

m

Step		Virgin America ITM Current Rates (\$/hr)	Alaska Airlines AFA CBA Current Rates (\$/hr)	CURRENT % Gap between AS and VX Rates (avg of 26% Steps 1-10) (%)	Proposed NEW ITM Rate - Closes 1/2 gap in dollars between current and AFA rates (\$/hr)	Percentage Increase to 1/2 GAP (avg of 13% Steps 1-10) (%)
1	During 1st YOS	\$20.00	\$24.80	24%	\$22.40	12%
2	Upon 1 year anniversary	\$23.00	\$28.13	22%	\$25.56	11%
3	Upon 2 year anniversary	\$25.00	\$29.52	18%	\$27.26	9%
4	Upon 3 year anniversary	\$27.00	\$32.35	20%	\$29.68	10%
5	Upon 4 year anniversary	\$29.00	\$33.47	15%	\$31.24	8%
6	Upon 5 year anniversary	\$30.00	\$37.72	26%	\$33.86	13%
7	Upon 6 year anniversary	\$31.00	\$41.39	34%	\$36.20	17%
8	Upon 7 year anniversary	\$32.00	\$42.73	34%	\$37.36	17%
9	Upon 8 year anniversary	\$33.00	\$43.90	33%	\$38.45	17%
10	Upon 9 year anniversary	\$34.00	\$45.23	33%	\$39.62	17%
11	Upon 10 year anniversary	\$35.00	\$48.90	40%	\$41.95	20%
12	Upon 11 year anniversary	\$36.00	\$52.17	45%	\$44.09	22%
13	Upon 12 year anniversary	\$37.00	\$56.78	53%	\$46.89	27%

ITL will be paid an additional 15% of the ITM's base rate