Aircraft, the Collateral or any Operative Document shall be situated or in which any of the same is expected to be enforced, or the Security Trustee shall be advised by counsel that it is so necessary or prudent in the interest of the beneficiaries or the beneficiaries shall in writing so request the Security Trustee, the Security Trustee shall execute and deliver an agreement supplemental hereto and all other instruments and agreements necessary or proper to constitute another bank or trust company or one or more persons approved by the Security Trustee, the Facility Agent and, while no Default is continuing, the Borrower (such consent not to be unreasonably withheld or delayed) which is a reputable financial institution either to act as additional trustee or trustees of the Aircraft, the Collateral or the Operative Documents, jointly with the Security Trustee originally named herein or any successor or successors, or to act as separate agent or agents of the Aircraft, the Collateral or the Operative Documents, in any such case with such powers as may be provided in such supplemental agreement, and to vest in such bank, trust company or Person as such additional agent or separate agent, as the case may be, any property, title, right or power of the Security Trustee deemed necessary or advisable, subject to the remaining provisions of this sub-clause. The Security Trustee may execute, deliver and perform any deed, conveyance, assignment or other instrument in writing as may be required by any additional agent or separate agent for more fully and certainly vesting in and confirming to it or him any property, title, right or powers which by the terms of such supplemental agreement are expressed to be conveyed or conferred to or upon such additional agent or separate agent. Every additional agent and separate agent hereunder shall, to the extent permitted by law, be appointed and act as and be such, and the Security Trustee and its successors as the Security Trustee shall act as and be such, subject to the following provisions and conditions:

11.1 all powers, duties, obligations and rights conferred upon the Security Trustee in respect of the receipt, custody and payment of monies shall be exercised solely by the Security Trustee or its successor as Security Trustee;

11.2 all other rights, powers, duties and obligations conferred or imposed upon the Security Trustee shall be conferred or imposed upon and exercised or performed by the Security Trustee or its successor as Security Trustee and such additional agent or agents and separate

agent or agents jointly, except to the extent that under any law of any jurisdiction in which any particular act or acts are to be performed the Security Trustee or its successor as Security Trustee shall be incompetent or unqualified to perform such act or acts, in which event such rights, powers, duties and obligations (including the holding of title to the Aircraft in any such jurisdiction) shall be exercised and performed by such additional agent or agents or separate agent or agents;

- 11.3 no power hereby given to, or which it is hereby provided may be exercised by, any such additional agent or separate agent shall be exercised hereunder by such additional agent or separate agent except jointly with, or with the consent of, the Security Trustee or its successor as Security Trustee, anything herein contained to the contrary notwithstanding; and

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- 11.4 no agent hereunder shall be personally liable by reason of any act or omission of any other agent hereunder.

If at any time the Security Trustee shall deem it no longer necessary or prudent in order to conform to any such law or shall be advised by such counsel that it is no longer so necessary or prudent in the interest of the Finance Parties then the Facility Agent shall in writing so request the Security Trustee, and the Security Trustee shall execute and deliver all instruments and agreements necessary or proper to remove any additional agent or separate agent. Any additional agent or separate agent may at any time by an instrument in writing constitute the Security Trustee his agent or attorney-in-fact, with full power and authority, to the extent which may be authorized by law, to do all acts and things and exercise all discretion which he is authorized or permitted to do or exercise, for and in his behalf and in his name. In case any such additional agent or separate agent shall die, become incapable of acting, resign or be removed, all the assets, property, rights, powers, trusts, duties and obligations of such additional agent or separate agent, as the case may be, so far as permitted by law, shall vest in and be exercised by the Security Trustee, without the appointment of a new successor to such additional agent or separate agent, unless and until a successor is appointed in the manner hereinbefore provided. Any request, approval or consent in writing by the Security Trustee to any additional agent or separate agent shall be sufficient warrant to such additional agent or separate agent, as the case may be, to take such action as may be so requested, approved or consented to. Each additional agent and separate agent appointed pursuant to this Clause 11 (Appointment of Additional and Separate Security Trustees) shall be subject to, and shall have the benefit of, Clause 2 of this Schedule V (Duties and Responsibilities of the Security Trustee to the Finance Parties) and Clause 3 of this Schedule V (Certain Rights of the Security Trustee).

12. Dealing with Parties

The Security Trustee may accept deposits from, lend money to and generally engage in any kind of banking activities or other business with any party to the Operative Documents and any Affiliate of such party.

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SCHEDULE VI
BFE

[***]

[***]

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EXHIBIT A
FUNDING NOTICE

_____, 20__

Re: Predelivery Deposit Payment Financing for Vertical Horizons, Ltd.

Ladies and Gentlemen:

Reference is hereby made to that certain Ninth Amended and Restated Credit Agreement dated as of August 11, 2023 (the "Credit Agreement"; capitalized terms used herein without definition shall have the definitions specified in the Credit Agreement) entered into among Vertical Horizons, Ltd., as borrower (the "Borrower"), the institutions listed on Schedule I thereto, as lenders (the "Lenders"), Bank of Utah, not in its individual capacity but solely as Security Trustee, and Citibank, N.A., as facility agent.

1. Pursuant to Clause 2.3(a) of the Credit Agreement, Borrower hereby requests a Loan in accordance with the following parameters:
 - (1) Aircraft Number: _____
 - (2) Initial Borrowing/Borrowing Date: _____
 - (3) Loan: \$_____
 - (4) Equity Contribution: \$_____
2. The Borrower confirms that all Equity Contributions for the Aircraft the subject of this Loan have been made or will be made by the Borrowing Date.
3. Please distribute the proceeds of the Loan as follows: [Insert payment instructions]
4. Borrower hereby confirms that the representations and warranties of the Borrower in clause 7 of the Credit Agreement are true and accurate on the date hereof as though made on the date hereof except to the extent that such representations and warranties relate solely to an earlier date (in which case such representations and warranties were true and accurate on and as of such earlier date).

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5. In consideration of the Lenders making their funds available on the Borrowing Date specified in this Funding Notice, in the event that the Loan does not take place on the Borrowing Date specified in this Funding Notice or in the event the Loan takes place on any Delayed Borrowing Date, the Borrower shall compensate the Lenders for their net loss on such funds, including breakage costs, if any, by paying the Lenders interest on the aggregate amount thereof (calculated on the basis of a 360-day year and actual days elapsed) at a rate equal to Term SOFR plus the Applicable Margin for the period from and including the Borrowing Date specified in this Funding Notice to but excluding the earlier of (x) the Business Day on which the Borrowing Date shall actually occur, (y) the Business Day on which the Borrower shall notify the Lenders that the Borrowing will not occur prior to the Delayed Borrowing Date (if such notice is given prior to [***] or if later, until the Business Day subsequent to such notice date), or (z) the Delayed Borrowing Date.

For the purposes of the first Loan under this Funding Notice, the Credit Agreement shall be treated as executed and delivered even if it is yet to be executed and delivered. By signing below the Borrower indemnifies the Lenders against any loss they may incur in respect of the first Loan under this Funding Notice.

The terms and provisions of this Funding Notice shall be binding upon and inure to the benefit of the Lenders and the Borrower and their successors and assigns.

THIS FUNDING NOTICE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

Very truly yours,

VERTICAL HORIZONS, LTD.

By: _____

Name: _____

**EXHIBIT B
LOAN ASSIGNMENT AGREEMENT**

LOAN ASSIGNMENT AGREEMENT dated as of _____, ____ between _____ (the "Assignee") and _____ (the "Assignor") [_____ (the "Borrower") and, _____ (the "Guarantors")].

RECITALS

WHEREAS, the Assignor is the holder of the Loan Certificate No. ____ dated as of _____, ____ (the "Assignor's Loan Certificate") issued under the Ninth Amended and Restated Credit Agreement, dated as of August 11, 2023 (the "Credit Agreement") among Vertical Horizons, Ltd. ("Borrower"), the Lenders party thereto, Bank of Utah, not in its individual capacity but solely as Security Trustee, and Citibank N.A, as Facility Agent (the "Facility Agent");

WHEREAS, the Assignor proposes to assign to the Assignee \$ _____ of the \$ _____ Assignor's Loan Certificate and a pro rata portion of all of the rights and obligations of the Assignor under the Credit Agreement and the other Operative Documents (as defined below) in respect thereof, on the terms and subject to the conditions specified herein, and the Assignee proposes to accept the assignment of such rights and obligations from the Assignor on such terms and subject to such conditions;

NOW, THEREFORE, in consideration of the foregoing and the mutual agreements contained herein, the parties hereto agree as follows:

1. Definitions

Unless otherwise defined herein, terms defined in the Credit Agreement are used herein as therein defined.

2. Assignment

- (a) On _____, ____ (the "Effective Date"), and on the terms and subject to the conditions specified herein, the Assignor will sell, assign and transfer to the Assignee, without recourse to or representation, express or implied, by the Assignor (except as expressly specified in Paragraph 5 hereof), a \$ _____ portion of the Assignor's Loan Certificate and a pro rata portion of the rights and obligations of the Assignor under the Credit Agreement and the other Operative Documents in respect thereof (but not with respect to any indemnity or other claim, interest thereon at the Past Due Rate and breakage amounts, if any, accrued and unpaid as of the Effective Date or thereafter payable to the Assignor in respect of the period prior to the Effective Date), and the Assignee shall accept such assignment from the Assignor and assume all of the obligations of the Assignor accruing from and after the Effective Date under the Credit Agreement and the other Operative Documents relating to the Assignor's Loan Certificate on such terms and subject to such conditions.
- (b) Upon the satisfaction of the conditions specified in Paragraph 4, (A) the Assignee shall, on the Effective Date, succeed to the rights and be obligated to perform the obligations of a Lender under the Credit Agreement and the other Operative Documents, and (B) the Assignor shall be released from its obligations under the Credit Agreement and



the other Operative Documents accrued from and after the Effective Date, in each case to the extent such obligations have been assumed by the Assignee.

3. Payments

As consideration for the sale, assignment and transfer contemplated in Paragraph 2 hereof, the Assignee shall pay to the Assignor, on the Effective Date, in lawful currency of the United States and in immediately available funds, to the account specified below its signature on the signature pages hereof, an amount equal to \$_____.

4. Conditions

This Assignment Agreement shall be effective upon the due execution and delivery of this Assignment Agreement by the Assignor and the Assignee and the effectiveness of the assignment contemplated by Paragraph 2 hereof is subject to:

- (a) the receipt by the Assignor of the payment provided for in Paragraph 3;
- (b) the delivery to the Facility Agent of the Assignor's Loan Certificate, duly endorsed for [partial] transfer to the Assignee, together with a request in the form attached hereto as Exhibit A that a new Loan Certificate be issued to the Assignee and Assignor; and
- (c) the notification by the Assignee to the Borrower of its identity and of the country of which the Assignee is a resident for tax purposes.

5. Representations and Warranties of the Assignor

The Assignor represents and warrants as follows:

- (a) the Assignor has full power and authority, and has taken all action necessary to execute and deliver this Assignment Agreement and any other documents required or permitted to be executed or delivered by it in connection with this Assignment Agreement and to fulfill its obligations under, and to consummate the transactions contemplated by, this Assignment Agreement, and no governmental authorizations or other authorizations are required in connection therewith;
- (b) the Assignor's interest in the Assignor's Loan Certificate is free and clear of any and all Liens created by or through the Assignor;
- (c) this Assignment Agreement constitutes the legal, valid and binding obligation of the Assignor, enforceable against the Assignor in accordance with its terms; and
- (d) the Assignor has received no written notice of any Default having occurred and continuing on the date of execution hereof.

6. Representations and Warranties of the Assignee

The Assignee hereby represents and warrants to the Assignor and Borrower that:

- (a) the Assignee has full power and authority, and has taken all action necessary to execute and deliver this Assignment Agreement and any and all other documents required or permitted to be executed or delivered by it in connection with this Assignment

Agreement and to fulfill its obligations under, and to consummate the transactions contemplated by, this Assignment Agreement, and no governmental authorizations or other authorizations are required in connection therewith;

- (b) this Assignment Agreement constitutes the legal, valid and binding obligation of the Assignee, enforceable against the Assignee in accordance with its terms; and
- (c) the Assignee has fully reviewed the terms of the Operative Documents and has independently and without reliance upon the Assignor and based on such information as the Assignee has deemed appropriate, made its own credit analysis and decision to enter into this Assignment Agreement.

7. Further Assurances

The Assignor and the Assignee hereby agree to execute and deliver such other instruments, and take such other action, as either party may reasonably request in connection with the

transactions contemplated by this Assignment Agreement.

8. Governing Law

THIS ASSIGNMENT AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

9. Notices

All communications between the parties or notices in connection herewith shall be in writing, hand-delivered or sent by ordinary mail or facsimile, addressed as specified on the signature pages hereof. All such communications and notices shall be effective upon receipt.

10. Binding Effect

This Assignment Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

11. Integration of Terms

This Assignment Agreement contains the entire agreement between the parties relating to the subject matter hereof and supersedes all oral statements and other writings with respect to the subject matter hereof.

12. Counterparts

This Assignment Agreement may be executed in one or more counterparts, each of which shall be an original but all of which, taken together, shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have caused this Assignment Agreement to be executed and delivered by their duly authorized officers as of the date first above written.

[ASSIGNEE]

By: _____
Name:
Title:

Address for Notices:

Wire Instructions:

[ASSIGNOR]

By: _____
Name:
Title:

Address for Notices:

Wire Instructions:

[BORROWER]

By: _____
Name: _____
Title: _____

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[GUARANTOR]

By: _____
Name: _____
Title: _____

[GUARANTOR]

By: _____
Name: _____
Title: _____

[GUARANTOR]

By: _____
Name: _____
Title: _____

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EXHIBIT C
FORM OF STEP-IN AGREEMENT

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EXHIBIT D-1
FORM OF CFM ENGINE AGREEMENT A320NEO

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EXHIBIT D-2
FORM OF IAE ENGINE AGREEMENT A321 NEO

EXHIBIT E
FORM OF LOAN CERTIFICATE

VERTICAL HORIZONS, LTD.

LOAN CERTIFICATE

No. New York, New York

Up to \$ [Effective Date]

Vertical Horizons, Ltd. (the "Borrower") hereby promises to pay to [_____] (the "Lender"), or registered transferees, the principal sum of _____ (\$_____), or, if less, the aggregate unpaid principal amount of all Loans made by Lender to Borrower pursuant to that certain Ninth Amended and Restated Credit Agreement dated as of _____, 2023 (the "Credit Agreement") among the Borrower, Bank of Utah, not in its individual capacity but solely as security trustee as Security Trustee, and Citibank, N.A., as Facility Agent (the "Facility Agent") and certain lenders named therein, payable in full on the final Termination Date, together with interest on the unpaid principal amount hereof from time to time outstanding from and including the Original Signing Date until such principal amount is paid in full. The applicable interest rate for the Loans evidenced by this note can vary in accordance with the definition of "Applicable Rate" in the Credit Agreement. Interest shall accrue with respect to each Interest Period at the Applicable Rate in effect for such Interest Period and shall be payable in arrears on each Interest Payment Date and on the date this Loan Certificate is paid in full. This Loan Certificate shall bear interest at the Past Due Rate on any principal hereof, and, to the extent permitted by Applicable Law, interest and other amounts due hereunder, not paid when due (whether at stated maturity, by acceleration or otherwise), for any period during which the same shall be overdue, payable on demand by the Lender.

Interest shall be payable with respect to the first but not the last day of each Interest Period and shall be payable from (and including) the date of a Loan or the immediately preceding Interest Payment Date, as the case may be, to (and excluding) the next succeeding Interest Payment Date. Interest shall be calculated on the basis of a year of 360 days and actual number of days elapsed. If any sum payable hereunder falls due on a day which is not a Business Day, then such sum shall be payable on the next succeeding Business Day.

Borrower hereby acknowledges and agrees that this note is one of the Loan Certificates referred to in, evidences indebtedness incurred under, and is subject to the terms and provisions of, the Credit Agreement including, without limitation, the repayment in full of the Loans made in respect of an Aircraft upon the Delivery Date of such Aircraft in accordance with Clauses 5.2(d) and 5.9(a) of the Credit Agreement. The Credit Agreement, to which reference is hereby explicitly made, sets forth said terms and provisions, including those under which this Loan Certificate may or must be paid prior to its due date or may have its due date accelerated.

All payments of principal, the breakage costs, if any, and interest and other amounts to be made to the Lender or under the Credit Agreement and that certain Ninth Amended and Restated Mortgage and Security Agreement dated as of _____, 2023 (as amended or supplemented from time to time, the "Mortgage") among the Borrower, the Facility Agent and the Security Trustee, shall be made in accordance with the terms of the Credit Agreement and the Mortgage.



Principal and interest and other amounts due hereon shall be payable in Dollars in immediately available funds prior to [***], on the due date thereof, to the Facility Agent and the Facility Agent shall, subject to the terms and conditions of the Credit Agreement and the Mortgage, remit all such amounts so received by it to the Lender in accordance with the terms of the Credit Agreement and the Mortgage at such account or accounts at such financial institution or institutions situated in New York as the Lender hereof shall have designated to the Facility Agent in writing, in immediately available funds. In the event the Facility Agent shall fail to make any such payment as provided in the immediately foregoing sentence after its receipt of funds at the place and prior to the time specified above, the Facility Agent agrees to compensate the Lender hereof for loss of use of funds in a commercially reasonable manner. All such payments by the Borrower and the Facility Agent shall be made free and clear of and without reduction for or on account of all wire or other like charges.

The Lender, by its acceptance of this Loan Certificate, agrees to be bound by all provisions of the Operative Documents applicable to Lenders and that, except as otherwise expressly provided in the Credit Agreement or the Mortgage, each payment received by the Facility Agent in respect hereof shall be applied, first to the payment of interest hereon (as well as any interest on overdue principal and, to the extent permitted by law, interest and other amounts payable hereunder or under the Operative Documents) due and payable hereunder, second, to the payment in full of the outstanding principal of this Loan Certificate then due, and third, in the manner specified in clause "third" of Clause 5.4(c) of the Credit Agreement; provided that following an Event of Default, all amounts actually received by the Security Trustee in respect of this Loan Certificate shall be applied in accordance with Clause 5.4(e) of the Credit Agreement.

This Loan Certificate is one of the Loan Certificates referred to in, and issued pursuant to, the Credit Agreement and the Mortgage. The Collateral is held by the Security Trustee as security, in part, for the Loan Certificates. Reference is hereby made to the Credit Agreement and the Mortgage for a statement of the rights and obligations of the Lender, and the nature and extent of the security for this Loan Certificate and of the rights and obligations of the other Lenders, and the nature and extent of the security for the other Loan Certificates, as well as for a statement of the terms and conditions of the trusts created by the Mortgage, to all of which terms and conditions in the Credit Agreement and the Mortgage each Lender agrees by its acceptance of this Loan Certificate.

There shall be maintained a Certificate Register for the purpose of registering transfers and exchanges of Loan Certificates at the office of the Facility Agent specified in the Credit Agreement or at the office of any successor Facility agent in the manner provided in clause 5.6 of the Credit Agreement. As provided in the Credit Agreement and the Mortgage and subject to certain limitations specified therein, this Loan Certificate or any interest herein may, subject to the next following paragraph, be assigned or transferred, and the Loan Certificates are exchangeable for a like aggregate original principal amount of Loan Certificates of any authorized denomination, as requested by the Lender surrendering the same.

Prior to the due presentment for registration or transfer of this Loan Certificate, the Borrower and the Facility Agent shall deem and treat the person in whose name this Loan Certificate is registered on the Certificate Register as the absolute owner of this Loan Certificate and the Lender for the purpose of receiving payment of all amounts payable with respect to this Loan Certificate and for all other purposes whether or not this Loan Certificate is overdue, and neither the Borrower nor the Facility Agent shall be affected by notice to the contrary.

This Loan Certificate is subject to prepayment as permitted by clauses 5.9 and 5.10 of the Credit Agreement and to acceleration by the Facility Agent as provided in clause 5 of the Mortgage, and the Lender, by its acceptance of this Loan Certificate, agrees to be bound by said provisions.

Terms defined in the Credit Agreement and in the Mortgage have the same meaning when used in this Loan Certificate.

THIS LOAN CERTIFICATE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

IN WITNESS WHEREOF, the Borrower has caused this Loan Certificate to be executed in its corporate name by its officer thereunto duly authorized, as of the date hereof.

VERTICAL HORIZONS, LTD.

By: _____
Name:
Title:

**EXHIBIT F
FORM OF COMPLIANCE CERTIFICATE**



ANNEX A

Definitions

For all purposes of the Credit Agreement and the Mortgage and Security Agreement the following terms shall have the following meanings (such definitions to be equally applicable to both the singular and plural forms of the terms defined). Any agreement referred to below shall mean such agreement as amended, supplemented and modified from time to time in accordance with the applicable provisions thereof and of the other Operative Documents. Unless otherwise specified, Clause references are to Clauses of the Credit Agreement or the Mortgage.

"A320neo Aircraft" means any or all, as the context may require, of Aircraft 154, Aircraft 156, Aircraft 157, Aircraft 158, Aircraft 159, Aircraft 160, Aircraft 161, Aircraft 162, Aircraft 164, Aircraft 165, Aircraft 167, Aircraft 175, Aircraft 176, Aircraft 177, Aircraft 178, Aircraft 183, Aircraft 184, Aircraft 190, Aircraft 192, Aircraft 193, Aircraft 195, Aircraft 196, Aircraft 198, Aircraft 199, Aircraft 201, Aircraft 202, Aircraft 204, Aircraft 205, Aircraft 206, Aircraft 212, Aircraft 213, Aircraft 215 and Aircraft 216 but only so long as there is an Advance (or any other amount) or a Commitment outstanding in respect of such Aircraft.

"A321neo Aircraft" means any or all, as the context may require, of Aircraft 113, Aircraft 114, Aircraft 115, Aircraft 119, Aircraft 120, Aircraft 121, Aircraft 122, Aircraft 123, Aircraft 124, Aircraft 125, Aircraft 126, Aircraft 127, Aircraft 128, Aircraft 130, Aircraft 131, Aircraft 132, Aircraft 133, Aircraft 134, Aircraft 135, Aircraft 137, Aircraft 138, Aircraft 139, Aircraft 140, Aircraft 141, Aircraft 142, Aircraft 144, Aircraft 145, Aircraft 147, Aircraft 148, Aircraft 149, Aircraft 150, Aircraft 151, Aircraft 152, Aircraft 153, Aircraft 155, Aircraft 163, Aircraft 166, Aircraft 169, Aircraft 172, Aircraft 174, Aircraft 181, Aircraft 185, Aircraft 200, Aircraft 203, Aircraft 207, Aircraft 210, Aircraft 214, Aircraft 217, Aircraft 236, Aircraft 237, Aircraft 238, Aircraft 239, Aircraft 240, Aircraft 241, Aircraft 242, Aircraft 243, Aircraft 244, Aircraft 245, Aircraft 246, Aircraft 247, Aircraft 248, Aircraft 249, Aircraft 250, Aircraft 251, Aircraft 252, Aircraft 253, Aircraft 254, Aircraft 255, Aircraft 256, Aircraft 257, Aircraft 258, Aircraft 259, Aircraft 260, Aircraft 261, Aircraft 262 and Aircraft 263, but only so long as there is an Advance (or any other amount) or a Commitment outstanding in respect of such Aircraft.

"A321neo Engine Purchase Agreement" means the PW1100G-JM Engine Purchase and Support Agreement by and between Frontier Airlines and the Engine Manufacturer for the A321neo Aircraft.

"ABR" means, for any day, a rate per annum equal to the highest of (a) the Prime Rate in effect on such day, (b) the Federal Funds Rate in effect on such day plus 0.50% and (c) Term SOFR for a one-month tenor in effect on such day plus 1.00%. Any change in the ABR due to a change in the Prime Rate, the Federal Funds Rate or Term SOFR shall be effective from and including the effective date of such change in the Prime Rate, the Federal Funds Rate or Term SOFR, respectively.

"ABR Loan" means a Loan that bears interest based on the ABR.

"Accounts" means any bank accounts, deposit accounts or other accounts in the name of the Borrower.

"Additional Aircraft" means any or all, as the context may require, of Aircraft 167, Aircraft 175, Aircraft 176, Aircraft 177, Aircraft 178, Aircraft 183, Aircraft 184, Aircraft 185, Aircraft 190, Aircraft 192, Aircraft 193, Aircraft 195, Aircraft 196, Aircraft 198, Aircraft 199, Aircraft 200, Aircraft 201, Aircraft 202, Aircraft 203, Aircraft 204, Aircraft 205, Aircraft 206, Aircraft 207, Aircraft 210, Aircraft 212, Aircraft 213, Aircraft 214, Aircraft 215, Aircraft 216, Aircraft 217, Aircraft 236, Aircraft 237, Aircraft 238, Aircraft 239, Aircraft 240, Aircraft 241, Aircraft 242, Aircraft 243, Aircraft 244, Aircraft 245, Aircraft 246, Aircraft 247, Aircraft 248, Aircraft 249, Aircraft 250, Aircraft 251, Aircraft 252, Aircraft 253, Aircraft 254, Aircraft 255, Aircraft 256, Aircraft 257, Aircraft 258, Aircraft 259, Aircraft 260, Aircraft 261, Aircraft 262 and Aircraft 263, but only so long as there is an Advance (or any other amount) or a Commitment outstanding in respect of such Aircraft.

"Additional Commitments" has the meaning specified in Clause 19.3(c)(ii) of the Credit

Agreement.

"Additional Lender" has the meaning specified in Clause 19.3(c)(ii) of the Credit Agreement.

"Additional Lender Effective Date" has the meaning specified in Clause 19.3(c)(ii) of the Credit Agreement.

"Administration Agreement" means the administration agreement between the Borrower and the Agent dated as of December 18, 2014, together with the administrator fee letter dated as of December 18, 2014, to which, inter alia, Frontier Airlines is a party.

"Advance" means each Purchase Price Installment paid or payable by or on behalf of the Borrower in respect of each Aircraft in accordance with the terms of the Assigned Purchase Agreement which, for each Purchase Price Installment due on or after the Original Signing Date, is in the amount and payable on the date specified in Schedule III to the Credit Agreement.

"Affected Financial Institution" has the meaning specified in Section 22.3 of the Credit Agreement.

"Affiliate" means, with respect to any Person, any other Person which directly or indirectly controls, is controlled by, or under common control with, such Person. The term "control" means the possession, directly or indirectly of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

"After-Tax Basis" means on a basis that any payment to be received or receivable by any Person (the "original payment") is supplemented by a further payment or payments to such Person so that the sum of all such payments (including the original payment), after deducting the net amount of all Taxes payable by such Person or any of its Affiliates under any law or required by Governmental Entity as a result of the receipt or accrual of such payments (after reduction by the amount of current Taxes saved by such Person as a result of the event or item for which such payments are being made to such Person), is equal to the original payment due to such Person.

"Agents" means collectively the "Security Trustee" and the "Facility Agent" (each an "Agent").

"Airbus" means Airbus S.A.S., in its capacity as manufacturer of the Aircraft, and its successors and assigns.

"Airbus Purchase Agreement" means, with respect to each Aircraft, the A320neo aircraft purchase agreement dated as of September 30, 2011 between Airbus and Frontier Airlines, as amended and supplemented from time to time (but excluding any letter agreements entered into from time to time in relation thereto), to the extent related to such Aircraft and as the same may be further amended and supplemented from time to time.

"Aircraft" means any or all, as the context may require, of each Existing Aircraft and each Additional Aircraft, but only so long as there is an Advance (or any other amount) or a Commitment outstanding in respect of such Aircraft.

"Aircraft Pool" has the meaning given to it in Clause 10.20(a) of the Credit Agreement.

"Aircraft 113" means the A321neo aircraft (Airframe 92) as more specifically described in Schedule III to the Credit Agreement on line No. 113 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 114" means the A321neo aircraft (Airframe 93) as more specifically described in Schedule III to the Credit Agreement on line No. 114 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 115" means the A321neo aircraft (Airframe 94) as more specifically described in Schedule III to the Credit Agreement on line No. 115 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 119" means the A321neo aircraft (Airframe 98) as more specifically described in Schedule III to the Credit Agreement on line No. 119 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 120" means the A321neo aircraft (Airframe 99) as more specifically described in Schedule III to the Credit Agreement on line No. 120 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 121" means the A321neo aircraft (Airframe 100) as more specifically described in Schedule III to the Credit Agreement on line No. 121 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 122" means the A321neo aircraft (Airframe 101) as more specifically described in Schedule III to the Credit Agreement on line No. 122 of the table appearing in such schedule

including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 123" means the A321neo aircraft (Airframe 102) as more specifically described in Schedule III to the Credit Agreement on line No. 123 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 124" means the A321neo aircraft (Airframe 103) as more specifically described in Schedule III to the Credit Agreement on line No. 124 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 125" means the A321neo aircraft (Airframe 104) as more specifically described in Schedule III to the Credit Agreement on line No. 125 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 126" means the A321neo aircraft (Airframe 105) as more specifically described in Schedule III to the Credit Agreement on line No. 126 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 127" means the A321neo aircraft (Airframe 106) as more specifically described in Schedule III to the Credit Agreement on line No. 127 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 128" means the A321neo aircraft (Airframe 107) as more specifically described in Schedule III to the Credit Agreement on line No. 128 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 130" means the A321neo aircraft (Airframe 109) as more specifically described in Schedule III to the Credit Agreement on line No. 130 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 131" means the A321neo aircraft (Airframe 110) as more specifically described in Schedule III to the Credit Agreement on line No. 131 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 132" means the A321neo aircraft (Airframe 111) as more specifically described in Schedule III to the Credit Agreement on line No. 132 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.



"Aircraft 133" means the A321neo aircraft (Airframe 112) as more specifically described in Schedule III to the Credit Agreement on line No. 133 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 134" means the A321neo aircraft (Airframe 113) as more specifically described in Schedule III to the Credit Agreement on line No. 134 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 135" means the A321neo aircraft (Airframe 114) as more specifically described in Schedule III to the Credit Agreement on line No. 135 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 137" means the A321neo aircraft (Airframe 116) as more specifically described in Schedule III to the Credit Agreement on line No. 137 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 138" means the A321neo aircraft (Airframe 117) as more specifically described in Schedule III to the Credit Agreement on line No. 138 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 139" means the A321neo aircraft (Airframe 118) as more specifically described in Schedule III to the Credit Agreement on line No. 139 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 140" means the A321neo aircraft (Airframe 119) as more specifically described in Schedule III to the Credit Agreement on line No. 140 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 141" means the A321neo aircraft (Airframe 120) as more specifically described in Schedule III to the Credit Agreement on line No. 141 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 142" means the A321neo aircraft (Airframe 121) as more specifically described in Schedule III to the Credit Agreement on line No. 142 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 144" means the A321neo aircraft (Airframe 123) as more specifically described in Schedule III to the Credit Agreement on line No. 144 of the table appearing in such schedule

including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 145" means the A321neo aircraft (Airframe 124) as more specifically described in Schedule III to the Credit Agreement on line No. 145 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 147" means the A321neo aircraft (Airframe 126) as more specifically described in Schedule III to the Credit Agreement on line No. 147 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 148" means the A321neo aircraft (Airframe 127) as more specifically described in

"Aircraft 162" means the A320neo aircraft (Airframe 141) as more specifically described in Schedule III to the Credit Agreement on line No. 162 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 163" means the A321neo aircraft (Airframe 142) as more specifically described in Schedule III to the Credit Agreement on line No. 163 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 164" means the A320neo aircraft (Airframe 143) as more specifically described in Schedule III to the Credit Agreement on line No. 164 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 165" means the A320neo aircraft (Airframe 144) as more specifically described in Schedule III to the Credit Agreement on line No. 165 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 166" means the A321neo aircraft (Airframe 145) as more specifically described in Schedule III to the Credit Agreement on line No. 166 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 167" means the A320neo aircraft (Airframe 146) as more specifically described in Schedule III to the Credit Agreement on line No. 167 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 169" means the A321neo aircraft (Airframe 148) as more specifically described in Schedule III to the Credit Agreement on line No. 169 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 172" means the A321neo aircraft (Airframe 151) as more specifically described in Schedule III to the Credit Agreement on line No. 172 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 174" means the A321neo aircraft (Airframe 153) as more specifically described in Schedule III to the Credit Agreement on line No. 174 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 175" means the A320neo aircraft (Airframe 154) as more specifically described in Schedule III to the Credit Agreement on line No. 175 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 176" means the A320neo aircraft (Airframe 155) as more specifically described in Schedule III to the Credit Agreement on line No. 176 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 177" means the A320neo aircraft (Airframe 156) as more specifically described in Schedule III to the Credit Agreement on line No. 177 of the table appearing in such schedule



including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 178" means the A320neo aircraft (Airframe 157) as more specifically described in Schedule III to the Credit Agreement on line No. 178 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 181" means the A321neo aircraft (Airframe 160) as more specifically described in Schedule III to the Credit Agreement on line No. 181 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 183" means the A320neo aircraft (Airframe 162) as more specifically described in Schedule III to the Credit Agreement on line No. 183 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 184" means the A320neo aircraft (Airframe 163) as more specifically described in Schedule III to the Credit Agreement on line No. 184 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 185" means the A321neo aircraft (Airframe 164) as more specifically described in Schedule III to the Credit Agreement on line No. 185 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 190" means the A320neo aircraft (Airframe 169) as more specifically described in Schedule III to the Credit Agreement on line No. 190 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 192" means the A320neo aircraft (Airframe 171) as more specifically described in Schedule III to the Credit Agreement on line No. 192 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 193" means the A320neo aircraft (Airframe 172) as more specifically described in Schedule III to the Credit Agreement on line No. 193 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 195" means the A320neo aircraft (Airframe 174) as more specifically described in Schedule III to the Credit Agreement on line No. 195 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 196" means the A320neo aircraft (Airframe 175) as more specifically described in Schedule III to the Credit Agreement on line No. 196 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 198" means the A320neo aircraft (Airframe 177) as more specifically described in Schedule III to the Credit Agreement on line No. 198 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 199" means the A320neo aircraft (Airframe 178) as more specifically described in Schedule III to the Credit Agreement on line No. 199 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits

Schedule III to the Credit Agreement on line No. 216 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 217" means the A321neo aircraft (Airframe 196) as more specifically described in Schedule III to the Credit Agreement on line No. 217 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 236" means the A321neo aircraft (Airframe 215) as more specifically described in Schedule III to the Credit Agreement on line No. 236 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

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"Aircraft 237" means the A321neo aircraft (Airframe 216) as more specifically described in Schedule III to the Credit Agreement on line No. 237 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 238" means the A321neo aircraft (Airframe 217) as more specifically described in Schedule III to the Credit Agreement on line No. 238 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 239" means the A321neo aircraft (Airframe 218) as more specifically described in Schedule III to the Credit Agreement on line No. 239 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 240" means the A321neo aircraft (Airframe 219) as more specifically described in Schedule III to the Credit Agreement on line No. 240 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 241" means the A321neo aircraft (Airframe 220) as more specifically described in Schedule III to the Credit Agreement on line No. 241 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 242" means the A321neo aircraft (Airframe 221) as more specifically described in Schedule III to the Credit Agreement on line No. 242 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 243" means the A321neo aircraft (Airframe 222) as more specifically described in Schedule III to the Credit Agreement on line No. 243 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 244" means the A321neo aircraft (Airframe 223) as more specifically described in Schedule III to the Credit Agreement on line No. 244 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 245" means the A321neo aircraft (Airframe 224) as more specifically described in Schedule III to the Credit Agreement on line No. 245 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 246" means the A321neo aircraft (Airframe 225) as more specifically described in Schedule III to the Credit Agreement on line No. 246 of the table appearing in such schedule

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including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 247" means the A321neo aircraft (Airframe 226) as more specifically described in Schedule III to the Credit Agreement on line No. 247 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 248" means the A321neo aircraft (Airframe 227) as more specifically described in Schedule III to the Credit Agreement on line No. 248 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 249" means the A321neo aircraft (Airframe 228) as more specifically described in Schedule III to the Credit Agreement on line No. 249 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 250" means the A321neo aircraft (Airframe 229) as more specifically described in Schedule III to the Credit Agreement on line No. 250 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 251" means the A321neo aircraft (Airframe 230) as more specifically described in Schedule III to the Credit Agreement on line No. 251 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 252" means the A321neo aircraft (Airframe 231) as more specifically described in Schedule III to the Credit Agreement on line No. 252 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 253" means the A321neo aircraft (Airframe 232) as more specifically described in Schedule III to the Credit Agreement on line No. 253 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 254" means the A321neo aircraft (Airframe 233) as more specifically described in Schedule III to the Credit Agreement on line No. 254 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 255" means the A321neo aircraft (Airframe 234) as more specifically described in Schedule III to the Credit Agreement on line No. 255 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 256" means the A321neo aircraft (Airframe 235) as more specifically described in Schedule III to the Credit Agreement on line No. 256 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 257" means the A321neo aircraft (Airframe 236) as more specifically described in Schedule III to the Credit Agreement on line No. 257 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 258" means the A321neo aircraft (Airframe 237) as more specifically described in Schedule III to the Credit Agreement on line No. 258 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits

and (iii) the Manuals and Technical Records.

"Aircraft 259" means the A321neo aircraft (Airframe 238) as more specifically described in Schedule III to the Credit Agreement on line No. 259 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 260" means the A321neo aircraft (Airframe 239) as more specifically described in Schedule III to the Credit Agreement on line No. 260 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 261" means the A321neo aircraft (Airframe 240) as more specifically described in Schedule III to the Credit Agreement on line No. 261 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 262" means the A321neo aircraft (Airframe 241) as more specifically described in Schedule III to the Credit Agreement on line No. 262 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft 263" means the A321neo aircraft (Airframe 242) as more specifically described in Schedule III to the Credit Agreement on line No. 263 of the table appearing in such schedule including (i) the relevant Airframe, (ii) the Engines attached thereto and where the context admits and (iii) the Manuals and Technical Records.

"Aircraft Appraisal" means, with respect to an Aircraft, the appraised value of such Aircraft determined by the Facility Agent using valuation information prepared by the Appraisers.

"Airframe" means each of thirty-three (33) A320neo aircraft and seventy-six (76) A321neo aircraft, as described in Schedule III of the Credit Agreement (excluding the Engines) together with any and all Parts incorporated in, installed on or attached to such airframes on the respective Delivery Date therefor.

"Amendment No. 2 Signing Date" means January 14, 2016.

"Annualized FCCR" has the meaning specified in Clause 10.20 of the Credit Agreement.

"Anti-Corruption Laws" means (a) the United States Foreign Corrupt Practices Act of 1977, (b) the United Kingdom Bribery Act of 2010, and (c) any other laws, rules and regulations relating to bribery or corruption issued, administered or enforced by the United States, the United Kingdom, the European Union or any other Governmental Authority having jurisdiction over the Borrower or the Lenders, each as amended from time to time.

"Anti-Money Laundering Laws" means any laws or regulations relating to money laundering or terrorist financing issued, administered or enforced from time to time by the United States, the United Kingdom, the European Union or any other Governmental Authority having jurisdiction over the Borrower or the Lenders, each as amended from time to time.

"Applicable Law" means all applicable laws, treaties, judgments, decrees, injunctions, writs, conventions actions and orders of any Governmental Entity and all applicable rules, guidelines, regulations, orders, directives, licenses and permits of any Governmental Entity and all applicable interpretations thereof.

"Applicable Margin" means [***].

"Applicable Rate" means, for any Interest Period, a rate per annum equal to Term SOFR for such Interest Period plus the Applicable Margin, save that for the purposes of giving effect to Sections 5.13 and 5.14 of the Credit Agreement, the Applicable Rate shall be deemed, where applicable, a rate per annum equal to the ABR plus the Applicable Margin.

"Appraisers" means collectively, Ascend, Oriel and Morten, Beyer and Agnew or any such other independent aircraft appraiser selected by the Facility Agent in its absolute discretion.

"AR No. 2 Signing Date" has the meaning given to it in the first whereas clause of the Credit Agreement.

"AR No. 3 Signing Date" has the meaning given to it in the first whereas clause of the Credit

Agreement.

"AR No. 4 Signing Date" has the meaning given to it in the first whereas clause of the Credit Agreement.

"AR No. 5 Signing Date" has the meaning given to it in the first whereas clause of the Credit Agreement.

"AR No. 6 Signing Date" has the meaning given to it in the first whereas clause of the Credit Agreement.

"AR No. 7 Signing Date" has the meaning given to it in the first whereas clause of the Credit Agreement.

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"AR No. 8 Signing Date" has the meaning given to it in the first whereas clause of the Credit Agreement.

"AR Signing Date" has the meaning given to it in the first whereas clause of the Credit Agreement.

"Assignable Price" means, in respect of an Aircraft, the "Purchase Price" (as such term is defined in the relevant form of Assigned Airbus Purchase Agreement or Replacement Purchase Agreement, as applicable) of such Aircraft as may be increased from time pursuant to the escalation provisions set out in the Assigned Purchase Agreement and the related Engine Agreement, plus the cost of the BFE in respect of such Aircraft and as may be decreased pursuant to any credit letter or memorandum issued by Airbus in favor of the Initial Lender.

"Assigned Purchase Agreement" means the Airbus Purchase Agreement as assigned and transferred to the Borrower and amended and restated in the terms set forth in Schedule 3 to the Assignment and Assumption Agreement.

"Assignment and Assumption Agreement" means the Amended and Restated Assignment and Assumption Agreement dated as of the Effective Date, in each case entered into among Frontier Airlines, the Borrower and Airbus in respect of the assignment, in part, of the Airbus Purchase Agreement to the Borrower in respect of the Aircraft.

"associated rights" is defined in the Cape Town Convention.

"Authorisation" means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration.

"Available Tenor" means, as of any date of determination and with respect to the then-current Benchmark, as applicable, (x) if such Benchmark is a term rate, any tenor for such Benchmark (or component thereof) that is or may be used for determining the length of an interest period pursuant to the Credit Agreement or (y) otherwise, any payment period for interest calculated with reference to such Benchmark (or component thereof) that is or may be used for determining any frequency of making payments of interest calculated with reference to such Benchmark pursuant to the Credit Agreement, in each case, as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of "Interest Period" pursuant to Section 5.14(d) of the Credit Agreement.

"Bail-In Action" has the meaning specified in Section 22.3 of the Credit Agreement.

"Bail-In Legislation" has the meaning specified in Section 22.3 of the Credit Agreement.

"Base Value" means, with respect to an Aircraft, the lower of the mean and median of the desktop value of such Aircraft made available by each of the Appraisers to reflect the market value of such Aircraft on the applicable LTV Test Date on the assumption that the Aircraft is delivered in the condition required pursuant to the Assigned Purchase Agreement, and in full life condition, on the date that such Base Value is calculated.

"Basel II" means the "International Convergence of Capital Measurement and Capital Standards, a Revised Framework" published by the Basel Committee on Banking Supervision in June 2004

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in the form existing on the date of the Credit Agreement (but excluding any amendment arising out of Basel III).

"Basel III" means the agreements on capital requirements, leverage ratio and liquidity standards contained in "Basel III: A global regulatory framework for more resilient banks and banking systems", "Basel III: International framework for liquidity risk measurement, standards and monitoring" and "Guidance for national authorities operating the countercyclical capital buffer" published by the Basel Committee on Banking Supervision on December 16, 2010 in the form existing on the date of the Mortgage or any other applicable law or regulation implementing such paper (whether such implementation, application or compliance is by a Governmental Entity, any Lender or holding company of a Lender).

"Benchmark" means, initially, the Term SOFR Reference Rate; provided that if a Benchmark Transition Event has occurred with respect to the Term SOFR Reference Rate or the then-current Benchmark, then "Benchmark" means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to Section 5.14(a) of the Credit Agreement.

"Benchmark Replacement" means with respect to any Benchmark Transition Event, the sum of:

(a) the alternate benchmark rate that has been selected by the Facility Agent and the Borrower giving due consideration to (i) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement to the then-current Benchmark for Dollar-denominated syndicated credit facilities at such time and (b) the related Benchmark Replacement Adjustment; provided that, if such Benchmark Replacement as so determined would be less than the Floor, such Benchmark Replacement will be deemed to be the Floor for the purposes of the Credit Agreement and the other Operative Documents.

"Benchmark Replacement Adjustment" means, with respect to any replacement of the then-current Benchmark with an Unadjusted Benchmark Replacement, the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Facility Agent and the Borrower giving due consideration to (a) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body or (b) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for Dollar-denominated syndicated credit facilities.

"Benchmark Replacement Date" means the earliest to occur of the following events with respect to the then-current Benchmark:

(a) in the case of clause (a) or (b) of the definition of "Benchmark Transition Event", the later of (i) the date of the public statement or publication of information referenced therein and (ii) the date on which the administrator of such Benchmark (or the published component used in the

calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof); or

(b) in the case of clause (c) of the definition of "Benchmark Transition Event", the first date on which such Benchmark (or the published component used in the calculation thereof) has been determined and announced by the regulatory supervisor for the administrator of such Benchmark (or such component thereof) to be non-representative; provided that such non-representativeness will be determined by reference to the most recent statement or publication referenced in such clause (c) and even if any Available Tenor of such Benchmark (or such component thereof) continues to be provided on such date.

For the avoidance of doubt, the "Benchmark Replacement Date" will be deemed to have occurred in the case of clause (a) or (b) with respect to any Benchmark upon the occurrence of the applicable

in the case of clause (c) or (d) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

"Benchmark Transition Event" means the occurrence of one or more of the following events with respect to the then-current Benchmark:

(a) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely; provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);

(b) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Federal Reserve Board, the Federal Reserve Bank of New York, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely; provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof); or

(c) a public statement or publication of information by the regulatory supervisor for administrator of such Benchmark (or the published component used in the calculation thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are not, or as of a specified future date will not be, representative.

For the avoidance of doubt, a "Benchmark Transition Event" will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

"Benchmark Unavailability Period" means, the period (if any) (a) beginning at the time that a Benchmark Replacement Date has occurred if, at such time, no Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Operative Document in accordance with Section 5.14 of the Credit Agreement and (b) ending at the time that a Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Operative Document in accordance with Section 5.14 of the Credit Agreement.

"Beneficial Ownership Certification" means a certification regarding beneficial ownership as required by the Beneficial Ownership Regulation.

"Beneficial Ownership Regulation" means 31 C.F.R. § 1010.230.

"Benefit Plan" means any of (a) an "employee benefit plan" (as defined in ERISA) that is subject to Title I of ERISA, (b) a "plan" as defined in and subject to Section 4975 of the Code or (c) any Person whose assets include (for purposes of ERISA Section 3(42) or otherwise for purposes of Title I of ERISA or Section 4975 of the Code) the assets of any such "employee benefit plan" or "plan".

"BFE Budget" means, in respect of (a) the A320neo Aircraft, (i) an amount equal to [***] in respect of each such Aircraft delivered in 2023, (ii) an amount equal to [***] in respect of each such Aircraft delivered in 2024, (iii) an amount equal to [***] in respect of each such Aircraft delivered in 2025 and (iv) an amount equal to [***] in respect of each such Aircraft delivered in 2026, in each case made by the Borrower to Airbus in respect of BFE and (b) in respect of the A321neo Aircraft, an amount equal to (i) an amount equal to [***] in respect of each such Aircraft delivered in 2023, (ii) an amount equal to [***] in respect of each such Aircraft delivered in 2024, (iii) an amount equal to [***] in respect of each such Aircraft delivered in 2025 and (iv) an amount equal to [***] in respect of each such Aircraft delivered in 2026, in each case made by the Borrower to Airbus in respect of BFE.

"BHC Act Affiliate" has the meaning specified in Section 23.1 of the Credit Agreement.

"Borrower" means Vertical Horizons, Ltd., a Cayman Islands exempted company, and its successors and permitted assigns.

"Borrowing Date" means (a) the Original Signing Date, (b) the AR Signing Date, (c) the Amendment No. 2 Signing Date, (d) the AR No. 2 Signing Date, (e) the AR No. 3 Signing Date, (f) the AR No. 4 Signing Date, (g) the AR No. 5 Signing Date, (h) the AR No. 6 Signing Date, (i) the AR No. 7 Signing Date, (j) the AR No. 8 Signing Date, (k) the Initial Borrowing Date, and (l) each date on which an Advance is payable in respect of an Aircraft under the Assigned Purchase Agreement as specified in Schedule III to the Credit Agreement.

"Business Day" means any day other than a Saturday or Sunday or a day on which commercial banks are required or authorized to close in London England and New York City, provided that, in connection with a SOFR Loan, the term "Business Day" shall also exclude a day that is not a U.S. Government Securities Business Day.

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"Buyer Furnished Equipment" or "BFE" means those items of equipment which are identified in the specification of an Aircraft in the Assigned Purchase Agreement as being furnished by the "Buyer".

"Cape Town Convention" means the English language version of the Convention on International Interests in Mobile Equipment (the "Convention") and the Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment (the "Protocol"), both signed in Cape Town, South Africa on November 16, 2001, together with any protocols, regulations, rules, orders, agreements, instruments, amendments, supplements, revisions or otherwise that have or will be subsequently made in connection with the Convention and/or the Protocol by the "Supervisory Authority" (as defined in the Protocol), the "International Registry" or "Registrar" (as defined in the Convention) or an appropriate "registry authority" (as defined in the Protocol) or any other international or national body or authority.

"Cash Equivalents" means the following securities (which shall mature within [***] of the date of purchase thereof): (a) direct obligations of the U.S. Government; (b) obligations fully guaranteed by the U.S. Government; (c) certificates of deposit issued by, or bankers' acceptances of, or time deposits or a deposit account with, the Facility Agent or any bank, trust company or national banking association incorporated or doing business under the laws of the United States or any state thereof having a combined capital and surplus and retained earnings of at least [***] and having a rating of Aa or better by Moody's or AA or better by Standard & Poor's; (d) commercial paper of any issuer doing business under the laws of the United States or one of the states thereof and in each case having a rating assigned to such commercial paper by Standard & Poor's of at least A-1 or its equivalent or by Moody's of at least P-1 or its equivalent; or (e) money market funds which are rated at least Aaa by Moody's, at least AAAM or AAAM-G by Standard and Poor's or at least AAA by Fitch, Inc., including funds which meet such rating requirements for which the Facility Agent or an Affiliate of the Facility Agent serves as an investment advisor, administer, administrator, shareholder servicing agent and/or custodian or subcustodian.

"Certificate Register" has the meaning specified in Clause 5.6 of the Credit Agreement.

"CFM Engine Agreement A320neo" means the CFM Engine general terms agreement entered into between CFM International, Inc. and Frontier Airlines for the A320neo Aircraft.

"Charged Property" has the meaning given to it in the Share Charge.

"Code" means the Internal Revenue Code of 1986, as amended.

"Collateral" means, collectively, (i) the Mortgage Collateral and (ii) the Charged Property.

"Commitment" has the meaning specified in Clause 2.1 of the Credit Agreement.

"Commitment Fee" means [***] of the outstanding unutilized Maximum Commitment of each Lender, as cancelled or reduced pursuant to Clause 3.3 of the Credit Agreement.

"Commitment Termination Date" means the later of (i) [***] and (ii) the Extension Date in the most recent Extension Notice.

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"Conforming Changes" means, with respect to either the use or administration of Term SOFR or the use, administration, adoption or implementation of any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of "ABR," the definition of "Business Day," the definition of "U.S. Government Securities Business Day," the definition of "Interest Period" or any similar or analogous definition (or the addition of a concept of "interest period"), timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, the applicability and length of lookback periods, the applicability of breakage provisions and other technical, administrative or operational matters) that the Facility Agent decides may be appropriate to reflect the adoption and implementation of any such rate or to permit the use and administration thereof by the Facility Agent in a manner substantially consistent with market practice (or, if the Facility Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Facility Agent determines that no market practice for the administration of any such rate exists, in such other manner of administration as the Facility Agent decides is reasonably necessary in connection with the administration of the Credit Agreement and the other Operative Documents).

"Consolidated EBITDAR" means, with respect to Frontier Group Holdings and its consolidated subsidiaries for any fiscal quarter of Frontier Group Holdings, the Consolidated Net Income of Frontier Group Holdings for such period plus, without duplication:

- (1) an amount equal to any extraordinary loss plus any net loss realized by Frontier Group Holdings or any of its subsidiaries in connection with any disposition of assets, to the extent such losses were deducted in computing such Consolidated Net Income; plus
- (2) provision for taxes based on income or profits of Frontier Group Holdings and its consolidated subsidiaries, to the extent that such provision for taxes was deducted in computing such Consolidated Net Income; plus
- (3) the Fixed Charges of Frontier Group Holdings and its consolidated subsidiaries, to the extent that such Fixed Charges were deducted in computing such Consolidated Net Income; plus
- (4) any foreign currency translation losses (including losses related to currency remeasurements of Financial Indebtedness) of Frontier Group Holdings and its consolidated subsidiaries for such period, to the extent that such losses were deducted in computing such Consolidated Net Income; plus
- (5) depreciation, amortization (including amortization of intangibles but excluding amortization of prepaid cash expenses that were paid in a prior period) and other non cash charges and expenses (excluding any such non cash charge or expense to the extent that it represents an accrual of or reserve for cash charges or expenses in any future period or amortization of a prepaid cash charge or expense that was paid in a prior period) of Frontier Group Holdings and its consolidated subsidiaries to the extent that such depreciation, amortization and other non cash charges or expenses were deducted in computing such Consolidated Net Income; plus
- (6) the amortization of debt discount to the extent that such amortization was deducted in computing such Consolidated Net Income; plus
- (7) deductions for grants to any employee of Frontier Group Holdings and its consolidated

subsidiaries of any equity interests during such period to the extent deducted in computing such Consolidated Net Income; plus

- (8) any net loss arising from the sale, exchange or other disposition of capital assets by Frontier Group Holdings and its consolidated subsidiaries (including any fixed assets, whether tangible or intangible, all inventory sold in conjunction with the disposition of fixed assets and all securities) to the extent such loss was deducted in computing such Consolidated Net Income; plus
- (9) any losses arising under fuel hedging arrangements entered into prior to the Effective Date and any losses actually realized under fuel hedging arrangements entered into after the Effective Date, in each case to the extent deducted in computing such Consolidated Net Income; plus

- (10) proceeds from business interruption insurance for such period, to the extent not already included in computing such Consolidated Net Income; plus
- (11) any expenses and charges that are covered by indemnification or reimbursement provisions in connection with any permitted acquisition, merger, disposition, incurrence of Financial Indebtedness, issuance of equity interests or any investment to the extent (a) actually indemnified or reimbursed and (b) deducted in computing such Consolidated Net Income; plus
- (12) non cash items, other than the accrual of revenue in the ordinary course of business, to the extent such amount increased such Consolidated Net Income; minus
- (13) the sum of (A) income tax credits and (B) interest income included in computing such Consolidated Net Income;

in each case, determined on a consolidated basis in accordance with GAAP.

"Consolidated Net Income" means, with respect to Frontier Group Holdings and its consolidated subsidiaries for any fiscal quarter of Frontier Group Holdings, the aggregate of the net income (or loss) of Frontier Group Holdings and its consolidated subsidiaries for such period, on a consolidated basis, determined in accordance with GAAP and without any reduction in respect of preferred stock dividends; provided that:

- (1) all (a) extraordinary, nonrecurring, special or unusual gains and losses or income or expenses, including, without limitation, any expenses related to a facilities closing and any reconstruction, recommissioning or reconfiguration of fixed assets for alternate uses; any severance or relocation expenses; executive recruiting costs; restructuring or reorganization costs (whether incurred before or after the effective date of any applicable reorganization plan); curtailments or modifications to pension and post retirement employee benefit plans; (b) any expenses (including, without limitation, transaction costs, integration or transition costs, financial advisory fees, accounting fees, legal fees and other similar advisory and consulting fees and related out of pocket expenses), cost savings, costs or charges incurred in connection with any issuance of securities, acquisitions, dispositions, recapitalizations or incurrences or repayments of Financial

Indebtedness (in each case whether or not successful) and (c) gains and losses realized in connection with any sale of assets (other than the gains realized with the sale of any aircraft and/or the sale of any engines), the disposition of securities, the early extinguishment of Financial Indebtedness or associated with Hedging Obligations, together with any related provision for taxes on any such gain, will be excluded;

- (2) the net income (but not loss) of any Person that is not Frontier Group Holdings or a consolidated subsidiary of Frontier Group Holdings or that is accounted for by the equity method of accounting will be included for such period only to the extent of the amount of dividends or similar distributions paid in cash to Frontier Group Holdings or a consolidated subsidiary of Frontier Group Holdings;
- (3) the net income (but not loss) of any subsidiary will be excluded to the extent that the declaration or payment of dividends or similar distributions by that subsidiary of that net income is not at the date of determination permitted without any prior governmental approval (that has not been obtained) or, directly or indirectly, by operation of the terms of its charter or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to that subsidiary or its stockholders;
- (4) the cumulative effect of a change in accounting principles on Frontier Group Holdings and its consolidated subsidiaries will be excluded;
- (5) the effect of non cash gains and losses of Frontier Group Holdings and its consolidated subsidiaries resulting from Hedging Obligations, including attributable to movement in the mark to market valuation of Hedging Obligations pursuant to Financial Accounting Standards Board Statement No. 133 will be excluded;
- (6) any non cash compensation expense recorded from grants by Frontier Group Holdings and its consolidated subsidiaries of stock appreciation or similar rights, stock options or other rights to officers, directors or employees, will be excluded;
- (7) the effect on Frontier Group Holdings and its consolidated subsidiaries of any non cash items resulting from any write up, write down or write off of assets (including intangible assets, goodwill and deferred financing costs) in connection with any acquisition,

disposition, merger, consolidation or similar transaction or any other non cash impairment charges incurred subsequent to the Effective Date resulting from the application of Financial Accounting Standards Board Accounting Standards Codifications 205—Presentation of Financial Statements, 350—Intangibles—Goodwill and Other, 360—Property, Plant and Equipment and 805—Business Combinations (excluding any such non cash item to the extent that it represents an accrual or reserve for cash expenditures in any future period except to the extent such item is subsequently reversed), will be excluded;

- (8) any provision for income tax reflected on Frontier Group Holdings' financial statements for such period will be excluded to the extent such provision exceeds the actual amount

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of taxes paid in cash during such period by Frontier Group Holdings and its consolidated subsidiaries; and

- (9) any amortization of deferred charges resulting from the application of Financial Accounting Standards Board Accounting Standards Codifications 470-20 Debt With Conversion and Other Options that may be settled in cash upon conversion (including partial cash settlement) will be excluded.

"Control" means, with respect to a Person:

- (a) the power (whether by way of ownership of shares, proxy, contract, agency or otherwise) to:
- (i) cast, or control the casting of, more than one-half of the maximum number of votes that might be cast at a general meeting of such Person;
 - (ii) appoint or remove all, or the majority, of the directors or other equivalent officers of such Person; and
 - (iii) give directions with respect to the operating and financial policies of such Person which the directors or other equivalent officers of such Person are obliged to comply with,

and

- (b) the holding of more than one-half of the issued share capital of such Person (excluding any part of that issued share capital that carries no right to participate beyond a specified amount in a distribution of either profits or capital).

"Covered Entity" has the meaning specified in Section 23.1 of the Credit Agreement.

"Covered Person" has the meaning specified in Section 23.1 of the Credit Agreement.

"Credit Agreement" means that certain Eighth Amended and Restated Credit Agreement dated as of the Effective Date, among the Borrower, the Lenders, the Facility Agent and the Security Trustee, as amended and supplemented from time to time.

"Deeds of Confirmation" means (a) that certain Deed of Confirmation dated as of the Effective Date, (b) that certain Deed of Confirmation dated December 29, 2022, (c) that certain Deed of Confirmation dated June 30, 2022, (d) that certain Deed of Confirmation dated December 28, 2021, (e) that certain Deed of Confirmation dated December 22, 2020, (f) that certain Deed of Confirmation dated March 19, 2020, (g) that certain Deed of Confirmation dated January 29, 2019, (h) that certain Deed of Confirmation dated May 31, 2018, (i) that certain Deed of Confirmation dated December 29, 2017, (j) that certain Deed of Confirmation dated December 16, 2016, (k) that certain Deed of Confirmation dated January 14, 2016, (l) that certain Deed of Confirmation dated August 11, 2015 and (m) any other Deed of Confirmation delivered in connection with an increase in Commitments pursuant to Clause 2.5 of the Credit Agreement, each relating to the Share Charge and each between the Parent and the Security Trustee.

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"Default" means any event which with the giving of notice or the lapse of time or both if not timely cured or remedied would become an Event of Default pursuant to Clause 4 of the Mortgage.

"Default Right" has the meaning specified in Section 23.1 of the Credit Agreement.

"Delivery Date" means, for any Aircraft, the date on which such Aircraft is to be delivered by Airbus and accepted by Borrower or its permitted assignee under the Assigned Purchase Agreement.

"Dollars", "Dollar" and "\$" means the lawful currency of the United States of America.

"EEA Financial Institution" has the meaning specified in Section 22.3 of the Credit Agreement.

"EEA Member Country" has the meaning specified in Section 22.3 of the Credit Agreement.

"EEA Resolution Authority" has the meaning specified in Section 22.3 of the Credit Agreement.

"Effective Date" means the date of the execution and delivery of the Credit Agreement and the satisfaction of the conditions precedent in Clause 4.1 thereof.

"Eligible Account" means an account established by and with an Eligible Institution at the request of the Security Trustee, which institution (a) agrees, by entering into an account control agreement, for all purposes of the New York UCC, including Article 8 thereof, that (i) such account shall be a "securities account" (as defined in Section 8-501 of the New York UCC), (ii) such institution is a "securities intermediary" (as defined in Section 8-102(a)(14) of the New York UCC), (iii) all property (other than cash) credited to such account shall be treated as a "financial asset" (as defined in Section 8-102(9) of the New York UCC), (iv) the Security Trustee shall be the "entitlement holder" (as defined in Section 8-102(7) of the New York UCC) in respect of such account, (v) it will comply with all entitlement orders issued by the Security Trustee to the exclusion of the Borrower, (vi) it will waive or subordinate in favor of the Security Trustee all claims (including without limitation claims by way of security interest, lien, right of set-off or right of recoupment), and (vii) the "securities intermediary jurisdiction" (under Section 8-110(e) of the New York UCC) shall be the State of New York, or (b) otherwise enters into an account control agreement, charge over a bank account or similar document that is satisfactory to the Security Trustee.

"Eligible Institution" means (a) the corporate trust department of a depository institution organized under the laws of the United States of America or any one of the states thereof or the District of Columbia (or any U.S. branch of a foreign bank), which has a long-term unsecured debt rating from Moody's of at least A3 or its equivalent and from Standard & Poor's of at least A- or its equivalent, or (b) a banking institution in another jurisdiction that is satisfactory to the Security Trustee.

"Engine" means in respect of each Airframe, each of the engines delivered with such Airframe under the Assigned Purchase Agreement.

"Engine Agreement" means, (i) in respect of the A320neo Aircraft, each of (a) the Fifth Amended and Restated CFMI Engine Benefits Agreement A320neo Aircraft dated as of March 19, 2020 among the Borrower, the applicable Engine Manufacturer, Frontier Airlines and the Security

Trustee and (b) the Third Amended and Restated IAE Engine Benefits Agreement A320neo and A321neo Aircraft (2022, 2023, 2024 and 2025 Deliveries) dated as of the Effective Date among the Borrower, the applicable Engine Manufacturer, Frontier Airlines and the Security Trustee (the "IAE Agreement"), (ii) in respect of the A321neo Aircraft, other than the Incremental A321neo Aircraft, the IAE Agreement, and (iii) in respect of the Incremental A321neo Aircraft, the Incremental A321neo Engine Consent, in each case among the Borrower, the applicable Engine Manufacturer, Frontier Airlines and the Security Trustee substantially in the applicable form attached as Exhibit D to the Credit Agreement.

"Engine Manufacturer" means (a) in respect of the A320neo Aircraft, CFM International, Inc., and International Aero Engines, LLC, (b) in respect of the A321neo Aircraft, International Aero Engines, LLC other than the Incremental A321neo Aircraft, and (c) in respect of the Incremental A321neo Aircraft, the engine manufacturer certified by Frontier Airlines to the Facility Agent in

respect of an A321neo Aircraft.

"Equity Contribution" means the amount required to be paid by the Borrower to Airbus with respect to an Aircraft on the Applicable Borrowing Date or determined by reference to the table set out in Schedule III to the Credit Agreement.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended, and the rules and regulations promulgated thereunder.

"Erroneous Payment" has the meaning assigned to it in Section 15.1 in Schedule IV of the Credit Agreement.

"Erroneous Payment Deficiency Assignment" has the meaning assigned to it in Section 15.4(i) in Schedule IV of the Credit Agreement.

"Erroneous Payment Impacted Class" has the meaning assigned to it in Section 15.4(i) in Schedule IV of the Credit Agreement.

"Erroneous Payment Return Deficiency" has the meaning assigned to it in Section 15.4(i) in Schedule IV of the Credit Agreement.

"Erroneous Payment Subrogation Rights" has the meaning assigned to it in Section 15.5 in Schedule IV of the Credit Agreement.

"EU Bail-In Legislation Schedule" has the meaning specified in Section 22.3 of the Credit Agreement.

"Event of Default" has the meaning specified in Clause 4 of the Mortgage.

"Excluded Taxes" means, with respect to the Facility Agent, the Security Trustee, any Lender, or any other recipient of any payment to be made by or on account of any obligation of the Borrower hereunder, (a) any Taxes imposed on all or part of the net income, net profits, or net gains (whether worldwide, or only insofar as such income, profits, or gains are considered to arise in or relate to a particular jurisdiction or otherwise) of such Person or any franchise, net worth, or net capital Taxes imposed on such Person, in each such cases as a result of such Person being organized in,

maintaining its principal place of business or lending office in, or conducting activities unrelated to the transactions contemplated by the Operative Documents in the jurisdiction imposing such Taxes and in each such cases other than a sales, use, property, value added, stamp, registration, documentary, goods and services, license, excise, or, except as provided in Clause 5.3(a) of the Credit Agreement withholding Taxes, (b) any Taxes imposed on all or part of the gross income or gross receipts (other than Taxes in the nature of a sales, use, property, value added, stamp, registration, documentary, goods and services, license, excise or, except as provided in Clause 5.3(a) of the Credit Agreement withholding Taxes) of such Person, in each such case as a result of such Person being organized in, or maintaining its principal place of business or lending office in the jurisdiction imposing such Taxes, (c) any Taxes imposed as a result of such Person's failure to comply with Clause 5.3(d) of the Credit Agreement or (d) any U.S. federal withholding Taxes imposed under FATCA.

"Existing Aircraft" means any or all, as the context may require, of Aircraft 113, Aircraft 114, Aircraft 115, Aircraft 119, Aircraft 120, Aircraft 121, Aircraft 122, Aircraft 123, Aircraft 124, Aircraft 125, Aircraft 126, Aircraft 127, Aircraft 128, Aircraft 130, Aircraft 131, Aircraft 132, Aircraft 133, Aircraft 134, Aircraft 135, Aircraft 137, Aircraft 138, Aircraft 139, Aircraft 140, Aircraft 141, Aircraft 142, Aircraft 144, Aircraft 145, Aircraft 147, Aircraft 148, Aircraft 149, Aircraft 150, Aircraft 151, Aircraft 152, Aircraft 153, Aircraft 154, Aircraft 155, Aircraft 156, Aircraft 157, Aircraft 158, Aircraft 159, Aircraft 160, Aircraft 161, Aircraft 162, Aircraft 163, Aircraft 164, Aircraft 165, Aircraft 166, Aircraft 169, Aircraft 172, Aircraft 174 and Aircraft 181, but only so long as there is an Advance (or any other amount) or a Commitment outstanding in respect of such Aircraft.

"Expense" or "Expenses" means any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements (including reasonable legal fees and expenses) of whatever kind and nature but excluding Taxes, any breakage costs and overhead of whatsoever kind and nature.

"Extension Date" means [***] and if the Lenders give an Extension Notice pursuant to, and in accordance with, Clause 5.2(g) of the Credit Agreement, the anniversary thereof set forth in such Extension Notice.

"Extension Notice" means each extension notice delivered by the Lenders to the Borrower pursuant to, and in accordance with Clause 5.2(g) of the Credit Agreement, extending the Commitment Termination Date.

"Facility Agent" means Citibank, N.A. in its capacity as Facility Agent under the Credit Agreement and any successor thereto in such capacity.

"Facility Amount" means the Maximum PDP Loan Amount as cancelled or changed in accordance with the Credit Agreement.

"Facility Increase Amendment" means an amendment and accession agreement in form and substance reasonably acceptable to the Initial Lender, the Facility Agent and the Borrower pursuant to which an Additional Lender becomes a party to the Credit Agreement and agrees to provide an Additional Commitment in accordance with Clause 19.3(c)(ii) of the Credit Agreement

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and Schedule II to the Credit Agreement is amended to reflect such Additional Lender and Additional Commitment.

"FATCA" means Sections 1471 through 1474 of the Code, as of the date of the Credit Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof and any agreements entered into pursuant to Section 1471(b)(1) of the Code.

"FCCR Test Date" means (i) the date that is [***] following December 31, 2021 and (ii) each date falling [***] after the last day of each fiscal quarter or fiscal year, as the case may be, of Frontier Group Holdings thereafter commencing with the second fiscal quarter of 2022.

"Federal Funds Rate" means for any day, a floating rate equal to the weighted average of the rates on overnight federal funds transactions among members of the Federal Reserve System, as determined by Facility Agent in its reasonable discretion, which determination shall be presumptively correct (absent manifest error).

"Fee Letter" means collectively (i) that certain Letter Agreement dated December 23, 2014 among the Borrower, the Security Trustee and the Facility Agent (ii) that certain Letter Agreement dated August 11, 2015 among the Borrower, the Security Trustee and the Facility Agent, (iii) that certain Letter Agreement dated December 16, 2016 among the Borrower and the Facility Agent, (iv) that certain Letter Agreement dated December 29, 2017 among the Borrower, the Security Trustee and the Facility Agent, (v) that certain Letter Agreement dated May 31, 2018 among the Borrower, the Security Trustee and the Facility Agent, (vi) that certain Letter Agreement dated January 29, 2019 among the Borrower, the Security Trustee and the Facility Agent, (vii) that certain Letter Agreement dated March 19, 2020 among the Borrower, the Security Trustee and the Facility Agent, each Letter Agreement dated December 28, 2021 among the Borrower, the Lender party thereto and the Facility Agent, (ix) each Letter Agreement dated June 30, 2022 among the Borrower, the Lender party thereto and the Facility Agent, (x) each Letter Agreement dated December 29, 2022 among the Borrower, the Lender party thereto and the Facility Agent and (xi) each Letter Agreement dated as of the Effective Date among the Borrower, the Lender party thereto and the Facility Agent.

"Finance Parties" means together the Lenders, the Facility Agent and the Security Trustee (each a "Finance Party").

"Financed Amount" means, with respect to an Aircraft and a Borrowing Date, the amount set out in the column entitled "Financial Amount" and which corresponds to such Aircraft and Borrowing Date, in the table set out in Schedule III to the Credit Agreement.

"Financial Indebtedness" means any indebtedness for or in respect of:

- (a) moneys borrowed;
- (b) any amount raised by acceptance under any acceptance credit facility;
- (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;

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- (d) the amount of any liability in respect of any lease, lease purchase, installment sale, conditional sale, hire purchase or credit sale or other similar arrangement (whether in respect of aircraft, machinery, equipment, land or otherwise) entered into primarily as a method of raising finance or for financing the acquisition of the relevant asset;
- (e) payments under any lease with a term, including optional extension periods, if any, capable of exceeding [***] (whether in respect of aircraft, machinery, equipment, land or otherwise) characterized or interpreted as an operating lease in accordance with the relevant accounting standards but either entered into primarily as a method of financing the acquisition of the asset leased or having a termination sum payable upon any termination of such lease;
- (f) any amount raised by receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis) including any bill discounting, factoring or documentary credit facilities;
- (g) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;
- (h) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account);
- (i) obligations (whether or not conditional) arising from a commitment to purchase or repurchase shares or securities where such commitment is or was in respect of raising finance;
- (j) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and

the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) through (j) above.

"Fixed Charges" means, with respect to Frontier Group Holdings and its consolidated subsidiaries for any fiscal quarter of Frontier Group Holdings, the sum, without duplication, of:

- (1) the consolidated interest expense (net of interest income) of Frontier Group Holdings and its subsidiaries for such period to the extent that such interest expense is payable in cash (and such interest income is receivable in cash); plus
- (2) the interest component of leases that are capitalized in accordance with GAAP of Frontier Group Holdings and its subsidiaries for such period to the extent that such interest component is related to lease payments payable in cash; plus
- (3) any interest expense actually paid in cash for such period by Frontier Group Holdings or Frontier Airlines on Financial Indebtedness of another Person that is guaranteed by Frontier

Group Holdings or its subsidiaries or secured by a Lien on assets of Frontier Group Holdings or its subsidiaries; plus

- (4) the product of (A) all cash dividends accrued on any series of preferred stock of Frontier Group Holdings or its subsidiaries for such period, other than to Frontier Group Holdings or a subsidiary of Frontier Group Holdings, times (B) a fraction, the numerator of which is one and the denominator of which is one minus the then current combined federal, state and local statutory tax rate of Frontier Group Holdings and its subsidiaries, as applicable to such portion of dividends, expressed as a decimal, in each case, determined on a consolidated basis in accordance with GAAP; plus
- (5) the aircraft rent expense of Frontier Group Holdings and its subsidiaries for such period to the extent that such aircraft rent expense is payable in cash,

all as determined on a consolidated basis in accordance with GAAP.

"Floor" means means a rate of interest equal to [***].

"Frontier Airlines" means Frontier Airlines, Inc.

"Frontier Group Holdings" means Frontier Group Holdings, Inc.

"Frontier Holdings" means Frontier Airlines Holdings, Inc.

"GAAP" means generally accepted accounting principles, as in effect in the United States of America from time to time.

"Governmental Entity" means and includes (a) any national government, political subdivision thereof, or state or local jurisdiction therein, (b) any board, commission, department, division, organ, instrumentality, taxing authority, regulatory body, court or judicial body, central bank or agency of any entity referred to in (a) above, however constituted, and (c) any association, organization or institution (international or otherwise) of which any entity mentioned in (a) or (b) above is a member.

"Group" means Frontier Group Holdings and its subsidiaries at any time.

"Guarantee" means each guarantee, amended and restated as applicable, as the context may require, dated as of the Effective Date and entered into by each Guarantor in favor of the Security Trustee on account of the obligations of the Borrower.

"Guarantor" means each of Frontier Airlines, Frontier Holdings and Frontier Group Holdings.

"Hedging Obligations" means, with respect to any Person, all obligations and liabilities of such Person under:

- (a) interest rate swap agreements (whether from fixed to floating or from floating to fixed), interest rate cap agreements and interest rate collar agreements;

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- (b) other agreements or arrangements designed to manage interest rates or interest rate risk; and

other agreements or arrangements designed to protect such Person against fluctuations in currency exchange rates, fuel prices or other commodity prices, but excluding (x) clauses in purchase agreements and maintenance agreements pertaining to future prices and (y) fuel purchase agreements and fuel sales that are for physical delivery of the relevant commodity.

"Incremental A321neo Aircraft" means any or all, as the context may require, of Aircraft 236, Aircraft 237, Aircraft 238, Aircraft 239, Aircraft 240, Aircraft 241, Aircraft 242, Aircraft 243, Aircraft 244, Aircraft 245, Aircraft 246, Aircraft 247, Aircraft 248, Aircraft 249, Aircraft 250, Aircraft 251, Aircraft 252, Aircraft 253, Aircraft 254, Aircraft 255, Aircraft 256, Aircraft 257, Aircraft 258, Aircraft 259, Aircraft 260, Aircraft 261, Aircraft 262 and Aircraft 263.

"Incremental A321neo Engine Consent" means in respect of the Incremental A321neo Aircraft, the consent and agreement of the applicable Engine Manufacturer to be entered into among the applicable Engine Manufacturer, Frontier Airlines and the Security Trustee on terms and conditions acceptable to the Facility Agent.

"Incremental A321neo Engine Purchase Agreement" means the purchase agreement, general terms agreement or similar agreement entered or to be entered into between Frontier Airlines and the Engine Manufacturer for the Incremental A321neo Aircraft.

"Indemnified Taxes" means Taxes other than Excluded Taxes.

"Indemnitee" or "Indemnities" means the Security Trustee, the Facility Agent, the Lenders and each of their Affiliates, successors, permitted assigns, directors, officers, and employees.

"Independent Director" means a director who at the time of their appointment or at any time when such Person is serving as an Independent Director is not, and has not been for the five (5) years prior to its appointment as an Independent Director, (i) an employee, officer, director, consultant, customer or supplier, or the beneficial owner (directly or indirectly) of the Borrower or any Guarantor; provided, however, that such person may serve as a trustee, director, servicer independent director or manager, independent servicer or non-economic director or in a similar

capacity for any other affiliate such Person, or (ii) a spouse of, or Person related to (but not more remote than first cousins), a Person referred to in clause (i) above.

"Initial Borrowing Date" means the date on which the first Funding Notice following the Effective Date is given by the Borrower to the Facility Agent in accordance with Clause 2.3(b) of the Credit Agreement.

"Initial Lender" means Citibank, N.A.

"Interest Payment Date" means, [***] and each such date which falls at [***] intervals thereafter, provided that, if any such date shall not be a Business Day, then the relevant Interest Payment Date shall be the next succeeding Business Day; provided, further, that no Interest Payment Date may extend past the Termination Date and the last Interest Payment Date shall be the Termination Date.

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"Interest Period" means, in respect of a Loan (a) initially, the period commencing on the Original Signing Date or on the date that such Loan is made and ending on the first Interest Payment Date occurring thereafter, and (b) thereafter, the period commencing on the last day of the previous Interest Period and ending on the next Interest Payment Date or, if earlier, the first to occur of the Delivery Date of the Aircraft funded by such Loan and the Termination Date.

"International interest" is defined in the Cape Town Convention.

"International Registry" is defined in the Cape Town Convention.

"Lender" means each Lender identified in Schedule I to the Credit Agreement and any assignee or transferee of such Lender.

"Lender's Net Price" means, in respect of an Aircraft, the amount specified in the column headed "Lender's Net Price" which corresponds to such Aircraft in the table set out in Schedule III to the Credit Agreement which is inclusive of all credits in respect of the Engines to be made available pursuant to the relevant Engine Agreement and subject to escalation from the date hereof in an amount equal to any escalation of the Airframe purchase price or SCN cost in accordance with the Assigned Purchase Agreement, the Engine purchase price as agreed in the relevant Engine Agreement and the BFE Budget in accordance with the Credit Agreement.

"Lien" means any mortgage, pledge, lien, claim, encumbrance, lease, security interest or other lien of any kind on property.

"Liquidity Threshold" has the meaning given to it in Clause 10.20(a) of the Credit Agreement.

"Loan" has the meaning specified in Section 2.1 of the Credit Agreement.

"Loan Certificates" means the loan certificates issued pursuant to Clause 5.2(a) of the Credit Agreement and any such certificates issued in exchange or replacement therefor pursuant to Clause 5.6 or 5.7 of the Credit Agreement.

"LTV" has, in respect of an Aircraft, the meaning given to it in Clause 10.20(a) of the Credit Agreement.

"LTV Collateral" has the meaning given to it in Clause 10.20(c)(ii) of the Credit Agreement. "LTV

Test" has the meaning given to it in Clause 10.20(b) of the Credit Agreement.

"LTV Test Date" means each FCCR Test Date on which the FCCR is less than [***].

"Majority Lenders" means, as of any date of determination, the Lenders of not less than 51% in aggregate outstanding principal amount of all Loan Certificates as of such date. For all purposes of the foregoing definition, in determining as of any date the then aggregate outstanding principal amount of Loan Certificates, there shall be excluded any Loan Certificates, if any, held by the Borrower, any Guarantor or any of their Affiliates (unless such Persons own all Loan Certificates then outstanding).

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"Manuals and Technical Records" means together, those records, logs, manuals, technical data and other materials and documents relating to each Aircraft, together with any amendments thereto, as shall be delivered pursuant to the Assigned Purchase Agreement.

"Material Action" means, with respect to any Person, to consolidate or merge such Person with or into any other Person, or sell all or substantially all of the assets of such Person or to institute proceeding to have such Person be adjudicated bankrupt or insolvent, or consent to the institution of bankruptcy or insolvency proceedings against such Person or file a petition seeking, or consent to, reorganization or relief with respect to such Person under any applicable federal or state law relating to bankruptcy, or consent to the appointment of a receiver, liquidator, assignee, trustee, sequestrator (or other similar official) of such Person or a substantial part of its property, or make any assignment for the benefit of creditors of such Person, or admit in writing such Person's inability to pay its debts generally as they become due, or take action in furtherance of any such action, or, to the fullest extent permitted by law, dissolve or liquidate such Person.

"Material Adverse Effect" means a material adverse effect on the business, operations, properties or financial condition of the Borrower or any Guarantor, taken as a whole, or a material adverse effect on the ability of the Borrower or the Guarantors to observe or perform its obligations, liabilities and agreements under any Operative Document to which it is a party.

"Material Event of Default" means the occurrence of an "Event of Default" or "Termination Event" or such similar event howsoever described pursuant to any agreement in respect of Financial Indebtedness (or any agreement guaranteeing Financial Indebtedness) in an amount equal to at least [***] entered into by any Guarantor excluding any such event:

- (a) which is technical and is due to an administrative error; or
- (b) which is curable and the applicable Guarantor taking all necessary steps to cure such event and such has not been continuing for more than [***] beyond any grace period provided for in the applicable agreement.

"Maximum Commitment" means, in respect of a Lender, such Lender's Participation Percentage multiplied by the Maximum PDP Loan Amount.

"Maximum LTV" has, in respect of an Aircraft the, meaning given to it in Clause 10.20(a) of the Credit Agreement.

"Maximum PDP Loan Amount" means, initially, an amount equal to [***], as such amount may be increased to an amount not to exceed [***] in accordance with Section 19.3(c)(ii) of the Credit Agreement.

"Mortgage" means the Eighth Amended and Restated Mortgage and Security Agreement dated as of the Effective Date, among the Borrower, the Facility Agent and the Security Trustee.

"Mortgage Collateral" means the Collateral as defined in the Granting clause of the Mortgage.

"Obligors" means each of the Borrower and each Guarantor (each an "Obligor").

"Operative Documents" means the Administration Agreement, the Credit Agreement, the Mortgage, the Loan Certificates, the Share Charge, the Guarantees, the Assigned Purchase Agreement, the Assignment and Assumption Agreement, the Step-In Agreement, the Engine Agreements, the Incremental A321neo Engine Consents, the Option Agreement, the Servicing Agreement, the Subordinated Loan Agreement, any Fee Letter and any amendments or supplements of any of the foregoing.

"Option Agreement" means the Option Agreement, dated as of the Original Signing Date, between Frontier Airlines and the Borrower.

"Original Credit Agreement" has the meaning specified for such term in the recitals to the Credit Agreement.

"Original Signing Date" means December 23, 2014.

"Parent" means Intertrust SPV (Cayman) Limited, a Cayman Islands company (as trustee of the Trust.).

"Part" means an appliance, component, part, instrument, accessory, furnishing or other equipment of any nature, including Buyer Furnished Equipment and Engines which is installed in, attached to or supplied with an Aircraft on the Delivery Date thereof.

"Participant" has the meaning specified in Clause 19.3(d) of the Credit Agreement.

"Participation Percentage" means in respect of each Lender, the percentage set forth for such Lender in Schedule II of the Credit Agreement.

"Party" means a party to the Credit Agreement.

"Past Due Rate" means a per annum rate equal to the Applicable Rate plus [***] calculated on the basis of a year of 360 days and actual number of days elapsed.

"PATRIOT Act" means the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)).

"Payment Recipient" has the meaning assigned to it in Section 15.1 in Schedule IV of the Credit Agreement.

"PDP Funding Date Deficiency" means, as of any date, any excess of (x) the sum of (i) the Loans then outstanding and (ii) any Financed Amount due to be paid on such date as set forth on Schedule III over (y) the Maximum PDP Loan Amount, after giving effect to any Equity Contribution scheduled to take place on such date and any repayment of the Loans on such date.

"Periodic Term SOFR Determination Day" has the meaning specified in the definition of "Term SOFR".

"Permitted Lien" means any Lien permitted under Clause 10.13 of the Credit Agreement.

"Person" means any individual, corporation, limited liability company, partnership, joint venture, association, joint-stock company, estate or trust, unincorporated organization or government or any agency or political subdivision thereof.

"Prime Rate" means the rate of interest per annum publicly announced from time to time by the Facility Agent as its prime rate in effect at its principal office in New York City. The Prime Rate is a reference rate and does not necessarily represent the lowest or best rate actually charged to any customer. The Facility Agent may make commercial loans or other loans at rates of interest at, above or below the Prime Rate. Any change in the Prime Rate shall take effect at the opening of business on the day specified in the public announcement of such change.

"Process Agent Appointment" means an appointment and acceptance of process agent pursuant to which the Borrower appoints Corporation Service Company as agent for service of process in connection with the transactions contemplated by the Operative Documents.

"Prospective International Interest" is defined in the Cape Town Convention.

"PTE" means a prohibited transaction class exemption issued by the U.S. Department of Labor, as any such exemption may be amended from time to time.

"Purchase Price Installment" has the meaning given to the term Pre-Delivery Payment Amount in the Assigned Purchase Agreement.

"QFC" has the meaning specified in Section 23.1 of the Credit Agreement.

"QFC Credit Support" has the meaning specified in Section 23 of the Credit Agreement.

"Regulation D" means Regulation D of the Board of Governors of the Federal Reserve System (or any successor), as the same may be modified and supplemented and in effect from time to time.

"Regulatory Change" means, with respect to any Lender, any change that occurs after the Original Signing Date in Federal, state or foreign law or regulations (including Regulation D) or the adoption or making after such date of any interpretation, directive or request applying to a class of banks or financial institutions including such Lender of or under any Federal, state or foreign law

or regulations (whether or not having the force of law and whether or not failure to comply therewith would be unlawful so long as compliance therewith is standard banking practice in the relevant jurisdiction) by any court or governmental or monetary authority charged with the interpretation or administration thereof. For the avoidance of doubt, the coming into effect of any applicable law or regulations, policies, orders, directives or guidelines issued by any governmental body, central bank, monetary authority or other regulatory organization (whether or not having the force of law) with respect to, arising out of, or in connection with (a) Basel II, (b) Basel III or (c) the Dodd Frank Wall Street Reform and Consumer Protection Act shall be deemed a Regulatory Change.

"Relevant Delay" has the meaning specified in Clause 10.12 of the Credit Agreement.

"Relevant Governmental Body" means the Federal Reserve Board or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board or the Federal Reserve Bank of New York, or any successor thereto.

"Replacement Purchase Agreement" means collectively, the Airbus Purchase Agreement as amended and restated in the terms set forth in Schedule 4 to the Step-In Agreement.

"Required Specification" means:

- (a) in respect of each A320neo Aircraft, a maximum takeoff weight of [***] tonnes and with CFM Leap-X1A engines installed thereon;
- (b) in respect of the A321neo Aircraft, other than an Incremental A321neo Aircraft, a maximum takeoff weight of [***] tonnes with PW1133GA-JM engines installed thereon; and
- (c) in respect of an Incremental A321neo Aircraft, (i) a maximum takeoff weight of [***] tonnes with (ii) manufacturer and model of Engines installed thereon, in the case of clause (ii), reasonably acceptable to the Facility Agent and certified by Frontier Airlines in writing in respect of an Incremental A321neo Aircraft.

"Reserve Requirement" means, for any Loan Certificate, the average maximum rate at which reserves (including, without limitation, any marginal, supplemental or emergency reserves) are required to be maintained during the Interest Period in respect of such Loan Certificate under Regulation D by member banks of the Federal Reserve System in New York City with deposits exceeding one billion Dollars against "Eurocurrency liabilities" (as such term is used in Regulation D). Without limiting the effect of the foregoing, the Reserve Requirement includes any other reserves required to be maintained by such member banks by reason of any Regulatory Change with respect to (i) any category of liabilities that includes deposits by reference to which Term SOFR is to be determined or (ii) any category of extensions of credit or other assets that includes the Loan Certificates.

"Resolution Authority" has the meaning specified in Section 22.3 of the Credit Agreement.

"Sanctioned Jurisdiction" means any country or territory that is the subject of comprehensive Sanctions broadly restricting or prohibiting dealings with, in or involving such country or territory (currently, Iran, Cuba, Syria, North Korea and the Crimea, Donetsk, Luhansk and non-government controlled Zaporizhzhia and Kherson regions of Ukraine).

"Sanctioned Person" means any individual or entity (a) identified on a Sanctions List, (b) organized, domiciled or resident in a Sanctioned Jurisdiction, or (c) otherwise the target of Sanctions (target of Sanctions signifying a person with whom a U.S., UK or EU person would be prohibited or restricted by law from engaging in trade, business or other activities, including by reason of ownership or control by one or more individuals or entities described in clauses (a) or (b)).

"Sanctions" means any economic or financial sanctions or trade embargoes imposed, administered or enforced by (a) the U.S. (including OFAC, the U.S. Department of Commerce and U.S.



Department of State), (b) the United Nations Security Council, (c) the European Union (and each of its member states insofar as any Sanctions administered by the European Union require implementation or enforcement thereof by such member state), (d) the United Kingdom (including His Majesty's Treasury), or (e) any other Governmental Authority having jurisdiction over the Borrower, the Facility Agent or the Lenders.

"Sanctions List" means any list of designated individuals or entities that are the subject of Sanctions, including (a) the Specially Designated Nationals and Blocked Persons List maintained by OFAC, the Entity List maintained by the U.S. Department of Commerce, or any other similar publicly available list of any U.S. Governmental Authority to implement sanctions programs, (b) the Consolidated United Nations Security Council Sanctions List, (c) the consolidated list of persons, groups and entities subject to European Union financial sanctions maintained by the European Union or any of its member states insofar as any Sanctions administered by the European Union require implementation or enforcement thereof by such member state (d) the Consolidated List of Financial Sanctions Targets in the United Kingdom maintained by His Majesty's Treasury and (e) any other similar publicly available list of any applicable Governmental Authority having jurisdiction over the Borrower, the Facility Agent or the Lenders to implement sanctions programs.

"Scheduled Delivery Date" means, for each Aircraft, the date notified by Airbus to the Borrower provided that such date may not be any later than the last day of the Scheduled Delivery Month in respect of such Aircraft.

"Scheduled Delivery Month" means, in respect of an Aircraft, the month which corresponds to such Aircraft in the column entitled "Scheduled Delivery Month" in the table set out in Schedule III to the Credit Agreement.

"SCN" means a "Specification Change Notice" as defined in the Aircraft Purchase Agreement.

"Secured Obligations" means any and all moneys, liabilities and obligations which are now or at any time hereafter may be expressed to be due, owing or payable by the Borrower, the Parent and each Guarantor to the Lenders and/or any Agent in any currency, actually or contingently, with another or others, as principal or surety, on any account whatsoever under any Operative Document or as a consequence of any breach, non-performance, disclaimer or repudiation by the Borrower, any Guarantor or the Parent (or by a liquidator, receiver, administrative receiver, administrator, or any similar officer in respect of any of them) of any of their obligations to the Lenders and/or any Agent under any Operative Document.

"Securities Act" means the Securities Act of 1933, as amended.

"Security Trustee" means Bank of Utah, not in its individual capacity but solely as Security Trustee on behalf of the Facility Agent and the Lenders under the Credit Agreement, and any successor thereto in such capacity.

"Security Trustee Fee Letter" means the Bank of Utah fee letter dated on or about the Original Signing Date by the Security Trustee.

"Servicing Agreement" means the Amended and Restated Servicing Agreement dated as of August 11, 2015, between the Borrower and Frontier Airlines.

"Share Charge" means the Share Charge dated the Original Signing Date, among the Parent and the Security Trustee, as confirmed pursuant to each Deed of Confirmation.

"SOFR" means a rate equal to the secured overnight financing rate as administered by the SOFR Administrator.

"SOFR Administrator" means the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

"SOFR Loan" means a Loan that bears interest at a rate based on Term SOFR, other than pursuant to clause (c) of the definition of "ABR".

"Step-In Agreement" means the Amended and Restated Step-In Agreement dated as of December 28, 2021, as amended by the Amendment Agreement dated March 21, 2022, as further amended

20, 2021, as amended by the Amendment Agreement dated March 31, 2022, as further amended by the Second Amendment to Step-In Agreement dated June 30, 2022, as further amended by the Third Amendment to Step-In Agreement dated as of the Effective Date, among the Borrower, as buyer, the Security Trustee, as assignee, and Airbus and as supplemented by the Side Agreement to the Step-In Agreement dated as of the Effective Date between the Security Trustee and Airbus.

"Step-In Event" has the meaning given to it in the Step-In Agreement.

"Subordinated Loan Agreement" means the Subordinated Loan Agreement, dated as of the Original Signing Date, between Frontier Airlines and the Borrower and the Subordinated Promissory Note dated the Original Signing Date, issued by the Borrower thereunder.

"Supported QFC" has the meaning specified in Section 23 of the Credit Agreement.

"Tax" or "Taxes" means any and all present or future fees (including, without limitation, license, documentation and registration fees), taxes (including, without limitation, income, gross receipts, sales, rental, use, turnover, value added, property (tangible and intangible), excise and stamp taxes), licenses, levies, imposts, duties, recording charges or fees, charges, assessments, or withholdings of any nature whatsoever, together with any assessments, penalties, fines, additions to tax and interest thereon.

"Term SOFR" means for any calculation with respect to a SOFR Loan and with respect to any Interest Period, the rate per annum which results from interpolating on a linear basis between the longest maturity for which a Screen Rate is available that is shorter than such Interest Period and the applicable Screen Rate for the shortest maturity for which a screen rate is available that is longer than such Interest Period, which "Screen Rate" shall be the Term SOFR Reference Rate for a tenor comparable to the applicable Interest Period on the day (such day, the "Periodic Term SOFR Determination Day") that is [***] U.S. Government Securities Business Days prior to the first day of such Interest Period, as such rate is published by the Term SOFR Administrator; provided, however, that if as of [***] on any Periodic Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then the Screen Rate will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor

was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than [***] U.S. Government Securities Business Days prior to such Periodic Term SOFR Determination Day; provided, further, that if Term SOFR determined as provided above shall ever be less than the Floor, then Term SOFR shall be deemed to be the Floor.

"Term SOFR Administrator" means CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR Reference Rate selected by the Administrative Agent in its reasonable discretion).

"Term SOFR Reference Rate" means the forward-looking term rate based on SOFR.

"Termination Date" means the date that is 6 months following the then-current Commitment Termination Date.

"Transferee" means any person to whom the Collateral or any of it is transferred in accordance with the terms of the Credit Agreement, the Mortgage or the Step-In Agreement.

"Trust" means the Vertical Horizons, Ltd. Charitable Trust.

"U.S. Government Securities Business Day" means any day except for (a) a Saturday, (b) a Sunday or (c) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

"U.S. Special Resolution Regimes" has the meaning specified in Section 23 of the Credit Agreement.

"UK Financial Institution" has the meaning specified in Section 22.3 of the Credit Agreement.

"UK Resolution Authority" has the meaning specified in Section 22.3 of the Credit Agreement.

"Unadjusted Benchmark Replacement" means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

"Unrestricted Cash and Cash Equivalents" means at any date in respect of Frontier Group Holdings, the sum of (a) the undrawn portion available under any revolving, delayed draw or similar credit facilities, in each case that have a maturity of one (1) year or more from such date, (b) available liquidity and (c) the cash and cash equivalents (in each case, as such terms are defined by GAAP) of Frontier Group Holdings on a consolidated based, that may be in each case (i) classified as "unrestricted" in accordance with GAAP on the consolidated balance sheets of Frontier Group Holdings or (ii) classified in accordance with GAAP as "restricted" on the consolidated balance sheets of the Guarantor solely in favor of the Security Trustee and the Lenders, provided that if Frontier Group Holdings agrees to any more onerous definition pursuant to any financial covenant in any agreement to which it is a party, this definition shall be deemed to be deleted and replaced with such other definition.

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"VAT" means a consumption tax, value added tax, goods and services tax or similar tax, however it may be described.

"Withholding Taxes" means a deduction or withholding for or on account of Tax from a payment under an Operative Document.

"Write-Down and Conversion Powers" has the meaning specified in Section 22.3 of the Credit Agreement.

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[Citi/Frontier A320neo/A321neo PDP Ninth Amended and Restated Credit Agreement]



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

Exhibit 10.4

C L I F F O R D
C H A N C E

CLIFFORD CHANCE US LLP

EXECUTION VERSION

DATED AS OF OCTOBER 13, 2023

VERTICAL HORIZONS, LTD.,
AS BORROWER

EACH LENDER
IDENTIFIED ON THE SIGNATURE PAGE HERETO
AS LENDERS

CITIBANK, N.A.,
AS FACILITY AGENT

CITIBANK, N.A.
AS ARRANGER

BANK OF UTAH,
NOT IN ITS INDIVIDUAL CAPACITY BUT SOLELY
AS SECURITY TRUSTEE

AMENDMENT NO. 1 TO NINTH AMENDED AND
RESTATED CREDIT AGREEMENT DATED AS OF
AUGUST 11, 2023
IN RESPECT OF THE PDP FINANCING OF
THIRTY-THREE (33) AIRBUS A320NEO AIRCRAFT
AND SEVENTY-SIX (76) AIRBUS A321NEO
AIRCRAFT

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THIS AMENDMENT NO. 1 TO NINTH AMENDED AND RESTATED CREDIT AGREEMENT dated as of October 13, 2023 (this "Amendment") is among

- (1) VERTICAL HORIZONS, LTD., an exempted company incorporated with limited liability pursuant to the laws of the Cayman Islands (the "Borrower");
- (2) EACH LENDER IDENTIFIED ON THE SIGNATURE PAGE HERETO;
- (3) CITIBANK, N.A., as the Facility Agent acting on behalf of the Lenders;
- (4) CITIBANK, N.A., in its capacity as the Arranger (the "Arranger"); and
- (5) BANK OF UTAH, not in its individual capacity but solely as Security Trustee acting on behalf of the Facility Agent and the Lenders.

WHEREAS, certain parties hereto entered into the ninth amended and restated credit agreement dated as of August 11, 2023 (as amended, supplemented and otherwise modified from time to time, the "Credit Agreement"), among the Borrower, each Lender identified on Schedule I thereto, the Facility Agent, the Arranger and the Security Trustee, pursuant to which the Lenders made Loans available with respect to the Aircraft;

WHEREAS, the parties hereto now wish to amend the Credit Agreement as more particularly set forth herein; and

NOW, THEREFORE, in consideration of the mutual agreements herein contained, the parties hereto agree as follows:

1. CERTAIN DEFINITIONS

1.1 Except as otherwise defined in this Amendment, terms used herein in capitalized form shall have the meanings attributed thereto in the Credit Agreement.

1.2 Unless the context otherwise requires, any reference herein to any of the Operative Documents refers to such document as it may be modified, amended or supplemented from time to time in accordance with its terms and the terms of each other agreement restricting the modification, amendment or supplement thereof.

2. AMENDMENTS

As of the date on which all of the conditions precedent listed in Clause 3 are either satisfied or waived in writing by the Facility Agent (hereinafter referred to as, the "Effective Date") the Credit Agreement shall be amended as follows:

- 2.1 Clause 10.22 of the Credit is hereby amended by replacing all references to "September 30, 2023" with "June 30, 2024".
- 2.2 Schedule III of the Credit Agreement is hereby deleted in its entirety and replaced in the form of Schedule III attached hereto.

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3. CONDITIONS PRECEDENT

It is agreed that the effectiveness of this Amendment is subject to the fulfillment of the following conditions precedent:

- 3.1 this Amendment shall have been duly authorized, executed and delivered by the parties hereto, shall each be satisfactory in form and substance to the Facility Agent and shall be in full force and effect and executed counterparts shall have been delivered to the Facility Agent and its counsel;
- 3.2 no Default or Event of Default shall have occurred and be continuing;
- 3.3 each Guarantee shall be in full force and effect after giving effect to this Amendment; and
- 3.4 the Loans have not become due and payable or will, with the passing of time, become due and payable pursuant to clause 5.9(c), (d), or (e) of the Credit Agreement.

4. REFERENCE TO AND EFFECT ON THE CREDIT AGREEMENT

The Credit Agreement, as specifically amended by this Amendment, shall continue to be in full force and effect. This Amendment shall not constitute an amendment or waiver of any other provision of the Credit Agreement or the other Operative Documents not expressly referred to herein.

5. MISCELLANEOUS

- 5.1 This Amendment shall in all respects be governed by, and construed in accordance with, the law of the State of New York.
- 5.2 This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Agreement by e-mail (PDF) or telecopy shall be effective as delivery of a manually executed counterpart of this Agreement. A party's electronic signature (complying with the New York Electronic Signatures and Records Act (N.Y. State Tech. §§ 301-309), as amended from time to time, or other applicable law) shall have the same validity and effect as a signature affixed by the party's hand.
- 5.3 The provisions of the Credit Agreement with respect to delivery of notices, jurisdiction, service of process, waiver of trial by jury, venue and inconvenient forum are incorporated in this Amendment by reference as if such provisions were set forth herein.

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5.4 This Amendment shall be deemed an “Operative Document” as such term is defined in Annex A to the Credit Agreement.

[signature pages follow]

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

BORROWER

VERTICAL HORIZONS, LTD., Borrower

By: /s/ Rachel Fisher
Name: Rachel Fisher
Title: Director

Amendment No. 1 to Ninth Amended and Restated Credit Agreement (Citi/Frontier PDP)
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SECURITY TRUSTEE

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

By: /s/ Jon Croasmun
Name: Jon Croasmun
Title: Senior Vice President

Amendment No. 1 to Ninth Amended and Restated Credit Agreement (Citi/Frontier PDP)

FACILITY AGENT

CITIBANK, N.A., as Facility Agent

By: /s/ Justin Green _____

Name: Justin Green

Title: Vice President



LENDERS

CITIBANK, N.A., as Lender and Arranger

By: /s/ Justin Green

Name: Justin Green

Title: Vice President

Amendment No. 1 to Ninth Amended and Restated Credit Agreement (Citi/Frontier PDP)
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MORGAN STANLEY SENIOR FUNDING
INC., as a Lender

By: /s/ Jack Kuhns

Name: Jack Kuhns

Title: Vice President

Amendment No. 1 to Ninth Amended and Restated Credit Agreement (Citi/Frontier PDP)
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BARCLAYS BANK PLC, as a Lender

By: /s/ Charlene Saldanha
Name: Charlene Saldanha
Title: Vice President

DEUTSCHE BANK AG NEW YORK
BRANCH, as a Lender

By: /s/ Philip Tancorra
Name: Philip Tancorra
Title: Director
[***]

By: /s/ Lauren Danbury
Name: Lauren Danbury
Title: Vice President



CREDIT AGRICOLE CIB, as a Lender

By: /s/ Brian Bolotin _____
Name: Brian Bolotin
Title: Managing Director

By: /s/ Cecilia Park _____
Name: Cecilia Park
Title: Managing Director

Amendment No. 1 to Ninth Amended and Restated Credit Agreement (Citi/Frontier PDP)
US-DOCS145748532.1

NATIXIS, NEW YORK BRANCH, as a Lender

By: /s/ Anthony Perna _____
Name: Anthony Perna
Title: Director

By: /s/ Akhilesh Kumar _____
Name: Akhilesh Kumar
Title: Director

Each Guarantor hereby acknowledges and agrees that notwithstanding the amendments contemplated by this Amendment, each Guarantee shall remain in full force and effect and shall be a guarantee of the Borrower's obligations as amended by this Amendment.

Acknowledged and agreed:

GUARANTORS

FRONTIER AIRLINES HOLDINGS, INC., as a Guarantor

By: /s/ Howard Diamond
Name: Howard Diamond
Title: SVP, General Counsel & Secretary

FRONTIER AIRLINES, INC., as a Guarantor

By: /s/ Howard Diamond
Name: Howard Diamond
Title: SVP, General Counsel & Secretary

FRONTIER GROUP HOLDINGS, INC., as a Guarantor

By: /s/ Howard Diamond
Name: Howard Diamond
Title: SVP, General Counsel & Secretary

Amendment No. 1 to Ninth Amended and Restated Credit Agreement (Citi/Frontier PDP)
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SCHEDULE III
ADVANCES

Amendment No. 1 to Ninth Amended and Restated Credit Agreement (Citi/Frontier PDP)

DATED AS OF AUGUST 11, 2023

FRONTIER AIRLINES INC.
AS GUARANTOR

AND

BANK OF UTAH
NOT IN ITS INDIVIDUAL CAPACITY BUT SOLELY
AS SECURITY TRUSTEE

NINTH AMENDED AND RESTATED GUARANTEE
IN RESPECT OF THE PDP FINANCING OF THIRTY-
THREE (33) AIRBUS A320NEO AIRCRAFT AND
SEVENTY-SIX (76) AIRBUS A321NEO AIRCRAFT

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THIS NINTH AMENDED AND RESTATED GUARANTEE (as amended, modified or supplemented in accordance with the terms hereof, this "Guarantee"), dated as of August 11, 2023, is made

BY:

- (1) **FRONTIER AIRLINES, INC.**, incorporated in Colorado (together with its successors and its permitted assigns, the "Guarantor");

in favor of

- (2) **BANK OF UTAH**, not in its individual capacity but solely, as security trustee (in such capacity, the "Security Trustee") for and on behalf of itself, the Facility Agent (as defined in the Credit Agreement referred to below) and each lender (each a "Lender" and collectively, the "Lenders") which is a party to the Ninth Amended and Restated Credit Agreement, dated as of the date hereof (as amended, modified or supplemented from time to time, the "Credit Agreement"), among Vertical Horizons, Ltd., as borrower (the "Borrower"), the Facility Agent, the Lenders and the Security Trustee.

WITNESSETH:

WHEREAS:

- (A) This Guarantee amends and restates in its entirety the Eighth Amended and Restated Guarantee dated as of June 30, 2022 and executed by the Guarantor in favor of the Security Trustee;
- (B) The Borrower entered into the Credit Agreement for the purpose of financing certain pre-delivery payment obligations in respect of thirty-three (33) Airbus A320neo and seventy-six (76) Airbus A321neo Aircraft; and
- (C) It is a condition precedent to the entering into of the transactions contemplated by the Credit Agreement that the Guarantor shall have executed and delivered this Guarantee.

NOW, THEREFORE, in consideration of the premises and other consideration, the receipt and sufficiency of which are hereby acknowledged by the Guarantor, the Guarantor hereby agrees as follows:

1. DEFINITIONS

- (a) Capitalized terms used and not otherwise defined herein shall have the meaning assigned to such terms in the Credit Agreement.
- (b) Unless the context otherwise requires, any reference herein to any of the Operative Documents refers to such document as it may be modified, amended or supplemented from time to time in accordance with its terms and the terms of each other agreement restricting the modification, amendment or supplement thereof.

2. GUARANTEE

- (a) The Guarantor hereby irrevocably, absolutely and unconditionally guarantees, as primary obligor and as a guarantor of payment and not merely as surety or guarantor of

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collection, to the Security Trustee, the Facility Agent and each Lender, (i) the full and prompt payment by the Borrower when due of the Secured Obligations incurred by the Borrower and pursuant to the Operative Documents, strictly in accordance with the terms of the Operative Documents, and (ii) the full and timely performance of, and compliance with, each and every duty, agreement, undertaking, indemnity and obligation of the Borrower under the Operative Documents strictly in accordance with the terms thereof, in each case, however created, arising or evidenced, whether direct or indirect, primary or secondary, absolute or contingent, joint or several and whether now or hereafter existing or due or to become due (such payment and other obligations described in paragraphs (i) and (ii) being referred to herein as the "Liabilities").

- (b) The Guarantor further agrees to pay any and all reasonable costs and expenses (including, without limitation, all reasonable fees and disbursements of counsel) that may be paid or incurred by the Security Trustee, the Facility Agent and/or one or more of the Lenders in enforcing any rights with respect to, or collecting, any or all of the Liabilities or enforcing any rights with respect to, or collecting against, the Guarantor hereunder together with interest at the Past Due Rate specified in the Credit Agreement from the date when such expenses are so incurred to the date of actual payment thereof. Without limiting the generality of the foregoing, the liability of the Guarantor hereunder shall extend to all amounts which constitute part of the Liabilities and would be owed by the Borrower but for the fact that such amounts are unenforceable or not allowable due to any circumstance whatsoever or due to the existence of a bankruptcy, suspension of payments, reorganization or similar proceeding involving the Borrower.

3. GUARANTEE ABSOLUTE

- (a) This Guarantee shall constitute a guarantee of payment and of performance and not of collection, and the Guarantor specifically agrees that it shall not be necessary, and that the Guarantor shall not be entitled to require, before or as a condition of enforcing the obligations of the Guarantor under this Guarantee or requiring payment or performance of the Liabilities by the Guarantor hereunder, or at any time thereafter, that any Person: (i) file suit or proceed to obtain or assert a claim for personal judgment against the Borrower or any other Person that may be liable for any Liabilities; (ii) make any other effort to obtain payment or performance of any Liabilities from the Borrower or any other Person that may be liable for such Liabilities; (iii) foreclose against or seek to realize upon the Collateral or any other security now or hereafter existing for such Liabilities; (iv) exercise or assert any other right or remedy to which such Person is or may be entitled in connection with any Liabilities or any security or other guarantee therefor; or (v) assert or file any claim against the assets of any other Person liable for any Liabilities. Notwithstanding anything herein to the contrary, no provision of this Guarantee shall require the Guarantor to pay, perform or discharge any Liabilities prior to the time such Liabilities are due and payable. When making any demand hereunder against the Guarantor, none of the Security Trustee, the Facility Agent or any Lender need make a similar demand on the Borrower; provided that any failure by the Security Trustee, the Facility Agent or any Lender to make any such demand or to collect any payments from the Borrower shall not relieve the Guarantor of its obligations or liabilities hereunder and shall not impair or affect the rights and remedies, express or implied, or as a matter of law, of the Security Trustee, the Facility Agent and/or such Lender against the Guarantor. The Security Trustee, the Facility Agent and/or the Lenders may in all events pursue its rights under this Guarantee prior to or

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simultaneously with pursuing its various rights referred to in the Credit Agreement and the other Operative Documents, as the Security Trustee, the Facility Agent and/or such Lender may determine.

- (b) The Guarantor agrees that this Guarantee shall be continuing until the indefeasible payment in full of all Secured Obligations and the Guarantor guarantees that the Liabilities will be paid and performed strictly in accordance with the terms of the Operative Documents, regardless of any law, regulation or order now or hereafter in effect in any jurisdiction affecting any of such terms or the rights of the Security Trustee, the Facility Agent and/or the Lenders with respect thereto. If for any reason the Borrower shall fail to fully and timely pay or perform and discharge any Liabilities to be paid or performed by the Borrower (whether affirmative or negative in character), the Guarantor shall promptly on demand by the Security Trustee, the Facility Agent and/or any Lender pay or perform or cause to be paid or performed, as the case may be, such Liabilities. Each of the obligations of the Guarantor under this Guarantee is separate and independent of each other obligation of the Guarantor under this Guarantee and separate and independent of the Liabilities, and the Guarantor agrees that a separate action or actions may be brought and prosecuted against the Guarantor to enforce this Guarantee, irrespective of whether any action is brought against the Borrower is joined in any such action or actions. The obligations of the Guarantor shall be continuing and irrevocable, absolute and unconditional, primary and original and immediate and not contingent and shall remain in full force and effect without regard to and not be released, discharged or in any way affected by any circumstance or condition (other than by payment in full of the Liabilities) including, without limitation, the occurrence of any one or more of the following:
- (i) any lack of validity or enforceability of any of the Liabilities under the Operative Documents or any document entered into in connection with the transactions contemplated thereby, any provision thereof, or any other agreement or instrument relating thereto or the absence of any action to enforce the same;
 - (ii) any failure, omission, delay or lack on the part of the Security Trustee, the Facility Agent and/or the Lenders to enforce, assert or exercise any right, power, privilege or remedy conferred on the Security Trustee, the Facility Agent and/or the Lenders in the Credit Agreement, the Security Agreement, or any other Operative Document, or the inability of the Security Trustee, the Facility Agent and/or the Lenders to enforce any provision of any Operative Document for any reason, or any other act or omission on the part of the Security Trustee, the Facility Agent or any Lender;
 - (iii) any change in the time, manner or place of performance or of payment, or in any other term of, all or any of the Liabilities, or any other modification, supplement, amendment or waiver of or any consent to departure from the terms and conditions of any of the Operative Document or any document entered into in connection with the transactions contemplated thereby;
 - (iv) any taking, exchange, release or non-perfection of the Collateral or any other collateral or security, or any taking, release or amendment or waiver of or consent to departure from any other guarantee, for all or any of the Liabilities or the acceptance of any security therefor;
 - (v) the waiver by the Security Trustee, the Facility Agent and/or any Lender of the performance or observance by the Borrower of any of the Liabilities, the waiver of any default in the performance or observance thereof, any extension by the Security Trustee, the Facility Agent and/or any Lender of the time for payment or performance and discharge by the Borrower of any Liabilities or any extension, indulgence or renewal of any Liabilities;
 - (vi) any bankruptcy, suspension of payments, insolvency, sale of assets, winding-up, dissolution, liquidation, receivership or reorganization of, or similar proceedings involving, the Borrower or its assets or any resulting release or discharge of any of the Liabilities;
 - (vii) the recovery of any judgment against any Person or any action to enforce the same;

- (viii) any failure or delay in the enforcement of the Liabilities of any Person under the Operative Documents or any document entered into in connection with the transactions contemplated by the Operative Documents or any provision thereof;
- (ix) any set-off, counterclaim, deduction, defense, abatement, suspension, deferment, diminution, recoupment, limitation or termination available with respect to any Liabilities and, to the extent permitted by applicable law, irrespective of any other circumstances that might otherwise limit recourse by or against the Guarantor or any other Person;
- (x) the obtaining, the amendment or the release of or consent to any departure from the primary or secondary obligation of any other Person, in addition to the Guarantor, with respect to any Liabilities;
- (xi) any compromise, alteration, amendment, modification, extension, renewal, release or other change, or waiver, consent or other action, or delay or omission or failure to act, in respect of any of the terms, covenants or conditions of any Operative Document or any document entered into in connection with the transactions contemplated by any Operative Document, or any other agreement or any related document referred to therein, or any assignment or transfer of any thereof (including, without limitation, any Benchmark Replacement Conforming Changes or any other modifications or other amendments delivered or otherwise implemented or effected (automatically or otherwise) in accordance with or in furtherance of this Section titled "Benchmark Replacement Setting" under the Credit Agreement);
- (xii) any manner of application of Collateral or Proceeds thereof, to all or any of the Liabilities, or any manner of sale or other disposition of any Collateral, or any furnishing or acceptance of additional collateral;
- (xiii) any change in control in the ownership of the Borrower, any change, merger, demerger, consolidation, restructuring or termination of the corporate structure or existence of the Borrower;

- (xiv) to the fullest extent permitted by applicable law, any other circumstance which might otherwise constitute a defense available to, or a discharge of, a guarantor or surety with respect to any Liabilities;
- (xv) any default, failure or delay, whether as a result of actual or alleged force majeure, commercial impracticability or otherwise, in the performance of the Liabilities, or by any other act or circumstances which may or might in any manner or to any extent vary the risk of the Guarantor, or which would otherwise operate as a discharge of the Guarantor;
- (xvi) the existence of any other obligation of the Guarantor, or any limitation thereof, in any Operative Document;
- (xvii) any regulatory change or other governmental action (whether or not adverse); or
- (xviii) the partial payment or performance of the Liabilities (whether as a result of the exercise of any right, remedy, power or privilege or otherwise) or the invalidity of any payment for any reason whatsoever.

Should any money due or owing under this Guarantee not be recoverable from the Guarantor due to any of the matters specified in paragraphs (i) through (xviii) above or for any other reason, then, in any such case, such money shall nevertheless be recoverable from the Guarantor as though the Guarantor were principal debtor in respect thereof and not merely a guarantor and shall be paid by the Guarantor forthwith.

- (c) This Guarantee shall continue to be effective or be automatically reinstated, as the case may be, if at any time any payment, or any part thereof, of any of the Liabilities is rescinded or must otherwise be restored or returned by the Security Trustee, the Facility Agent and/or any Lender for any reason whatsoever, whether upon the insolvency, bankruptcy, dissolution, liquidation or reorganization of the Borrower or otherwise, all as though such payment had not been made, and the Guarantor agrees that it will indemnify the Security Trustee, the Facility Agent and each Lender on demand for all reasonable costs and expenses (including, without limitation, fees and disbursement of counsel) incurred by any such Person in connection with such rescission or restoration. If an event permitting the exercise of remedies under the Operative Documents shall at

any time have occurred and be continuing and such exercise, or any consequences thereof provided in any Operative Document, shall at such time be prevented by reason of the pendency against the Borrower of a case or proceeding under a bankruptcy or insolvency law, the Guarantor agrees that, for purposes of this Guarantee and its obligations hereunder, amounts payable under the Operative Documents shall be deemed to have been declared in default, with all attendant consequences as provided in the Operative Documents as if such declaration of default and the consequences thereof had been accomplished in accordance with the terms of the Credit Agreement and the other Operative Documents, and the Guarantor shall forthwith pay any amounts guaranteed hereunder, without further notice or demand.

4. WAIVER

To the fullest extent permitted by applicable law, the Guarantor hereby expressly and irrevocably waives diligence, promptness, demand for payment or performance, filing

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of claims with any court, any proceeding to enforce any provision of the Operative Documents, notice of acceptance of and reliance on this Guarantee by the Security Trustee, the Facility Agent and each Lender, notice of the creation of any liabilities of the Borrower, any requirement that the Security Trustee, the Facility Agent or any Lender protect, secure, perfect or insure any security interest or Lien on the Collateral or any property subject thereto, any right to require a proceeding first against the Borrower, whether to marshal any assets or to exhaust any right or take any action against the Borrower or any other Person or entity or any collateral or otherwise, any diligence in collection or protection of or realization upon any Liabilities, any obligation hereunder or any collateral security for any of the foregoing, any right of protest, presentment, notice or demand whatsoever, all claims of waiver, release, surrender, alteration or compromise, and all defenses, set-offs, counterclaims, recoupments, reductions, limitations, impairments or terminations, whether arising hereunder or otherwise.

5. CERTAIN ACTIONS

The Security Trustee, the Facility Agent and each Lender may, from time to time at its sole discretion and without notice to the Guarantor, take any or all of the following actions without affecting the obligations of the Guarantor hereunder: (i) retain or obtain a lien upon a security interest in any substitutions or replacements to the Collateral; (ii) retain or obtain the primary or secondary obligation of any obligor or obligors, in addition to the Guarantor, with respect to any of the Liabilities or any obligation hereunder; (iii) with consent of the Borrower, extend or renew for one or more periods (regardless of whether longer than the original period), alter or exchange any of the Liabilities, or release or compromise any obligation of the Guarantor hereunder or any obligation of any nature of any other obligor (including the Security Trustee) with respect to any of the Liabilities; (iv) release or fail to perfect any Lien upon or security interest in, or impair, surrender, release or permit any substitution or exchange for, all or any part of any property securing any of the Liabilities or any obligation hereunder, or extend or renew for one or more periods (regardless of whether longer than the original period) or release, compromise, alter or exchange any obligations of any nature of any obligor with respect to any such property; and (v) resort to the Guarantor for payment of any of the Liabilities, regardless of whether the Security Trustee, the Facility Agent or the Lender, as the case may be, shall have resorted to any property securing any of the Liabilities or any obligation hereunder or shall have proceeded against any other obligor primarily or secondarily obligated with respect to any of the Liabilities.

6. SUBROGATION

Any amounts received by the Security Trustee, the Facility Agent or any Lender from whatsoever source on account of the Liabilities may be applied by it toward the payment of such of the Liabilities, and in such order of application, as the Security Trustee, the Facility Agent or such Lender may from time to time elect. No payment made by or for the account of the Guarantor pursuant to this Guarantee shall entitle the Guarantor by subrogation, indemnity or otherwise to any payment by the Security Trustee, the Facility Agent or the Lender, as the case may be, from or out of any property of such Person, and the Guarantor shall not exercise any right or remedy against the Security Trustee, the Facility Agent or the Lender, as the case may be, or

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any property of such Person by reason of any performance by the Guarantor of this Guarantee.

7. RIGHTS OF THIRD PARTIES; SET-OFF

- (a) This Guarantee is made only for the benefit of, and shall be enforceable only by, the Security Trustee, the Facility Agent and each Lender, and this Guarantee shall not be construed to create any right in any Person other than the Security Trustee, the Facility Agent and each Lender to be a contract in whole or in part for the benefit of any Person other than the Security Trustee, the Facility Agent and each Lender.
- (b) Upon the occurrence of any Event of Default, the Guarantor hereby irrevocably authorizes the Security Trustee, the Facility Agent, each Lender and each of their respective Affiliates, at any time and from time to time without notice to the Guarantor, any such notice being expressly waived by the Guarantor, to set-off and appropriate and apply any and all assets, at any time held or owing by the Guarantor or any of its Affiliates to, or for the credit of the account of the Guarantor, or any part thereof in such amounts as the Security Trustee, the Facility Agent or such Lender, as the case may be, may elect, against and on account of the obligations and liabilities of the Guarantor to the Security Trustee, the Facility Agent and each Lender hereunder of every nature and description of the Security Trustee, the Facility Agent and each Lender. The Security Trustee, the Facility Agent or applicable Lender shall notify the Guarantor promptly of any such set-off and the application made by them, provided that the failure to give such notice shall not affect the validity of such set-off and application. The rights of the Security Trustee, the Facility Agent and each Lender under this Clause are in addition to other rights and remedies (including, without limitation, other rights of set-off) which the Security Trustee, the Facility Agent and the Lenders may have.

8. REPRESENTATIONS AND WARRANTIES

The Guarantor represents and warrants to the Security Trustee, the Facility Agent and each Lender as follows:

(a) Access to Information

The Guarantor has and will continue to have independent means of obtaining information concerning the Borrower's affairs, financial condition and business. None of the Security Trustee, the Facility Agent or any Lender shall have any duty or responsibility to provide the Guarantor with any credit or other information concerning the Borrower's affairs, financial condition or business which may come into the possession of the Security Trustee, the Facility Agent or any Lender.

(b) Organization

It is a company duly organized and validly existing under the laws of the state of Colorado, with organizational power and authority to own its properties and to conduct its business as such properties are presently owned and such business is presently conducted.

(c) Due Qualification

It is duly licensed, qualified and authorized to do business and is in good standing in each jurisdiction where the ownership, leasing or operation of its property or the conduct of its business requires such license, qualification or authorization except for failures to be so qualified which, individually or in the aggregate, could not reasonably be expected to have a material adverse effect on the business, operations, property, assets, liabilities, financial condition or prospects of the Guarantor.

(d) Power and Authority; Due Authorization

It has (i) all necessary power, authority and legal right to execute, deliver and perform its obligations under this Guarantee and (ii) duly authorized by all necessary organizational action such execution, delivery and performance of this Guarantee.

(e) Binding Obligations

This Guarantee constitutes the legal, valid and binding obligation of the Guarantor, enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization or other similar laws affecting the enforcement of creditors' rights generally and by general principles of equity, regardless of whether such enforceability is considered in a proceeding in equity or at law.

(f) No Violation

The execution, delivery and performance of this Guarantee will not (i) conflict with, or result in any breach of any of the terms and provisions of, or constitute (with or without notice or lapse of time or both) a default under (A) the constituent documents of the Guarantor or (B) any indenture, lease, loan agreement, receivables purchase agreement, mortgage, deed of trust, or other agreement or instrument to which the Guarantor is a party or by which it or its property is bound, (ii) result in or require the creation or imposition of any Lien upon any of its properties pursuant to the terms of any such indenture, lease, loan agreement, receivables purchase agreement, mortgage, deed of trust, or other agreement or instrument or (iii) violate any law, judgment, writ, injunction, decree or any order, rule, regulation applicable to the Guarantor of any court or of any federal, state or foreign regulatory body, administrative agency or other governmental instrumentality having jurisdiction over the Guarantor or any of its properties.

(g) Not Insolvent

The execution, delivery and performance by the Guarantor of this Guarantee will not render the Guarantor insolvent, nor is it being made in contemplation of the Guarantor's insolvency; the Guarantor does not, in its reasonable judgment, have an unreasonably small capital for conducting its business as presently contemplated by it. The Guarantor is fully solvent (on a cash flow and balance sheet basis) and will be fully solvent immediately following the execution of this Agreement and the other Operative Documents.

(h) No Default under Airbus Purchase Agreements or Engine Agreements

No event is continuing in respect of the Guarantor which would constitute an incipient or actual default by Frontier Airlines, Frontier Holdings or Frontier Group Holdings

under any Airbus Purchase Agreement, the A321neo Engine Purchase Agreement, the Incremental A321neo Engine Purchase Agreement or the CFM Engine Agreement A320neo.

9. COVENANTS

(a) The Guarantor shall observe certain policies and procedures relating to the Borrower's existence as separate companies as follows and shall do all things necessary to maintain its corporate existence separate and distinct from the Borrower. The Guarantor shall:

- (i) observe all formalities necessary to remain a legal entity separate and distinct from the Borrower;
- (ii) maintain its assets and liabilities separate and distinct from those of the Borrower in such a manner that it is not difficult to segregate, identify or ascertain such assets;
- (iii) maintain records, books and accounts separate from those of the Borrower (other than as otherwise set forth under the Operative Documents);
- (iv) pay its obligations in the ordinary course of business as a legal entity separate from the Borrower;
- (v) keep its funds separate and distinct from any funds of the Borrower, and receive, deposit, withdraw and disburse such funds separately from any funds of the Borrower;
- (vi) not agree to pay, assume, guarantee or become liable for any debt of, or otherwise pledge its assets for the benefit of the Borrower except as otherwise permitted under the Operative Documents;
- (vii) not hold out that the Borrower is a division of the Guarantor or any other Person or that the Guarantor is a division of the Borrower or any other Person;
- (viii) not induce any third party to rely on the creditworthiness of the Guarantor in order that such third party will contract with the Borrower (other than any guarantee of the Guarantor in favor of Airbus made in connection with the

guarantee of the Guarantor in favor of Airbus made in connection with the Airbus Purchase Agreements);

- (ix) allocate and charge fairly and reasonably any common overhead shared with the Borrower;
- (x) hold itself out as a separate entity from the Borrower, and correct any known misunderstanding regarding its separate identity;
- (xi) not conduct business in the name of the Borrower and ensure that all communications of the Borrower are made solely in the Borrower's name as the context may require;
- (xii) not acquire the securities of the Borrower or allow the Borrower to acquire securities of the Guarantor;

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- (xiii) prepare separate financial statements and separate tax returns from the Borrower (provided that the Guarantor may publish financial statements that consolidate those of the Guarantor and its subsidiaries, if to do so is required by any applicable law or accounting principles from time to time in effect and subsidiaries of the Guarantor may file consolidated Tax returns with the Guarantor and its subsidiaries for Tax purposes); and
 - (xiv) not enter into any transaction with the Borrower that is more favorable to the Guarantor than transactions that the Guarantor and its subsidiaries would have been able to enter into at such time on an arm's-length basis with a non-affiliated third party or vice versa.
- (b) The Guarantor shall not take any action or omit to take any action that would cause an incipient or actual default under any Airbus Purchase Agreement or any Engine Agreement.
 - (c) The Guarantor shall ensure that the Servicing Agreement, the Option Agreement, the Subordinated Loan Agreement, and this Guarantee remain in place and in full force and effect and that neither it nor any other Obligor shall breach any of the terms of any of such documents. The Guarantor shall ensure that no amendment, variation, waiver or other change is made to its memorandum and articles of association or other constituent documents, the Servicing Agreement, the Option Agreement, the Subordinated Loan Agreement, or this Guarantee.
 - (d) The Guarantor shall:
 - (i) promptly upon acquiring actual knowledge of the same, notify the Facility Agent of any default (whether by the Guarantor, any Affiliate of the Guarantor, Airbus or the Engine Manufacturer) under or cancellation, termination or rescission or purported cancellation, termination or rescission of any Airbus Purchase Agreement or any Engine Agreement specifying in reasonable detail the nature of such default, cancellation, rescission or termination;
 - (ii) not, without the Security Trustee's prior written consent, in any way modify, cancel, terminate or amend or consent to the modification, cancellation, termination or amendment of any Airbus Purchase Agreement or any Engine Agreement except to the extent permitted by the Credit Agreement;
 - (iii) not accept, and shall procure that the Borrower or any other Person does not accept, delivery of any Aircraft from Airbus before or concurrently with repaying to the Lenders all amounts owing in respect of the Loans relating to that Aircraft;
 - (iv) not enter into or consent to any change order or other amendment, modification or supplement to any Airbus Purchase Agreement or any Engine Agreement, in relation to the Aircraft, without the prior written consent and countersignature of the Security Trustee (acting at the unanimous direction of the Lenders) if such change order, amendment, modification or supplement would require the consent of the Security Trustee under the Step-In Agreement or under the Credit Agreement;

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- (v) provide to the Security Trustee promptly after the execution of the same copies, certified by the Guarantor, of all material change orders (other than non charge change orders), amendments, modifications or supplements to the Assigned Purchase Agreements that would require the consent of the Security Trustee under the Step-In Agreement or under the Credit Agreement;
 - (vi) provide to the Security Trustee promptly upon request, such information regarding the package of product support and training services as was agreed to be provided by Airbus to the Guarantor under the Assigned Purchase Agreements and agrees not to take any action or omit to take any action which would reduce the product support and training services which would otherwise be available to Intrepid by Airbus with respect to the Aircraft under the Assigned Purchase Agreements; and
 - (vii) not agree to any financial indebtedness cross default (in respect of it or any of its Affiliates) with Airbus that would give rise to a right for Airbus to terminate the Assigned Purchase Agreements.
- (e) The Guarantor shall not accept any repayment of any part of the Subordinated Loan Agreement while the Secured Obligations remain outstanding.

10. SUCCESSORS AND ASSIGNS

- (a) This Guarantee shall be binding upon the Guarantor and upon the Guarantor's successors and assigns and all references herein to the Guarantor or the Security Trustee shall be deemed to include any successor or successors whether immediate or remote, to such Person. The Guarantor shall not assign any of its rights or obligations hereunder without the prior written consent of the Security Trustee, the Facility Agent and each Lender.
- (b) This Guarantee shall inure to the benefit of the Security Trustee, the Facility Agent each Lender and their respective successors and assigns, and all references herein to the Security Trustee, the Facility Agent or any Lender shall be deemed to include any successors and assigns of such Person (whether or not reference in a particular provision is made to such successors and assigns).

11. NOTICES

All notices, demands or requests given pursuant to this Guarantee shall be in writing personally delivered, or sent by facsimile (with subsequent telephone confirmation of receipt thereof) or sent by internationally recognized overnight courier service, to the following addresses:

- (a) if to the Guarantor:

Frontier Airlines, Inc.
7001 Tower Road
Denver, CO 80249
Attention: SVP – General Counsel
Phone: (###) ###-####
Email: ###

- (b) if to the Security Trustee:

50 South 200 East, Suite 110
Salt Lake City, Utah 84111
Telephone: ### ###-####
Facsimile: ### ###-####
Email: ###

Whenever any notice in writing is required to be given by the Guarantor or the Security Trustee, such notice shall be deemed given and such requirement satisfied when such notice is received, with such notice received if such notice is mailed by certified mail, postage prepaid, or is sent by facsimile, addressed as provided above.

Either party hereto may change the address to which notices to such party will be sent by giving notice of such change to the other party.

12. GOVERNING LAW; COUNTERPARTS

THIS GUARANTEE SHALL IN ALL RESPECTS BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK, INCLUDING ALL MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE. This Guarantee may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

13. WAIVER OF JURY TRIAL

EACH PARTY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS GUARANTEE OR THE TRANSACTIONS CONTEMPLATED HEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS GUARANTEE BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS CLAUSE.

14. JURISDICTION

- (a) The Guarantor hereby irrevocably and unconditionally submits, for itself and its property, to the non-exclusive jurisdiction of the Supreme Court of the State of New York sitting in New York County and of the United States District Court of the Southern District of New York, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Guarantee, or for recognition or enforcement of any judgment, and the Guarantor irrevocably and unconditionally agrees that all

claims in respect of any such action or proceeding may be heard and determined in such New York State or, to the extent permitted by law, in such Federal court. The Guarantor agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Guarantee shall affect any right that the Security Trustee or any Lender may otherwise have to bring any action or proceeding relating to this Guarantee against another party or its properties in the courts of any jurisdiction.

- (b) The Guarantor irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Guarantee in any court referred to in paragraph (a) of this Clause. The Guarantor hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

15. SERVICE OF PROCESS

Each party to this Guarantee irrevocably consents to service of process in the manner provided for the delivery of notices in Clause 11. Nothing in this Guarantee will affect the right of any party to this Guarantee to serve process in any other manner permitted by law. The Guarantor hereby irrevocably appoints and designates Corporation Services Company (the "Agent for Service of Process"), having an address at Corporation Service Company, 80 State Street, Albany, New York 12207-2543, as its true and lawful attorney-in-fact and duly authorized agent for the limited purpose of accepting service of legal process and the Guarantor agrees that service of process upon such party shall constitute personal service of such process on such person. The Guarantor shall maintain the designation and appointment of the Agent for Service of Process at such address until all amounts payable under this Guarantee shall have been paid in full. If the Agent for Service of Process shall cease to so act, the Guarantor shall immediately designate and shall promptly deliver to the Security Trustee evidence in writing of acceptance by another agent for service of process of such appointment, which such other agent for service of process shall have an address for receipt of service of process in the State of New York and the provisions above shall equally apply to such other agent for service of process.

IN WITNESS WHEREOF, this Guarantee has been executed and delivered by the Guarantor's duly authorized officer as of the date first written above.

FRONTIER AIRLINES, INC.

By: /s/ Howard Diamond
Name: Howard Diamond
Title: SVP, General Counsel & Secretary

ACCEPTED and AGREED:

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

By: /s/ Kade Baird
Name: Kade Baird
Title: Assistant Vice President



DATED AS OF AUGUST 11, 2023

FRONTIER AIRLINES HOLDINGS, INC.
AS GUARANTOR

AND

BANK OF UTAH
NOT IN ITS INDIVIDUAL CAPACITY BUT SOLELY
AS SECURITY TRUSTEE

NINTH AMENDED AND RESTATED GUARANTEE
IN RESPECT OF THE PDP FINANCING OF THIRTY-
THREE (33) AIRBUS A320NEO AIRCRAFT AND
SEVENTY-SIX (76) AIRBUS A321NEO AIRCRAFT

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THIS NINTH AMENDED AND RESTATED GUARANTEE (as amended, modified or supplemented in accordance with the terms hereof, this "Guarantee"), dated as of August 11, 2023, is made

BY:

- (1) **FRONTIER AIRLINES HOLDINGS, INC.**, a Delaware corporation (together with its successors and its permitted assigns, the "Guarantor");

in favor of

- (2) **BANK OF UTAH**, not in its individual capacity but solely, as security trustee (in such capacity, the "Security Trustee") for and on behalf of itself, the Facility Agent (as defined in the Credit Agreement referred to below) and each lender (each a "Lender" and collectively, the "Lenders") which is a party to the Ninth Amended and Restated Credit Agreement, dated as of the date hereof (as amended, modified or supplemented from time to time, the "Credit Agreement"), among Vertical Horizons, Ltd., as borrower (the "Borrower"), the Facility Agent, the Lenders and the Security Trustee.

WITNESSETH:

WHEREAS:

- (A) This Guarantee amends and restates in its entirety the Eighth Amended and Restated Guarantee dated as of June 30, 2022 and executed by the Guarantor in favor of the Security Trustee;
- (B) The Borrower entered into the Credit Agreement for the purpose of financing certain pre-delivery payment obligations in respect of thirty-three (33) Airbus A320neo and seventy-six (76) Airbus A321neo Aircraft; and
- (C) It is a condition precedent to the entering into of the transactions contemplated by the Credit Agreement that the Guarantor shall have executed and delivered this Guarantee.

NOW, THEREFORE, in consideration of the premises and other consideration, the receipt and sufficiency of which are hereby acknowledged by the Guarantor, the Guarantor hereby agrees as follows:

1. DEFINITIONS

- (a) Capitalized terms used and not otherwise defined herein shall have the meaning assigned to such terms in the Credit Agreement.
- (b) Unless the context otherwise requires, any reference herein to any of the Operative Documents refers to such document as it may be modified, amended or supplemented from time to time in accordance with its terms and the terms of each other agreement restricting the modification, amendment or supplement thereof.

2. GUARANTEE

- (a) The Guarantor hereby irrevocably, absolutely and unconditionally guarantees, as primary obligor and as a guarantor of payment and not merely as surety or guarantor of

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collection, to the Security Trustee, the Facility Agent and each Lender, (i) the full and prompt payment by the Borrower when due of the Secured Obligations incurred by the Borrower and pursuant to the Operative Documents, strictly in accordance with the terms of the Operative Documents, and (ii) the full and timely performance of, and compliance with, each and every duty, agreement, undertaking, indemnity and obligation of the Borrower under the Operative Documents strictly in accordance with the terms thereof, in each case, however created, arising or evidenced, whether direct or indirect, primary or secondary, absolute or contingent, joint or several and whether now or hereafter existing or due or to become due (such payment and other obligations described in paragraphs (i) and (ii) being referred to herein as the "Liabilities").

- (b) The Guarantor further agrees to pay any and all reasonable costs and expenses (including, without limitation, all reasonable fees and disbursements of counsel) that may be paid or incurred by the Security Trustee, the Facility Agent and/or one or more of the Lenders in enforcing any rights with respect to, or collecting, any or all of the Liabilities or enforcing any rights with respect to, or collecting against, the Guarantor hereunder together with interest at the Past Due Rate specified in the Credit Agreement from the date when such expenses are so incurred to the date of actual payment thereof. Without limiting the generality of the foregoing, the liability of the Guarantor hereunder shall extend to all amounts which constitute part of the Liabilities and would be owed by the Borrower but for the fact that such amounts are unenforceable or not allowable due to any circumstance whatsoever or due to the existence of a bankruptcy, suspension of payments, reorganization or similar proceeding involving the Borrower.

3. GUARANTEE ABSOLUTE

- (a) This Guarantee shall constitute a guarantee of payment and of performance and not of collection, and the Guarantor specifically agrees that it shall not be necessary, and that the Guarantor shall not be entitled to require, before or as a condition of enforcing the obligations of the Guarantor under this Guarantee or requiring payment or performance of the Liabilities by the Guarantor hereunder, or at any time thereafter, that any Person: (i) file suit or proceed to obtain or assert a claim for personal judgment against the Borrower or any other Person that may be liable for any Liabilities; (ii) make any other effort to obtain payment or performance of any Liabilities from the Borrower or any other Person that may be liable for such Liabilities; (iii) foreclose against or seek to realize upon the Collateral or any other security now or hereafter existing for such Liabilities; (iv) exercise or assert any other right or remedy to which such Person is or may be entitled in connection with any Liabilities or any security or other guarantee therefor; or (v) assert or file any claim against the assets of any other Person liable for any Liabilities. Notwithstanding anything herein to the contrary, no provision of this Guarantee shall require the Guarantor to pay, perform or discharge any Liabilities prior to the time such Liabilities are due and payable. When making any demand hereunder against the Guarantor, none of the Security Trustee, the Facility Agent or any Lender need make a similar demand on the Borrower; provided that any failure by the Security Trustee, the Facility Agent or any Lender to make any such demand or to collect any payments from the Borrower shall not relieve the Guarantor of its obligations or liabilities hereunder and shall not impair or affect the rights and remedies, express or implied, or as a matter of law, of the Security Trustee, the Facility Agent and/or such Lender against the Guarantor. The Security Trustee, the Facility Agent and/or the Lenders may in all events pursue its rights under this Guarantee prior to or

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simultaneously with pursuing its various rights referred to in the Credit Agreement and the other Operative Documents, as the Security Trustee, the Facility Agent and/or such Lender may determine.

- (b) The Guarantor agrees that this Guarantee shall be continuing until the indefeasible payment in full of all Secured Obligations and the Guarantor guarantees that the Liabilities will be paid and performed strictly in accordance with the terms of the Operative Documents, regardless of any law, regulation or order now or hereafter in effect in any jurisdiction affecting any of such terms or the rights of the Security Trustee, the Facility Agent and/or the Lenders with respect thereto. If for any reason the Borrower shall fail to fully and timely pay or perform and discharge any Liabilities to be paid or performed by the Borrower (whether affirmative or negative in character), the Guarantor shall promptly on demand by the Security Trustee, the Facility Agent and/or any Lender pay or perform or cause to be paid or performed, as the case may be, such Liabilities. Each of the obligations of the Guarantor under this Guarantee is separate and independent of each other obligation of the Guarantor under this Guarantee and separate and independent of the Liabilities, and the Guarantor agrees that a separate action or actions may be brought and prosecuted against the Guarantor to enforce this Guarantee, irrespective of whether any action is brought against the Borrower is joined in any such action or actions. The obligations of the Guarantor shall be continuing and irrevocable, absolute and unconditional, primary and original and immediate and not contingent and shall remain in full force and effect without regard to and not be released, discharged or in any way affected by any circumstance or condition (other than by payment in full of the Liabilities) including, without limitation, the occurrence of any one or more of the following:
- (i) any lack of validity or enforceability of any of the Liabilities under the Operative Documents or any document entered into in connection with the transactions contemplated thereby, any provision thereof, or any other agreement or instrument relating thereto or the absence of any action to enforce the same;
 - (ii) any failure, omission, delay or lack on the part of the Security Trustee, the Facility Agent and/or the Lenders to enforce, assert or exercise any right, power, privilege or remedy conferred on the Security Trustee, the Facility Agent and/or the Lenders in the Credit Agreement, the Security Agreement, or any other Operative Document, or the inability of the Security Trustee, the Facility Agent and/or the Lenders to enforce any provision of any Operative Document for any reason, or any other act or omission on the part of the Security Trustee, the Facility Agent or any Lender;
 - (iii) any change in the time, manner or place of performance or of payment, or in any other term of, all or any of the Liabilities, or any other modification, supplement, amendment or waiver of or any consent to departure from the terms and conditions of any of the Operative Document or any document entered into in connection with the transactions contemplated thereby;
 - (iv) any taking, exchange, release or non-perfection of the Collateral or any other collateral or security, or any taking, release or amendment or waiver of or consent to departure from any other guarantee, for all or any of the Liabilities or the acceptance of any security therefor;
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- (v) the waiver by the Security Trustee, the Facility Agent and/or any Lender of the performance or observance by the Borrower of any of the Liabilities, the waiver of any default in the performance or observance thereof, any extension by the Security Trustee, the Facility Agent and/or any Lender of the time for payment or performance and discharge by the Borrower of any Liabilities or any extension, indulgence or renewal of any Liabilities;
 - (vi) any bankruptcy, suspension of payments, insolvency, sale of assets, winding-up, dissolution, liquidation, receivership or reorganization of, or similar proceedings involving, the Borrower or its assets or any resulting release or discharge of any of the Liabilities;
 - (vii) the recovery of any judgment against any Person or any action to enforce the same;

- (viii) any failure or delay in the enforcement of the Liabilities of any Person under the Operative Documents or any document entered into in connection with the transactions contemplated by the Operative Documents or any provision thereof;
- (ix) any set-off, counterclaim, deduction, defense, abatement, suspension, deferment, diminution, recoupment, limitation or termination available with respect to any Liabilities and, to the extent permitted by applicable law, irrespective of any other circumstances that might otherwise limit recourse by or against the Guarantor or any other Person;
- (x) the obtaining, the amendment or the release of or consent to any departure from the primary or secondary obligation of any other Person, in addition to the Guarantor, with respect to any Liabilities;
- (xi) any compromise, alteration, amendment, modification, extension, renewal, release or other change, or waiver, consent or other action, or delay or omission or failure to act, in respect of any of the terms, covenants or conditions of any Operative Document or any document entered into in connection with the transactions contemplated by any Operative Document, or any other agreement or any related document referred to therein, or any assignment or transfer of any thereof (including, without limitation, any Benchmark Replacement Conforming Changes or any other modifications or other amendments delivered or otherwise implemented or effected (automatically or otherwise) in accordance with or in furtherance of this Section titled "Benchmark Replacement Setting" under the Credit Agreement);
- (xii) any manner of application of Collateral or Proceeds thereof, to all or any of the Liabilities, or any manner of sale or other disposition of any Collateral, or any furnishing or acceptance of additional collateral;
- (xiii) any change in control in the ownership of the Borrower, any change, merger, demerger, consolidation, restructuring or termination of the corporate structure or existence of the Borrower;

- (xiv) to the fullest extent permitted by applicable law, any other circumstance which might otherwise constitute a defense available to, or a discharge of, a guarantor or surety with respect to any Liabilities;
- (xv) any default, failure or delay, whether as a result of actual or alleged force majeure, commercial impracticability or otherwise, in the performance of the Liabilities, or by any other act or circumstances which may or might in any manner or to any extent vary the risk of the Guarantor, or which would otherwise operate as a discharge of the Guarantor;
- (xvi) the existence of any other obligation of the Guarantor, or any limitation thereof, in any Operative Document;
- (xvii) any regulatory change or other governmental action (whether or not adverse); or
- (xviii) the partial payment or performance of the Liabilities (whether as a result of the exercise of any right, remedy, power or privilege or otherwise) or the invalidity of any payment for any reason whatsoever.

Should any money due or owing under this Guarantee not be recoverable from the Guarantor due to any of the matters specified in paragraphs (i) through (xviii) above or for any other reason, then, in any such case, such money shall nevertheless be recoverable from the Guarantor as though the Guarantor were principal debtor in respect thereof and not merely a guarantor and shall be paid by the Guarantor forthwith.

- (c) This Guarantee shall continue to be effective or be automatically reinstated, as the case may be, if at any time any payment, or any part thereof, of any of the Liabilities is rescinded or must otherwise be restored or returned by the Security Trustee, the Facility Agent and/or any Lender for any reason whatsoever, whether upon the insolvency, bankruptcy, dissolution, liquidation or reorganization of the Borrower or otherwise, all as though such payment had not been made, and the Guarantor agrees that it will indemnify the Security Trustee, the Facility Agent and each Lender on demand for all reasonable costs and expenses (including, without limitation, fees and disbursement of counsel) incurred by any such Person in connection with such rescission or restoration. If an event permitting the exercise of remedies under the Operative Documents shall at

any time have occurred and be continuing and such exercise, or any consequences thereof provided in any Operative Document, shall at such time be prevented by reason of the pendency against the Borrower of a case or proceeding under a bankruptcy or insolvency law, the Guarantor agrees that, for purposes of this Guarantee and its obligations hereunder, amounts payable under the Operative Documents shall be deemed to have been declared in default, with all attendant consequences as provided in the Operative Documents as if such declaration of default and the consequences thereof had been accomplished in accordance with the terms of the Credit Agreement and the other Operative Documents, and the Guarantor shall forthwith pay any amounts guaranteed hereunder, without further notice or demand.

4. WAIVER

To the fullest extent permitted by applicable law, the Guarantor hereby expressly and irrevocably waives diligence, promptness, demand for payment or performance, filing

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of claims with any court, any proceeding to enforce any provision of the Operative Documents, notice of acceptance of and reliance on this Guarantee by the Security Trustee, the Facility Agent and each Lender, notice of the creation of any liabilities of the Borrower, any requirement that the Security Trustee, the Facility Agent or any Lender protect, secure, perfect or insure any security interest or Lien on the Collateral or any property subject thereto, any right to require a proceeding first against the Borrower, whether to marshal any assets or to exhaust any right or take any action against the Borrower or any other Person or entity or any collateral or otherwise, any diligence in collection or protection of or realization upon any Liabilities, any obligation hereunder or any collateral security for any of the foregoing, any right of protest, presentment, notice or demand whatsoever, all claims of waiver, release, surrender, alteration or compromise, and all defenses, set-offs, counterclaims, recoupments, reductions, limitations, impairments or terminations, whether arising hereunder or otherwise.

5. CERTAIN ACTIONS

The Security Trustee, the Facility Agent and each Lender may, from time to time at its sole discretion and without notice to the Guarantor, take any or all of the following actions without affecting the obligations of the Guarantor hereunder: (i) retain or obtain a lien upon a security interest in any substitutions or replacements to the Collateral; (ii) retain or obtain the primary or secondary obligation of any obligor or obligors, in addition to the Guarantor, with respect to any of the Liabilities or any obligation hereunder; (iii) with consent of the Borrower, extend or renew for one or more periods (regardless of whether longer than the original period), alter or exchange any of the Liabilities, or release or compromise any obligation of the Guarantor hereunder or any obligation of any nature of any other obligor (including the Security Trustee) with respect to any of the Liabilities; (iv) release or fail to perfect any Lien upon or security interest in, or impair, surrender, release or permit any substitution or exchange for, all or any part of any property securing any of the Liabilities or any obligation hereunder, or extend or renew for one or more periods (regardless of whether longer than the original period) or release, compromise, alter or exchange any obligations of any nature of any obligor with respect to any such property; and (v) resort to the Guarantor for payment of any of the Liabilities, regardless of whether the Security Trustee, the Facility Agent or the Lender, as the case may be, shall have resorted to any property securing any of the Liabilities or any obligation hereunder or shall have proceeded against any other obligor primarily or secondarily obligated with respect to any of the Liabilities.

6. SUBROGATION

Any amounts received by the Security Trustee, the Facility Agent or any Lender from whatsoever source on account of the Liabilities may be applied by it toward the payment of such of the Liabilities, and in such order of application, as the Security Trustee, the Facility Agent or such Lender may from time to time elect. No payment made by or for the account of the Guarantor pursuant to this Guarantee shall entitle the Guarantor by subrogation, indemnity or otherwise to any payment by the Security Trustee, the Facility Agent or the Lender, as the case may be, from or out of any property of such Person, and the Guarantor shall not exercise any right or remedy against the Security Trustee, the Facility Agent or the Lender, as the case may be, or

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any property of such Person by reason of any performance by the Guarantor of this Guarantee.

7. RIGHTS OF THIRD PARTIES; SET-OFF

- (a) This Guarantee is made only for the benefit of, and shall be enforceable only by, the Security Trustee, the Facility Agent and each Lender, and this Guarantee shall not be construed to create any right in any Person other than the Security Trustee, the Facility Agent and each Lender to be a contract in whole or in part for the benefit of any Person other than the Security Trustee, the Facility Agent and each Lender.
- (b) Upon the occurrence of any Event of Default, the Guarantor hereby irrevocably authorizes the Security Trustee, the Facility Agent, each Lender and each of their respective Affiliates, at any time and from time to time without notice to the Guarantor, any such notice being expressly waived by the Guarantor, to set-off and appropriate and apply any and all assets, at any time held or owing by the Guarantor or any of its Affiliates to, or for the credit of the account of the Guarantor, or any part thereof in such amounts as the Security Trustee, the Facility Agent or such Lender, as the case may be, may elect, against and on account of the obligations and liabilities of the Guarantor to the Security Trustee, the Facility Agent and each Lender hereunder of every nature and description of the Security Trustee, the Facility Agent and each Lender. The Security Trustee, the Facility Agent or applicable Lender shall notify the Guarantor promptly of any such set-off and the application made by them, provided that the failure to give such notice shall not affect the validity of such set-off and application. The rights of the Security Trustee, the Facility Agent and each Lender under this Clause are in addition to other rights and remedies (including, without limitation, other rights of set-off) which the Security Trustee, the Facility Agent and the Lenders may have.

8. REPRESENTATIONS AND WARRANTIES

The Guarantor represents and warrants to the Security Trustee, the Facility Agent and each Lender as follows:

(a) Access to Information

The Guarantor has and will continue to have independent means of obtaining information concerning the Borrower's affairs, financial condition and business. None of the Security Trustee, the Facility Agent or any Lender shall have any duty or responsibility to provide the Guarantor with any credit or other information concerning the Borrower's affairs, financial condition or business which may come into the possession of the Security Trustee, the Facility Agent or any Lender.

(b) Organization

It is a company duly organized and validly existing under the laws of the state of Delaware, with organizational power and authority to own its properties and to conduct its business as such properties are presently owned and such business is presently conducted.

(c) Due Qualification

It is duly licensed, qualified and authorized to do business and is in good standing in each jurisdiction where the ownership, leasing or operation of its property or the conduct of its business requires such license, qualification or authorization except for failures to be so qualified which, individually or in the aggregate, could not reasonably be expected to have a material adverse effect on the business, operations, property, assets, liabilities, financial condition or prospects of the Guarantor.

(d) Power and Authority; Due Authorization

It has (i) all necessary power, authority and legal right to execute, deliver and perform its obligations under this Guarantee and (ii) duly authorized by all necessary organizational action such execution, delivery and performance of this Guarantee.

(e) Binding Obligations

This Guarantee constitutes the legal, valid and binding obligation of the Guarantor, enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization or other similar laws affecting the enforcement of creditors' rights generally and by general principles of equity, regardless of whether such enforceability is considered in a proceeding in equity or at law.

(f) No Violation

The execution, delivery and performance of this Guarantee will not (i) conflict with, or result in any breach of any of the terms and provisions of, or constitute (with or without notice or lapse of time or both) a default under (A) the constituent documents of the Guarantor or (B) any indenture, lease, loan agreement, receivables purchase agreement, mortgage, deed of trust, or other agreement or instrument to which the Guarantor is a party or by which it or its property is bound, (ii) result in or require the creation or imposition of any Lien upon any of its properties pursuant to the terms of any such indenture, lease, loan agreement, receivables purchase agreement, mortgage, deed of trust, or other agreement or instrument or (iii) violate any law or any judgment, writ, injunction, decree, order, rule, regulation applicable to the Guarantor of any court or of any federal, state or foreign regulatory body, administrative agency or other governmental instrumentality having jurisdiction over the Guarantor or any of its properties.

(g) Not Insolvent

The execution, delivery and performance by the Guarantor of this Guarantee will not render the Guarantor insolvent, nor is it being made in contemplation of the Guarantor's insolvency; the Guarantor does not, in its reasonable judgment, have an unreasonably small capital for conducting its business as presently contemplated by it. The Guarantor is fully solvent (on a cash flow and balance sheet basis) and will be fully solvent immediately following the execution of this Agreement and the other Operative Documents.

(h) No Default under Airbus Purchase Agreements or Engine Agreements

No event is continuing in respect of the Guarantor which would constitute an incipient or actual default by Frontier Airlines, Frontier Holdings or Frontier Group Holdings under any Airbus Purchase Agreement, the A321neo Engine Purchase Agreement, the Incremental A321neo Engine Purchase Agreement or the CFM Engine Agreement A320neo.

9. COVENANTS

(a) The Guarantor shall observe certain policies and procedures relating to the Borrower's existence as separate companies as follows and shall do all things necessary to maintain its corporate existence separate and distinct from the Borrower. The Guarantor shall:

- (i) observe all formalities necessary to remain a legal entity separate and distinct from the Borrower;
- (ii) maintain its assets and liabilities separate and distinct from those of the Borrower in such a manner that it is not difficult to segregate, identify or ascertain such assets;
- (iii) maintain records, books and accounts separate from those of the Borrower (other than as otherwise set forth under the Operative Documents);
- (iv) pay its obligations in the ordinary course of business as a legal entity separate from the Borrower;
- (v) keep its funds separate and distinct from any funds of the Borrower, and receive, deposit, withdraw and disburse such funds separately from any funds of the Borrower;
- (vi) not agree to pay, assume, guarantee or become liable for any debt of, or otherwise pledge its assets for the benefit of the Borrower except as otherwise permitted under the Operative Documents;
- (vii) not hold out that the Borrower is a division of the Guarantor or any other Person

or that the Guarantor is a division of the Borrower or any other Person,

- (viii) not induce any third party to rely on the creditworthiness of the Guarantor in order that such third party will contract with the Borrower (other than any guarantee of the Guarantor in favor of Airbus made in connection with the Airbus Purchase Agreements);
- (ix) allocate and charge fairly and reasonably any common overhead shared with the Borrower;
- (x) hold itself out as a separate entity from the Borrower, and correct any known misunderstanding regarding its separate identity;
- (xi) not conduct business in the name of the Borrower and ensure that all communications of the Borrower are made solely in the Borrower's name as the context may require;

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- (xii) not acquire the securities of the Borrower or allow the Borrower to acquire securities of the Guarantor;
 - (xiii) prepare separate financial statements and separate tax returns from the Borrower (provided that the Guarantor may publish financial statements that consolidate those of the Guarantor and its subsidiaries, if to do so is required by any applicable law or accounting principles from time to time in effect and subsidiaries of the Guarantor may file consolidated Tax returns with the Guarantor and its subsidiaries for Tax purposes); and
 - (xiv) not enter into any transaction with the Borrower that is more favorable to the Guarantor than transactions that the Guarantor and its subsidiaries would have been able to enter into at such time on an arm's-length basis with a non-affiliated third party or vice versa.
- (b) The Guarantor shall not take any action or omit to take any action that would cause an incipient or actual default under any Airbus Purchase Agreement or any Engine Agreement.
- (c) The Guarantor shall ensure that the Servicing Agreement, the Option Agreement, the Subordinated Loan Agreement, and this Guarantee remain in place and in full force and effect and that neither it nor any other Obligor shall breach any of the terms of any of such documents. The Guarantor shall ensure that no amendment, variation, waiver or other change is made to its memorandum and articles of association or other constituent documents, the Servicing Agreement, the Option Agreement, the Subordinated Loan Agreement, or this Guarantee.
- (d) The Guarantor shall:
- (i) promptly upon acquiring actual knowledge of the same, notify the Facility Agent of any default (whether by the Guarantor, any Affiliate of the Guarantor, Airbus or the Engine Manufacturer) under or cancellation, termination or rescission or purported cancellation, termination or rescission of any Airbus Purchase Agreement or any Engine Agreement specifying in reasonable detail the nature of such default, cancellation, rescission or termination;
 - (ii) not, without the Security Trustee's prior written consent, in any way modify, cancel, terminate or amend or consent to the modification, cancellation, termination or amendment of any Airbus Purchase Agreement or any Engine Agreement except to the extent permitted by the Credit Agreement;
 - (iii) not accept, and shall procure that the Borrower or any other Person does not accept, delivery of any Aircraft from Airbus before or concurrently with repaying to the Lenders all amounts owing in respect of the Loans relating to that Aircraft;
 - (iv) not enter into or consent to any change order or other amendment, modification or supplement to any Airbus Purchase Agreement or any Engine Agreement, in relation to the Aircraft, without the prior written consent and countersignature of the Security Trustee (acting at the unanimous direction of the Lenders) if such change order, amendment, modification or supplement would require the

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consent of the Security Trustee under the Step-In Agreement or under the Credit Agreement;

- (v) provide to the Security Trustee promptly after the execution of the same copies, certified by the Guarantor, of all material change orders (other than non charge change orders), amendments, modifications or supplements to the Assigned Purchase Agreements that would require the consent of the Security Trustee under the Step-In Agreement or under the Credit Agreement;
 - (vi) provide to the Security Trustee promptly upon request, such information regarding the package of product support and training services as was agreed to be provided by Airbus to the Guarantor under the Assigned Purchase Agreements and agrees not to take any action or omit to take any action which would reduce the product support and training services which would otherwise be available to Intrepid by Airbus with respect to the Aircraft under the Assigned Purchase Agreements; and
 - (vii) not agree to any financial indebtedness cross default (in respect of it or any of its Affiliates) with Airbus that would give rise to a right for Airbus to terminate the Assigned Purchase Agreements.
- (e) The Guarantor shall not accept any repayment of any part of the Subordinated Loan Agreement while the Secured Obligations remain outstanding.

10. SUCCESSORS AND ASSIGNS

- (a) This Guarantee shall be binding upon the Guarantor and upon the Guarantor's successors and assigns and all references herein to the Guarantor or the Security Trustee shall be deemed to include any successor or successors whether immediate or remote, to such Person. The Guarantor shall not assign any of its rights or obligations hereunder without the prior written consent of the Security Trustee, the Facility Agent and each Lender.
- (b) This Guarantee shall inure to the benefit of the Security Trustee, the Facility Agent each Lender and their respective successors and assigns, and all references herein to the Security Trustee, the Facility Agent or any Lender shall be deemed to include any successors and assigns of such Person (whether or not reference in a particular provision is made to such successors and assigns).

11. NOTICES

All notices, demands or requests given pursuant to this Guarantee shall be in writing personally delivered, or sent by facsimile (with subsequent telephone confirmation of receipt thereof) or sent by internationally recognized overnight courier service, to the following addresses:

- (a) if to the Guarantor:

Frontier Airlines Holdings, Inc.
7001 Tower Road
Denver, CO 80249
Attention: SVP – General Counsel

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Phone: (###) ###-###
Email: ###

- (b) if to the Security Trustee:

Bank of Utah
50 South 200 East, Suite 110
Salt Lake City, Utah 84111
Telephone: ### ###-####
Facsimile: ### ###-####
Email: ###

Whenever any notice in writing is required to be given by the Guarantor or the Security Trustee, such notice shall be deemed given and such requirement satisfied when such

notice is received, with such notice received if such notice is mailed by certified mail, postage prepaid, or is sent by facsimile, addressed as provided above.

Either party hereto may change the address to which notices to such party will be sent by giving notice of such change to the other party.

12. GOVERNING LAW; COUNTERPARTS

THIS GUARANTEE SHALL IN ALL RESPECTS BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK, INCLUDING ALL MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE. This Guarantee may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

13. WAIVER OF JURY TRIAL

EACH PARTY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS GUARANTEE OR THE TRANSACTIONS CONTEMPLATED HEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS GUARANTEE BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS CLAUSE.

14. JURISDICTION

- (a) The Guarantor hereby irrevocably and unconditionally submits, for itself and its property, to the non-exclusive jurisdiction of the Supreme Court of the State of New York sitting in New York County and of the United States District Court of the Southern District of New York, and any appellate court from any thereof, in any action or

proceeding arising out of or relating to this Guarantee, or for recognition or enforcement of any judgment, and the Guarantor irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York State or, to the extent permitted by law, in such Federal court. The Guarantor agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Guarantee shall affect any right that the Security Trustee or any Lender may otherwise have to bring any action or proceeding relating to this Guarantee against another party or its properties in the courts of any jurisdiction.

- (b) The Guarantor irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Guarantee in any court referred to in paragraph (a) of this Clause. The Guarantor hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

15. SERVICE OF PROCESS

Each party to this Guarantee irrevocably consents to service of process in the manner provided for the delivery of notices in Clause 11. Nothing in this Guarantee will affect the right of any party to this Guarantee to serve process in any other manner permitted by law. The Guarantor hereby irrevocably appoints and designates Corporation Services Company (the "Agent for Service of Process"), having an address at Corporation Service Company, 80 State Street, Albany, New York 12207-2543, as its true and lawful attorney-in-fact and duly authorized agent for the limited purpose of accepting service of legal process and the Guarantor agrees that service of process upon such party shall constitute personal service of such process on such person. The Guarantor shall maintain the designation and appointment of the Agent for Service of Process at such address until all amounts payable under this Guarantee shall have been paid in full. If the Agent for Service of Process shall cease to so act, the Guarantor shall immediately designate and shall promptly deliver to the Security Trustee evidence in writing of acceptance by another agent for service of process of such appointment, which such other agent for service of process shall have an address for receipt of service of process in the State of New York and the provisions above shall equally apply to such other agent for service of process.

[Signature page follows]

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IN WITNESS WHEREOF, this Guarantee has been executed and delivered by the Guarantor's duly authorized officer as of the date first written above.

FRONTIER AIRLINES HOLDINGS, INC.

By: /s/ Howard Diamond
Name: Howard Diamond
Title: SVP, General Counsel & Secretary

ACCEPTED and AGREED:

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

By: /s/ Kade Baird
Name: Kade Baird
Title: Assistant Vice President



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

Exhibit 10.7

**C L I F F O R D
C H A N C E**

CLIFFORD CHANCE US LLP

Execution Version

DATED AS OF AUGUST 11, 2023

FRONTIER GROUP HOLDINGS, INC.
AS GUARANTOR

AND

BANK OF UTAH
NOT IN ITS INDIVIDUAL CAPACITY BUT SOLELY
AS SECURITY TRUSTEE

SECOND AMENDED AND RESTATED GUARANTEE
IN RESPECT OF THE PDP FINANCING OF THIRTY-
THREE (33) AIRBUS A320NEO AIRCRAFT AND
SEVENTY-SIX (76) AIRBUS A321NEO AIRCRAFT

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THIS SECOND AMENDED AND RESTATED GUARANTEE (as amended, modified or supplemented in accordance with the terms hereof, this "Guarantee"), dated as of August 11, 2023, is made

BY:

- (1) **FRONTIER GROUP HOLDINGS, INC.**, a Delaware corporation (together with its successors and its permitted assigns, the "Guarantor");

in favor of

- (2) **BANK OF UTAH**, not in its individual capacity but solely, as security trustee (in such capacity, the "Security Trustee") for and on behalf of itself, the Facility Agent (as defined in the Credit Agreement referred to below) and each lender (each a "Lender" and collectively, the "Lenders") which is a party to the Ninth Amended and Restated Credit Agreement, dated as of the date hereof (as amended, modified or supplemented from time to time, the "Credit Agreement"), among Vertical Horizons, Ltd., as borrower (the "Borrower"), the Facility Agent, the Lenders and the Security Trustee.

WITNESSETH:

WHEREAS:

- (A) This Guarantee amends and restates in its entirety the Amended and Restated Guarantee dated as of June 30, 2022 and executed by the Guarantor in favor of the Security Trustee;
- (B) The Borrower entered into the Credit Agreement for the purpose of financing certain pre-delivery payment obligations in respect of thirty-three (33) Airbus A320neo and seventy-six (76) Airbus A321neo Aircraft; and
- (C) It is a condition precedent to the entering into of the transactions contemplated by the Credit Agreement that the Guarantor shall have executed and delivered this Guarantee.

NOW, THEREFORE, in consideration of the premises and other consideration, the receipt and sufficiency of which are hereby acknowledged by the Guarantor, the Guarantor hereby agrees as follows:

1. DEFINITIONS

1. DEFINITIONS

- (a) Capitalized terms used and not otherwise defined herein shall have the meaning assigned to such terms in the Credit Agreement.
- (b) Unless the context otherwise requires, any reference herein to any of the Operative Documents refers to such document as it may be modified, amended or supplemented from time to time in accordance with its terms and the terms of each other agreement restricting the modification, amendment or supplement thereof.

2. GUARANTEE

- (a) The Guarantor hereby irrevocably, absolutely and unconditionally guarantees, as primary obligor and as a guarantor of payment and not merely as surety or guarantor of collection, to the Security Trustee, the Facility Agent and each Lender, (i) the full and

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prompt payment by the Borrower when due of the Secured Obligations incurred by the Borrower and pursuant to the Operative Documents, strictly in accordance with the terms of the Operative Documents, and (ii) the full and timely performance of, and compliance with, each and every duty, agreement, undertaking, indemnity and obligation of the Borrower under the Operative Documents strictly in accordance with the terms thereof, in each case, however created, arising or evidenced, whether direct or indirect, primary or secondary, absolute or contingent, joint or several and whether now or hereafter existing or due or to become due (such payment and other obligations described in paragraphs (i) and (ii) being referred to herein as the "Liabilities").

- (b) The Guarantor further agrees to pay any and all reasonable costs and expenses (including, without limitation, all reasonable fees and disbursements of counsel) that may be paid or incurred by the Security Trustee, the Facility Agent and/or one or more of the Lenders in enforcing any rights with respect to, or collecting, any or all of the Liabilities or enforcing any rights with respect to, or collecting against, the Guarantor hereunder together with interest at the Past Due Rate specified in the Credit Agreement from the date when such expenses are so incurred to the date of actual payment thereof. Without limiting the generality of the foregoing, the liability of the Guarantor hereunder shall extend to all amounts which constitute part of the Liabilities and would be owed by the Borrower but for the fact that such amounts are unenforceable or not allowable due to any circumstance whatsoever or due to the existence of a bankruptcy, suspension of payments, reorganization or similar proceeding involving the Borrower.

3. GUARANTEE ABSOLUTE

- (a) This Guarantee shall constitute a guarantee of payment and of performance and not of collection, and the Guarantor specifically agrees that it shall not be necessary, and that the Guarantor shall not be entitled to require, before or as a condition of enforcing the obligations of the Guarantor under this Guarantee or requiring payment or performance of the Liabilities by the Guarantor hereunder, or at any time thereafter, that any Person: (i) file suit or proceed to obtain or assert a claim for personal judgment against the Borrower or any other Person that may be liable for any Liabilities; (ii) make any other effort to obtain payment or performance of any Liabilities from the Borrower or any other Person that may be liable for such Liabilities; (iii) foreclose against or seek to realize upon the Collateral or any other security now or hereafter existing for such Liabilities; (iv) exercise or assert any other right or remedy to which such Person is or may be entitled in connection with any Liabilities or any security or other guarantee therefor; or (v) assert or file any claim against the assets of any other Person liable for any Liabilities. Notwithstanding anything herein to the contrary, no provision of this Guarantee shall require the Guarantor to pay, perform or discharge any Liabilities prior to the time such Liabilities are due and payable. When making any demand hereunder against the Guarantor, none of the Security Trustee, the Facility Agent or any Lender need make a similar demand on the Borrower; provided that any failure by the Security Trustee, the Facility Agent or any Lender to make any such demand or to collect any payments from the Borrower shall not relieve the Guarantor of its obligations or liabilities hereunder and shall not impair or affect the rights and remedies, express or implied, or as a matter of law, of the Security Trustee, the Facility Agent and/or such Lender against the Guarantor. The Security Trustee, the Facility Agent and/or the Lenders may in all events pursue its rights under this Guarantee prior to or simultaneously with pursuing its various rights referred to in the Credit Agreement and

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the other Operative Documents, as the Security Trustee, the Facility Agent and/or such Lender may determine.

- (b) The Guarantor agrees that this Guarantee shall be continuing until the indefeasible payment in full of all Secured Obligations and the Guarantor guarantees that the Liabilities will be paid and performed strictly in accordance with the terms of the Operative Documents, regardless of any law, regulation or order now or hereafter in effect in any jurisdiction affecting any of such terms or the rights of the Security Trustee, the Facility Agent and/or the Lenders with respect thereto. If for any reason the Borrower shall fail to fully and timely pay or perform and discharge any Liabilities to be paid or performed by the Borrower (whether affirmative or negative in character), the Guarantor shall promptly on demand by the Security Trustee, the Facility Agent and/or any Lender pay or perform or cause to be paid or performed, as the case may be, such Liabilities. Each of the obligations of the Guarantor under this Guarantee is separate and independent of each other obligation of the Guarantor under this Guarantee and separate and independent of the Liabilities, and the Guarantor agrees that a separate action or actions may be brought and prosecuted against the Guarantor to enforce this Guarantee, irrespective of whether any action is brought against the Borrower is joined in any such action or actions. The obligations of the Guarantor shall be continuing and irrevocable, absolute and unconditional, primary and original and immediate and not contingent and shall remain in full force and effect without regard to and not be released, discharged or in any way affected by any circumstance or condition (other than by payment in full of the Liabilities) including, without limitation, the occurrence of any one or more of the following:
- (i) any lack of validity or enforceability of any of the Liabilities under the Operative Documents or any document entered into in connection with the transactions contemplated thereby, any provision thereof, or any other agreement or instrument relating thereto or the absence of any action to enforce the same;
 - (ii) any failure, omission, delay or lack on the part of the Security Trustee, the Facility Agent and/or the Lenders to enforce, assert or exercise any right, power, privilege or remedy conferred on the Security Trustee, the Facility Agent and/or the Lenders in the Credit Agreement, the Security Agreement, or any other Operative Document, or the inability of the Security Trustee, the Facility Agent and/or the Lenders to enforce any provision of any Operative Document for any reason, or any other act or omission on the part of the Security Trustee, the Facility Agent or any Lender;
 - (iii) any change in the time, manner or place of performance or of payment, or in any other term of, all or any of the Liabilities, or any other modification, supplement, amendment or waiver of or any consent to departure from the terms and conditions of any of the Operative Document or any document entered into in connection with the transactions contemplated thereby;
 - (iv) any taking, exchange, release or non-perfection of the Collateral or any other collateral or security, or any taking, release or amendment or waiver of or consent to departure from any other guarantee, for all or any of the Liabilities or the acceptance of any security therefor;
- (v) the waiver by the Security Trustee, the Facility Agent and/or any Lender of the performance or observance by the Borrower of any of the Liabilities, the waiver of any default in the performance or observance thereof, any extension by the Security Trustee, the Facility Agent and/or any Lender of the time for payment or performance and discharge by the Borrower of any Liabilities or any extension, indulgence or renewal of any Liabilities;
- (vi) any bankruptcy, suspension of payments, insolvency, sale of assets, winding-up, dissolution, liquidation, receivership or reorganization of, or similar proceedings involving, the Borrower or its assets or any resulting release or discharge of any of the Liabilities;
- (vii) the recovery of any judgment against any Person or any action to enforce the same;

- (viii) any failure or delay in the enforcement of the Liabilities of any Person under the Operative Documents or any document entered into in connection with the transactions contemplated by the Operative Documents or any provision thereof;
- (ix) any set-off, counterclaim, deduction, defense, abatement, suspension, deferment, diminution, recoupment, limitation or termination available with respect to any Liabilities and, to the extent permitted by applicable law, irrespective of any other circumstances that might otherwise limit recourse by or against the Guarantor or any other Person;
- (x) the obtaining, the amendment or the release of or consent to any departure from the primary or secondary obligation of any other Person, in addition to the Guarantor, with respect to any Liabilities;
- (xi) any compromise, alteration, amendment, modification, extension, renewal, release or other change, or waiver, consent or other action, or delay or omission or failure to act, in respect of any of the terms, covenants or conditions of any Operative Document or any document entered into in connection with the transactions contemplated by any Operative Document, or any other agreement or any related document referred to therein, or any assignment or transfer of any thereof (including, without limitation, any Benchmark Replacement Conforming Changes or any other modifications or other amendments delivered or otherwise implemented or effected (automatically or otherwise) in accordance with or in furtherance of this Section titled "Benchmark Replacement Setting" under the Credit Agreement);
- (xii) any manner of application of Collateral or Proceeds thereof, to all or any of the Liabilities, or any manner of sale or other disposition of any Collateral, or any furnishing or acceptance of additional collateral;
- (xiii) any change in control in the ownership of the Borrower, any change, merger, demerger, consolidation, restructuring or termination of the corporate structure or existence of the Borrower;

- (xiv) to the fullest extent permitted by applicable law, any other circumstance which might otherwise constitute a defense available to, or a discharge of, a guarantor or surety with respect to any Liabilities;
- (xv) any default, failure or delay, whether as a result of actual or alleged force majeure, commercial impracticability or otherwise, in the performance of the Liabilities, or by any other act or circumstances which may or might in any manner or to any extent vary the risk of the Guarantor, or which would otherwise operate as a discharge of the Guarantor;
- (xvi) the existence of any other obligation of the Guarantor, or any limitation thereof, in any Operative Document;
- (xvii) any regulatory change or other governmental action (whether or not adverse); or
- (xviii) the partial payment or performance of the Liabilities (whether as a result of the exercise of any right, remedy, power or privilege or otherwise) or the invalidity of any payment for any reason whatsoever.

Should any money due or owing under this Guarantee not be recoverable from the Guarantor due to any of the matters specified in paragraphs (i) through (xviii) above or for any other reason, then, in any such case, such money shall nevertheless be recoverable from the Guarantor as though the Guarantor were principal debtor in respect thereof and not merely a guarantor and shall be paid by the Guarantor forthwith.

- (c) This Guarantee shall continue to be effective or be automatically reinstated, as the case may be, if at any time any payment, or any part thereof, of any of the Liabilities is rescinded or must otherwise be restored or returned by the Security Trustee, the Facility Agent and/or any Lender for any reason whatsoever, whether upon the insolvency, bankruptcy, dissolution, liquidation or reorganization of the Borrower or otherwise, all as though such payment had not been made, and the Guarantor agrees that it will indemnify the Security Trustee, the Facility Agent and each Lender on demand for all reasonable costs and expenses (including, without limitation, fees and disbursement of counsel) incurred by any such Person in connection with such rescission or restoration. If an event permitting the exercise of remedies under the Operative Documents shall at

any time have occurred and be continuing and such exercise, or any consequences thereof provided in any Operative Document, shall at such time be prevented by reason of the pendency against the Borrower of a case or proceeding under a bankruptcy or insolvency law, the Guarantor agrees that, for purposes of this Guarantee and its obligations hereunder, amounts payable under the Operative Documents shall be deemed to have been declared in default, with all attendant consequences as provided in the Operative Documents as if such declaration of default and the consequences thereof had been accomplished in accordance with the terms of the Credit Agreement and the other Operative Documents, and the Guarantor shall forthwith pay any amounts guaranteed hereunder, without further notice or demand.

4. WAIVER

To the fullest extent permitted by applicable law, the Guarantor hereby expressly and irrevocably waives diligence, promptness, demand for payment or performance, filing

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of claims with any court, any proceeding to enforce any provision of the Operative Documents, notice of acceptance of and reliance on this Guarantee by the Security Trustee, the Facility Agent and each Lender, notice of the creation of any liabilities of the Borrower, any requirement that the Security Trustee, the Facility Agent or any Lender protect, secure, perfect or insure any security interest or Lien on the Collateral or any property subject thereto, any right to require a proceeding first against the Borrower, whether to marshal any assets or to exhaust any right or take any action against the Borrower or any other Person or entity or any collateral or otherwise, any diligence in collection or protection of or realization upon any Liabilities, any obligation hereunder or any collateral security for any of the foregoing, any right of protest, presentment, notice or demand whatsoever, all claims of waiver, release, surrender, alteration or compromise, and all defenses, set-offs, counterclaims, recoupments, reductions, limitations, impairments or terminations, whether arising hereunder or otherwise.

5. CERTAIN ACTIONS

The Security Trustee, the Facility Agent and each Lender may, from time to time at its sole discretion and without notice to the Guarantor, take any or all of the following actions without affecting the obligations of the Guarantor hereunder: (i) retain or obtain a lien upon a security interest in any substitutions or replacements to the Collateral; (ii) retain or obtain the primary or secondary obligation of any obligor or obligors, in addition to the Guarantor, with respect to any of the Liabilities or any obligation hereunder; (iii) with consent of the Borrower, extend or renew for one or more periods (regardless of whether longer than the original period), alter or exchange any of the Liabilities, or release or compromise any obligation of the Guarantor hereunder or any obligation of any nature of any other obligor (including the Security Trustee) with respect to any of the Liabilities; (iv) release or fail to perfect any Lien upon or security interest in, or impair, surrender, release or permit any substitution or exchange for, all or any part of any property securing any of the Liabilities or any obligation hereunder, or extend or renew for one or more periods (regardless of whether longer than the original period) or release, compromise, alter or exchange any obligations of any nature of any obligor with respect to any such property; and (v) resort to the Guarantor for payment of any of the Liabilities, regardless of whether the Security Trustee, the Facility Agent or the Lender, as the case may be, shall have resorted to any property securing any of the Liabilities or any obligation hereunder or shall have proceeded against any other obligor primarily or secondarily obligated with respect to any of the Liabilities.

6. SUBROGATION

Any amounts received by the Security Trustee, the Facility Agent or any Lender from whatsoever source on account of the Liabilities may be applied by it toward the payment of such of the Liabilities, and in such order of application, as the Security Trustee, the Facility Agent or such Lender may from time to time elect. No payment made by or for the account of the Guarantor pursuant to this Guarantee shall entitle the Guarantor by subrogation, indemnity or otherwise to any payment by the Security Trustee, the Facility Agent or the Lender, as the case may be, from or out of any property of such Person, and the Guarantor shall not exercise any right or remedy against the Security Trustee, the Facility Agent or the Lender, as the case may be, or

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any property of such Person by reason of any performance by the Guarantor of this Guarantee.

7. RIGHTS OF THIRD PARTIES; SET-OFF

- (a) This Guarantee is made only for the benefit of, and shall be enforceable only by, the Security Trustee, the Facility Agent and each Lender, and this Guarantee shall not be construed to create any right in any Person other than the Security Trustee, the Facility Agent and each Lender to be a contract in whole or in part for the benefit of any Person other than the Security Trustee, the Facility Agent and each Lender.
- (b) Upon the occurrence of any Event of Default, the Guarantor hereby irrevocably authorizes the Security Trustee, the Facility Agent, each Lender and each of their respective Affiliates, at any time and from time to time without notice to the Guarantor, any such notice being expressly waived by the Guarantor, to set-off and appropriate and apply any and all assets, at any time held or owing by the Guarantor or any of its Affiliates to, or for the credit of the account of the Guarantor, or any part thereof in such amounts as the Security Trustee, the Facility Agent or such Lender, as the case may be, may elect, against and on account of the obligations and liabilities of the Guarantor to the Security Trustee, the Facility Agent and each Lender hereunder of every nature and description of the Security Trustee, the Facility Agent and each Lender. The Security Trustee, the Facility Agent or applicable Lender shall notify the Guarantor promptly of any such set-off and the application made by them, provided that the failure to give such notice shall not affect the validity of such set-off and application. The rights of the Security Trustee, the Facility Agent and each Lender under this Clause are in addition to other rights and remedies (including, without limitation, other rights of set-off) which the Security Trustee, the Facility Agent and the Lenders may have.

8. REPRESENTATIONS AND WARRANTIES

The Guarantor represents and warrants to the Security Trustee, the Facility Agent and each Lender as follows:

(a) Access to Information

The Guarantor has and will continue to have independent means of obtaining information concerning the Borrower's affairs, financial condition and business. None of the Security Trustee, the Facility Agent or any Lender shall have any duty or responsibility to provide the Guarantor with any credit or other information concerning the Borrower's affairs, financial condition or business which may come into the possession of the Security Trustee, the Facility Agent or any Lender.

(b) Organization

It is a company duly organized and validly existing under the laws of the state of Delaware, with organizational power and authority to own its properties and to conduct its business as such properties are presently owned and such business is presently conducted.

(c) Due Qualification

It is duly licensed, qualified and authorized to do business and is in good standing in each jurisdiction where the ownership, leasing or operation of its property or the conduct of its business requires such license, qualification or authorization except for failures to be so qualified which, individually or in the aggregate, could not reasonably be expected to have a material adverse effect on the business, operations, property, assets, liabilities, financial condition or prospects of the Guarantor.

(d) Power and Authority; Due Authorization

It has (i) all necessary power, authority and legal right to execute, deliver and perform its obligations under this Guarantee and (ii) duly authorized by all necessary organizational action such execution, delivery and performance of this Guarantee.

(e) Binding Obligations

This Guarantee constitutes the legal, valid and binding obligation of the Guarantor, enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization or other similar laws affecting the enforcement of creditors' rights generally and by general principles of equity, regardless of whether such enforceability is considered in a proceeding in equity or at law.

(f) No Violation

The execution, delivery and performance of this Guarantee will not (i) conflict with, or result in any breach of any of the terms and provisions of, or constitute (with or without notice or lapse of time or both) a default under (A) the constituent documents of the Guarantor or (B) any indenture, lease, loan agreement, receivables purchase agreement, mortgage, deed of trust, or other agreement or instrument to which the Guarantor is a party or by which it or its property is bound, (ii) result in or require the creation or imposition of any Lien upon any of its properties pursuant to the terms of any such indenture, lease, loan agreement, receivables purchase agreement, mortgage, deed of trust, or other agreement or instrument or (iii) violate any law or any judgment, writ, injunction, decree, order, rule, regulation applicable to the Guarantor of any court or of any federal, state or foreign regulatory body, administrative agency or other governmental instrumentality having jurisdiction over the Guarantor or any of its properties.

(g) Not Insolvent

The execution, delivery and performance by the Guarantor of this Guarantee will not render the Guarantor insolvent, nor is it being made in contemplation of the Guarantor's insolvency; the Guarantor does not, in its reasonable judgment, have an unreasonably small capital for conducting its business as presently contemplated by it. The Guarantor is fully solvent (on a cash flow and balance sheet basis) and will be fully solvent immediately following the execution of this Agreement and the other Operative Documents.

(h) No Default under Airbus Purchase Agreements or Engine Agreements

No event is continuing in respect of the Guarantor which would constitute an incipient or actual default by Frontier Airlines, Frontier Holdings Frontier Group Holdings under any Airbus Purchase Agreement, the A321neo Engine Purchase Agreement, the Incremental A321neo Engine Purchase Agreement or the CFM Engine Agreement A320neo.

9. COVENANTS

(a) The Guarantor shall observe certain policies and procedures relating to the Borrower's existence as separate companies as follows and shall do all things necessary to maintain its corporate existence separate and distinct from the Borrower. The Guarantor shall:

- (i) observe all formalities necessary to remain a legal entity separate and distinct from the Borrower;
- (ii) maintain its assets and liabilities separate and distinct from those of the Borrower in such a manner that it is not difficult to segregate, identify or ascertain such assets;
- (iii) maintain records, books and accounts separate from those of the Borrower (other than as otherwise set forth under the Operative Documents);
- (iv) pay its obligations in the ordinary course of business as a legal entity separate from the Borrower;
- (v) keep its funds separate and distinct from any funds of the Borrower, and receive, deposit, withdraw and disburse such funds separately from any funds of the Borrower;
- (vi) not agree to pay, assume, guarantee or become liable for any debt of, or otherwise pledge its assets for the benefit of the Borrower except as otherwise permitted under the Operative Documents;
- (vii) not hold out that the Borrower is a division of the Guarantor or any other Person

or that the Guarantor is a division of the Borrower or any other Person,

- (viii) not induce any third party to rely on the creditworthiness of the Guarantor in order that such third party will contract with the Borrower (other than any guarantee of the Guarantor in favor of Airbus made in connection with the Airbus Purchase Agreements);
- (ix) allocate and charge fairly and reasonably any common overhead shared with the Borrower;
- (x) hold itself out as a separate entity from the Borrower, and correct any known misunderstanding regarding its separate identity;
- (xi) not conduct business in the name of the Borrower and ensure that all communications of the Borrower are made solely in the Borrower's name as the context may require;

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- (xii) not acquire the securities of the Borrower or allow the Borrower to acquire securities of the Guarantor;
 - (xiii) prepare separate financial statements and separate tax returns from the Borrower (provided that the Guarantor may publish financial statements that consolidate those of the Guarantor and its subsidiaries, if to do so is required by any applicable law or accounting principles from time to time in effect and subsidiaries of the Guarantor may file consolidated Tax returns with the Guarantor and its subsidiaries for Tax purposes); and
 - (xiv) not enter into any transaction with the Borrower that is more favorable to the Guarantor than transactions that the Guarantor and its subsidiaries would have been able to enter into at such time on an arm's-length basis with a non-affiliated third party or vice versa.
- (b) The Guarantor shall not take any action or omit to take any action that would cause an incipient or actual default under any Airbus Purchase Agreement or any Engine Agreement.
 - (c) The Guarantor shall ensure that the Servicing Agreement, the Option Agreement, the Subordinated Loan Agreement, and this Guarantee remain in place and in full force and effect and that neither it nor any other Obligor shall breach any of the terms of any of such documents. The Guarantor shall ensure that no amendment, variation, waiver or other change is made to its memorandum and articles of association or other constituent documents, the Servicing Agreement, the Option Agreement, the Subordinated Loan Agreement, or this Guarantee.
 - (d) The Guarantor shall:
 - (i) promptly upon acquiring actual knowledge of the same, notify the Facility Agent of any default (whether by the Guarantor, any Affiliate of the Guarantor, Airbus or the Engine Manufacturer) under or cancellation, termination or rescission or purported cancellation, termination or rescission of any Airbus Purchase Agreement or any Engine Agreement specifying in reasonable detail the nature of such default, cancellation, rescission or termination;
 - (ii) not, without the Security Trustee's prior written consent, in any way modify, cancel, terminate or amend or consent to the modification, cancellation, termination or amendment of any Airbus Purchase Agreement or any Engine Agreement except to the extent permitted by the Credit Agreement;
 - (iii) not accept, and shall procure that the Borrower or any other Person does not accept, delivery of any Aircraft from Airbus before or concurrently with repaying to the Lenders all amounts owing in respect of the Loans relating to that Aircraft;
 - (iv) not enter into or consent to any change order or other amendment, modification or supplement to any Airbus Purchase Agreement or any Engine Agreement, in relation to the Aircraft, without the prior written consent and countersignature of the Security Trustee (acting at the unanimous direction of the Lenders) if such change order, amendment, modification or supplement would require the

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consent of the Security Trustee under the Step-In Agreement or under the Credit Agreement;

- (v) provide to the Security Trustee promptly after the execution of the same copies, certified by the Guarantor, of all material change orders (other than non charge change orders), amendments, modifications or supplements to the Assigned Purchase Agreements that would require the consent of the Security Trustee under the Step-In Agreement or under the Credit Agreement;
 - (vi) provide to the Security Trustee promptly upon request, such information regarding the package of product support and training services as was agreed to be provided by Airbus to the Guarantor under the Assigned Purchase Agreements and agrees not to take any action or omit to take any action which would reduce the product support and training services which would otherwise be available to Intrepid by Airbus with respect to the Aircraft under the Assigned Purchase Agreements; and
 - (vii) not agree to any financial indebtedness cross default (in respect of it or any of its Affiliates) with Airbus that would give rise to a right for Airbus to terminate the Assigned Purchase Agreements.
- (e) The Guarantor shall not accept any repayment of any part of the Subordinated Loan Agreement while the Secured Obligations remain outstanding.
- (f) Financial Covenants

The Guarantor shall at all times ensure that it has liquidity in the form of Unrestricted Cash and Cash Equivalents in an aggregate amount of not less than [***].

The Guarantor shall, on each date on which its financial statements are required to be delivered by the Borrower pursuant to Clause 10.15(a) and (b) of the Credit Agreement and on each date on which a Funding Notice is issued under the Credit Agreement, deliver to the Facility Agent a certificate in writing (which may be provided by e-mail) confirming compliance with this Clause 9(f), such certificate to be accompanied by supporting financial information for the Guarantor and the Group (which, in respect of the confirmation to be provided on the date of a Funding Notice, shall be the group management accounts most recently prepared and the knowledge of any officer of the Guarantor) and shall otherwise promptly notify the Security Trustee of any breach by the Guarantor of any of its obligations hereunder. For purposes of this Clause 9(f), the following definitions shall apply:

"Unrestricted Cash and Cash Equivalents" means at any date in respect of the Guarantor, the sum of (a) the undrawn portion available under any revolving, delayed draw or similar credit facilities, in each case that have a maturity of one (1) year or more from such date, (b) available liquidity and (c) the cash and cash equivalents (in each case, as such terms are defined by GAAP) of the Guarantor on a consolidated based, that may be in each case (i) classified as "unrestricted" in accordance with GAAP on the consolidated balance sheets of the Guarantor or (ii) classified in accordance with GAAP as "restricted" on the consolidated balance sheets of the Guarantor solely in favor of the Security Trustee and the Lenders, provided that if the Guarantor agrees to any more onerous definition pursuant to any financial

covenant in any agreement to which it is a party, this definition shall be deemed to be deleted and replaced with such other definition.

10. SUCCESSORS AND ASSIGNS

- (a) This Guarantee shall be binding upon the Guarantor and upon the Guarantor's successors and assigns and all references herein to the Guarantor or the Security Trustee shall be deemed to include any successor or successors whether immediate or remote, to such Person. The Guarantor shall not assign any of its rights or obligations hereunder without the prior written consent of the Security Trustee, the Facility Agent and each Lender.
- (b) This Guarantee shall inure to the benefit of the Security Trustee, the Facility Agent each Lender and their respective successors and assigns, and all references herein to the

Security Trustee, the Facility Agent or any Lender shall be deemed to include any successors and assigns of such Person (whether or not reference in a particular provision is made to such successors and assigns).

11. NOTICES

All notices, demands or requests given pursuant to this Guarantee shall be in writing personally delivered, or sent by facsimile (with subsequent telephone confirmation of receipt thereof) or sent by internationally recognized overnight courier service, to the following addresses:

(a) if to the Guarantor:

Frontier Group Holdings, Inc.
7001 Tower Road
Denver, CO 80249
Attention: SVP – General Counsel
Phone: (###) ###-####
Email: ###

(b) if to the Security Trustee:

Bank of Utah
50 South 200 East, Suite 110
Salt Lake City, Utah 84111
Telephone: ### ###-####
Facsimile: ### ###-####
Email: #####

Whenever any notice in writing is required to be given by the Guarantor or the Security Trustee, such notice shall be deemed given and such requirement satisfied when such notice is received, with such notice received if such notice is mailed by certified mail, postage prepaid, or is sent by facsimile, addressed as provided above.

Either party hereto may change the address to which notices to such party will be sent by giving notice of such change to the other party.

12. GOVERNING LAW; COUNTERPARTS

THIS GUARANTEE SHALL IN ALL RESPECTS BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK, INCLUDING ALL MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE. This Guarantee may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

13. WAIVER OF JURY TRIAL

EACH PARTY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS GUARANTEE OR THE TRANSACTIONS CONTEMPLATED HEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS GUARANTEE BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS CLAUSE.

14. JURISDICTION

- (a) The Guarantor hereby irrevocably and unconditionally submits, for itself and its property, to the non-exclusive jurisdiction of the Supreme Court of the State of New York sitting in New York County and of the United States District Court of the Southern District of New York, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Guarantee, or for recognition or enforcement of any judgment, and the Guarantor irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York State or, to the extent permitted by law, in such Federal court. The Guarantor agrees that a final judgment in any such action or proceeding shall be conclusive and

may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Guarantee shall affect any right that the Security Trustee or any Lender may otherwise have to bring any action or proceeding relating to this Guarantee against another party or its properties in the courts of any jurisdiction.

- (b) The Guarantor irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Guarantee in any court referred to in paragraph (a) of this Clause. The Guarantor hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

15. SERVICE OF PROCESS

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Each party to this Guarantee irrevocably consents to service of process in the manner provided for the delivery of notices in Clause 11. Nothing in this Guarantee will affect the right of any party to this Guarantee to serve process in any other manner permitted by law. The Guarantor hereby irrevocably appoints and designates Corporation Services Company (the "Agent for Service of Process"), having an address at Corporation Service Company, 80 State Street, Albany, New York 12207-2543, as its true and lawful attorney-in-fact and duly authorized agent for the limited purpose of accepting service of legal process and the Guarantor agrees that service of process upon such party shall constitute personal service of such process on such person. The Guarantor shall maintain the designation and appointment of the Agent for Service of Process at such address until all amounts payable under this Guarantee shall have been paid in full. If the Agent for Service of Process shall cease to so act, the Guarantor shall immediately designate and shall promptly deliver to the Security Trustee evidence in writing of acceptance by another agent for service of process of such appointment, which such other agent for service of process shall have an address for receipt of service of process in the State of New York and the provisions above shall equally apply to such other agent for service of process.

[Signature page follows]

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IN WITNESS WHEREOF, this Guarantee has been executed and delivered by the Guarantor's duly authorized officer as of the date first written above.

FRONTIER GROUP HOLDINGS, INC.

By: /s/ Howard Diamond
Name: Howard Diamond
Title: SVP, General Counsel & Secretary

ACCEPTED and AGREED:

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

By: /s/ Kade Baird
Name: Kade Baird
Title: Assistant Vice President

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

Exhibit 10.8

EXECUTION VERSION

Vertical Horizons, Ltd.
as Buyer

and

Bank of Utah
not in its individual capacity but solely as security trustee
as Security Trustee

and

Airbus S.A.S.
as Airbus

Amended and Restated Step-in Agreement
[***] Airbus A320neo Aircraft and [***] Airbus A321neo Aircraft

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AMENDED AND RESTATED STEP-IN AGREEMENT

Dated 11 August 2023

Between:

- (1) Vertical Horizons, Ltd., an exempted company incorporated with limited liability pursuant to the laws of the Cayman Islands whose registered address and principal place of business is at the offices of Intertrust SPV (Cayman) Limited, One Nexus Way, Camana Bay, George Town, Grand Cayman, KY1-9005, Cayman Islands (the Buyer);
- (2) Bank of Utah, not in its individual capacity but solely as security trustee for the Facility Agent and the Lenders (the Security Trustee); and
- (3) Airbus S.A.S., registered in France and having its registered office at 2 rond-point Emile Dewoitine, 31700 Blagnac, France (Airbus).

Recitals:

- (A) Pursuant to the Purchase Agreement, Airbus has agreed to sell and Frontier has agreed to purchase and take delivery of the Aircraft.
- (B) Pursuant to the Assignment and Assumption Agreement, certain rights and obligations of Frontier in respect of the Aircraft have been transferred by Frontier to the Buyer.
- (C) Pursuant to the Assigned Purchase Agreement, Airbus has agreed to sell and the Buyer has agreed to purchase and take delivery of the Aircraft.
- (D) Pursuant to the PDP Loan Agreement, the Lenders have agreed to make available to the Buyer certain facilities on the terms and conditions contained in the PDP Loan Agreement for the purposes of refinancing and financing the Pre-Delivery Payments paid or payable (as the case may be) to Airbus in relation to the Aircraft.
- (E) It is a condition of the disbursement of funds under the PDP Loan Agreement that the parties enter into this Agreement which amends and restates the Original Step-In Agreement in the form of this Agreement and sets out the terms and conditions upon which Airbus agrees to grant and the Security Trustee agrees to assume the Relevant Rights and perform the Relevant Obligations in each case in respect of the Aircraft.

It is agreed as follows:

- 1 Interpretation
- 1.1 In this Agreement (including the Recitals), unless the context otherwise requires or unless otherwise defined or provided for in this Agreement, the following words and expressions shall have the respective meanings ascribed to them:

A320neo Aircraft means, as the context requires, all or any of the A320neo Airframes, together with the Engines and the Manuals and Technical Records relating respectively thereto.

A320neo Airframes means, as the context requires, all or any of the [***] Airbus A320neo airframes which are the subject of this Agreement and bearing CAC-IDs [***], together with all Parts incorporated in, installed on or attached to such airframes on the respective Delivery Dates of such airframes.

A321neo Aircraft means, as the context requires, all or any of the A321neo Airframes, together with the Engines and the Manuals and Technical Records relating respectively thereto.

A321neo Airframes means, as the context requires, all or any of the [***] Airbus A321neo airframes which are the subject of this Agreement and bearing CAC-IDs [***], together with all Parts incorporated in, installed on or attached to such airframes on the respective Delivery Dates of such airframes.

Affected Aircraft has the meaning given to it in paragraph (a) of Clause 6.8.

Affected Amounts has the meaning given to it in paragraph (a) of Clause 6.8.

Affiliate means, with respect to any person, any other person directly or indirectly controlling or controlled by or under direct or indirect common control with such person or any of the member companies of the same group as such person, as the case may be.

Agreement means this Amended and Restated Step-In Agreement and all schedules, appendices, exhibits and annexes hereto as the same may be amended or supplemented from time to time.

Airbus Termination Event means (i) the occurrence of any event or the existence of any circumstance which entitles Airbus to terminate or cancel all or any part of the Assigned Purchase Agreement; or (ii) any breach by Frontier or Frontier Holdings of its obligations under the Guarantee executed by it that are, in the opinion of Airbus (acting reasonably), material.

Airbus Termination Event Notice means a notice served by Airbus in accordance with Clause 6.4(a).

Airbus Termination Notice means a notice served by Airbus in accordance with Clause 10.2.

Aircraft means, together, the A320neo Aircraft and the A321neo Aircraft.

Assigned Purchase Agreement means the Purchase Agreement, as and to the extent assigned to and assumed by the Buyer pursuant to the Assignment and Assumption Agreement and as amended and restated by the Assignment and Assumption Agreement.

Assignment and Assumption Agreement means the amended and restated assignment and assumption agreement dated on or about the date of this Agreement and entered into between Airbus, Frontier and the Buyer in respect of the Purchase Agreement.

BFE Transfer Documents means, in respect of a Relevant Aircraft:

- (a) a BFE bill of sale pursuant to which full legal and beneficial title to the BFE free and clear of all Encumbrances is transferred to Airbus; and

- (b) a BFE indemnity letter including an acknowledgement that Airbus accepts no responsibility for the condition of the BFE and an indemnity in favour of Airbus for any Losses suffered or incurred by Airbus as a consequence of Airbus acquiring title to the BFE and/or transferring title to such BFE,

in each case in a form and substance reasonably satisfactory to Airbus issued by the Buyer and/or the Security Trustee.

Business Day means a day (other than a Saturday or a Sunday) on which banks are open for business in Toulouse and, in respect of determining Term SOFR, "Business Day" has the meaning given to that term in the PDP Loan Agreement (as set out in Appendix A hereto).

Buyer Furnished Equipment and BFE means all the items of equipment that are furnished by or on behalf of the Buyer and/or the Security Trustee in respect of a Relevant Aircraft and installed on such Relevant Aircraft by Airbus on or prior to the Delivery Date applicable to that Relevant Aircraft.

Cape Town Convention means the Convention on International Interests in Mobile Equipment and its Protocol on Matters specific to Aircraft Equipment concluded in Cape Town on 16 November 2001.

Certificate of Acceptance means in respect of a Relevant Aircraft, a certificate of acceptance relating to such Relevant Aircraft in the form set out in the Assigned Purchase Agreement or the Replacement Purchase Agreement.

Decision Date means, with respect to any Relevant Aircraft, the date falling [***] after the occurrence of a Step-In Event [***].

Delivery, with respect to any Relevant Aircraft:

- (a) with regard to any time prior to a Step-In, means the delivery of such Relevant Aircraft by Airbus to (i) the Buyer or its assignee pursuant to the terms and conditions set out in the Assigned Purchase Agreement or (ii) Frontier pursuant to the terms and conditions set out in the Re-Assigned Purchase Agreement; and
- (b) with regard to any time after a Step-In, means the delivery of such Relevant Aircraft by Airbus to the "Buyer" or its assignee pursuant to the terms and conditions set out in the Replacement Purchase Agreement.

Delivery Date means, in relation to each Relevant Aircraft, the date on which title to such Relevant Aircraft is transferred to the "Buyer" or its assignee under, and in accordance with the provisions of, the Assigned Purchase Agreement, the Re-Assigned Purchase Agreement or the Replacement Purchase Agreement.

Encumbrance means:

- (a) any mortgage, charge, pledge, assignment, title retention, lien or other encumbrance securing any obligation of any person or any other agreement or arrangement having a similar effect; or
- (b) any agreement or arrangement giving effect to any of the foregoing.

Engines means:

- (a) with respect to an A320neo Airframe, collectively the set of two (2) engines attached to such A320neo Airframe on the Delivery Date of such A320neo Airframe;
- (b) with respect to an A321neo Airframe, collectively the set of two (2) engines attached to such A321neo Airframe on the Delivery Date of such A321neo Airframe.

Facility Acceleration Event means, by reason of the occurrence of a Loan Event of Default, the exercise by the Facility Agent of its rights under the PDP Loan Agreement to declare all amounts outstanding under the PDP Loan Agreement to be immediately due and payable.

Facility Agent has the meaning given to that term in the PDP Loan Agreement (as set out in Appendix A hereto).

Final Price means the "Final Price" as defined in the Assigned Purchase Agreement or the Replacement Purchase Agreement.

Finance Parties means the Security Trustee, the Facility Agent and the Lenders and Finance Party means any one of them.

Financed Pre-Delivery Payments means, in relation to a Pre-Delivery Payment, the amount equal to that Pre-Delivery Payment or that part of that Pre-Delivery Payment which has been financed or refinanced or is to be financed or refinanced by the Lenders pursuant to the PDP Loan Agreement (whether or not initially paid by the Buyer) as set out (i) in the case of the A320neo Aircraft, in column 3 of Part A of Schedule 1 and (ii) in the case of the A321neo Aircraft, in column 3 of Part B of Schedule 1 and Financed Pre-Delivery Payment means any one (1) such payment.

Frontier means Frontier Airlines, Inc., a corporation incorporated and existing under the laws of the State of Colorado, the United States of America.

Frontier Holdings means Frontier Airlines Holdings, Inc., a corporation incorporated and existing under the laws of the State of Delaware, the United States of America.

Guarantees means, together:

- (a) the guarantee and indemnity dated 23 December 2014 between Frontier as guarantor and Airbus as beneficiary pursuant to which Frontier has agreed, amongst other things, to guarantee to Airbus the due and punctual performance by the Buyer of all of its obligations owed to Airbus under each Relevant Document to which it is a party, as amended, supplemented or confirmed from time to time; and
- (b) the guarantee and indemnity dated 23 December 2014 between Frontier Holdings as guarantor and Airbus as beneficiary pursuant to which Frontier Holdings has agreed, amongst other things, to guarantee to Airbus the due and punctual performance by the Buyer of all of its obligations owed to Airbus under each Relevant Document to which it is a party, as amended, supplemented or confirmed from time to time,

(each, a Guarantee).

Guarantee Confirmation means the confirmation dated on or about the date hereof and executed by Frontier and Frontier Holdings in relation to the Guarantees.

Indemnitees has the meaning given to that term in Clause 11.

Insolvency Event means, in relation to a person, the occurrence of any of the following:

- (a) such person is unable or admits inability to pay its debts as they fall due or suspends making payments on all or a substantial part of its debts;
- (b) a moratorium or other protection from its creditors is declared or imposed in respect of all or a substantial part of the indebtedness of such person;
- (c) any corporate action on the part of such person is, or legal proceedings are, taken (including the making of an application, the presentation of a petition, the filing or service of a notice or the passing of a resolution) in relation to:
 - (i) the suspension of all or a substantial part of the payments, a moratorium of all or a substantial part of the indebtedness, winding-up, dissolution or administration of such person save, in the case of a winding-up, a winding up petition which is discharged, stayed or dismissed within thirty (30) days of its presentation;
 - (ii) the appointment of a liquidator, supervisor, receiver, administrative receiver, administrator, compulsory manager, trustee or other similar officer in respect of such person or all or a substantial part of the assets of such person; or
- (d) any expropriation, attachment, sequestration, distress or execution affects all or a substantial part of the assets of such person; or
- (e) any analogous event or circumstance to those described in paragraphs (a) to (d) above occurs in any jurisdiction.

International Registry means the registry established pursuant to the Cape Town Convention.

Lenders means the banks and financial institutions which are party to the PDP Loan Agreement as lenders from time to time, being as at the date of this Agreement, Citibank, N.A., Morgan Stanley Senior Funding, Inc., Barclays Bank PLC, Deutsche Bank AG, Natixis, New York Branch, Credit Agricole – CIB.

Letter of Release means a letter of release in the form set out in Schedule 2.

Loan Event of Default has the meaning given to the term "Event of Default" in the PDP Loan Agreement (a complete list of which "Events of Default" as at the date hereof is set out in Appendix A) [***].

Losses includes all losses, payments, damages, liabilities, claims, proceedings, actions, penalties, fines, duties, taxes, fees, rates, levies, charges, demands or other sanctions of a monetary nature, insurance premiums, judgements, costs and expenses.

Manuals and Technical Records means together, those records, logs, manuals, technical data and other materials and documents relating to each Relevant Aircraft, as shall be delivered pursuant to the Assigned Purchase Agreement or the Replacement Purchase Agreement.

Material Event of Default means:

- (a) [***] the occurrence of an Insolvency Event in respect of the Buyer; or
- (b) the occurrence of the Loan Event of Default set out in paragraph (a) (Non Payment) of Appendix A, [***]; or
- (c) the occurrence of a Facility Acceleration Event.

Material Event of Default Notice means a written notice from the Security Trustee given to Airbus in accordance with the provisions of Clause 5.5.

Non-Financed Pre-Delivery Payments means in relation to a Pre-Delivery Payment, the amount equal to that Pre-Delivery Payment or that part of that Pre-Delivery Payment which has been paid or is to be paid by the Buyer (and which has not been financed or refinanced by the Lenders under the PDP Loan Agreement) as set out (i) in the case of the A320neo Aircraft, in column 4 of Part A of Schedule 1 and (ii) in the case of the A321neo Aircraft, in column 4 of Part B of Schedule 1 and Non-Financed Pre-Delivery Payment means any one (1) such payment.

Notice means, with respect to a Relevant Aircraft:

- (a) a Step-In Notice; or
- (b) a Letter of Release

as the case may be, in each case relating to such Relevant Aircraft.

Option means, in relation to any Relevant Aircraft, the option granted to Airbus pursuant to Clause 8.1.

Option Date means, in respect of an Option, the date upon which Airbus pays the Option Price to the Facility Agent.

Option Period means, in relation to any Relevant Aircraft, the period commencing on the date of the occurrence of a Step-In Event and ending on the date falling [***] after service by the Security Trustee of a Step-In Notice relating to that Relevant Aircraft.

Option Price means, in respect of a Relevant Aircraft, an amount equal to the aggregate of:

- (a) all of the Financed Pre-Delivery Payments actually received by Airbus in respect of such Relevant Aircraft at the commencement of the relevant Option Period (without prejudice to Clause 11.2); and
- (b) interest on the amount referred to in paragraph (a) above calculated at the rate of [***].

Original Step-In Agreement means the step-in agreement dated 23 December 2014 and entered into among the Buyer, the Security Trustee and Airbus, as amended on:

- 11 May 2015;
- 11 August 2015;
- 16 December 2016;
- 29 December 2017;
- 29 January 2019 (by way of restatement);
- 16 August 2019;
- 19 March 2020 (by way of restatement);
- 4 May 2020;
- 15 December 2020;
- 28 December 2021 (by way of restatement);
- 31 March 2022;
- 30 June 2022;
- 31 March 2023;
- 26 May 2023; and
- 28 June 2023

Part means an appliance, component, part, instrument, accessory, furnishing or other equipment of any nature, excluding any Buyer Furnished Equipment and the Engines, which is installed in, attached to or supplied with a Relevant Aircraft on the Delivery Date thereof.

PDP Advance means, in respect of a Relevant Aircraft, an advance of funds by the Facility Agent under the PDP Loan Agreement for the purposes of financing or refinancing a Pre-Delivery Payment which is due and payable or which has been paid under the Assigned Purchase Agreement.

PDP Loan Agreement means the ninth amended and restated PDP loan agreement, dated on or about the date of this Agreement, made between the Buyer, as borrower, the Lenders, the Security Trustee and the Facility Agent relating to the financing and/or refinancing of certain Pre-Delivery Payments in respect of the Aircraft.

PDP Loan Margin means [***].

PDP Payment Dates means, in respect of each Aircraft, the dates when Pre-Delivery Payments are due as set out (i) in the case of the A320neo Aircraft, in column 1 of Part A of Schedule 1 and (ii) in the case of the A321neo Aircraft, in column 1 of Part B of Schedule 1 and PDP Payment Date means any one (1) such date.

Permitted Transferee means, any person to whom the Security Trustee intends to transfer the benefit and burden of the corresponding Relevant Rights and/or Relevant Obligations in accordance with this Agreement who has been approved in writing by Airbus (such approval not to be unreasonably withheld or delayed), it being agreed and acknowledged by the Security Trustee that Airbus shall be entitled to withhold its approval in respect of any person which is:

- (a) a person to whom it is illegal for Airbus to sell an aircraft or a party with which Airbus is prohibited by applicable law or regulation from doing business; or

- (b) a special purpose company or similar entity (unless such special purpose company or other entity has been guaranteed to the satisfaction of Airbus (acting reasonably) by an entity that otherwise satisfies the definition of a Permitted Transferee);
- (c) an airframe manufacturer or an engine manufacturer, or an entity directly or indirectly controlled by an airframe manufacturer or an engine manufacturer, or an Affiliate of any such persons;
- (d) a person with which Airbus (acting reasonably) objects to doing business, either (i) by reason of the occurrence of a contractual or non-contractual dispute with that person or (ii) by reason of the default by such person or any of its Affiliates in the performance of any material obligation owed to Airbus under any contract; or
- (e) subject to or, in the reasonable opinion of Airbus, is likely to become the subject of an Insolvency Event prior to the Delivery of any Relevant Aircraft.

Pre-Delivery Payments means, in respect of each Aircraft, the amounts paid or payable by the Buyer under the Assigned Purchase Agreement (such payments being the pre-delivery payments paid or payable under the Purchase Agreement, as assigned to the Buyer) on specified dates, each as more particularly set out (i) in the case of the A320neo Aircraft, in column 2 of Part A of Schedule 1 and (ii) in the case of the A321neo Aircraft, in column 2 of Part B of Schedule 1 and Pre-Delivery Payment means any one (1) such payment.

Purchase Agreement means the A320neo aircraft purchase agreement dated 30 September 2011, as amended and supplemented from time to time (but excluding any letter agreements entered into from time to time in relation thereto), between Airbus (as seller) and Frontier (as buyer) with respect to, inter alia, the Aircraft (Frontier having acquired the rights and obligations of Republic Airways Holdings, Inc. thereunder pursuant to an assignment and assumption agreement dated 6 November 2013 between Republic Airways Holdings, Inc., Frontier and Airbus).

Re-Assigned Purchase Agreement means the Assigned Purchase Agreement, as re-assigned to and assumed by Frontier pursuant to the Re-Assignment and Assumption Agreement.

Re-Assignment and Assumption Agreement means the re-assignment and re-assumption agreement in respect of the Assigned Purchase Agreement dated 23 December 2014 (as amended from time to time) and entered into between Frontier, the Buyer and Airbus with respect to the re-assignment to Frontier and re-assumption by Frontier of rights, interests, obligations and liabilities under the Assigned Purchase Agreement in respect of the Relevant Aircraft (as defined therein).

Re-Assignment Event has the meaning given to that term in the Re-Assignment and Assumption Agreement.

Relevant Aircraft means any Aircraft in respect of which a PDP Advance has been made.

Relevant Documents means this Agreement, the Assignment and Assumption Agreement, the assignment and amendment agreement dated June 30, 2022 between Airbus, Frontier and Buyer, the Assigned Purchase Agreement, the Re-

Assignment and Assumption Agreement, the Re-Assigned Purchase Agreement, each Guarantee, the Guarantee Confirmation and the Security Assignment and all agreements and instruments amending, supplementing or confirming the foregoing from time to time (and, individually, each a Relevant Document).

Relevant Obligations means, in respect of a Relevant Aircraft, collectively:

- (a) the obligations of the Security Trustee under this Agreement;
- (b) the obligations of the "Buyer" under the Replacement Purchase Agreement (including the obligation to pay the Final Price to Airbus); and
- (c) the obligation of the Security Trustee after a Step-In and prior to Delivery to provide to Airbus a duly executed BFE Indemnity Letter in a form consistent with Airbus' then standard practice, having regard to the circumstances.

Relevant Rights means, in respect of a Relevant Aircraft, collectively:

- (a) the right to Step-In in accordance with this Agreement;
- (b) the right to receive from Airbus in accordance with the terms and conditions set out in the Replacement Purchase Agreement any payment or repayment of an amount equal to or in respect of any part of any Pre-Delivery Payments received by Airbus [***]; and
- (c) the right to require Airbus in accordance with the terms and conditions set out in the Replacement Purchase Agreement to apply an amount equal to any such Pre-Delivery Payments relating to such Relevant Aircraft and received by Airbus and which have not pursuant to a final, non-appealable judgement been repaid by Airbus to the Buyer or any claimant acting through the Buyer (without prejudice to Clause 11.2), in partial satisfaction of the Final Price.

Replacement Purchase Agreement means, following a Step-In, the aircraft purchase agreement relating to each of the Step-In Aircraft, in the form set out in Schedule 4.

Scheduled Delivery Month means, in respect of each Aircraft, the month during which the Delivery Date is, at the date of this Agreement, scheduled to occur, as specified (i) in the case of the A320neo Aircraft, in column 6 of Part A of Schedule 1 and (ii) in the case of the A321neo Aircraft, in column 6 of Part B of Schedule 1.

Secured Obligations means any and all moneys and financial liabilities which are (or which are expressed to be) now or at any time hereafter due, owing or payable by the Buyer to any Finance Party in any currency, actually or contingently, with another or others, as principal or surety, on any account whatsoever in favour of any Finance Party in relation to any PDP Advance under or pursuant to the PDP Loan Agreement, the Security Assignment and this Agreement, including as a consequence of any breach, non-performance, disclaimer or repudiation by the Buyer (or by a liquidator, receiver, administrative receiver, administrator or any similar officer in respect of the Buyer) of any of such obligations; and any and all obligations which are (or which are expressed to be) now or at any time hereafter to be performed by the Buyer in favour of any Finance Party in relation to any PDP Advance pursuant to the PDP Loan Agreement, the Security Assignment and this Agreement.

Security Assignment means the ninth amended and restated mortgage and security agreement relating to the Assigned Purchase Agreement, dated on or about the date of this Agreement, made between the Buyer, the Facility Agent and the Security Trustee.

Share Charge means (i) the share charge in respect of the shares in the Buyer dated 23 December 2014 between Intertrust SPV (Cayman) Limited and the Security Trustee or (ii) any share charge over the shares in the Buyer made between Intertrust SPV (Cayman) Limited and the Security Trustee which replaces, but is not in addition to the original share charge, if the original share charge referred to in (i) above is found to be defective or unenforceable by the Security Trustee.

Standstill Period means a period ending [***] after the date Airbus serves an Airbus Termination Notice (or if, in the event of an Insolvency Event having occurred in respect of the Buyer, the Security Trustee is stayed or otherwise prohibited by law or by order of a court with jurisdiction over such proceeding from sending a Step-In Notice, [***] after the end of such stay or prohibition).

Step-In means, pursuant to the service by the Security Trustee of a Step-In Notice in accordance with the terms and conditions set out in this Agreement, the election by the Security Trustee to (i) step-in and purchase the Relevant Aircraft referred to in the Step-In Notice in accordance with the terms of the Replacement Purchase Agreement and (ii) assume the benefit and the burden of the Relevant Rights and the Relevant Obligations with respect to such Relevant Aircraft referred to in the Step-In Notice.

Step-In Aircraft means, following the occurrence of a Step-In Event, the Relevant Aircraft the Security Trustee has elected to purchase in accordance with the provisions of this Agreement and as identified in the Step-In Notice.

Step-In Event means:

- (a) the service by the Security Trustee of a Material Event of Default Notice in accordance with Clause 5.5; or
- (b) the service by Airbus of an Airbus Termination Event Notice.

Step-In Notice means the notice (if any) served by the Security Trustee pursuant to Clause 7.1 in the form set out in Schedule 3.

Term SOFR has the meaning given to that term in the PDP Loan Agreement (as set out in Appendix A hereto).

Terminated Aircraft has the meaning given to such term in Clause 7.3.

Termination Event means the occurrence of any of the events or circumstances set out in Clause 10.1.

US Dollars and US\$ means the lawful currency of the United States of America.

1.2 In this Agreement:

- (a) references to Clauses, Appendices and Schedules are to be construed as references to the Clauses of, and the Appendices and Schedules to, this Agreement, references to sub-Clauses shall unless otherwise specifically

stated be construed as references to the sub-Clauses of the Clause in which the reference appears and references to this Agreement include its Schedules;

- (b) references to this Agreement (or to any specified provisions of this Agreement) or any other document shall be construed as references to this Agreement, that provision or that document as in force for the time being and as amended in accordance with its terms, or, as the case may be, with the agreement of the relevant parties;
- (c) words importing the plural shall include the singular and vice versa;
- (d) headings to clauses or sections are for convenience only and are to be ignored in construing this Agreement;
- (e) references to a person shall be construed as including references to an individual, firm, company, corporation, unincorporated body of persons, any state or any agency thereof and shall include references to its successors, permitted transferees and permitted assigns;
- (f) references to any statute or statutory provision include any statute or statutory provision which amends, extends, consolidates or replaces the same, or which has been amended, extended, consolidated or replaced by the same, and shall include any orders, regulations, instruments or other subordinate legislation made under the relevant statute;
- (g) liability includes any obligation or liability (whether present or future, actual or contingent, secured or unsecured, as principal or surety or otherwise);
- (h) the words other and otherwise shall not be construed ejusdem generis with any foregoing words where a wider construction is possible;
- (i) the words herein, hereof and hereunder, and words of similar import shall be construed to refer to a document in its entirety and not to any particular provision of such document; and
- (j) any representation or agreement made in favour of the Security Trustee is so made in its capacity as security trustee and is made for the benefit of the Security Trustee, the Facility Agent and the Lenders.

2 Representations and Warranties

2.1 Each party to this Agreement hereby represents and warrants to the other parties that, as at the date of this Agreement:

- (a) it is duly incorporated and existing under the laws of its jurisdiction of incorporation and has the power and authority to enter into and perform its obligations under this Agreement and all necessary action has been taken by it to authorise the execution, delivery and performance of this Agreement;
- (b) no authorisations, consents or approvals are required to be obtained by it under the laws, rules and regulations of any governmental authorities or other official bodies in its jurisdiction of incorporation known to be applicable in connection with this Agreement; and

- (c) this Agreement constitutes its valid and legally binding obligation, enforceable in accordance with its terms subject to general principles of equity and any applicable law from time to time in effect relating to bankruptcy or liquidation or any other applicable law affecting generally the enforcement of creditors' rights.
- 2.2 The Buyer further represents and warrants to the Security Trustee and Airbus that, as at the date of this Agreement:
 - (a) the execution and delivery of, the performance of its obligations under, and compliance by it with the provisions of the Security Assignment and this Agreement will not:
 - (i) conflict with any agreement, mortgage, bond or other instrument or treaty to which it is a party;
 - (ii) contravene any existing applicable law of its jurisdiction of incorporation; or
 - (iii) contravene or conflict with any provision of its constitutional documents;
 - (b) its business is limited exclusively to the acquisition, financing, owning, leasing and disposal of the Aircraft in accordance with the transactions contemplated by the PDP Loan Agreement and the Relevant Documents to which it is a party and matters incidental thereto;
 - (c) the Assigned Purchase Agreement is in full force and effect and is enforceable against it in accordance with its terms subject to general principles of equity and any applicable law from time to time in effect relating to bankruptcy or liquidation or any other applicable law affecting generally the enforcement of creditors' rights;
 - (d) it is not in breach of any provision of the Assigned Purchase Agreement;
 - (e) other than pursuant to the Security Assignment, it has not created or allowed to subsist any Encumbrance over the whole or any part of its rights under the Assigned Purchase Agreement in respect of any of the Aircraft;
 - (f) the extracts of the PDP Loan Agreement set out in Appendix A to this Agreement are true and accurate in all respects; and
 - (g) the information set out in Schedule 1 is accurate and those Pre-Delivery Payments noted as having been paid on the date hereof have been paid to Airbus.
- 2.3 The Security Trustee represents and warrants to Airbus that the extracts of the PDP Loan Agreement set out in Appendix A to this Agreement are true and accurate in all respects on the date of this Agreement and Appendix A contains all events of default under the PDP Loan Agreement, the Security Assignment or any other agreement between the Security Trustee and the Buyer that relates to the financing of the Aircraft.
- 2.4 Airbus further represents and warrants to the Security Trustee and Buyer as follows:

(a) [***]

(b) [***]

3 Assumption and Agreement

3.1 Airbus acknowledges receipt of the Security Assignment and, to the extent that the same is not inconsistent or in conflict with the provisions of this Agreement, consents to the granting of the Security Assignment. Airbus, the Buyer and the Security Trustee each agree (for the benefit solely of Airbus and the Security Trustee) that, in the event of any conflict or inconsistency between the provisions of the Security Assignment (insofar as it relates to the Assigned Purchase Agreement and associated rights) and the provisions of this Agreement, the provisions of this Agreement shall prevail.

3.2 [***], the Security Trustee acknowledges in favour of Airbus that Airbus shall be entitled to continue to deal with the Buyer (to the exclusion of the Security Trustee) in connection with the Relevant Rights at all times until a Step-In Notice has been served and shall be entitled to conclusively assume (without obligation to make any enquiry) that any exercise by the Buyer in connection with the Relevant Rights and the Relevant Obligations prior to the service of a Step-In Notice has been in accordance with this Clause.

3.3 In consideration of the Lenders entering into the PDP Loan Agreement pursuant to which they have agreed, subject to the terms and conditions thereof, to finance the Financed Pre-Delivery Payments in relation to the Relevant Aircraft payable to Airbus on the relevant PDP Payment Dates, Airbus, the Security Trustee and the Buyer hereby agree that, subject to the terms and conditions of this Agreement and provided that Airbus has not previously delivered an Airbus Termination Notice under Clause 10.2 in respect of such Relevant Aircraft following the occurrence of a Termination Event, upon receipt by Airbus of a Step-In Notice in respect of a Relevant Aircraft:

(a) the rights and obligations of Airbus to the Buyer under the Assigned Purchase Agreement that relates solely to such Relevant Aircraft shall cease;

(b) the Buyer shall remain fully liable to Airbus to perform all the obligations of the "Buyer" under the Assigned Purchase Agreement, subject to the operation of the Re-Assignment and Assumption Agreement;

(c) the Security Trustee shall assume and perform in favour of Airbus the Relevant Obligations and receive the benefit of and be entitled to exercise the Relevant Rights in each case that relate solely to such Relevant Aircraft and in accordance with the terms of the Replacement Purchase Agreement; and

(d) Airbus' obligations and liabilities that relate solely to such Relevant Aircraft shall be owed solely to the Security Trustee subject to and in accordance with the terms of this Agreement and the Replacement Purchase Agreement (but not, for the avoidance of doubt, the Assigned Purchase Agreement).

3.4 It is a condition precedent to the obligations of Airbus under this Agreement that Airbus receives a copy of each Guarantee, the Guarantee Confirmation, the Assignment and Assumption Agreement, the Re-Assignment and Assumption

Agreement and the Security Assignment, in each case duly executed by the parties thereto. Airbus hereby irrevocably confirms satisfaction of such condition precedent.

- 3.5 The condition specified in Clause 3.4 is inserted for the sole benefit of Airbus and may be waived in whole or in part and with or without conditions by Airbus at its sole discretion.
- 4 Undertakings of the Buyer
- 4.1 Prior to the issuance of a Notice in respect of a Relevant Aircraft, the Buyer undertakes that it shall not without the prior consent of the Security Trustee, enter into any agreement with Airbus which would:
- (a) rescind, cancel or terminate any of the rights or obligations under the Assigned Purchase Agreement to the extent relating to such Relevant Aircraft; or
 - (b) [***] defer the Delivery Date of such Relevant Aircraft to the extent that the aggregate deferral in relation thereto does not exceed the date falling [***] after the last day of its Scheduled Delivery Month,
- provided that the consent of the Security Trustee shall not be required in order for the Buyer to agree with Airbus to advance the Scheduled Delivery Month of such Relevant Aircraft for any period of time.
- 4.2 Prior to the issuance of a Notice in respect of a Relevant Aircraft, the Buyer hereby undertakes to Airbus and the Security Trustee that it shall:
- (a) notify the Security Trustee promptly after any change in the Scheduled Delivery Month of such Relevant Aircraft has been agreed; and
 - (b) [***], obtain (or cause to be obtained), maintain (or cause to be maintained) in full force and effect and comply in all material respects with the conditions and restrictions (if any) imposed in, or in connection with, such consents, authorisations, licences or approvals of governmental or public bodies or authorities or courts and do, or cause to be done, all other acts and things, which may from time to time be required or be desirable under law for the continued due performance of its obligations under the Relevant Documents to which it is a party.
- 4.3 The Buyer shall be responsible for all the documentation and transaction costs incurred in connection with the negotiation, preparation, execution and registration of the Relevant Documents including without limitation the legal fees and tax advisory fees of Airbus and the Finance Parties.
- 4.4 Following a Step-In the Buyer acknowledges that [***].
- 5 Undertakings of the Security Trustee
- 5.1 Until such time as a Step-In Notice has been received by Airbus in respect of a Relevant Aircraft, the Security Trustee agrees and undertakes that:
- (a) it shall not, and shall not be entitled to, exercise or otherwise enforce any of the Relevant Rights or perform any of the Relevant Obligations in respect of

such Relevant Aircraft (other than the performance of its obligations under this Agreement); and

- (b) the Buyer shall be free to agree to advance the Scheduled Delivery Month of such Relevant Aircraft for any period of time without the consent of the Security Trustee; and
- (c) the Buyer together with Airbus shall be free to defer the Delivery Date of such Relevant Aircraft to the extent the aggregate deferral in relation thereto does not exceed the date falling [***] after the last day of its Scheduled Delivery Month.

5.2 The Security Trustee agrees and undertakes that:

- (a) it shall only be entitled to exercise or otherwise enforce any of the Relevant Rights or to perform any of the Relevant Obligations relating to a Relevant Aircraft in accordance with the provisions of this Agreement and the Replacement Purchase Agreement; and
- (b) the purchase price payable by it for a Step-In Aircraft shall be the Final Price as defined in and as calculated pursuant to the Replacement Purchase Agreement at the Delivery Date of such Step-In Aircraft.

5.3 The Security Trustee undertakes that:

- (a) prior to or contemporaneously with its service of the Step-In Notice relating to any Relevant Aircraft the Facility Agent shall have exercised its right to declare all amounts outstanding under the PDP Loan Agreement in respect of the Relevant Aircraft to be immediately due and payable and the Buyer shall have failed to pay all such amounts on the date the same are expressed to be due and payable pursuant to the PDP Loan Agreement; and
- (b) unless to do so would be reasonably likely to be contrary to applicable law, prior to or contemporaneously with its service of the Step-In Notice relating to any Relevant Aircraft, the Security Trustee shall have (i) made demand under any guarantee provided by Frontier or Frontier Holdings which is now held by the Security Trustee as security for all or any other part of the Buyer's obligations under the PDP Loan Agreement and (ii) if security is hereafter created in favour of the Security Trustee as security for all or any part of the Buyer's obligations under the PDP Loan Agreement (for the avoidance of doubt other than the Share Charge and the Security Assignment), the Security Trustee shall have taken all steps reasonably available to it to enforce such security.

5.4 Nothing in this Agreement shall limit or restrict the ability of any Finance Party to exercise any rights they may have against the Buyer or any other person:

- (a) under the PDP Loan Agreement; or
- (b) under or pursuant to any security or guarantee now or hereafter held by any Finance Party for all or any part of the Buyer's obligations under the PDP Loan Agreement,

provided that it is agreed (for the benefit solely of Airbus and the Security Trustee) that, in the event of any conflict between the provisions of the PDP Loan Agreement and this Agreement, this Agreement shall prevail.

- 5.5 The Security Trustee undertakes to [***].
- 5.6 The parties agree that for the purposes of this Agreement, Airbus shall not be deemed to have knowledge of and need not recognise any event, condition, right, remedy or dispute affecting the interest of the Buyer or any Finance Party under this Agreement or the PDP Loan Agreement until such time as Airbus shall have received written notice thereof from the Security Trustee or any Finance Party.
- 5.7 The Security Trustee hereby confirms to Airbus that, as of the date of this Agreement, it has not and it covenants that it shall not at any time after the date of this Agreement take the benefit of any form of Encumbrance over the shares (howsoever described) of the Buyer (whether pursuant to a share pledge or other similar document and whether pursuant to a single transaction or a series of transactions) other than the Share Charge (a Prohibited Charge) without the prior written consent of Airbus. Without prejudice to Airbus' entitlement to exercise any rights and/or remedies pursuant to the terms of this Agreement or at law in respect of a breach by the Security Trustee of the covenant set out above, the Security Trustee and the Buyer each agree that:
- (a) if the Security Trustee:
- (i) in breach of the covenant set out above, takes the benefit of a Prohibited Charge and, thereafter, takes any steps to enforce or otherwise exercise any of its rights arising out of any such Prohibited Charge; or
 - (ii) commences enforcement of the Share Charge in circumstances where the Security Trustee has not served the Step-In Notice pursuant to which the Security Trustee has irrevocably confirmed to Airbus that it has elected to assume and exercise all of the rights and obligations under the Assigned Purchase Agreement relating to all undelivered Relevant Aircraft,
- Airbus shall, if it reasonably determines that such action has a material adverse effect on it, be entitled at any time thereafter to terminate or cancel this Agreement in respect of any or all of the Relevant Aircraft without liability to the Security Trustee or the Buyer [***] in respect of any or all of the Relevant Aircraft (following which Clauses 6.4 to 6.6 shall apply, [***]; and
- (b) the creation of any Prohibited Charge or the commencement of any enforcement of the Share Charge, in each case other than as permitted by this Clause 5.7, shall constitute a Re-Assignment Event for the purposes of the Re-Assignment and Assumption Agreement and, as contemplated by clause 2.2 of the Re-Assignment and Assumption Agreement, Airbus may, by written notice to each of the Buyer and Frontier, terminate the Assignment and Assumption Agreement with respect to any or all undelivered Aircraft.
- 5.8 The Security Trustee and the Buyer shall not (without the prior written consent of Airbus, not to be unreasonably withheld or delayed) [***]
- (i) [***]

(ii) [***]

(iii) [***]

6 Undertakings of Airbus

6.1 Until such time as Airbus receives a Notice in respect of a Relevant Aircraft and served in accordance with the provisions of this Agreement, Airbus agrees for the benefit of the Security Trustee that it shall not, without the prior written consent of the Security Trustee, enter into any agreement with the Buyer to amend the provisions of the Assigned Purchase Agreement to the extent relating to a Relevant Aircraft in a manner which would be detrimental in any material respect to the rights of the Security Trustee in respect of the Relevant Rights or Relevant Obligations provided that:

- (a) Airbus and the Buyer may, in respect of any Relevant Aircraft, agree to:
 - (i) defer the Delivery Date of any Relevant Aircraft to the extent that the aggregate deferral in relation thereto does not exceed the date falling [***] after the last day of such Relevant Aircraft's Scheduled Delivery Month; and/or
 - (ii) advance the Delivery Date of any Relevant Aircraft for any period of time; and
- (b) this Clause 6.1 shall not (and shall not be construed to) restrict or otherwise limit the ability of Airbus to exercise its rights and to comply with its obligations under the Assigned Purchase Agreement to the extent relating to SCNs.

6.2 Airbus confirms, as at the date of this Agreement:

- (a) so far as Airbus is aware no Airbus Termination Event has occurred and is continuing; and
- (b) Airbus has received from the Buyer the amounts specified in column 5 of (in the case of the A320neo Aircraft) Part A or (in the case of the A321neo Aircraft) Part B of Schedule 1 to this Agreement on account of the Pre-Delivery Payments in respect of the Relevant Aircraft and all of the information contained in Schedule 1 is accurate as at the date hereof.

6.3 Subject always to the terms of this Agreement and provided no Airbus Termination Notice has been given under Clause 10.2 following the occurrence of a Termination Event with respect to any Relevant Aircraft that is continuing, Airbus undertakes to the Security Trustee that, prior to the termination or cancellation of the Assigned Purchase Agreement (which termination or cancellation by Airbus shall be made subject to Clause 6.4), Airbus will not unless required to do so by applicable law (and not by contract), transfer title to any of the Relevant Aircraft that are the subject of the Assigned Purchase Agreement to any person other than, subject to the terms and conditions set out in this Agreement, the Security Trustee or a Permitted Transferee, other than in circumstances where (a) the Security Trustee or its Permitted Transferee has executed or is required under the terms of this Agreement to execute and has failed to do so, a Letter of Release with respect to such Relevant Aircraft or (b) there has occurred a Re-Assignment Event.

- 6.4 If an Airbus Termination Event occurs with respect to any Relevant Aircraft, Airbus undertakes that:
- (a) it shall, prior to exercising any rights to terminate or cancel the Assigned Purchase Agreement, notify the Security Trustee in writing (with a copy to the Buyer) of the occurrence of the Airbus Termination Event, which notification shall specify the steps or actions (if any) which would be required to be undertaken in order to remedy the Airbus Termination Event (an Airbus Termination Event Notice); and
 - (b) subject to Clause 6.5, it shall not exercise any rights to terminate or cancel the Assigned Purchase Agreement to the extent relating to such Relevant Aircraft until such time as the Standstill Period has expired.
- 6.5 Notwithstanding the provisions of Clause 6.4, Airbus may exercise its rights under the Assigned Purchase Agreement to terminate the Assigned Purchase Agreement in part or in full at any time prior to the expiry of the Standstill Period, if, in the reasonable opinion of Airbus, it would be detrimental to the rights of Airbus as against the Buyer under the Assigned Purchase Agreement if such termination were delayed until the expiry of the Standstill Period. Following such termination, the provisions of Clause 6.6 shall apply as between the Security Trustee and Airbus.
- 6.6 If Airbus exercises its right to terminate or cancel the Assigned Purchase Agreement in respect of any Relevant Aircraft under the proviso to Clause 5.7 or Clause 6.5 prior to the expiry of the Standstill Period, or if the Assigned Purchase Agreement is rejected by the debtor or terminated by a bankruptcy court having jurisdiction in a proceeding under the United States Bankruptcy Code or in connection with any equivalent bankruptcy or insolvency proceedings in any other jurisdiction, Airbus agrees for the benefit of the Security Trustee that, as between Airbus and the Security Trustee and notwithstanding such termination or cancellation, the Security Trustee shall be entitled to serve a Step-In Notice prior to the expiry of the Standstill Period as if the Assigned Purchase Agreement were still in full force and effect. In such circumstances, following the service by the Security Trustee of a Step-In Notice the provisions of Clauses 7.4 to 7.5(b) shall apply as between Airbus and the Security Trustee.
- 6.7 If the Security Trustee has not served a Step-In Notice prior to the expiry of the Standstill Period, Airbus shall be entitled to exercise such rights as it then has to terminate or cancel the Assigned Purchase Agreement in respect of any or all of the relevant Aircraft without liability to the Security Trustee.
- 6.8
- (a) With regard solely to those Relevant Aircraft in respect of which:
 - (i) [***]
 - (ii) [***];[***].
The parties agree that provided that [***].
 - (b) Following the occurrence of a Step-In, the parties acknowledge and agree that [***].

- (c) The Security Trustee agrees and acknowledges that [***].
 - (d) The Buyer agrees and acknowledges [***].
 - (e) [***].
- 6.9 Upon becoming aware of the occurrence of an Airbus Termination Event, [***].
- 7 Rights following service of Step-In Notice
- 7.1 Following the occurrence of a Step-In Event which is continuing and provided: (i) the Security Trustee has complied with the provisions of Clause 5.5; and (ii) no Airbus Termination Notice has been given under Clause 10.2 following the occurrence of a Termination Event in respect of the Relevant Aircraft and is continuing:
- (a) the Security Trustee shall, prior to the Decision Date, serve the Step-In Notice to Airbus (with a copy to the Buyer) with respect to any one or more of the Relevant Aircraft;
 - (b) if the Security Trustee elects to serve the Step-In Notice, the Security Trustee shall not be entitled to exercise or otherwise deal with the Relevant Rights or the Relevant Obligations in respect of a Relevant Aircraft until such time as the Step-In Notice has been served in accordance with the terms of this Agreement and received by Airbus; and
 - (c) The Security Trustee shall have the right to serve only one Step-In Notice which shall relate to one or more of the Relevant Aircraft.
- 7.2 It is hereby agreed by the Security Trustee that the Step-In Notice shall:
- (a) identify each of the Relevant Aircraft in respect of which the Step-In Notice is served;
 - (b) provide reasonable details of the breach or event which has given rise to the relevant Step-In Event; and
 - (c) with respect to each Relevant Aircraft referred to therein, irrevocably confirm to Airbus that the Security Trustee elects to assume and exercise all of the Relevant Rights and to perform the Relevant Obligations relating to that Relevant Aircraft.
- 7.3 It is agreed by the Security Trustee that with regard to each Relevant Aircraft in respect of which no Step-In Notice is served on or before the Decision Date for such Relevant Aircraft (each a Terminated Aircraft and together the Terminated Aircraft):
- (a) the Relevant Rights of the Security Trustee in and to such Terminated Aircraft shall automatically terminate;
 - (b) the obligations and liabilities of Airbus to the Security Trustee in and to the Relevant Rights relating to such Terminated Aircraft shall automatically terminate and the Encumbrance of the Security Assignment in relation thereto shall be discharged;

- (c) the Security Trustee shall have no further right or obligation whatsoever against or towards Airbus with respect of the Relevant Rights and the Relevant Obligations relating to such Terminated Aircraft; and
- (d) Airbus shall have no further obligations under this Agreement with respect to such Terminated Aircraft.

The Security Trustee undertakes that, with regard to the Terminated Aircraft, it shall upon request execute and deliver to Airbus a Letter of Release on the earlier to occur of (i) the date of the Step-In Notice (if any) and (ii) the Decision Date.

7.4 Within [***] of the date of delivery of a Step-In Notice with respect to any Relevant Aircraft, the Security Trustee shall notify Airbus in writing whether it or a Permitted Transferee is to be party to the Replacement Purchase Agreement. [***]

- (a) the Security Trustee (or, if a Permitted Transferee has become the "Buyer" under the Replacement Purchase Agreement, the Permitted Transferee) shall thereafter be entitled to exercise all of the Relevant Rights relating to such Relevant Aircraft in accordance with the provisions of this Agreement and the Replacement Purchase Agreement provided the Security Trustee (or, if a Permitted Transferee has become the "Buyer" under the Replacement Purchase Agreement, the Permitted Transferee) assumes and complies with the Relevant Obligations corresponding to such Relevant Rights; and
- (b) subject to and in accordance with the terms and conditions set out in the Replacement Purchase Agreement, Airbus shall, on such Relevant Aircraft's Delivery Date, transfer to the Security Trustee or the Permitted Transferee (as applicable) title to the Relevant Aircraft in accordance with the terms and conditions set out in the Replacement Purchase Agreement.

7.5 The Buyer hereby irrevocably confirms that following a Step-In by the Security Trustee in respect of any Relevant Aircraft and provided Airbus has not delivered an Airbus Termination Notice under Clause 10.2 prior to the occurrence of such Step-In:

- (a) any application or reimbursement of the Pre-Delivery Payments in favour of or at the direction of the Security Trustee (or, if a Permitted Transferee has become the "Buyer" under the Replacement Purchase Agreement, the Permitted Transferee) shall discharge Airbus from its obligations to make or apply such payments in favour of or at the direction of the Buyer. In such circumstances, the Buyer further irrevocably agrees that it shall have no entitlement to and shall not claim against Airbus any right to apply or to require Airbus to reimburse to the Buyer or Frontier an amount equal to any such Pre-Delivery Payments so applied or reimbursed in favour of, or at the direction of, the Security Trustee (or, if a Permitted Transferee has become the "Buyer" under the Replacement Purchase Agreement, the Permitted Transferee); and
- (b) any Delivery of a Relevant Aircraft to the Security Trustee or a Permitted Transferee (if applicable) shall discharge Airbus from its obligation to deliver such Relevant Aircraft to the Buyer. In such circumstances, the Buyer further irrevocably agrees that it shall have no entitlement to and shall not claim against Airbus any right to require Airbus to deliver such Relevant Aircraft to the Buyer.

7.6 Airbus undertakes that, following a Step-In and provided Airbus has not delivered an Airbus Termination Notice pursuant to Clause 10.2, Airbus shall, at the request of the Security Trustee, provide to the Security Trustee (or, if a Permitted Transferee has become the "Buyer" under the Replacement Purchase Agreement, the Permitted Transferee) a package of product support and training services in an amount which will be the lesser of (a) the amount the Seller is obligated to provide, in relation to the Relevant Aircraft, to Frontier under the Purchase Agreement (to the extent Frontier has not consumed such services prior to the time of such request) and (b) the amount customarily provided by Airbus to the then operator of such Relevant Aircraft. The Security Trustee and Airbus agree to negotiate in good faith with a view to minimising the additional costs to Airbus associated with any such proposal. Without prejudice to the foregoing, in the event that Airbus (at its discretion) elects to propose any services in excess of the amount set out above, the Security Trustee agrees that Airbus shall be entitled to be compensated by the Security Trustee (or, if a Permitted Transferee has become the "Buyer" under the Replacement Purchase Agreement, the Permitted Transferee) for any additional cost incurred by Airbus in connection therewith (including any cost incurred as a consequence of having to duplicate any such services as may have already been performed in favour of the Buyer), such costs to be agreed between Airbus and the Security Trustee (or, if a Permitted Transferee has become the "Buyer" under the Replacement Purchase Agreement, the Permitted Transferee).

8 Airbus Option

8.1 The Security Trustee with the consent and approval of the Buyer, hereby grants Airbus the option to be released from Airbus' obligations under this Agreement in respect of any Relevant Aircraft upon payment to the Security Trustee of the Option Price, provided in each case that the option may only be exercised during the Option Period. [***].

8.2 If Airbus exercises an Option, Airbus shall pay to the Security Trustee the Option Price relating to the Relevant Aircraft no later than [***] after the date of exercise of the relevant Option provided that the Security Trustee has provided Airbus with details of the bank account into which such payment should be made.

8.3 An Option, once exercised, shall be irrevocable in respect all the Relevant Aircraft to which it relates.

8.4 If Airbus exercises any Option pursuant to this Clause 8, upon payment of the Option Price by Airbus to the Security Trustee in respect of the applicable Relevant Aircraft:

- (a) the rights and interests of the Security Trustee in the Relevant Rights relating to such Relevant Aircraft shall automatically terminate;
- (b) the Security Trustee shall have no further right or obligation whatsoever against or towards Airbus in respect of the Relevant Rights and Relevant Obligations relating to such Relevant Aircraft; and
- (c) Airbus shall have no further right or obligation whatsoever against or towards Security Trustee in respect of the Relevant Rights relating to such Relevant Aircraft,

and concurrently therewith, Security Trustee shall execute and deliver to Airbus and the Buyer, a Letter of Release.

- 8.5 The Option relating to the Relevant Aircraft shall automatically lapse if Airbus does not exercise the Option on or before expiry of the Option Period.
- 8.6 The Buyer acknowledges and consents to the Option with respect to the Relevant Aircraft and agrees that, upon payment of the Option Price by Airbus to the Security Trustee:
- (a) the Pre-Delivery Payments received by Airbus under the Assigned Purchase Agreement in respect of the Relevant Aircraft shall be reduced by an amount equal to the Option Price; and
 - (b) an amount equal to the Option Price for all applicable Relevant Aircraft shall immediately become due and payable by the Buyer under the Assigned Purchase Agreement as Pre-Delivery Payments.
- 9 Liability of the Parties
- 9.1 The Security Trustee shall have no obligation or liability under the Assigned Purchase Agreement by reason of, or arising out of, any Relevant Document.
- 9.2 Following a Step-In and until the actual and due performance by the Security Trustee of all the Relevant Obligations in respect of a Step-In Aircraft, the Buyer shall not be discharged from any of the obligations assumed by it under the Assigned Purchase Agreement by reason of or arising out of this Agreement and shall remain fully liable to Airbus to perform all of the obligations of the "Buyer" under the Assigned Purchase Agreement in respect of such Step-In Aircraft and each of the other Relevant Aircraft. Nothing in this Agreement or any other Relevant Document shall in any way affect the obligation of the Buyer to perform each of the obligations set out in the Assigned Purchase Agreement relating to any other Aircraft.
- 9.3 Without prejudice to the terms of this Agreement, each of the Buyer and the Security Trustee agree that nothing contained in any Relevant Document shall:
- (a) subject Airbus to any duplicate liability in respect of a Relevant Aircraft: (i) to the Buyer after receipt of a Notice and (ii) to the Security Trustee prior to receipt of a Notice relating to such Relevant Aircraft; or
 - (b) [***].
- 10 Termination of the Relevant Rights
- 10.1 A Termination Event occurs if:
- (a) the Security Trustee does not serve the Step-In Notice in respect of the Relevant Aircraft on or before the Decision Date;
 - (b) the Security Trustee is required to serve a Letter of Release in respect of a Relevant Aircraft pursuant to any provision of this Agreement and has failed to do so within a reasonable time following request in writing from Airbus; or
 - (c) the Security Trustee or a Permitted Transferee (as applicable) does not enter into the Replacement Purchase Agreement [***] pursuant to Clause 7.4.

- 10.2 Upon the occurrence of any Termination Event, and provided that such event has not been cured or waived, Airbus shall have the right to terminate all or part of this Agreement with respect to any or all Relevant Aircraft by notice (the Airbus Termination Notice) to the Security Trustee (copied to the Buyer) and from the date of such Airbus Termination Notice
- (a) the rights and interests of the Security Trustee in and to the Relevant Rights relating to such Relevant Aircraft shall terminate;
 - (b) the obligations and liabilities of Airbus to the Security Trustee in and to the Relevant Rights relating to such Relevant Aircraft shall terminate;
 - (c) the Security Trustee shall have no further right or obligation whatsoever against or towards Airbus in respect of the Relevant Rights and the Relevant Obligations relating to such Relevant Aircraft;
 - (d) Airbus shall have no further obligations towards the Buyer or the Security Trustee under this Agreement with respect to such Relevant Aircraft;
 - (e) at the cost and expense, if any, of the Buyer, the Security Trustee agrees to release any and all Encumbrances created by the Security Trustee in respect of such Relevant Aircraft; and

provided that if the events set out in Clause 10.1(a) occur, Airbus shall be automatically released from all its obligations under this Agreement in respect of all Relevant Aircraft without the need to give an Airbus Termination Notice.

- 10.3 The Security Trustee undertakes that:

- (a) [***]
- (b) [***]
- (c) [***]
- (d) [***]
- (e) on or before the Delivery Date for each Relevant Aircraft, provided:
 - (i) no Material Event of Default has occurred which is then continuing; and
 - (ii) the Buyer has paid to the Facility Agent all monies then due and payable by the Buyer to the Finance Parties pursuant to the PDP Loan Agreement (other than the repayment of principal outstanding and related interest under the PDP Loan Agreement that would be payable on the Delivery Date of the Aircraft, provided that the Facility Agent (acting reasonably) is satisfied that such amount will be paid to it by the Buyer contemporaneously with Delivery of the Relevant Aircraft),

[***].

- 10.4 With regards to a Relevant Aircraft in respect of which a Letter of Release is executed by the Security Trustee (or is required to be executed by the Security

Trustee pursuant to this Agreement and is not so executed) such Relevant Aircraft shall cease to be a "Relevant Aircraft" for the purposes of this Agreement and the Buyer shall continue to perform all of the obligations of the "Buyer" under the Assigned Purchase Agreement.

10.5 [***].

11 Indemnities

11.1 The Buyer hereby indemnifies and holds Airbus harmless from and against any and all Losses suffered by Airbus in any way relating to or arising out of:

- (a) the entry into, and performance of, this Agreement; and
- (b) any action or inaction of the Buyer or the Security Trustee in connection with this Agreement,

except to the extent that any such Loss arises as a consequence of the gross negligence or wilful misconduct of Airbus or the breach by Airbus of any representation or warranty made by it under this Agreement.

11.2 If Airbus, having applied or reimbursed, as the case may be, an amount equal to any Pre-Delivery Payments then held by Airbus in accordance with the direction of the Security Trustee in any exercise by the Security Trustee of the Relevant Rights, is subsequently obliged to comply with a final, non-appealable judgment to reimburse any Pre-Delivery Payments to the Buyer, the Security Trustee hereby undertakes, upon the first written demand of Airbus, to reimburse to Airbus, an amount equal to the amount so reimbursed to the Buyer, [***]:

- (a) [***];
- (b) [***];
- (c) [***].

If Airbus becomes aware of any possibility of any proceedings or other events which may lead to the indemnity contained in this Clause 11.2 becoming applicable, [***].

[***].

11.3 The Security Trustee agrees to indemnify and hold Airbus and its officers, directors and employees (collectively, the Indemnitees) harmless from and against any and all Losses which are imposed upon or incurred by or asserted against such Indemnitee in any manner resulting from or arising out of the exercise (or purported exercise) by the Security Trustee of its rights or remedies under this Agreement if it is determined by a final judgment of a court of competent jurisdiction that the Security Trustee was not entitled to exercise such rights or remedies or that such rights or remedies were exercised contrary to the provisions of the Security Assignment, this Agreement, or applicable law.

The Buyer irrevocably agrees to indemnify the Security Trustee against any Losses incurred by the Security Trustee in complying with its obligations pursuant to Clause 11 of this Agreement except to the extent that any such Loss arises as a consequence of the gross negligence or wilful misconduct of the Security Trustee.

- 11.4 Any claim for payment by an Indemnitee under this Clause 11 shall be substantiated by the certificate of the Vice-President, Contracts Division of Airbus containing evidence of such claim, including if applicable, a copy of any relevant judgement.
- 11.5 The indemnities set out in this Clause 11 shall survive the execution and delivery of this Agreement and shall continue in full force and effect notwithstanding the occurrence of the Delivery Date in respect of any Relevant Aircraft.
- 12 Onward Transfer of Rights
- 12.1 Save for any transfer to a Permitted Transferee pursuant to this Clause 12 below, the Security Trustee may not assign, sell, transfer, delegate or otherwise deal with or dispose of any Relevant Right or Relevant Obligation relating to any Relevant Aircraft.
- 12.2 No transfer of the Relevant Rights and/or the Relevant Obligations applicable to any Relevant Aircraft by the Security Trustee to a Permitted Transferee shall be permitted or effective until and unless:
- (a) the Security Trustee shall have served a Step-In Notice on Airbus in accordance with the provisions of this Agreement;
 - (b) Airbus and the Permitted Transferee have entered into arrangements satisfactory to Airbus (acting reasonably) pursuant to which, amongst other things, the Permitted Transferee irrevocably commits to: (i) step-in and purchase the Relevant Aircraft in accordance with the Replacement Purchase Agreement and (ii) assume the Relevant Rights and Relevant Obligations with respect to such Relevant Aircraft; and
 - (c) Airbus confirms in writing to the Security Trustee that, with regard to the subject Relevant Aircraft: (i) the arrangements referred to in Clause 12.2(b) have been entered into; and (ii) the Security Trustee is released from its obligations under this Agreement (including its obligations under the Replacement Purchase Agreement for such Relevant Aircraft) with respect to such Relevant Aircraft.
- 12.3 Any purported assignment, sale, transfer, delegation or other disposal of any Relevant Rights or Relevant Obligations in contravention of the provisions of this Agreement shall be null and void and have no force or effect on or against Airbus.
- 13 Notices
- 13.1 Any notice or other communication given or made under this Agreement shall be in writing in the English language and, provided it shall be addressed as set out below, it shall be deemed to have been duly given as follows:
- (a) if sent by personal delivery, upon delivery at the address of the relevant party;
 - (b) if sent by post, [***] after being deposited in the post, postage prepaid, in a correctly addressed envelope;
 - (c) if sent by facsimile, when despatched during business hours (or if after business hours, the next Business Day) with correct confirmation printout, to the parties as follows:

(i) in the case of the Buyer to:

Vertical Horizons, Ltd.
c/o Intertrust SPV (Cayman) Limited
One Nexus Way, Camana Bay
George Town
Grand Cayman, KY1 9005
Cayman Islands

Fax: +# ### ## ###
Email: ###
Attention: Directors

with a copy to:

Frontier Airlines, Inc.
4545 Airport Way
Denver, CO 80239
United States of America

Fax: +# ### ## ###
Attention: SVP – General Counsel

(ii) in the case of the Security Trustee to:

Bank of Utah
200 E. South Temple
Suite 210
Salt Lake City, UT 84111
United States of America

Fax: +# ### ## ###
Attention: Corporate Trust Services

(iii) in the case of Airbus to:

Airbus S.A.S.
2 rond point Emile Dewoitine
31700 Blagnac
France

Fax: +## # ## # ## #
Attention: Head of Contracts

Any party may change its contact details by giving [***] prior written notice to the other parties.

13.2 Each party shall be entitled to rely on the information contained in any notice issued or served pursuant to this Agreement and shall not have to further enquire as to the accuracy of the information contained in any such notice.

14 Confidentiality

Each party agrees that it shall not disclose any information relating to any Relevant Document except:

- (a) as required by any applicable law or governmental regulations;
- (b) as required in connection with any legal proceedings arising from or in connection with any Relevant Document;
- (c) with the prior written consent of each other party hereto;
- (d) to its professional, legal and other advisors provided that such advisors are under a legal, ethical or professional duty to treat such information as confidential and not to disclose the same to third parties;
- (e) [***];
- (f) [***]
- (g) to any proposed Permitted Transferee provided that such proposed Permitted Transferee has executed a confidentiality agreement (in form and content satisfactory to Airbus) in favour of Airbus or has otherwise agreed in favour of Airbus to maintain confidentiality (in a manner satisfactory to Airbus),

subject, in the case of each Relevant Document (other than this Agreement), to the confidentiality provisions contained in such Relevant Document that apply as between the parties to such Relevant Document.

15 Provisions severable

Every provision contained in this Agreement shall be severable and distinct from every other such provision and if at any time any one or more of such provisions is or becomes invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining such provisions shall not in any way be affected thereby. Any provision of this Agreement which may prove to be or becomes illegal, invalid or unenforceable in whole or in part, shall so far as reasonably possible and subject to applicable laws, be performed according to the spirit and purpose of this Agreement.

16 Amendments

The parties agree that the provisions of this Agreement shall not be amended except by an instrument in writing executed by or on behalf of each of the Buyer, the Security Trustee and Airbus.

17 Further Assurance

The parties agree, at the cost and expense the Buyer (and in any event subject to its costs and expenses being paid), from time to time to do and perform, or cause to be done and performed, such other and further acts and execute and deliver or cause to be executed and delivered any and all such other instruments as may be required by law or reasonably requested by a party hereto in order to establish,

maintain and protect the rights and remedies of the parties and to carry out and effect the intent and purpose of this Agreement.

18 Third party rights

The parties do not intend that any term of this Agreement shall be enforceable solely by virtue of the Contracts (Rights of Third Parties) Act 1999 by any person who is not a party to this Agreement. The parties may rescind, vary, waive, release, assign, novate or otherwise dispose of all or any of their respective rights or obligations under and to the extent permitted pursuant to the terms of this Agreement without the consent of any person who is not a party to this Agreement.

19 Entire agreement

This Agreement sets out the entire agreement between the parties. It supersedes all previous agreements between the parties on the subject matter of this Agreement. No other term, express or implied, forms part of this Agreement. No usage, custom or course of dealing forms part of or affects this Agreement.

20 Counterparts

This Agreement may be executed by the parties on separate counterparts, each of which when so executed shall be an original, and each such counterpart shall together constitute one and the same instrument.

21 Cape Town Convention

Prior to the Delivery Date of a Relevant Aircraft none of the Security Trustee or the Buyer shall seek, nor shall they be entitled, to register any interest in such Relevant Aircraft or this Agreement at the International Registry. [***]

22 Governing Law and Jurisdiction

22.1 This Agreement is governed by English law. The parties hereto agree that the courts of England shall have exclusive jurisdiction to settle any dispute (a Dispute) arising from or connected with this Agreement.

22.2 The parties agree that the courts of England are the most appropriate and convenient courts to settle any Dispute and accordingly that they will not argue to the contrary.

22.3 Each party waives generally all immunity it or its assets or revenues may otherwise have in any jurisdiction, including immunity in respect of:

- (a) the giving of any relief by way of injunction or order for specific performance or for the recovery of assets or revenues; and
- (b) the issue of any process against its assets or revenues for the enforcement of a judgement or, in an action in rem, for the arrest, detention or sale of any of its assets or revenues.

23 Service of Process

23.1 Without prejudice to any other mode of service allowed under any relevant law, each of the parties to this Agreement irrevocably appoints:

- (a) in the case of the Buyer: Walkers (Europe) at The Scalpel, 11th Floor, 52 Lime Street, London EC3M 7AF, United Kingdom;
- (b) in the case of the Security Trustee: Walkers (Europe) at The Scalpel, 11th Floor, 52 Lime Street, London EC3M 7AF, United Kingdom; and
- (c) in the case of Airbus: Airbus Operations Limited, Pegasus House, Aerospace Avenue, Filton, Bristol, BS34 7PA, United Kingdom (Attention: Legal Department),

as its agent for service of process in relation to any proceedings before the English courts in connection with this Agreement.

23.2 Each party agrees that:

- (a) the addresses referred to in Clause 23.1 above may be revised provided at least five (5) Business Days prior written notice is given to the other parties; and
- (b) failure by a process agent to notify the relevant party of the process will not invalidate the proceedings concerned.

24 [***]

24.1 [***]

24.2 [***]

24.3 [***]

- (a) [***]
 - (i) [***]
 - (ii) [***]
 - (iii) [***]
- (b) [***]
- (c) [***]
- (d) [***].

24.4 [***]

- (a) [***]
 - (b) [***]
 - (c) [***]
 - (d) [***]
- [***]

24.5 [***]

24.6 [***]

24.7 [***]

24.8 [***]

25 Limitation of Security Trustee Liability

It is expressly understood and agreed by the parties that:

25.1 this document is executed and delivered by Bank of Utah, not individually or personally, but solely as Security Trustee;

25.2 each of the representations, undertakings and agreements herein made on the part of the Security Trustee is made and intended not as personal representations, undertakings and agreements by Bank of Utah, but only in its capacity as Security Trustee for the Facility Agent and the Lenders;

25.3 nothing herein contained shall be construed as creating any liability on Bank of Utah, individually or personally, to perform any covenant either expressed or implied contained herein, all such liability, if any, being expressly waived by the parties hereto and by any person claiming by, through or under the parties hereto; and

25.4 under no circumstances shall Bank of Utah be personally liable for the payment of any indebtedness or expenses of the Lenders or the Facility Agent or be liable for the breach or failure of any obligation, representation, warranty or covenant made or undertaken by the Security Trustee under this Agreement, the Relevant Documents or any other related documents excluding, in each case, gross negligence, wilful misconduct or simple negligence in the handling of money by the Security Trustee for which it shall be liable in its individual capacity.

26 [***]

IN WITNESS whereof each of the parties has executed this Agreement as a deed the day and year first before written.

Schedule 1 Pre-Delivery Payments, Scheduled Delivery Months

Part A – A320neo Aircraft

Schedule 2 Form of Letter of Release

To: Vertical Horizons, Ltd.
c/o Intertrust SPV (Cayman) Limited
One Nexus Way, Camana Bay
George Town
Grand Cayman, KY1 9005
Cayman Islands

Fax: +# ### ## ##
Attention: Directors

with a copy to:

Frontier Airlines, Inc.
4545 Airport Way
Denver, CO 80239
United States of America

Fax: +# ### ## ##
Attention: SVP – General Counsel

Airbus S.A.S.
2 rond-point Emile Dewoitine
31700 Blagnac France

Fax: +## # ## ## ##
Attention: Head of Contracts

Dated: [●]

Dear Sirs

Amended and Restated Step-In Agreement made between (i) Vertical Horizons, Ltd., (ii) Bank of Utah, not in its individual capacity but solely as security trustee (the "**Security Trustee**") and (iii) Airbus S.A.S. ("Airbus") dated [●] in relation to pre-delivery payment financing of certain aircraft (as amended and supplemented from time to time, the "**Agreement**").

We refer to the Agreement. Capitalised terms and expressions used in this Letter of Release not otherwise defined herein shall have the meanings given in the Agreement.

This Letter of Release relates to [● (●) [A320neo/A321neo] aircraft, MSN[s] ●, CAC ID[s] ●] (the Released Aircraft) which [is one of] [are ● (●) of] the Aircraft as defined in the Agreement.

With effect from the date of this Letter of Release, we hereby irrevocably confirm to Airbus and the Buyer that:

- 1 the Released Aircraft is released from the terms and conditions of the Agreement and the Agreement shall terminate with respect to the Released Aircraft;
- 2 we terminate all our right, title or interest in and to the Relevant Rights [(with respect to the Released Aircraft only)];

3 the Encumbrance of the Security Assignment created in respect of the Relevant Rights relating to the Released Aircraft is hereby released and the Relevant Rights relating to the Released Aircraft are free and clear of all Encumbrances attributable to the Security Trustee; and

4 Airbus is released from its duties, obligations and liabilities to us [(but only in respect to the Released Aircraft)] under the Agreement.

For the avoidance of doubt this release does not extend to the Buyer's other obligations to the Security Trustee or the Finance Parties pursuant the Security Assignment or the PDP Loan Agreement, including without limitation, its obligation to repay amounts owing thereunder, with respect to the Aircraft.

By countersigning this Letter of Release, Airbus releases the Security Trustee from its obligations under the Agreement with respect to the Released Aircraft.

[The Agreement shall remain in full force and effect and nothing in this Letter of Release is to be construed as a release of the Security Trustee rights, title and interest in and to the Relevant Rights with respect to any other Relevant Aircraft (as defined in the Agreement) arising pursuant to the Agreement.]

This Letter of Release shall be governed by and construed in accordance with the laws of England.

Please countersign this Letter of Release and confirm your agreement to the aforementioned.

Yours faithfully

Executed as a Deed by)
Bank of Utah)
(not in its individual capacity but solely)
as Security Trustee))
)
and signed by [●])
its [●])

in the presence of:

Name:

Address:

Acknowledged and agreed

By and on behalf of
Vertical Horizons, Ltd.

Schedule 3 Form of Step-In Notice

To: Airbus S.A.S.
2 rond-point Emile Dewoitine
31700 Blagnac
France

Fax: +## # ## ## ## ##
Attention: Head of Contracts

Cc: Vertical Horizons, Ltd.
c/o Intertrust SPV (Cayman) Limited
One Nexus Way, Camana Bay
George Town
Grand Cayman, KY1 9005
Cayman Islands

Fax: +# ### ### #####
Attention: Directors

with a copy to:

Frontier Airlines, Inc.
7001 Tower Road
Denver, CO 80249
United States of America

Fax: +# ### ### #####
Attention: SVP – General Counsel

Dated: [●]

Dear Sirs

Amended and Restated Step-In Agreement made between (i) Vertical Horizons, Ltd., (ii) Bank of Utah, not in its individual capacity but solely as security trustee (the **“Security Trustee”**) and (iii) Airbus S.A.S. (“Airbus”) **dated [●]** in relation to pre-delivery payment financing of certain aircraft (as amended and supplemented from time to time, **the “Agreement”**).

We refer to the Agreement. Capitalised terms and expressions used in this Step-In Notice not otherwise defined herein shall have the meanings given in the Agreement.

This is the Step-In Notice for the purposes of the Agreement.

This Step-In Notice is being served pursuant to clause 7 of the Agreement as a result of:

[The occurrence of a Step-In Event arising from the service by [Airbus of a notice in accordance with clause 6.4 of the Agreement] [the Security Trustee of a Material Event of Default Notice in accordance with clause 5.5 of the Agreement and the Material Event of Default relating to such Material Event of Default have not been waived or cured for the purposes of clause 5.6 of the Agreement].

In accordance with clause 7 of the Agreement, the Security Trustee hereby irrevocably confirms to Airbus that it elects to assume and exercise the Relevant Rights and perform the Relevant Obligations relating to the following Relevant Aircraft (hereinafter the Step-In Aircraft):

[•]

This Step-In Notice is governed by and shall be construed in accordance with English law.

Yours faithfully

For and on behalf of:
Bank of Utah not in its individual capacity but solely as Security Trustee
By:
Title:

Schedule 4 Form of Replacement Purchase Agreement

Appendix A: PDP Loan Agreement Extracts

Clause 4 – Events of Default

4 Events of Default

Each of the following events shall constitute an Event of Default which shall continue so long as, but only as long as, it shall not have been remedied:

- (a) Non Payment. The Borrower shall have failed to make a payment of any principal on any Loan Certificate within [***] after the same shall have become due; or the Borrower shall have failed to make a payment of interest on any Loan Certificate within [***] after the same shall have become due;
- (b) Other Payments. The Borrower shall have failed to make any payment of any amount owed to any Finance Party under the Operative Documents, including without limitation, any payment owed pursuant to Clause 5.2 or Clause 5.9 of the Credit Agreement, other than as provided under paragraph (a) of this Clause 4 after the same shall have become due and such failure shall continue for five (5) Business Days after the Borrower has received notice that such payment is due;
- (c) Special Purpose Covenants. The Borrower shall have failed to perform or observe, or caused to be performed and observed, any covenant or agreement to be performed or observed by it under Clause 10.3 of the Credit Agreement;
- (d) Other Covenants. The Borrower or any Guarantor shall have failed to perform or observe, or caused to be performed and observed, in any respect, any other covenant or agreement to be performed or observed by it under any Operative Document, and such failure (if capable of remedy) shall continue unremedied for a period of [***] after Borrower's or any Guarantor's receipt of written notice from the Security Trustee or the Facility Agent; provided however that such grace period shall not apply if such breach gives rise to any reasonable likelihood of the sale, forfeiture or other loss of any of the Collateral or the Aircraft or any interest therein;
- (e) Representations and Warranties. Any representation or warranty made by the Borrower or any Guarantor in any Operative Document or any document or certificate furnished by any such Obligor in connection therewith or pursuant thereto shall prove to have been incorrect or misleading at the time made, which, if capable of cure, is not cured within [***] after the Borrower or any Guarantor obtains knowledge thereof and to the extent such incorrect or misleading representation or warranty is materially adverse to the Security Trustee or any Lender;
- (f) Voluntary Bankruptcy. The commencement by the Borrower or any Guarantor of a voluntary case or winding up under the federal bankruptcy laws, as now constituted or hereafter amended, or any other applicable federal, state or other bankruptcy, insolvency or other similar law in the United States or the Cayman Islands, or the consent by the Borrower or any Guarantor to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator (or other similar official) of the Borrower or any Guarantor or for

all or substantially all of its property, or the making by the Borrower or any Guarantor of any assignment for the benefit of creditors of the Borrower or any Guarantor shall take any corporate action to authorize any of the foregoing (including, without limitation, by the passing of a shareholders' resolution for its involuntary winding up) or to authorize a general payment moratorium;

- (g) Involuntary Bankruptcy. The commencement of an involuntary case, winding up or other proceeding in respect of the Borrower or any Guarantor under the federal, bankruptcy laws, as now or hereafter constituted, or any other applicable federal state or other bankruptcy, insolvency or other similar law in the United States or the Cayman Islands or seeking the appointment of a liquidator, assignee, custodian, trustee, sequestrator (or similar official) of the Borrower or any Guarantor for all or substantially all of its property, or seeking the winding-up or liquidation of its affairs and the continuation of any such case or other proceeding remains undismissed and unstayed for a period of [***], or an order, judgment or decree shall be entered in any proceeding by any court of competent jurisdiction appointing, without the consent of the Borrower or any Guarantor, a receiver, trustee or liquidator of the Borrower or any Guarantor, or for all or substantially all of its property, or sequestering of all or substantially all of the property of any Guarantor or the occurrence of such in respect of any property of the Borrower and any such order, judgment or decree or appointment or sequestration shall be final or shall remain in force undismissed, unstayed or unvacated for a period of [***], after the date of entry thereof;
- (h) Perfected Security Interest. The Security Trustee shall cease to hold a valid and perfected security interest in any of the Collateral (except with respect to Permitted Liens);
- (i) Breach of Assigned Purchase Agreements or Engine Agreement. The Borrower or any Guarantor breaches or repudiates or evidences an intention to repudiate the terms of either Assigned Purchase Agreement, the Assignment and Assumption Agreement, the Servicing Agent, either Engine Agreement, or either Airbus Purchase Agreement, as applicable, and such breach is not cured within [***];
- (j) Cross Defaults. For any reason, any Financial Indebtedness of any Guarantor (or any Financial Indebtedness which a Guarantor has agreed to guarantee) in an aggregate amount in excess of [***] (or its equivalent in other currencies as determined by the Security Trustee), is not paid when due nor within any originally applicable grace period, and such Financial Indebtedness is declared to be due and payable prior to its specified maturity as a result of an event of default or termination event (howsoever described);
- (k) Judgments: any judgment against a Guarantor for an amount equal to or in excess of [***] is not paid by the date required by the court, unless such judgment is appealable and is being contested in good faith and by appropriate proceedings by such Guarantor;
- (l) BFE Payments. The Borrower or any Guarantor shall have failed to make the payment of any amount listed in Schedule VI to the Credit Agreement in respect

of BFE for each Aircraft in respect of which a Loan is then outstanding when due;

- (m) Servicing Agreement. An event occurs that entitles Frontier Airlines to terminate the Servicing Agreement pursuant to Clause 5.2 of the Servicing Agreement;
 - (n) Step-In Agreement. The occurrence of an Insolvency Event in respect of the Borrower or any Guarantor or a Step-In Event (as defined in the Step-In Agreement); and
 - (o) Financial Covenants. Frontier Group Holdings, Inc. shall have failed to perform, observe or comply with, or caused to be performed, observed and complied with, any covenant or agreement to be performed, observed or complied with by it under Clause 9(f) of the relevant Guarantee.
-

Selected Definitions

"ABR" means, for any day, a rate per annum equal to the highest of (a) the Prime Rate in effect on such day, (b) the Federal Funds Rate in effect on such day plus 0.50% and (c) Term SOFR for a one-month tenor in effect on such day plus 1.00%. Any change in the ABR due to a change in the Prime Rate, the Federal Funds Rate or Term SOFR shall be effective from and including the effective date of such change in the Prime Rate, the Federal Funds Rate or Term SOFR, respectively.

"Administration Agreement" means the administration agreement between the Borrower and the Agent dated as of December 18, 2014, together with the administrator fee letter dated as of December 18, 2014, to which, inter alia, Frontier Airlines is a party.

"Advance" means each Purchase Price Installment paid or payable by or on behalf of the Borrower in respect of each Aircraft in accordance with the terms of the Assigned Purchase Agreement which, for each Purchase Price Installment due on or after the Original Signing Date, is in the amount and payable on the date specified in Schedule III to the Credit Agreement.

"Airbus" means Airbus S.A.S., in its capacity as manufacturer of the Aircraft, and its successors and assigns.

"Aircraft" means each "Aircraft" identified as such for the purposes of the Credit Agreement.

"Airbus Purchase Agreement" means, with respect to each Aircraft, the A320neo aircraft purchase agreement dated as of September 30, 2011 between Airbus and Frontier Airlines, as amended and supplemented from time to time (but excluding any letter agreements entered into from time to time in relation thereto), to the extent related to the Aircraft and as the same may be further amended and supplemented from time to time.

"Applicable Margin" means 3.00% per annum.

"Applicable Rate" means, for any Interest Period, a rate per annum equal to Term SOFR for such Interest Period plus the Applicable Margin, save that for the purposes of giving effect to Sections 5.13 and 5.14 of the Credit Agreement, the Applicable Rate shall be deemed, where applicable, a rate per annum equal to the ABR plus the Applicable Margin.

"Assigned Purchase Agreement" means the Airbus Purchase Agreement as assigned and transferred to the Borrower and amended and restated in the terms set forth in Schedule 3 to the Assignment and Assumption Agreement.

"Assignment and Assumption Agreement" means the Amended and Restated Assignment and Assumption Agreement entered into among Frontier Airlines, the Borrower and Airbus in respect of the assignment, in part, of the Airbus Purchase Agreement to the Borrower in respect of the Aircraft.

"Borrower" means Vertical Horizons, Inc., a Cayman Islands exempted company, and its successors and permitted assigns.

"Borrowing Date" means (a) the Original Signing Date, (b) the AR Signing Date, (c) the Amendment No. 2 Signing Date, (d) the AR No. 2 Signing Date, (e) the AR No. 3 Signing Date, (f) the AR No. 4 Signing Date, (g) the AR No. 5 Signing Date, (h) the AR No. 6 Signing Date, (i) the AR No. 7 Signing Date, (j) the AR No. 8 Signing Date, (k) the AR No. 9 Signing Date, (l) the Initial Borrowing Date, (m) each date on which an Advance is payable in respect of an

Aircraft under the Assigned Purchase Agreement as specified in Schedule III to the Credit Agreement and (n) each date on which a Line of Credit is requested by the Borrower.

"Business Day" means any day other than a Saturday or Sunday or a day on which commercial banks are required or authorized to close in London England and New York City, provided that, in connection with a SOFR Loan, the term "Business Day" shall also exclude a day that is not a U.S. Government Securities Business Day.

"Buyer Furnished Equipment" or "BFE" means those items of equipment which are identified in the specification of an Aircraft in the related Assigned Purchase Agreement as being furnished by the "Buyer" and are listed in the Credit Agreement.

"Collateral" means, collectively, (i) all of the collateral subject to the granting clause in the Mortgage and (ii) the all of the collateral subject to the Share Charge.

"Commitment Termination Date" means the later of (i) December 31, 2026 and (ii) the Extension Date in the most recent Extension Notice.

"Credit Agreement" means that certain Credit Agreement entered into or to be entered into, as the context may require, between the Borrower, the Lenders, the Facility Agent and the Security Trustee, as amended and supplemented from time to time.

"Delivery Date" means, for any Aircraft, the date on which such Aircraft is to be delivered by Airbus and accepted by Borrower or its permitted assignee under the Assigned Purchase Agreement.

"Effective Date" has the meaning specified in Clause 2.3 of the Credit Agreement. "Engine Agreement" means, (i) in respect of the A320neo Aircraft, each of (a) the Fifth Amended and Restated CFMI Engine Benefits Agreement A320neo Aircraft dated as of March 19, 2020 among the Borrower, the applicable Engine Manufacturer, Frontier Airlines and the Security Trustee and (b) the Third Amended and Restated IAE Engine Benefits Agreement A320neo and A321neo Aircraft (2022, 2023, 2024, 2025 and 2026 Deliveries) dated as of the Effective Date among the Borrower, the applicable Engine Manufacturer, Frontier Airlines and the Security Trustee (the "IAE Agreement"), (ii) in respect of the A321neo Aircraft, other than the Incremental A321neo Aircraft, the IAE Agreement, and (iii) in respect of the Incremental A321neo Aircraft, the Incremental A321neo Engine Consent, in each case among the Borrower, the applicable Engine Manufacturer, Frontier Airlines and the Security Trustee substantially in the applicable form attached as Exhibit D to the Credit Agreement."

"Engine Manufacturer" means (a) in respect of the A320neo Aircraft, CFM International, Inc., and International Aero Engines, LLC, (b) in respect of the A321neo Aircraft, International Aero Engines, LLC other than the Incremental A321neo Aircraft, and (c) in respect of the Incremental A321neo Aircraft, the engine manufacturer certified by Frontier Airlines to the Facility Agent in respect of an A321neo Aircraft "Facility Agent" means Citibank N.A. in its capacity as Facility Agent under the Credit Agreement and any successor thereto in such capacity.

"Federal Funds Rate" means for any day, a floating rate equal to the weighted average of the rates on overnight federal funds transactions among members of the Federal Reserve System, as determined by Facility Agent in its reasonable discretion, which determination shall be presumptively correct (absent manifest error).

"Finance Parties" means together the Lenders, the Facility Agent and the Security Trustee (each a "Finance Party").

"Financial Indebtedness" means any indebtedness for or in respect of:

- (a) moneys borrowed;
- (b) any amount raised by acceptance under any acceptance credit facility;
- (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;
- (d) the amount of any liability in respect of any lease, lease purchase, installment sale, conditional sale, hire purchase or credit sale or other similar arrangement (whether in respect of aircraft, machinery, equipment, land or otherwise) entered into primarily as a method of raising finance or for financing the acquisition of the relevant asset;
- (e) payments under any lease with a term, including optional extension periods, if any, capable of exceeding two years (whether in respect of aircraft, machinery, equipment, land or otherwise) characterized or interpreted as an operating lease in accordance with the relevant accounting standards but either entered into primarily as a method of financing the acquisition of the asset leased or having a termination sum payable upon any termination of such lease;
- (f) any amount raised by receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis) including any bill discounting, factoring or documentary credit facilities;
- (g) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;
- (h) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account);
- (i) obligations (whether or not conditional) arising from a commitment to purchase or repurchase shares or securities where such commitment is or was in respect of raising finance;
- (j) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and

the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) through (j) above.

"Floor" means a rate of interest equal to 0%.

"Frontier Airlines" means Frontier Airlines, Inc.

"Frontier Holdings" means Frontier Airlines Holdings, Inc.

"Frontier Group Holdings" means Frontier Group Holdings, Inc.

"Guarantee" means each guarantee, amended and restated as applicable, as the context may require, dated as of the Effective Date and entered into by each Guarantor in favor of the Security Trustee on account of the obligations of the Borrower.

"Guarantor" means each of Frontier Airlines, Frontier Holdings and Frontier Group Holdings.

"Interest Payment Date" means the date falling [***] after the Original Signing Date and each such date which falls at [***] intervals thereafter, provided that, if any such date shall not be a Business Day, then the relevant Interest Payment Date shall be the next succeeding Business Day; provided, further, that no Interest Payment Date may extend past the Termination Date and the last Interest Payment Date shall be the Termination Date.

"Interest Period" means, (1) in respect of a Loan (a) initially, the period commencing on the Original Signing Date or on the date that such Loan is made and ending on the first Interest Payment Date occurring thereafter, and (b) thereafter, the period commencing on the last day of the previous Interest Period and ending on the next Interest Payment Date or, if earlier, the first to occur of the Delivery Date of the Aircraft funded by such Loan and the Termination Date and (2) in respect of a Line of Credit (a) initially, the period commencing on the date that such Line of Credit is made and ending on the first Interest Payment Date occurring thereafter, and (b) thereafter, the period commencing on the last day of the previous Interest Period and ending on the next Interest Payment Date or, if earlier, and the Termination Date.

"Lender" means each Lender identified in the Credit Agreement and any assignee or transferee of such Lender.

"Lien" means any mortgage, pledge, lien, claim, encumbrance, lease, security interest or other lien of any kind on property.

"Loan" in respect of any Advance means the borrowing made by the Borrower on the Borrowing Date with respect to such Advance from each Lender.

"Loan Certificates" means the loan certificates issued pursuant to the Credit Agreement and any such certificates issued in exchange or replacement therefor pursuant to the Credit Agreement.

"Mortgage" means the Ninth Amended and Restated Mortgage and Security Agreement dated on or about the date of this Agreement, among the Borrower, the Facility Agent and the Security Trustee.

"Obligor" means each of the Borrower and each Guarantor (each an "Obligor").

"Operative Documents" means the Administration Agreement, the Credit Agreement, the Mortgage, the Loan Certificates, the Share Charge, the Guarantees, the Assigned Purchase Agreement, the Assignment and Assumption Agreement, the Step-In Agreement, the Engine Agreements, the Incremental A321neo Engine Consents, the Option Agreement, the Servicing Agreement, the Subordinated Loan Agreement, any Fee Letter and any amendments or supplements of any of the foregoing." "Option Agreement" means the Option Agreement, dated as of the Original Signing Date, between Frontier Airlines and the Borrower.

"Original Signing Date" means December 23, 2014.

"Parent" means Intertrust SPV (Cayman) Limited, a Cayman Islands company (as trustee of the Vertical Horizons, Ltd.).

"Permitted Lien" means any Lien permitted under the Credit Agreement.

"Prime Rate" means the rate of interest per annum publicly announced from time to time by the Facility Agent as its prime rate in effect at its principal office in New York City. The Prime Rate is a reference rate and does not necessarily represent the lowest or best rate actually

charged to any customer. The Facility Agent may make commercial loans or other loans at rates of interest at, above or below the Prime Rate. Any change in the Prime Rate shall take effect at the opening of business on the day specified in the public announcement of such change.

"Purchase Price Installment" has the meaning given to the term Pre-Delivery Payment Amount in the Amended and Restated Assignment and Assumption Agreement (to the extent of such amount as having been received by Airbus pursuant to the Airbus Purchase Agreement, and as being more specifically set out in column 5 of Part A and Part B of Schedule 1 to the Step-In Agreement).

"Security Trustee" means Bank of Utah, not in its individual capacity but solely as Security Trustee on behalf of the Facility Agent and the Lenders under the Credit Agreement, and any successor thereto in such capacity.

"Servicing Agreement" means the Servicing Agreement entered into or to be entered into, as the context may require, between the Borrower and Frontier Airlines.

"Share Charge" means the Share Charge entered into or to be entered into, as the context may require, among the Parent and the Security Trustee.

"SOFR" means a rate equal to the secured overnight financing rate as administered by the SOFR Administrator.

"SOFR Administrator" means the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

"SOFR Loan" means a Loan that bears interest at a rate based on Term SOFR, other than pursuant to clause (c) of the definition of "ABR".

"Step-In Agreement" means the Amended and Restated Step-In Agreement dated as of the date hereof among the Borrower, as assignor, the Security Trustee, as assignee, and Airbus.

"Subordinated Loan Agreement" means the Subordinated Loan Agreement, dated as of the Original Signing Date, between Frontier Airlines and the Borrower and the Subordinated Promissory Note dated the Original Signing Date, issued by the Borrower thereunder.

"Term SOFR" means for any calculation with respect to a SOFR Loan and with respect to any Interest Period, the rate per annum which results from interpolating on a linear basis between the longest maturity for which a Screen Rate is available that is shorter than such Interest Period and the applicable Screen Rate for the shortest maturity for which a screen rate is available that is longer than such Interest Period, which "Screen Rate" shall be the Term SOFR Reference Rate for a tenor comparable to the applicable Interest Period on the day (such day, the "Periodic Term SOFR Determination Day") that is [***] U.S. Government Securities Business Days prior to the first day of such Interest Period, as such rate is published by the Term SOFR Administrator; provided, however, that if as of 5:00 p.m. (New York City time) on any Periodic Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then the Screen Rate will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than [***] U.S. Government Securities Business Days prior to such Periodic Term SOFR

Determination Day; provided, further, that if Term SOFR determined as provided above shall ever be less than the Floor, then Term SOFR shall be deemed to be the Floor.

"Term SOFR Administrator" means CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR Reference Rate selected by the Administrative Agent in its reasonable discretion).

"Term SOFR Reference Rate" means the forward-looking term rate based on SOFR.

"Termination Date" means the date that is [***] following the then-current Commitment Termination Date.

"U.S. Government Securities Business Day" means any day except for (a) a Saturday, (b) a Sunday or (c) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

Execution page 1

Step-In Agreement

Frontier / Citibank

The Buyer

Executed as a Deed by
Vertical Horizons, Ltd.
and signed by
Rachel Fisher
being a person/persons who in
accordance with the
laws of the Cayman Islands is acting
under the authority of the company
in the presence of:

)
)
) /s/ Rachel Fisher
)
)
)
)
)

/s/ Matthew Rich

Name:
Address:

Matthew Rich
One Nexus Way, Camana Bay, Grand Cayman KY1-9005, Cayman Islands

The Security Trustee

Executed as a Deed by
Bank of Utah not in its individual
capacity but solely as Security Trustee
and signed by
its
being a person/persons who in
accordance with the laws of the State of
Utah is/are acting under the authority of
the company
in the presence of:

)
)
)
) /s/ Kade Baird
)
)
)
)
)
)

Name:
Address:

Kade Baird
Assistant Vice President

Execution page 2

Step-In Agreement

Frontier / Citibank

Airbus

Executed as a Deed by Airbus S.A.S.
and signed by

its
being a person/persons who in
accordance with the laws of France is/are
acting under the authority of the company
in the presence of:

)
)
)
)
)
)
)
)

Olivier Marty
Vice President Contracts

/s/ Olivier Marty

Name:
Address:

Veronique Huillet

/s/ Veronique Huillet

AIRBUS
AIRBUS S.A.S.
2 Rond-Point Emile Dewoitine
31700 BLAGNAC
FRANCE
Phone: +33 (0)5 61 93 33 33

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

Exhibit 10.9

EXECUTION VERSION

October 13, 2023

AMENDMENT TO STEP-IN AGREEMENT

Vertical Horizons, Ltd.
as Buyer

Bank of Utah
not in its individual capacity but solely as security trustee
as Security Trustee

Airbus S.A.S.
as Airbus

Pre-Delivery Payment Financing
Aircraft Purchase Agreement dated 30 September 2011

US-DOCS\145753542.1

THIS AMENDMENT AGREEMENT (this "Agreement") is made as a deed on October 13, 2023

BETWEEN

- (1) VERTICAL HORIZONS, LTD., a company incorporated pursuant to the laws of the Cayman Islands whose registered address and principal place of business is at the offices of c/o Intertrust SPV (Cayman) Limited, One Nexus Way, Camana Bay, George Town, Grand Cayman, KY1-9005, Cayman Islands (the "Buyer");
- (2) BANK OF UTAH, not in its individual capacity but solely as security trustee for the Facility Agent and the Lenders (the "Security Trustee"); and
- (3) AIRBUS S.A.S., registered in France and having its registered office at 2 Rond-Point

(each a “Party”, and together, the “Parties”).

RECITALS

- (A) In connection with the pre-delivery payment financing of [***] A320neo aircraft and [***] A321neo aircraft, the Parties entered into an amended and restated step-in agreement dated 11 August 2023 (the “Step-In Agreement”).
- (B) In connection with an assignment, re-assignment and amendment agreement dated on or about the date hereof and made between Frontier, the Buyer and Airbus, the Parties wish to amend the Step-In Agreement in accordance with the terms and conditions of this Agreement.

IT IS AGREED AS FOLLOWS:

1. INTERPRETATION

- 1.1 In this Agreement (including the recitals), unless the context otherwise requires or unless otherwise defined or provided for in this Agreement, (i) capitalised words and expressions shall have the respective meanings ascribed to them in the Step-In Agreement and (ii) the following terms shall have the meaning set forth below:

“Rescheduled Aircraft” means the Aircraft bearing CAC-IDs [***].

- 1.2 The provisions of clause 1.2 of the Step-In Agreement shall apply to this Agreement as if set out herein in full, mutatis mutandis.
- 1.3 Each Party hereby agrees that each document executed by it and any document appended to any such document is amended in accordance with this Agreement and that all of those documents shall be construed accordingly.

Amendment to Step-In Agreement
Vertical Horizons | Bank of Utah | Airbus - PDP Financing

2. Amendment to the Step-In Agreement

- 2.1 The following definitions in clause 1.1 of the Step-In Agreement shall be amended and restated as follows:

“A320neo Airframes means, as the context requires, all or any of the [***] Airbus A320neo aircraft which are the subject of this Agreement and bearing CAC-IDs [***] together with all Parts incorporated in, installed on or attached to such airframes on the respective Delivery Dates of such airframes.

A321neo Airframe means as the context requires, all or any of the [***] Airbus A321neo aircraft which is the subject of this Agreement and bearing CAC-IDs [***] together with all Parts incorporated in, installed on or attached to such airframe on its Delivery Date.”

- 2.2 To the extent relating to the Rescheduled Aircraft, schedule 1 (Pre-Delivery Payments, Scheduled Delivery Months) to the Step-In Agreement shall be amended and restated as set forth in Schedule 1 hereto.

3. Amendment to the form of Replacement Purchase Agreement

- 3.1 Clause 2.3 (Propulsion System) of Schedule 4 (Form of Replacement Purchase Agreement) to the Step-In Agreement shall be amended and restated as quoted in Schedule 2 hereto
- 3.2 To the extent relating to the Rescheduled Aircraft, the table in clause 9.1.1 of Schedule 4 (Form of Replacement Purchase Agreement) to the Step-In Agreement shall be amended and restated as quoted in Schedule 3 hereto.
- 3.3 To the extent relating to the Rescheduled Aircraft, the table in exhibit D of schedule 4 (Form of Replacement Purchase Agreement) to the Step-In Agreement shall be amended and restated as per Schedule 4 hereto.
- 3.4 The Buyer’s obligation to notify the Security Trustee of the change in the Scheduled Delivery Months of the Rescheduled Aircraft (under clause 4.2(a) of the Step-In Agreement) shall be deemed to be fulfilled upon the date hereof.

4. MISCELLANEOUS

- 4.1 Each party repeats on the date hereof the representations and warranties made by it under clause 2 (Representations and Warranties) of the Step-In Agreement, provided that any references therein to any other capitalized terms shall be to such terms as amended from time to time.
- 4.2 This Agreement shall be governed by English law. Clauses 14 (Confidentiality), 17 (Further Assurance), 20 (Counterparts) and 22 (Governing Law and Jurisdiction) of the Step-In Agreement shall apply to this Agreement mutatis mutandis.

IN WITNESS whereof each of the Parties has executed this Agreement as a deed the day and year first before written.

Amendment to Step-In Agreement
Vertical Horizons I Bank of Utah I Airbus - PDP Financing

SCHEDULE 1

Amendment to Step-In Agreement
Vertical Horizons I Bank of Utah I Airbus - PDP Financing

SCHEDULE 2

Amendment to Step-In Agreement
Vertical Horizons I Bank of Utah I Airbus - PDP Financing

SCHEDULE 3

Amendment to Step-In Agreement
Vertical Horizons I Bank of Utah I Airbus - PDP Financing

SCHEDULE 4

Amendment to Step-In Agreement
Vertical Horizons I Bank of Utah I Airbus - PDP Financing

Execution Page – Buyer
Amendment to Step-In Agreement

Executed as a deed by
Vertical Horizons, Ltd. and
signed by

its
being a person/persons who in accordance
with the laws of the Cayman Islands is/are
acting under the authority of the company
in the presence of:

) /s/ Rachel Fisher
) _____
)
)
)
)
)
) /s/ Daneliz Thomas

Name:
Address:

Daneliz Thomas
One Nexus Way, Camana Bay
Grand Cayman KY1-9005, Cayman Islands

Amendment to Step-In Agreement
Vertical Horizons I Bank of Utah I Airbus - PDP Financing



Execution Page - Security Trustee
Amendment to Step-In Agreement

Executed as a deed by
Bank of Utah, not in its
individual capacity but
solely as Security Trustee
and signed by)
) /s/ Kade Baird
) Assistant Vice President
) _____
)
its)
)
being a person/persons who in accordance)
with the laws of the State of Utah is/are)
acting under the authority of the company)
in the presence of: /s/ Shylee Dunne
Name: Shylee Dunne
Address: 50 South 200 East Suite 110
Salt Lake City, UT 84111

Amendment to Step-In Agreement
Vertical Horizons I Bank of Utah I Airbus - PDP Financing

Execution Page - Airbus
Amendment to Step-In Agreement

Executed as a deed by
Airbus S.A.S.
and signed by)
) /s/ Benoît de Saint-Exupéry
) _____
)
its)
)
being a person/persons who in accordance)
with the laws of the State of Utah is/are)
acting under the authority of the company)

in the presence of:

Name:

Address:

)

Benoît de Saint-Exupéry

Executive Vice President, Contracts

Amendment to Step-In Agreement
Vertical Horizons I Bank of Utah I Airbus - PDP Financing

[***] Certain information in this document has been excluded pursuant to Regulation S-K, Item 601(b)(10).

Such excluded information is not material and would likely cause competitive harm to the registrant if publicly disclosed.

Exhibit 10.10

EXECUTION VERSION

FOURTH AMENDED AND RESTATED IAE ENGINE BENEFITS AGREEMENT

A320NEO AND A321NEO AIRCRAFT ([***] DELIVERIES)

THIS FOURTH AMENDED AND RESTATED IAE ENGINE BENEFITS AGREEMENT, dated as of August 11, 2023 (this “Agreement”), is among Vertical Horizons, Ltd., an exempted company incorporated with limited liability under the laws of the Cayman Islands (the “Borrower”), International Aero Engines, LLC, a Delaware limited liability company (the “Engine Manufacturer” or “IAE”), Bank of Utah, not in its individual capacity but solely as Security Trustee for the Lenders under the Credit Agreement (together with its successors and assigns in such capacity, the “Security Trustee”), and Frontier Airlines, Inc., a Colorado corporation (“Frontier”).

WHEREAS, this Agreement amends and restates in its entirety the Third Amended and Restated IAE Engine Benefits Agreement A321neo Aircraft ([***] Deliveries) dated as of June 30, 2022, among the Borrower, the Engine Manufacturer, the Security Trustee and Frontier;

WHEREAS, pursuant to the Ninth Amended and Restated Credit Agreement, dated as of August 11, 2023 among the Borrower, the Lenders from time to time party thereto, Citibank, N.A., as facility agent, and the Security Trustee (as amended, supplemented or otherwise modified from time to time in accordance with the applicable provisions thereof, the “Credit Agreement”; capitalized terms used herein and not otherwise defined have the meanings ascribed to them in the Credit Agreement) the Lenders have agreed to reimburse the Borrower for, and finance further, certain pre-delivery payments made and to be made to Airbus with respect to [***] model A320neo and [***] A321neo aircraft to be delivered in [***] pursuant to the Assigned Purchase Agreement (as identified in Exhibit 1 of this Agreement, the “Subject Aircraft”);

WHEREAS, the Engine Manufacturer has agreed to supply and Airbus has agreed to install on the Subject Aircraft the engines which are identified for each Subject Aircraft (each, a “Subject Engine” and collectively, the “Subject Engines”);

WHEREAS, pursuant to the Ninth Amended and Restated Mortgage and Security Agreement dated as of August 11, 2023 between the Borrower and the Security Trustee (as amended, supplemented or otherwise modified from time to time in accordance with the applicable provisions thereof, the “Security Agreement”), the Borrower has pledged to the Security Trustee, among other things, all of the Borrower’s right, title and interest in and to the Assigned Purchase Agreement relating to the Subject Aircraft; and

WHEREAS, it is a condition precedent to each Lender’s funding of Loans in respect of the Subject Aircraft under the Credit Agreement to the Borrower that, among other things, the Engine Manufacturer shall have executed and delivered this Agreement;

THEREFORE, in consideration of the payment of [***], and for other good and valuable consideration, the receipt of and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Definitions. For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the following meaning:

"Assigned Purchase Agreement" has the meaning given to such term in the Credit Agreement.

"Engine Purchase Agreement" means the PW1100G-JM Engine Purchase and Support Agreement by and between the Engine Manufacturer and Frontier.

"Engine Warranties" means the Engine Manufacturer's PW1100G-JM Engine Warranty and Service Policy, as set forth in Appendix 7 of the Engine Purchase Agreement, and as modified by Section 8.3 of the Engine Purchase Agreement, in the form of Attachment A hereto.

"Permitted Transferee" means the Facility Agent, Citibank, N.A., in its capacity as a Lender, and any other person to whom the Security Trustee intends to transfer the rights granted to it pursuant to this Agreement and who has been approved in writing by IAE (such approval not to be unreasonably withheld or delayed), which transferee may be another Lender, a sub-participant of a Lender, or any of their affiliates; it being understood by the Security Trustee and IAE that it shall only be reasonable for IAE to refuse its approval in respect of any person proposed by the Security Trustee: (i) who is a person to whom it is illegal for IAE to sell an engine or a party with which IAE is prohibited or restricted by applicable law or regulation from doing business; or (ii) who is a special purpose company or similar entity (unless such special purpose company or other entity has been guaranteed to the satisfaction of IAE by an entity that otherwise satisfies the definition of a Permitted Transferee); or (iii) who is a competitor to IAE or its affiliates or shareholders or Raytheon Technologies Corporation or any of its subsidiaries or affiliates, including, without limitation, an engine manufacturer or an airframe manufacturer or an affiliate of any such person; or (iv) who is a person with which IAE, acting reasonably, objects to doing business generally either (A) by reason of the occurrence of a contractual or non-contractual dispute with that person or any of its affiliate(s) or (B) by reason of the default by such person or any of its affiliates in the performance of any obligation owed to IAE under any contract.

2. Provision of Engine Warranties.

2.1 The Engine Manufacturer hereby confirms to Frontier, the Borrower and the Security Trustee that (i) if the Security Trustee or a Permitted Transferee takes delivery from Airbus of a Subject Aircraft such Security Trustee or Permitted Transferee, as applicable, will receive the Engine Warranties for the Subject Engines installed on such Subject Aircraft and shall assume and accept all of the rights, obligations, liabilities, exceptions, and limitations with respect to such Engine Warranties with respect to such Subject Engines and (ii) it consents to the collateral assignment by the Borrower to the Security Trustee of its rights under this Agreement, and agrees that the Security Trustee's rights under Section 2.1(i) and such assignment shall not give rise to

- 2-

IAE PROPRIETARY – Subject to the restrictions on the first page.

any duties or obligations whatsoever on the part of the Security Trustee owing to the Engine Manufacturer except (i) for the Security Trustee’s agreement that in exercising any right under the this Agreement with respect to such Engines, or in making any claim with respect to such Engines, the terms and conditions of such Engine Purchase Agreement relating to the Engines and the Engine Warranties shall apply to and be binding upon the Security Trustee to the same extent as Frontier and/or the Borrower and (ii) as otherwise expressly provided in this Agreement, including without limitation pursuant to Section 5.2 of this Agreement. In no event shall the Engine Manufacturer have any liability or obligation under the Engine Warranties with respect to an Engine more than once in respect of any particular claim. In exercising any rights under such Engine Warranties or in making any claim with respect thereto, the applicable terms and conditions of the Engine Purchase Agreement, as far as disclosed in Attachment A, shall apply to, and be binding upon the Security Trustee or Permitted Transferee (if applicable).

2.2 The Security Trustee acknowledges and agrees, in relation to each Subject Aircraft, that Frontier will continue to have the right to receive any applicable credit or other allowance for the Subject Engines installed on such Subject Aircraft (each of such two Subject Engines, a “Subject Engine Set”) that is available under the Engine Purchase Agreement and the right to exercise any applicable warranties for such Subject Engine Set (or the relevant individual Subject Engine) under the Engine Purchase Agreement until such time as the Security Trustee has served a Step-In Notice in accordance with the Step In Agreement.

3. Provision of Credits

3.1 IAE hereby confirms that the Introductory Assistance Credits, as provided in the table below and as further described below, corresponding with a given Subject Aircraft identified in the such table (such amount, [***], the “Introductory Assistance Credit” or “Credit”) shall be made available by IAE to the Security Trustee or the Permitted Transferee, as the case may be, upon delivery and acceptance of such applicable Subject Aircraft by such person, and subject to Section 3.6 below. The Credit for each Subject Aircraft, and the corresponding Unit Base Price per Subject Engine Set, as provided in the table below, [***]. For the avoidance of doubt, the Introductory Assistance Credits set forth in the table below shall apply solely to the Subject Aircraft.

INTRODUCTORY ASSISTANCE CREDITS FOR SUBJECT AIRCRAFT			
EXPRESSED IN [***] UNITED STATES DOLLARS			
Subject Aircraft Model	Subject Engine Model	Unit Base Price Per Subject Engine Set	Introductory Assistance Credit Per Subject Aircraft
A320neo	PW1127GA-JM	[***]	[***]
A321neo	PW1133GA-JM	[***]	[***]

INTRODUCTORY ASSISTANCE CREDITS FOR SUBJECT AIRCRAFT			
EXPRESSED IN [***] UNITED STATES DOLLARS			
Subject Aircraft Model	Subject Engine Model	Unit Base Price Per Subject Engine Set	Introductory Assistance Credit Per Subject Aircraft
A321neo	PW1133G1-JM	[***]	[***]

3.2 IAE will issue the Introductory Assistance Credit directly to Airbus and will instruct Airbus, in writing, to credit such Introductory Assistance Credit against the purchase price for the applicable Subject Aircraft. IAE shall be entitled to rely on a notice from the Security Trustee (or the Permitted Transferee, if applicable) that the Security Trustee or such Permitted Transferee is entitled to take delivery of a Subject Aircraft and shall have no liability for any such reliance.

3.3 The Security Trustee agrees and, if applicable will cause the Permitted Transferee to agree, that the Credit for any applicable Subject Aircraft shall not vest in Airbus nor be applied toward payment of the purchase price for such Subject Aircraft until acceptance by and delivery of such Subject Aircraft to the Security Trustee or Permitted Transferee, as the case may be; provided that the parties agree that the assignment of the Credit shall occur sufficiently in advance of delivery to allow for timely delivery and shall take final effect at delivery to and acceptance by the Security Trustee or Permitted Transferee of the respective Subject Aircraft. In the event that the Security Trustee or Permitted Transferee does not accept delivery of any Subject Aircraft, the Security Trustee or Permitted Transferee, as applicable, shall have its management team induce Airbus' management to refund the Credit to IAE.

3.4 Frontier hereby acknowledges and agrees that payment of the Credit by IAE in respect of the applicable Subject Aircraft pursuant to this Section 3 of this Agreement will relieve and release IAE of any and all obligations to pay the Credit with respect to such Subject Aircraft under the Engine Purchase Agreement. The parties further agree IAE shall have no liability to any other party, or any Permitted Transferee, for paying a Credit in respect of the applicable Subject Aircraft pursuant to this Section 3 or for relying on any notice provided by the Security Trustee or any Permitted Transferee of its right to take delivery of a Subject Aircraft. Save to the extent expressly provided in this Agreement, all other terms of the Engine Purchase Agreement (including, without limitation, the Engine Warranties) shall continue to apply and shall have full force and effect between the Frontier and IAE.

3.5 Each of Frontier, Borrower, the Security Trustee or the Permitted Transferee, as applicable, will ensure its compliance with any, and all, requirements (including but not limited to reporting and approval requirements) of any applicable currency control

or other law, rule, or regulation relating to an Introductory Assistance Credit issued under this Agreement.

3.6 The Security Trustee acknowledges and agrees that IAE's obligation to pay the Credit with respect to a Subject Aircraft to be purchased by the Security Trustee or a Permitted Transferee (as provided above) shall be subject to the Security Trustee (or Permitted Transferee, if applicable) providing prior written notice to IAE that the Security Trustee (or Permitted Transferee, if applicable) has exercised its right to purchase such Subject Aircraft pursuant to the Step In Agreement and is entitled to purchase the Aircraft under the Assigned Purchase Agreement (the "Purchase Notice"). IAE shall be entitled to (and Frontier and Borrower hereby authorize IAE to) rely on the information contained in any such Purchase Notice from the Security Trustee (or Permitted Transferee, if applicable). The Security Trustee (or Permitted Transferee, if applicable) shall provide the Purchase Notice to IAE as soon as reasonably practicable after such person has acquired an unfettered right to purchase such Subject Aircraft under the Step In Agreement. The Security Trustee (or Permitted Transferee, if applicable) is not, and will not, be obligated to purchase any Subject Aircraft or serve any Purchase Notice unless it exercises the right to purchase a Subject Aircraft under the Step In Agreement.

4. Except as otherwise expressly provided in this Agreement, nothing contained in this Agreement shall subject the Engine Manufacturer to any obligation, and nothing contained in this Agreement shall subject the Engine Manufacturer to any liability, in each case to which it would not otherwise be subject under the Engine Purchase Agreement, nor shall anything contained in this Agreement modify in any respect the Engine Manufacturer's contract rights under the Engine Purchase Agreement. In no event shall the Engine Manufacturer be subject to any multiple or duplicative liability or obligation under the Engine Purchase Agreement or any Engine Warranties. The Engine Manufacturer shall have no obligation to recognize an assignment by Security Trustee of its rights with respect to the Engine Warranties in connection with a transfer of a Subject Engine (i) unless Security Trustee has given the Engine Manufacturer written notice of such assignment and the assignee is a Permitted Transferee, or (ii) if the Engine Manufacturer reasonably believes that is prohibited or restricted by law from dealings with the purported assignee. The Engine Warranties will be kept confidential in accordance with Section 18 of the Credit Agreement. To the extent that there is any inconsistency in the terms of the assignment provided for in the Security Agreement and this Agreement, the terms of this Agreement shall govern.

5. Representations and Warranties.

5.1 The parties hereby represent and warrant as follows:

5.1.1 The Engine Manufacturer hereby represents and warrants to the Security Trustee that, as of the date hereof, (a) the Engine Manufacturer is a limited liability company duly organized and existing under the laws of the State of Delaware, (b) the Engine Manufacturer's execution of this Agreement has been duly authorized and (c) this Agreement and the Engine Warranties

constitute the legal, valid and binding obligation of the Engine Manufacturer, enforceable against the Engine Manufacturer in accordance with their respective terms subject to: (i) the limitations of applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer or similar laws affecting the rights of creditors generally, and (ii) general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

5.1.2 The Security Trustee hereby represents and warrants to the Engine Manufacturer that, as of the date hereof, (a) the Security Trustee is a corporation duly organized and existing under the laws of the State of Utah, (b) the Security Trustee's execution of this Agreement has been duly authorized and (c) this Agreement is the legal, valid and binding obligation of the Security Trustee, enforceable against the Security Trustee in accordance with its terms subject to: (i) the limitations of applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer or similar laws affecting the rights of creditors generally, and (ii) general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

5.1.3 Frontier hereby represents and warrants to each of the Engine Manufacturer and the Security Trustee that, as of the date hereof, (a) Frontier is a corporation duly incorporated and existing under the laws of the State of Colorado, (b) Frontier's execution of this Agreement has been duly authorized and (c) this Agreement is the legal, valid and binding obligation of Frontier, enforceable against Frontier in accordance with its terms subject to: (i) the limitations of applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer or similar laws affecting the rights of creditors generally, and (ii) general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

5.2 In consideration of the Introductory Assistance Credits and the Engine Warranties, Borrower and the Security Trustee each agrees that it shall not disassemble any of the Subject Engines for the purposes of selling parts of any such Subject Engine. If Borrower or the Security Trustee decides to sell, assign, transfer or otherwise dispose of any Subject Engines, Borrower or the Security Trustee, as applicable, shall ensure in any agreement with a third party (including a Permitted Transferee) for the sale, assignment, transfer or other disposal of any Subject Engine that such third party agrees not to disassemble such Subject Engine for the purpose of selling parts from such Subject Engine or for use in support of other Subject Engines and agrees that IAE is a third party beneficiary of such commitment by the third party.

5.3 Frontier, Borrower, and the Security Trustee hereby confirm that:

- 5.3.1 nothing in this Agreement, unless otherwise stated herein, shall modify in any way the contractual rights of IAE and Frontier with respect to the Engine Warranties or credits under the Engine Purchase Agreement or any other agreement executed between IAE and Frontier, or shall subject IAE to any obligation or liability with respect to the Engine Warranties or credits to which it would not otherwise be subject under the Engine Purchase Agreement or any other agreement executed between IAE and Frontier, or modify in any respect IAE's contractual rights with respect to the Engine Warranties or credits thereunder, except pursuant to the terms of this Agreement;
- 5.3.2 except as otherwise specifically stated herein or otherwise required by law, IAE shall incur no obligations, costs, expenses or liabilities whatsoever by reason of this Agreement, the Credit Agreement, or any of the transactions contemplated thereby; and
- 5.3.3 Frontier shall indemnify and hold harmless IAE from and against any and all costs, expenses, losses and liabilities (including any taxes or duties of any kind) imposed on, incurred by or asserted against IAE in any way relating to or arising out of this Agreement and which costs, expenses, losses and liabilities would not have been incurred but for IAE entering into this Agreement, except to the extent such costs, expenses, losses and liabilities are the result of the negligence, willful misconduct or bad faith by IAE.

5.4 Acknowledgment of Security Trustee. The Security Trustee hereby confirms to the Engine Manufacturer that in exercising any right it may have in this Agreement or the Engine Purchase Agreement with respect to the Engines, or in making any claim under the Engine Warranties or otherwise with respect to the Engines, the terms and conditions of this Agreement, the Engine Purchase Agreement and the Engine Warranties, including, without limitation, the terms and conditions contained therein, shall apply to and be binding upon the Security Trustee to the same extent as Frontier. The Engine Manufacturer hereby represents and warrants to the Security Trustee that the terms of the Engine Warranties provided herein are the same in all material respects to the warranties for the Subject Engines in the Engine Purchase Agreement.

6. Assignment. Neither this Agreement, nor any of the rights, benefits, duties, or obligations set forth in this Agreement or any related agreement may be assigned in whole or in part without the prior written consent of each of the Parties, which consent shall not be unreasonably delayed or withheld, and any attempted assignment in contravention of this restriction shall be null and void, except that (i) IAE may, without recourse, assign its rights and/or delegate its obligations under this Agreement to any of its affiliates or to any subsidiary or affiliate of Raytheon Technologies Corporation, or in connection with the merger, consolidation, reorganization or voluntary sale or transfer of its assets and (ii) with respect to any of the Subject Aircraft, the Security Trustee shall be entitled to assign or transfer, in whole or in part, with prior

written notice to IAE, its rights under this Agreement (and/or the Engine Warranties) to a Permitted Transferee.

7. Confidentiality. This Agreement and its contents are confidential and, as such, shall not be disclosed by any party to this Agreement to any third party other than:

(a) with the prior written consent of the Engine Manufacturer;

(b) pursuant to any applicable law or in connection with any proceeding arising out of or in connection with the Security Agreement, provided however that the Security Trustee shall provide the Engine Manufacturer reasonable notice prior to disclosing this Agreement and allow the Engine Manufacturer the opportunity to seek protective orders;

(c) to any successor, permitted assign or permitted transferee of such party, provided they agree in writing to not disclose this agreement without the prior written consent of the Engine Manufacturer;

(d) to Citibank, N.A., provided that Citibank agrees in writing to not disclose this Agreement without the prior written consent of the Engine Manufacturer; or

(e) to the legal advisers of such party, provided they agree in writing to not disclose this agreement without the prior written consent of the Engine Manufacturer.

8. Section References. The captions and section headings appearing herein are included solely for convenience of reference and are not intended to affect the interpretation of any provision of this Agreement.

9. Severability. If any provision hereof is invalid or unenforceable in any jurisdiction, then, to the fullest extent permitted by law, (a) the other provisions hereof shall remain in full force and effect in such jurisdiction and (b) the invalidity or unenforceability of any provision hereof in any jurisdiction shall not affect the validity or enforceability of such provision in any other jurisdiction.

10. Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute but one and the same agreement.

11. Governing Law. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

12. Submission to Jurisdiction. Each party hereto hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of the Supreme

Court of the State of New York sitting in New York County and of the United States District Court of the Southern District of New York, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement, or for recognition or enforcement of any judgment, and each party hereto irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York State or, to the extent permitted by law, in such Federal court. The parties agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

13. Entire Agreement. This Agreement supersedes any previous arrangements between the parties in relation to the matters set forth herein.

[This space intentionally left blank.]

IN WITNESS WHEREOF, this Agreement has been duly executed by the parties hereto as of the date first above written.

FRONTIER AIRLINES, INC.

By: /s/ Howard Diamond
Name: Howard Diamond
Title: SVP, General Counsel & Secretary

INTERNATIONAL AERO ENGINES,
LLC,
as Engine Manufacturer

By: /s/ Daniel Kirk
Name: Daniel Kirk
Title: Vice President, Americas

BANK OF UTAH, as Security Trustee

By: /s/ Kade Baird
Name: Kade Baird
Title: Assistant Vice President

By: _____
Name:
Title:

VERTICAL HORIZONS, LTD.

By: /s/ Rachel Fisher
Name: Rachel Fisher
Title: Director

Exhibit 1
Subject Aircraft

ATTACHMENT A
ENGINE WARRANTIES

ATTACHMENT B

[***]

CERTIFICATION

I, Barry L. Biffle, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Frontier Group Holdings, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the Audit Committee of the registrant's Board of Directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 26, 2023

/s/ Barry L. Biffle

Barry L. Biffle
Chief Executive Officer
(Principal Executive Officer)

CERTIFICATION

I, Mark C. Mitchell, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Frontier Group Holdings, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the Audit Committee of the registrant's Board of Directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 26, 2023

/s/ Mark C. Mitchell
Mark C. Mitchell
Senior Vice President and Chief Financial Officer
(Principal 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, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of Frontier Group Holdings, Inc. (the "Company") hereby certifies, to such officer's knowledge, that:

(1) The Quarterly Report on Form 10-Q of the Company for the quarter ended September 30, 2023 (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

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: October 26, 2023

/s/ Barry L. Biffle

Barry L. Biffle

Chief Executive Officer

(Principal 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, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of Frontier Group Holdings, Inc. (the "Company") hereby certifies, to such officer's knowledge, that:

(1) The Quarterly Report on Form 10-Q of the Company for the quarter ended September 30, 2023 (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

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: October 26, 2023

/s/ Mark C. Mitchell
Mark C. Mitchell
Senior Vice President and Chief Financial Officer
(Principal Financial Officer)