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Section 1: 10-Q (10-Q)

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 June 30, 2015

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: 001-35186

SPIRIT AIRLINES, INC.

(Exact name of registrant as specified in its charter)

Delaware	**38-1747023**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
2800 Executive Way **Miramar, Florida**	**33025**
(Address of principal executive offices)	**(Zip Code)**

(954) 447-7920

(Registrant's telephone number, including area code)

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 and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted 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 and post such files). Yes ☒ No ☐

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

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐

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

Indicate the number of shares outstanding of each of the registrant's classes of common stock as of the close of business on July 17, 2015:

Class	**Number of Shares**

Common Stock, $0.0001 par value	72,911,853

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PART I. Financial Information

ITEM 1. UNAUDITED CONDENSED FINANCIAL STATEMENTS

Spirit Airlines, Inc.
Condensed Statements of Operations
(unaudited, in thousands, except per share amounts)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
Operating revenues:				
Passenger	$ 308,573	$ 302,487	$ 582,039	$ 556,365
Non-ticket	244,848	196,850	464,737	380,959
Total operating revenues	**553,421**	**499,337**	**1,046,776**	**937,324**
Operating expenses:				
Aircraft fuel	127,907	154,852	240,333	303,323
Salaries, wages and benefits	97,037	77,440	186,094	153,689
Aircraft rent	53,127	48,222	105,915	94,609
Landing fees and other rents	33,364	25,831	63,910	49,847
Distribution	22,349	20,159	42,846	38,728
Maintenance, materials and repairs	21,271	19,205	40,431	36,819
Depreciation and amortization	17,139	11,344	32,002	22,465
Other operating	58,173	36,408	101,920	71,856
Loss on disposal of assets	415	715	1,010	865
Special charges	324	17	749	26
Total operating expenses	**431,106**	**394,193**	**815,210**	**772,227**
Operating income	**122,315**	**105,144**	**231,566**	**165,097**
Other (income) expense:				
Interest expense	4,419	103	7,231	210
Capitalized interest	(2,829)	(103)	(5,362)	(210)
Interest income	(177)	(83)	(311)	(151)
Other expense	44	1,439	116	1,476
Total other (income) expense	**1,457**	**1,356**	**1,674**	**1,325**
Income before income taxes	120,858	103,788	229,892	163,772
Provision for income taxes	44,154	38,939	84,186	61,217
Net income	**$ 76,704**	**$ 64,849**	**$ 145,706**	**$ 102,555**
Basic earnings per share	**$ 1.06**	**$ 0.89**	**$ 2.00**	**$ 1.41**
Diluted earnings per share	**$ 1.05**	**$ 0.88**	**$ 1.99**	**$ 1.40**

The accompanying Notes are an integral part of these Condensed Financial Statements.

Spirit Airlines, Inc.
Condensed Statements of Comprehensive Income
(unaudited, in thousands)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
Net income	**$ 76,704**	**$ 64,849**	**$ 145,706**	**$ 102,555**
Unrealized gain (loss) on interest rate derivative instruments, net of deferred taxes of $749, $0, ($191) and $0	1,238	—	(356)	—
Other comprehensive income (loss)	**$ 1,238**	**$ —**	**$ (356)**	**$ —**
Comprehensive income	**$ 77,942**	**$ 64,849**	**$ 145,350**	**$ 102,555**

The accompanying Notes are an integral part of these Condensed Financial Statements.

Spirit Airlines, Inc.
Condensed Balance Sheets
(unaudited, in thousands)

	June 30, 2015	December 31, 2014
Assets		
Current assets:		
Cash and cash equivalents	$ 769,324	$ 632,784
Accounts receivable, net	30,856	22,685
Deferred income taxes	9,643	9,643
Prepaid expenses and other current assets	62,088	66,029
Total current assets	**871,911**	**731,141**
Property and equipment:		
Flight equipment	549,517	204,462
Ground and other equipment	66,290	57,012
Less accumulated depreciation	(47,219)	(36,099)
	568,588	225,375
Deposits on flight equipment purchase contracts	267,344	242,881
Aircraft maintenance deposits	217,932	213,147
Deferred heavy maintenance, net	108,051	123,108
Other long-term assets	71,511	66,744
Total assets	**$ 2,105,337**	**$ 1,602,396**
Liabilities and shareholders' equity		
Current liabilities:		
Accounts payable	$ 21,751	$ 13,402
Air traffic liability	270,185	188,870
Current maturities of long-term debt	29,676	10,431
Other current liabilities	207,879	152,921
Total current liabilities	**529,491**	**365,624**
Long-term debt, less current maturities	398,975	135,232
Long-term deferred income taxes	76,378	76,010
Deferred gains and other long-term liabilities	18,213	22,455
Shareholders' equity:		
Common stock	7	7
Additional paid-in-capital	539,443	526,173
Treasury stock, at cost	(83,336)	(3,921)
Retained earnings	627,240	481,534
Accumulated other comprehensive loss	(1,074)	(718)
Total shareholders' equity	**1,082,280**	**1,003,075**
Total liabilities and shareholders' equity	**$ 2,105,337**	**$ 1,602,396**

The accompanying Notes are an integral part of these Condensed Financial Statements.

Spirit Airlines, Inc.
Condensed Statements of Cash Flows
(unaudited, in thousands)

	Six Months Ended June 30,	
	2015	**2014**
Operating activities:		
Net income	$ 145,706	$ 102,555
Adjustments to reconcile net income to net cash provided by operations:		
Unrealized (gains) losses on open fuel derivative contracts, net	4,257	—
Equity-based compensation, net	4,743	3,872
Allowance for doubtful accounts (recoveries)	8	(33)
Amortization of deferred gains and losses	397	(178)
Depreciation and amortization	32,002	22,465
Deferred income tax expense (benefit)	559	(395)
Loss on disposal of assets	1,010	865
Capitalized interest	(5,362)	(210)
Changes in operating assets and liabilities:		
Accounts receivable	(8,137)	(14,188)
Prepaid maintenance reserves	(4,621)	(14,286)
Long-term deposits and other assets	(10,930)	(27,020)
Accounts payable	7,856	(1,462)
Air traffic liability	90,056	64,331
Other liabilities	39,327	7,819
Net cash provided by operating activities	**296,871**	**144,135**
Investing activities:		
Pre-delivery deposits for flight equipment, net of refunds	(70,971)	(94,009)
Purchase of property and equipment	(308,163)	(7,430)
Net cash used in investing activities	**(379,134)**	**(101,439)**
Financing activities:		
Proceeds from issuance of long-term debt	296,000	—
Proceeds from stock options exercised	23	63
Payments on debt and capital lease obligations	(8,940)	(511)
Proceeds from sale and leaseback transactions	7,300	—
Payments to pre-IPO shareholders pursuant to tax receivable agreement	—	(5,643)
Excess tax benefits from equity-based compensation	8,504	1,225
Repurchase of common stock	(79,415)	(1,222)
Debt issuance costs	(4,669)	—
Net cash provided by financing activities	**218,803**	**(6,088)**
Net increase in cash and cash equivalents	136,540	36,608
Cash and cash equivalents at beginning of period	632,784	530,631
Cash and cash equivalents at end of period	**$ 769,324**	**$ 567,239**
Supplemental disclosures		
Cash payments for:		
Interest (net of capitalized interest)	$ 1,758	$ 326
Taxes	$ 54,198	$ 52,093

The accompanying Notes are an integral part of these Condensed Financial Statements.

Notes to Condensed Financial Statements
(unaudited)

1. Basis of Presentation

The accompanying unaudited condensed financial statements include the accounts of Spirit Airlines, Inc. (the Company). These unaudited condensed financial statements reflect all normal recurring adjustments which management believes are necessary to present fairly 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 U.S. generally accepted accounting principles (GAAP) have been condensed or omitted pursuant to the rules and regulations of the Securities and Exchange Commission for Form 10-Q. These unaudited interim condensed financial statements should be read in conjunction with the audited financial statements of the Company and notes thereto included in the Annual Report on Form 10-K for the year ended December 31, 2014 filed with the Securities and Exchange Commission.

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

The interim results reflected in the unaudited condensed financial statements are not necessarily indicative of the results that may be expected for other interim periods or for the full year.

Certain prior period amounts have been reclassified to conform to the current year's presentation.

2. Recent Accounting Developments

In May 2014, the Financial Accounting Standards Board (the FASB) issued Accounting Standards Update (ASU) No. 2014-09, (ASU 2014-09), "Revenue from Contracts with Customers." The objective of ASU 2014-09 is to establish a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers and will supersede most of the existing revenue recognition guidance, including industry-specific guidance. The core principle of ASU 2014-09 is that an entity recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. In applying the new guidance, an entity will (1) identify the contract(s) with a customer; (2) identify the performance obligations in the contract; (3) determine the transaction price; (4) allocate the transaction price to the contract's performance obligations; and (5) recognize revenue when (or as) the entity satisfies a performance obligation. ASU 2014-09 applies to all contracts with customers except those that are within the scope of other topics in the FASB Accounting Standards Codification. The new guidance is effective for annual reporting periods (including interim periods within those periods) beginning after December 15, 2017 for public companies. Early adoption is not permitted. Entities have the option of using either a full retrospective or modified approach to adopt ASU 2014-09. The Company is currently evaluating the new guidance and has not determined the impact this standard may have on its financial statements nor decided upon the planned method of adoption. While the Company is still evaluating the impact, it expects the accounting for its frequent flier program and certain ancillary fees to be impacted by the adoption of the standard.

In April 2015, the FASB issued ASU 2015-03, "Interest-Imputation of Interest." The standard requires debt issuance costs to be presented on the balance sheet as a direct deduction from the related debt liability rather than as an asset. Once adopted, entities are required to apply the new guidance retrospectively to all prior periods presented. ASU 2015-03 is effective for annual periods ending after December 15, 2015, and interim periods within those fiscal years and early application is permitted. The Company has elected to early adopt the standard, effective January 1, 2015.

3. Earnings per Share

The following table sets forth the computation of basic and diluted earnings per common share:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
	(in thousands, except per share amounts)			
Numerator				
Net income	$ 76,704	$ 64,849	$ 145,706	$ 102,555
Denominator				
Weighted-average shares outstanding, basic	72,518	72,740	72,784	72,712
Effect of dilutive stock awards	283	554	299	562
Adjusted weighted-average shares outstanding, diluted	72,801	73,294	73,083	73,274
Net income per share				
Basic earnings per common share	$ 1.06	$ 0.89	$ 2.00	$ 1.41
Diluted earnings per common share	$ 1.05	$ 0.88	$ 1.99	$ 1.40
Anti-dilutive weighted-average shares	56	57	42	56

4. Accrued Liabilities

Other current liabilities as of June 30, 2015 and December 31, 2014 consist of the following:

	June 30, 2015	December 31, 2014
	(in thousands)	
Federal excise and other passenger taxes and fees payable	$ 48,557	$ 42,628
Salaries and wages	34,549	34,209
Airport expenses	27,086	21,726
Federal and state income tax payable	24,944	3,286
Aircraft and facility lease obligations	20,485	10,089
Aircraft maintenance	17,604	16,127
Fuel	12,006	9,508
Other	22,648	15,348
Other current liabilities	$ 207,879	$ 152,921

5. Financial Instruments and Risk Management

As part of the Company’s risk management program, the Company from time to time may use a variety of financial instruments to reduce its exposure to fluctuations in the price of jet fuel and interest rates. The Company does not hold or issue derivative financial instruments for trading purposes.

The Company is exposed to credit losses in the event of nonperformance by counterparties to these financial instruments. The Company periodically reviews and seeks to mitigate exposure to the financial deterioration and nonperformance of any counterparty by monitoring the absolute exposure levels, each counterparty's credit ratings, and the historical performance of the counterparties relating to derivative transactions. The credit exposure related to these financial instruments is limited to the fair value of contracts in a net receivable position at the reporting date. The Company also maintains security agreements that require the Company to post collateral if the value of selected instruments falls below specified mark-to-market thresholds. As of June 30, 2015, the Company did not hold any derivatives with requirements to post collateral. The Company records financial derivative instruments at fair value, which includes an evaluation of each counterparty's credit risk.

Fuel Derivative Instruments

The Company's fuel derivative contracts generally consist of United States Gulf Coast jet fuel swaps (jet fuel swaps) and United States Gulf Coast jet fuel options (jet fuel options). Both jet fuel swaps and jet fuel options are used at times to protect the refining price risk between the price of crude oil and the price of refined jet fuel, and to manage the risk of increasing fuel prices. Fair value of the instruments is determined using standard option valuation models.

The Company accounts for its fuel derivative contracts at fair value and recognizes them in the balance sheet in prepaid expenses and other current assets or other current liabilities. The Company did not elect hedge accounting on any fuel derivative instruments entered into during the three and six months ended June 30, 2015 and 2014 and, as a result, changes in the fair value of these fuel derivative contracts are recorded in aircraft fuel expense. During the three months ended June 30, 2015, the Company did not acquire any jet fuel options. During the six months ended June 30, 2015, the Company paid $2.1 million in premiums to acquire jet fuel options.

The following table summarizes the components of aircraft fuel expense for the three and six months ended June 30, 2015 and 2014:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
	(in thousands)			
Into-plane fuel cost	$ 127,344	$ 154,385	$ 235,468	$ 302,856
Realized losses (gains) related to fuel derivative contracts, net	4,232	—	6,839	—
Unrealized losses (gains) related to fuel derivative contracts	(3,669)	467	(1,974)	467
Aircraft fuel	$ 127,907	$ 154,852	$ 240,333	$ 303,323

Premiums and settlements received or paid on fuel derivative contracts are reflected in the accompanying statements of cash flows in net cash provided by operating activities.

As of June 30, 2015, the Company had fuel derivatives consisting of jet fuel options with refined products as the underlying commodities designed to protect 25.5 million gallons, or approximately 19% of its remaining 2015 anticipated jet fuel consumption, at a weighted-average ceiling price of $1.93 per gallon. As of December 31, 2014, the Company had fuel derivatives consisting of jet fuel options with refined products as the underlying commodities designed to protect 88.7 million gallons, or approximately 35% of its 2015 anticipated jet fuel consumption, at a weighted-average ceiling price of $2.07 per gallon.

Interest Rate Swaps

As of June 30, 2015, the Company had six forward interest rate swaps with a total notional amount of $120 million. These interest rate swaps fix the benchmark interest rate component of the forecasted interest payments on the debt related to three Airbus A321 aircraft with expected delivery dates ranging from July 2015 to September 2015. These instruments limit the Company's exposure to changes in the benchmark interest rate in the period from the trade date through the date of maturity, ranging from July 2015 to September 2015. The interest rate swaps are designated as cash flow hedges. The Company accounts for these interest rate swaps at fair value and recognizes them in the balance sheet in prepaid expenses and other current assets or other current liabilities with changes in fair value recorded within accumulated other comprehensive income (AOCI). Realized gains and losses from cash flow hedges are recorded in the statement of cash flows as a component of cash flows from operating activities. For the three and six months ended June 30, 2015, an unrealized gain of $1.2 million and an unrealized loss of $0.4 million, net of deferred taxes of $0.7 million and $0.2 million, respectively, were recorded within AOCI related to these instruments. As of June 30, 2015, the interest rate swaps were recorded as a liability of approximately $1.7 million. As of December 31, 2014, the interest rate swaps were recorded as a liability of approximately $1.1 million.

During the three and six months ended June 30, 2015, the Company recorded no ineffectiveness associated with the Company's interest rate cash flow hedges. The Company expects the swaps will be highly effective in offsetting changes in cash flows attributable to the hedged risk. However, given that there may be some uncertainty regarding the exact date on which the Company will issue its fixed-rate debt, the Company will evaluate the effect of such uncertainty on the effectiveness of the hedging relationship designated for each reporting period. Any ineffectiveness will be recorded within other non-operating expense in the Company's statement of operations.

Subsequent to the issuance of each debt instrument, amounts remaining in AOCI will be amortized over the life of the fixed-rate debt instrument.

6. Commitments and Contingencies

Aircraft-Related Commitments and Financing Arrangements

The Company’s contractual purchase commitments consist primarily of aircraft and engine acquisitions through manufacturers and aircraft leasing companies. As of June 30, 2015, the Company's aircraft orders consisted of the following:

	Airbus				Third-Party Lessor	
	A320	A320NEO	A321	A321NEO	A320NEO	Total
remainder of 2015			6		1	7
2016	3		9		4	16
2017	8		10			18
2018	2	6	5			13
2019		3		10		13
2020		13				13
2021		18				18
	13	40	30	10	5	98

The Company also has four spare engine orders for V2500 SelectOne engines with International Aero Engines (IAE) and nine spare engine orders for PurePower PW1100G-JM engines with Pratt & Whitney. Spare engines are scheduled for delivery from 2017 through 2023. Purchase commitments for these aircraft and spare engines, including estimated amounts for contractual price escalations and pre-delivery payments, are estimated to be approximately $285 million for the remainder of 2015, $597 million in 2016, $763 million in 2017, $618 million in 2018, $701 million in 2019, and $1,515 million in 2020 and beyond. The Company has secured debt financing commitments of $120 million with third parties for three of the six remaining aircraft deliveries from Airbus scheduled for delivery in 2015. In addition, the Company has secured financing for five aircraft to be leased directly from a third party, scheduled for delivery in 2015 and 2016. The Company does not have financing commitments in place for the remaining 90 Airbus firm aircraft orders scheduled for delivery between the fourth quarter of 2015 through 2021, including 9 scheduled for delivery in the next twelve months.

As of June 30, 2015, the Company had a fleet consisting of 73 A320 family aircraft. During the six months ended June 30, 2015, the Company took delivery of eight aircraft financed under debt arrangements. These aircraft are capitalized within flight equipment with depreciable lives of 25 years and estimated residual values of 10%. As of June 30, 2015, the Company had 61 aircraft and 11 spare engines financed under operating leases with lease term expiration dates ranging from 2016 to 2027. The Company entered into sale and leaseback transactions with third-party aircraft lessors for the majority of these aircraft and engine leases. Deferred losses resulting from these sale and leaseback transactions are included in other long-term assets on the accompanying balance sheet. Deferred losses are recognized as an increase to rent expense on a straight-line basis over the term of the respective operating leases. Deferred gains are included in deferred credits and other long-term liabilities on the accompanying balance sheet. Deferred gains are recognized as a decrease to rent expense on a straight-line basis over the term of the respective operating leases.

Under the terms of the lease agreements, the Company will continue to operate and maintain the aircraft. Payments under the majority of the lease agreements are fixed for the term of the lease. The lease agreements contain standard termination events, including termination upon a breach of the Company's obligations to make rental payments and upon any other material breach of the Company's obligations under the leases, and standard maintenance and return condition provisions. These return provisions are evaluated at inception of the lease and throughout the lease terms and are accounted for as supplemental rent expense when it is probable that such amounts will be incurred. Upon a termination of the lease due to a breach by the Company, the Company would be liable for standard contractual damages, possibly including damages suffered by the lessor in connection with remarketing the aircraft or while the aircraft is not leased to another party.

The Company has an agreement for the lease of two quick engine change kits, classified as capital leases. Payments under the lease agreement are fixed for the three-year term of the lease, which began in the fourth quarter of 2013.

Notes to Condensed Financial Statements—(Continued)

Future minimum lease payments under capital leases and noncancellable operating leases with initial or remaining terms in excess of one year at June 30, 2015 were as follows:

	Capital Leases	Operating Leases: Aircraft and Spare Engine Leases	Operating Leases: Property Facility Leases	Operating Lease Obligations
	(in thousands)			
remainder of 2015	$ 722	$ 107,632	$ 16,605	$ 124,237
2016	1,044	213,120	27,063	240,183
2017	44	196,610	27,445	224,055
2018	44	172,885	27,422	200,307
2019	12	144,774	25,073	169,847
2020 and thereafter	—	596,581	78,210	674,791
Total minimum lease payments	$ 1,866	$ 1,431,602	$ 201,818	$ 1,633,420
Less amount representing interest	$ 114			
Present value of minimum lease payments	$ 1,752			
Less current portion	$ 1,249			
Long-term portion	$ 503			

Aircraft rent expense consists of monthly lease rents for aircraft and spare engines under the terms of the related operating leases and is recognized on a straight-line basis. Aircraft rent expense also includes supplemental rent. Supplemental rent is made up of maintenance reserves paid or to be paid to aircraft lessors in advance of the performance of major maintenance activities that are not probable of being reimbursed, as well as lease return condition obligations which the Company begins to accrue when they are probable and can be estimated. The Company expects supplemental rent to increase as individual aircraft lease agreements approach their respective termination dates and the Company begins to accrue the estimated cost of return conditions for the corresponding aircraft.

Some of the Company's master lease agreements provide that the Company pays maintenance reserves to aircraft lessors to be held as collateral in advance of the Company's required performance of major maintenance activities. Maintenance reserve payments are either contractually fixed or utilization based amounts. Fixed maintenance reserve payments for these aircraft and related flight equipment, including estimated amounts for contractual price escalations, will be approximately $3.8 million for the remainder of 2015, $8.0 million in 2016, $7.4 million in 2017, $5.8 million in 2018, $4.2 million in 2019, and $14.1 million in 2020 and beyond. Some of these lease agreements that provide maintenance reserves are reimbursable to the Company upon completion of the maintenance event in an amount equal to either (1) the amount of the maintenance reserve held by the lessor associated with the specific maintenance event or (2) the qualifying costs related to the specific maintenance event. Substantially all of these maintenance reserve payments are calculated based on a utilization measure, such as flight hours or cycles, and are used solely to collateralize the lessor for maintenance time run off the aircraft until the completion of the maintenance of the aircraft. Some of the master lease agreements provide that the Company will receive full reimbursement of the maintenance reserves at the final respective maintenance event, or do not require that the Company pay maintenance reserves so long as the Company's cash balance does not fall below a certain level. As of June 30, 3015, the Company was in full compliance with those requirements and does not anticipate having to pay reserves related to these master leases in the future.

The Company is contractually obligated to pay the following minimum guaranteed payments for its reservation system and advertising media as of June 30, 2015: $2.9 million for the remainder of 2015, $3.9 million in 2016, $3.9 million in 2017, $2.6 million in 2018, none in 2019, and none in 2020 and thereafter. The Company's current agreement for its reservation system expires in 2018.

Litigation

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 believes the ultimate outcome of such lawsuits, proceedings and reviews will not, individually or in the aggregate, have a material adverse effect on its financial position, liquidity or results of operations.

Notes to Condensed Financial Statements—(Continued)

In August 2014, two cases (entitled Rosen v. Spirit Airlines and Legg v. Spirit Airlines) were filed against the Company in federal court in Illinois and Florida, respectively. The Rosen case has now been transferred to Florida. The cases, which contain identical claims, allege violations of the Fair and Accurate Credit Transactions Act (FACTA) based on incidents of unlawfully including more information on the electronically printed credit card receipts provided to customers from our airport kiosk machines than FACTA permits. Both cases are styled as class actions and the Legg case has been certified. The plaintiffs seek statutory damages, attorney's fees, litigation expenses and costs. The Company believes it has valid arguments in its defense and intends to vigorously defend against these claims. The Company believes the estimate of probable losses is not material; however, the outcome of any litigation is inherently uncertain and any resolution may differ materially and could have a material adverse effect on the Company's business and its financial position.

Credit Card Processing Arrangements

The Company has agreements with organizations that process credit card transactions arising from the purchase of air travel, baggage charges, and other ancillary services by customers. As it is standard in the airline industry, the Company's contractual arrangements with credit card processors permit them, under certain circumstances, to retain a holdback or other collateral, which the Company records as restricted cash, when future air travel and other future services are purchased via credit card transactions. The required holdback is the percentage of the Company's overall credit card sales its credit card processors hold to cover refunds to customers if the Company fails to fulfill its flight obligations. If the Company fails to satisfy certain liquidity and other financial covenants, the processing agreements provide the processors the right to require the Company to maintain cash collateral up to 100% of the Company's air traffic liability, which would result in a commensurate reduction of unrestricted cash. As of June 30, 2015 and December 31, 2014, the Company continued to be in compliance with its credit card processing agreements and liquidity and other financial covenant requirements, and the processors were holding back no remittances.

The maximum potential exposure to cash holdbacks by the Company's credit card processors, based upon advance ticket sales and $9 Fare Club memberships as of June 30, 2015 and December 31, 2014, was $314.1 million and $217.1 million, respectively.

Employees

Approximately 72% of the Company's employees are covered under collective bargaining agreements. The table below sets forth the Company's employee groups and status of the collective bargaining agreements as of June 30, 2015.

Employee Groups	Representative	Amendable Date	Percentage of Workforce
Pilots	Air Line Pilots Association, International (ALPA)	August 2015	27%
Flight Attendants	Association of Flight Attendants (AFA-CWA)	August 2007	40%
Dispatchers	Transport Workers Union (TWU)	August 2018	1%
Ramp Service Agents	International Association of Machinists and Aerospace Workers (IAMAW)	June 2020	4%

In August 2014, under the supervision of the National Mediation Board (NMB), the Company and AFA-CWA reached a tentative agreement for a five-year contract with the Company's flight attendants. The tentative agreement was subject to ratification by the flight attendant membership. On October 1, 2014, the Company was notified that the flight attendants voted not to ratify the tentative agreement. The Company will continue to work together with the AFA-CWA and the NMB with a goal of reaching a mutually beneficial agreement.

On July 8, 2014, certain ramp service agents directly employed by the Company voted to be represented by the International Association of Machinists and Aerospace Workers (IAMAW). In May 2015, we entered into a five-year interim collective bargaining agreement with the IAMAW, including material economic terms, and we are continuing the process of negotiating a final collective bargaining agreement with the IAMAW. Currently, ramp service agents represented by the IAMAW service 1 of the 57 airports where the Company operates.

The Company is self-insured for health care claims, up to a stop loss amount for eligible participating employees and qualified dependent medical 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 has accrued $3.3 million and $3.1 million in health care claims as of June 30, 2015 and December 31, 2014, respectively.

7. Fair Value Measurements

Under ASC 820, *Fair Value Measurements and Disclosures*, disclosures are required about how fair value is determined for assets and liabilities, 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 the Company's financial assets and liabilities.

Fuel Derivative Instruments

The Company's fuel derivative contracts generally consist of jet fuel swaps and jet fuel options. These instruments are valued using energy and commodity market data, which is derived by combining raw inputs with quantitative models and processes to generate forward curves and volatilities.

The Company utilizes the market approach to measure fair value for its fuel derivative instruments. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities.

The Company did not elect hedge accounting on any of the fuel derivative instruments. As a result, the Company records the fair value adjustment of its fuel derivatives in the accompanying statement of operations within aircraft fuel and on the balance sheet within prepaid expenses and other current assets or other current liabilities, depending on whether the net fair value of the derivatives is on an asset or liability position as of the respective date. Fair values of the fuel derivative instruments are determined using standard option valuation models. The Company also considers counterparty risk and its own credit risk in its determination of all estimated fair values. The Company offsets fair value amounts recognized for derivative instruments executed with the same counterparty under a master netting arrangement. The Company determines fair value of jet fuel options utilizing an option pricing model based on inputs that are either readily available in public markets or can be derived from information available in publicly quoted markets. The Company has consistently applied these valuation techniques in all periods presented and believes it has obtained the most accurate information available for the types of derivative contracts it holds.

The fair value of the Company's jet fuel swaps are determined based on inputs that are readily available in public markets or can be derived from information available in publicly quoted markets; therefore, the Company categorizes these instruments as Level 2. As of June 30, 2015 and December 31, 2014, the Company had no outstanding jet fuel swaps. Due to the fact that certain inputs utilized to determine the fair value of jet fuel options are unobservable (principally implied volatility), the Company categorizes these derivatives as Level 3. Implied volatility of a jet fuel option is the volatility of the price of the underlying commodity that is implied by the market price of the option based on an option pricing model. Thus, it is the volatility that when used in a particular pricing model yields a theoretical value for the option equal to the current market price of that option. Implied volatility, a forward-looking measure, differs from historical volatility because the latter is calculated from known past returns. At each balance sheet date, the Company substantiates and adjusts unobservable inputs. The Company routinely assesses the valuation model's sensitivity to changes in implied volatility. Based on the Company's assessment of the valuation model's sensitivity to changes in implied volatility, it concluded that holding other inputs constant, a significant increase (decrease) in implied volatility would result in a significantly higher (lower) fair value measurement for the Company's aircraft fuel derivatives.

Interest Rate Swaps

During the fourth quarter of 2014, the Company entered into forward interest rate swaps designed to fix the benchmark interest rate component of the forecasted interest payments on the debt related to three aircraft anticipated to be delivered in 2015. The fair value of the Company's interest rate swaps are based on observable inputs for active swap indications in quoted markets for similar terms. The fair value of these instruments are determined using a market approach based on inputs that are

readily available from public markets; therefore, the Company categorizes these instruments as Level 2. The interest rate swaps are designated as cash flow hedges and, as a result, the changes in fair value of these derivatives are recorded in accumulated other comprehensive income within the balance sheet and statement of other comprehensive income.

Long-Term Debt

The estimated fair value of the Company's non-publicly held debt agreements has been determined to be Level 3, 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 long-term debt and has categorized these instruments as Level 3.

The carrying amounts and estimated fair values of our long-term debt at June 30, 2015 and December 31, 2014 were as follows:

	June 30, 2015		December 31, 2014	
	Carrying Value	Estimated Fair Value	Carrying Value	Estimated Fair Value
	(in millions)			
Senior long-term debt	$ 387.2	$ 377.8	$ 132.0	$ 132.0
Junior long-term debt	48.6	48.7	16.0	16.1
Total long-term debt	$ 435.8	$ 426.5	$ 148.0	$ 148.1

Cash and Cash Equivalents

Cash and cash equivalents at June 30, 2015 and December 31, 2014 are comprised of liquid money market funds and cash, and are categorized as Level 1 instruments. The Company maintains cash with various high-quality financial institutions.

Assets and liabilities measured at gross fair value on a recurring basis are summarized below:

	Fair Value Measurements as of June 30, 2015			
	Total	Level 1	Level 2	Level 3
	(in millions)			
Cash and cash equivalents	$ 769.3	$ 769.3	$ —	$ —
Jet fuel options	1.5	—	—	1.5
Total assets	$ 770.8	$ 769.3	$ —	$ 1.5
Interest rate swaps	$ 1.7	$ —	$ 1.7	$ —
Total liabilities	$ 1.7	$ —	$ 1.7	$ —

	Fair Value Measurements as of December 31, 2014			
	Total	Level 1	Level 2	Level 3
	(in millions)			
Cash and cash equivalents	$ 632.8	$ 632.8	$ —	$ —
Jet fuel options	4.8	—	—	4.8
Total assets	$ 637.6	$ 632.8	$ —	$ 4.8
Interest rate swaps	$ 1.1	$ —	$ 1.1	$ —
Total liabilities	$ 1.1	$ —	$ 1.1	$ —

The Company had no transfers of assets or liabilities between any of the above levels during the periods ended June 30, 2015 and December 31, 2014.

Notes to Condensed Financial Statements—(Continued)

The Company's Valuation Group is made up of individuals from the Company's Treasury and Corporate Accounting departments. The Valuation Group is responsible for the Company's valuation policies, procedures and execution thereof. The Company's Valuation Group reports to the Company's Chief Financial Officer and seeks approval for certain derivative transactions from the Audit Committee. The Valuation Group compares the results of the Company's internally developed valuation methods with counterparty reports at each balance sheet date and assesses the Company's valuation methods for accurateness and identifies any needs for modification.

The following tables present the Company's activity for assets and liabilities measured at gross fair value on a recurring basis using significant unobservable inputs (Level 3):

	Jet Fuel Option Activity for the Three Months Ended June 30, 2015
	(in millions)
Balance at March 31, 2015	$ 2.5
Total realized or unrealized gains (losses) included in earnings, net	(0.6)
Purchases	—
Sales	—
Settlements, net	(0.4)
Balance at June 30, 2015	$ 1.5

	Jet Fuel Option Activity for the Six Months Ended June 30, 2015
	(in millions)
Balance at December 31, 2014	$ 4.8
Total realized or unrealized gains (losses) included in earnings, net	(4.9)
Purchases	2.1
Sales	—
Settlements, net	(0.5)
Balance at June 30, 2015	$ 1.5

8. Long-Term Debt

On October 1, 2014, the Company entered into a Framework Agreement with a bank syndicate which provides up to $379 million of debt financing for seven Airbus A320 aircraft and three Airbus A321 aircraft. Each loan extended under the Framework Agreement is funded on or near the delivery date of each aircraft and is secured by a first-priority security interest on the individual aircraft. Each loan amortizes on a mortgage-style basis, which requires quarterly payments, with senior loans having a 12-year term and junior loans having a 7-year term. The loans require interest payments quarterly on a floating or fixed rate basis, at the Company's election. As of June 30, 2015, the Company has taken delivery of seven Airbus A320 aircraft financed through the Framework Agreement and recorded fixed-rate debt of $259 million. The remaining three Airbus A321 aircraft are scheduled for delivery under the Company's existing purchase agreement with Airbus between July 2015 and September 2015.

On February 24, 2015, the Company entered into two Facility Agreements, which provided up to $185 million of debt financing for five Airbus A320 aircraft. Each loan extended under the Facility Agreements was funded on or near the delivery date of each aircraft and was secured by a first-priority security interest on the individual aircraft. Each loan amortizes on a mortgage-style basis, which requires quarterly payments, with senior loans having a 12-year term and junior loans having a 7-year term. The loans require interest payments quarterly on a floating or fixed rate basis, at the Company's election. As of June 30, 2015, the Company took delivery of all five Airbus A320 aircraft financed through the Facility Agreements and recorded fixed-rate debt of $185 million.

Notes to Condensed Financial Statements—(Continued)

Long-term debt is comprised of the following:

	As of		Three Months Ended June 30,		Six Months Ended June 30,	
	June 30, 2015	December 31, 2014	2015	2014	2015	2014
	(in millions)		(weighted-average interest rates)			
Senior term loans due through 2026 - 2027	$ 387.2	$ 132.0	4.04%	N/A	4.04%	N/A
Junior term loans due through 2021 - 2022	48.6	16.0	6.89%	N/A	6.89%	N/A
Long-term debt	**$ 435.8**	**$ 148.0**				
Less current maturities	29.7	10.4				
Less unamortized discounts	7.1	2.4				
Total	**$ 399.0**	**$ 135.2**				

During the six months ended June 30, 2015, the Company made scheduled principal payments of $8.2 million on its outstanding debt obligations.

At June 30, 2015, long-term debt principal payments for the next five years and thereafter are as follows:

	June 30, 2015
	(in millions)
remainder of 2015	$ 15.2
2016	31.4
2017	33.0
2018	34.6
2019	36.2
2020 and thereafter	285.4
Total debt principal payments	**$ 435.8**

Interest Expense

Interest expense related to debt consists of the following:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
	(in thousands)			
Senior term loans	$ 3,426	$ —	$ 5,620	$ —
Junior term loans	678	—	1,097	—
Amortization of debt discounts	230	—	389	—
Total	**$ 4,334**	**$ —**	**$ 7,106**	**$ —**

9. Subsequent Events

In December 2014, the Company filed a request for an advance consent for a change in tax accounting method for its lease payments on certain leased aircraft, effective for its 2014 tax year. The estimated tax impact of this tax accounting method change reduces income tax payable in the amount of $35 million, with a corresponding increase in long-term deferred tax liability. On July 13, 2015, the Company received the advance consent from the Internal Revenue Service for this tax accounting method change and, therefore, has not included the tax impact in the balance sheet as of June 30, 2015. The estimated impact of this tax accounting method change will be included in the balance sheet as of September 30, 2015.

Subsequent to June 30, 2015, we have repurchased approximately 180,000 shares for an aggregate of $10.9 million including commissions and fees.

On July 10, 2015, the Company took delivery of one A321 aircraft financed through the Framework Agreement and recorded debt of $40.0 million. Refer to Note 8 herein for further discussion of the Company's Framework Agreement.

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

Forward-Looking Statements

This Quarterly Report on Form 10-Q contains 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), which are subject to the "safe harbor" created by those sections. Forward-looking statements are based on our management's beliefs and assumptions and on information currently available to our management. All statements other than statements of historical factors are "forward-looking statements" for purposes of these provisions. In some cases, you can identify forward-looking statements by terms such as "may," "will," "should," "could," "would," "expect," "plan," "anticipate," "believe," "estimate," "project," "predict," and "potential," and similar expressions intended to identify forward-looking statements. Such forward-looking statements are subject to risks, uncertainties and other important factors that could cause actual results and the timing of certain events to differ materially from future results expressed or implied by such forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those identified below, and those discussed in the section titled "Risk Factors" in this report and in Item 1A "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2014 and subsequent Quarterly Reports on Form 10-Q. 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.

Overview

Spirit Airlines is an ultra low-cost, low-fare airline headquartered in Miramar, Florida that offers affordable travel to price-conscious customers. Our all-Airbus Fit Fleet™ currently operates more than 350 daily flights to 57 destinations in the United States, the Caribbean and Latin America. Our stock trades on the NASDAQ Global Select Stock Market under the symbol "SAVE."

Our ultra low-cost carrier, or ULCC, business model allows us to compete principally by offering customers our Bare Fares™, which are unbundled base fares that remove components traditionally included. We then give customers Frill Control™, which provides customers the freedom to save by paying only for the options they choose, such as bags and advance seat assignments, which we record in our financial statements as non-ticket revenue.

We are focused on price-sensitive travelers who pay for their own travel, and our business model is designed to deliver what we believe our customers want: low fares. We aggressively use low fares to address an underserved market, which helps us to increase passenger volume, load factors and non-ticket revenue on the flights we operate. We also have high-density seating configurations on our aircraft and a simplified onboard product designed to lower costs, which is part of our Plane Simple™ strategy. Higher passenger volumes and load factors help us sell more ancillary products and services, which in turn allows us to reduce the base fare we offer even further. We strive to be recognized by our customers and potential customers as the low-fare leader in the markets we serve.

We compete based on total price. We believe other airlines have used an all-inclusive pricing concept to effectively raise total prices to consumers, rather than lowering fares by unbundling each product or service. For example, carriers that tout "free bags" have included the cost of checking bags in the total ticket price, which does not allow passengers to see how much they would save if they did not check luggage. We believe that we and our customers benefit when we allow our customers to know the total price of their travel by breaking out the cost of optional products or services.

We allow our customers to see all available options and their respective prices prior to purchasing a ticket, and this full transparency illustrates that our total price, including options selected, is lower than other airlines on average. In 2015, we continued our aggressive efforts to educate the public on how our unbundled pricing model works, how that gives them control over frills and ultimately how it saves them money.

Comparative Operating Statistics:

The following tables set forth our operating statistics for the three-month and six-month period ended June 30, 2015 and 2014:

	Three Months Ended June 30,		Percent Change
	2015	2014	
Operating Statistics (unaudited) (A):			
Average aircraft	71.4	56.6	26.1 %
Aircraft at end of period	73	57	28.1 %
Airports served in the period	57	54	5.6 %
Average daily aircraft utilization (hours)	12.9	12.8	0.8 %
Average stage length (miles)	974	976	(0.2)%
Block hours	83,861	65,732	27.6 %
Passenger flight segments (PFSs) (thousands)	4,514	3,569	26.5 %
Revenue passenger miles (RPMs) (thousands)	4,481,064	3,506,459	27.8 %
Available seat miles (ASMs) (thousands)	5,213,299	4,008,507	30.1 %
Load factor (%)	86.0%	87.5%	(1.5) pts
Average ticket revenue per passenger flight segment ($)	68.35	84.75	(19.4)%
Average non-ticket revenue per passenger flight segment ($)	54.24	55.15	(1.7)%
Total revenue per passenger flight segment ($)	122.59	139.90	(12.4)%
Average yield (cents)	12.35	14.24	(13.3)%
RASM (cents)	10.62	12.46	(14.8)%
CASM (cents)	8.27	9.83	(15.9)%
Adjusted CASM (cents)	8.33	9.80	(15.0)%
Adjusted CASM ex-fuel (cents)	5.80	5.95	(2.5)%
Fuel gallons consumed (thousands)	63,134	49,401	27.8 %
Average economic fuel cost per gallon ($)	2.08	3.13	(33.5)%

(A) See "Glossary of Airline Terms" elsewhere in this quarterly report for definitions used in this table.

	Six Months Ended June 30,		Percent Change
	2015	2014	
Operating Statistics (unaudited) (A):			
Average aircraft	69.3	55.8	24.2 %
Aircraft at end of period	73	57	28.1 %
Airports served in the period	57	54	5.6 %
Average daily aircraft utilization (hours)	12.8	12.8	— %
Average stage length (miles)	982	988	(0.6)%
Block hours	160,896	128,870	24.9 %
Passenger flight segments (PFSs) (thousands)	8,494	6,833	24.3 %
Revenue passenger miles (RPMs) (thousands)	8,498,622	6,795,746	25.1 %
Available seat miles (ASMs) (thousands)	9,942,762	7,793,234	27.6 %
Load factor (%)	85.5%	87.2%	1.7 pts
Average ticket revenue per passenger flight segment ($)	68.52	81.43	(15.9)%
Average non-ticket revenue per passenger flight segment ($)	54.71	55.76	(1.9)%
Total revenue per passenger flight segment ($)	123.23	137.19	(10.2)%
Average yield (cents)	12.32	13.79	(10.7)%
RASM (cents)	10.53	12.03	(12.5)%
CASM (cents)	8.20	9.91	(17.3)%
Adjusted CASM (cents)	8.20	9.89	(17.1)%
Adjusted CASM ex-fuel (cents)	5.76	6.01	(4.2)%
Fuel gallons consumed (thousands)	119,857	96,078	24.7 %
Average economic fuel cost per gallon ($)	2.02	3.15	(35.9)%

(A) See "Glossary of Airline Terms" elsewhere in this quarterly report for definitions used in this table.

Executive Summary

For the second quarter of 2015, we achieved a 22.1% operating margin, an increase of 1.0 point compared to the prior year period. We generated pre-tax income of $120.9 million and net income of $76.7 million on operating revenues of $553.4 million. For the second quarter of 2014, we generated pre-tax income of $103.8 million and net income of $64.8 million on operating revenues of $499.3 million.

Our adjusted CASM ex-fuel for the second quarter of 2015 was 5.80 cents, a 2.5% decrease year over year. The decrease on a per-ASM basis was primarily due to a decrease in aircraft rent and salaries, wages and benefits, offset by an increase in other operating expenses.

As of June 30, 2015, we had 73 Airbus A320-family aircraft in our fleet comprised of 29 A319s, 42 A320s, and 2 A321s. With the scheduled delivery of 7 A320s and A321s during the remainder of 2015, we expect to end 2015 with 80 aircraft in our fleet.

Comparison of three months ended June 30, 2015 to three months ended June 30, 2014

Operating Revenues

Operating revenues increased $54.1 million, or 10.8%, to $553.4 million for the second quarter of 2015, as compared to the second quarter of 2014 due primarily to an increase in traffic of 27.8%, partially offset by lower passenger yields.

Total revenue per available seat mile (RASM) for the second quarter of 2015 was 10.62 cents, a decrease of 14.8%, compared to the second quarter of 2014. Total revenue per passenger flight segment also decreased 12.4%, year over year, primarily driven by a decrease of 19.4% in ticket revenue per passenger flight segment. These decreases were driven by a

13.3% decrease in average yield period over period due to lower fares, driven down by increased competitive pressures, as well as our growth into new markets and additional capacity in mature markets.

Our non-ticket revenue per passenger flight segment remained relatively stable, declining by only 1.7%, despite the increased competitive pressures noted above. Our unbundling model provides a more stable revenue stream as demonstrated during periods of lower passenger ticket yields. The decrease in non-ticket revenue per passenger flight segment was primarily attributable to lower bag revenue and the outsourcing of our onboard catering to a third-party provider. The outsourcing of onboard catering not only resulted in a decrease in revenue, but also contributed to a decrease in catering costs improving operating margins.

Operating Expenses

Operating expenses increased $36.9 million, or 9.4%, to $431.1 million for the second quarter of 2015 compared to $394.2 million for the second quarter of 2014, primarily due to our 30.1% capacity growth and 27.8% increase in traffic, mostly offset by a 17.4% decrease in aircraft fuel expense resulting from lower fuel prices per gallon, as compared to prior year period.

Aircraft fuel expense includes into-plane fuel expense (defined below) and realized and unrealized gains and losses associated with our fuel derivative contracts. Into-plane fuel expense is defined as the price that we generally pay at the airport, including taxes and fees. Into-plane fuel prices are affected by the global oil market, refining costs, taxes and fees, which can vary by region in the United States and other countries where we operate. Into-plane fuel expense approximates cash paid to the supplier and does not reflect the effect of our fuel derivatives. Management chose not to elect hedge accounting on any fuel derivative instruments during 2015 or 2014 and, as a result, changes in the fair value of these fuel derivative contracts are recorded each period in aircraft fuel expense.

Aircraft fuel expense, our largest operating cost, decreased in the second quarter of 2015 by $26.9 million, or 17.4%, compared to $154.9 million in the second quarter of 2014, due primarily to a 33.5% decrease in fuel prices per gallon, offset by a 27.8% increase in fuel gallons consumed.

The elements of the changes in aircraft fuel expense are illustrated in the following table:

	Three Months Ended June 30,		
	2015	2014	
	(in thousands, except per gallon amounts)		Percent Change
Fuel gallons consumed	63,134	49,401	27.8 %
Into-plane fuel cost per gallon	2.02	3.13	(35.5)%
Into-plane fuel expense	127,344	154,385	(17.5)%
Realized losses (gains) related to fuel derivative contracts	4,232	—	100.0 %
Unrealized losses (gains) related to fuel derivative contracts	(3,669)	467	(885.7)%
Aircraft fuel expense (per statement of operations)	**$ 127,907**	**$ 154,852**	**(17.4)%**

Gulf Coast Jet indexed fuel is the basis for a substantial majority of our fuel consumption and is impacted by both the price of crude oil as well as increases or decreases in refining margins associated with the conversion of crude oil to jet fuel. The into-plane fuel cost per gallon decrease of 35.5% was primarily a result of a decrease in jet fuel prices.

We track economic fuel expense, which we believe is the best measure of the effect fuel prices are currently having on our business, because it most closely approximates the net cash outflow associated with purchasing fuel used for our operations during the period. We define economic fuel expense as into-plane fuel expense and realized gains or losses on fuel derivative contracts. The key difference between aircraft fuel expense as recorded in our statement of operations and economic fuel expense is unrealized mark-to-market changes in the value of aircraft fuel derivatives outstanding. Many industry analysts evaluate airline results using economic fuel expense and it is used in our internal management reporting.

The elements of the changes in economic fuel expense are illustrated in the following table:

	Three Months Ended June 30, 2015	Three Months Ended June 30, 2014	Percent Change
	(in thousands, except per gallon amounts)		
Into-plane fuel expense	$ 127,344	$ 154,385	(17.5)%
Realized losses (gains) related to fuel derivative contracts	4,232	—	100.0 %
Economic fuel expense	$ 131,576	$ 154,385	(14.8)%
Fuel gallons consumed	63,134	49,401	27.8 %
Economic fuel cost per gallon	**$ 2.08**	**$ 3.13**	**(33.5)%**

During the three months ended June 30, 2015, we did not acquire any fuel derivatives. Total realized loss recognized for fuel derivatives that expired during the second quarter of 2015 was $4.2 million. Total realized losses include cash paid for premiums in previous periods of $4.7 million which expired in the current period and cash received for settlement of fuel derivatives in the current period of $0.4 million. We had $3.7 million in unrealized gains related to our outstanding fuel derivatives during the three months ended June 30, 2015. We had $0.5 million in unrealized losses related to our outstanding fuel derivatives and did not have any realized gains or losses related to fuel derivatives contracts during the three months ended June 30, 2014.

From time to time, we enter into fuel derivative contracts to protect the refining price risk between the price of crude oil and the price of refined jet fuel. As of June 30, 2015, we had fuel derivatives consisting of jet fuel options with refined products as the underlying commodities designed to protect 25.5 million gallons, or approximately 19% of our remaining 2015 anticipated jet fuel consumption, at a weighted-average ceiling price of $1.93 per gallon.

We measure our operating cost performance on a per-ASM basis, since one ASM is the unit of production of an airline's capacity. The following table presents our cost per-ASM, or unit cost, for the three months ended June 30, 2015 and 2014, followed by explanations of the material changes on a dollar basis and/or unit cost basis:

	Three Months Ended June 30, 2015	Three Months Ended June 30, 2014	Per-ASM Change	Percent Change
	(in cents, except for percentages)			
Aircraft fuel	2.45	3.86	(1.41)	(36.5)%
Salaries, wages, and benefits	1.86	1.94	(0.08)	(4.1)%
Aircraft rent	1.02	1.20	(0.18)	(15.0)%
Landing fees and other rents	0.64	0.64	—	— %
Distribution	0.43	0.50	(0.07)	(14.0)%
Maintenance, materials and repairs	0.41	0.48	(0.07)	(14.6)%
Depreciation and amortization	0.33	0.28	0.05	17.9 %
Other operating	1.12	0.91	0.21	23.1 %
Loss on disposal of assets	0.01	0.02	(0.01)	NA
Special charges (credits)	0.01	—	0.01	NA
CASM	8.27	9.83	(1.56)	(15.9)%
Adjusted CASM (1)	8.33	9.80	(1.47)	(15.0)%
Adjusted CASM ex-fuel (2)	5.80	5.95	(0.15)	(2.5)%

(1) For the three months ended June 30, 2015, adjusted CASM excludes unrealized gains related to fuel derivative contracts of 0.07 cent per ASM, loss on disposal of assets of 0.01 cents per ASM and special charges of 0.01 cent per ASM. For the three months ended June 30, 2014, adjusted CASM excludes unrealized losses related to fuel derivative contracts of less than 0.01 cent per ASM, loss on disposal of assets of 0.02 cent per ASM and special charges of less than 0.01 cent per ASM.

(2) Excludes aircraft fuel expense, loss on disposal of assets, and special charges and credits.

Our adjusted CASM ex-fuel for the second quarter of 2015 was down 2.5% as compared to the second quarter of 2014. The decrease on a per-ASM basis was primarily due to a decrease in aircraft rent and salaries, wages and benefits, offset by an increase in other operating expense per ASM.

Labor costs for the second quarter of 2015 increased $19.6 million, or 25.3%, compared to the second quarter of 2014, primarily driven by a 26.7% increase in our pilot and flight attendant workforce resulting from the introduction of sixteen new aircraft since the second quarter of 2014. On a per-ASM basis, labor costs decreased primarily due to scale benefits from overall growth as well as larger gauge aircraft. This decrease was partially offset by an increase in our group health care costs on a per-ASM basis.

Aircraft rent expense for the second quarter of 2015 increased by $4.9 million, or 10.2%, compared to the second quarter of 2014. This increase in aircraft rent expense was primarily driven by the delivery of four new aircraft, financed under operating leases, subsequent to the end of the second quarter of 2014. On a per-ASM basis, aircraft rent expense decreased due to a change in the composition of our aircraft fleet between leased aircraft (for which rent expense is recorded under aircraft rent) and purchased aircraft (for which depreciation expense is recorded under depreciation and amortization). Since the prior year period, the Company has taken delivery of twelve purchased aircraft which increased capacity but had no effect on aircraft rent expense, as these assets are being depreciated over their useful life. Had the respective aircraft been leased, the change in rent expense, on both a dollar and per-ASM basis, would have been greater than the increase currently experienced in depreciation and amortization as result of these purchases.

Landing fees and other rents for the second quarter of 2015 increased $7.5 million, or 29.2%, as compared to the second quarter of 2014 primarily due to a 26.9% increase in departures. On a per-ASM basis, landing fees and other rents remained stable, as compared to the prior year period.

Distribution costs increased by $2.2 million, or 10.9%, in the second quarter of 2015 as compared to the second quarter of 2014. The increase was primarily due to increased sales volume. On a per-ASM basis, distribution costs decreased primarily due to a decrease in credit card rates resulting from a renegotiation with our primary credit card processor in late 2014.

Maintenance, materials and repairs expense for the second quarter of 2015 increased by $2.1 million, or 10.8%, compared to the second quarter of 2014. The increase in maintenance costs on a dollar basis was due to routine and ongoing maintenance on a growing fleet. On a per-unit basis, our growth outpaced the increase in maintenance costs during the period, as compared to the prior year period, due to a change in the timing and mix of maintenance events resulting in lower cost events in the current year period as compared to the prior year period. In addition, on a per-unit basis, maintenance expense decreased due to the purchase of $13.0 million in rotable inventory that was made in the third quarter of 2014 to support our aircraft fleet. The expense for these rotables is recorded under depreciation and amortization expense versus maintenance expense as they were in prior year period when the rotables were owned by a third party. We expect maintenance expense to increase as our fleet continues to grow and age, resulting in the need for additional or more frequent repairs over time.

Depreciation and amortization increased by $5.8 million compared to prior year period. The increase on both a dollar and per-ASM basis was primarily due to depreciation expense resulting from the purchase of twelve aircraft made during the fourth quarter of 2014 and first half of 2015. The amortization of heavy maintenance costs was $10.2 million and $9.0 million for the second quarters of 2015 and 2014, respectively. As our fleet continues to age, we expect that the amount of deferred heavy maintenance events will increase and will result in an increase in the amortization of those costs.

We account for heavy maintenance under the deferral method. Under the deferral method, the cost of heavy maintenance is capitalized and amortized as a component of depreciation and amortization expense in the statement of operations until the earlier of the next heavy maintenance event or end of the lease term. If heavy maintenance events were amortized within maintenance, materials, and repairs expense in the statement of operations, our maintenance, materials, and repairs expense would have been $31.5 million and $28.2 million for the second quarters of 2015 and 2014, respectively.

Other operating expense for the second quarter of 2015 increased by $21.8 million, or 59.8%, compared to the second quarter of 2014 primarily due to an increase in overall operations, the impact of numerous cancellations related to the irregular operations precipitated by adverse weather conditions in June 2015 and an increase in travel and lodging expense. As compared to the prior year period, we increased departures by 26.9% and had 26.5% more passenger flight segments, which drove increases in variable operating expenses. In June 2015, our operations were negatively impacted by numerous cancellations related to adverse weather conditions. These cancellations contributed to an increase in passenger re-accomodation expense which was the primary driver of the increase in other operating expenses on a dollar and per-ASM basis. Our travel and lodging expense was also higher as compared to the prior year period due to increased training of pilots and flight attendants resulting from our fleet growth, and higher rates at certain hotels.

Other Income (Expenses)

Our interest expense and corresponding capitalized interest for the three months ended June 30, 2015 primarily represents interest related to the financing of purchased aircraft, which began in the fourth quarter of 2014.

Income Taxes

Our effective tax rate for the second quarter of 2015 was 36.5% compared to 37.5% for the second quarter of 2014. In arriving at these rates, we considered a variety of factors, including our forecasted full-year pre-tax results, the U.S. federal rate of 35%, expected nondeductible expenses, and estimated state income taxes. We evaluate our tax rate each quarter and make adjustments when necessary. Our final effective tax rate for the full year is dependent on the level of pre-tax income and the magnitude of any nondeductible expenses in relation to the respective pre-tax income.

Comparison of six months ended June 30, 2015 to six months ended June 30, 2014

Operating Revenues

Operating revenues increased $109.5 million, or 11.7%, to $1,046.8 million for the six months ended June 30, 2015, compared to the prior year period, due primarily to an increase in traffic of 25.1%, partially offset by lower passenger yields.

Total RASM for the six months ended June 30, 2015 was 10.5 cents, a decrease of 12.5% compared to the same period of 2014. This decrease was primarily driven by a 10.7% decrease in average yield period over period due to lower fares driven by increased competitive pressures, as well as our growth in new and mature markets.

Total revenue per passenger flight segment decreased 10.2% from $137.19 for the six months ended June 30, 2014 to $123.23 for the six months ended June 30, 2015. Our average ticket fare per passenger flight segment decreased from $81.43 to $68.52, or 15.9%, compared to the prior year period, and non-ticket revenue per passenger flight segment decreased from $55.76 to $54.71, or 1.9%, compared to the prior year period. The decrease in non-ticket revenue per passenger flight segment was primarily attributable to lower bag revenue and the outsourcing of our onboard catering to a third-party provider. The outsourcing of onboard catering not only resulted in a decrease in revenue, but also contributed to a decrease in catering costs improving operating margins.

Operating Expenses

Operating expense increased for the six months ended June 30, 2015 by $43.0 million, or 5.6%, compared to the same period for 2014 primarily due to our 27.6% capacity growth, offset by a 20.8% decrease in aircraft fuel expense resulting from lower fuel prices per gallon, as compared to prior year period.

Aircraft fuel expense for the six months ended June 30, 2015 decreased $63.0 million, or 20.8%, compared to the prior year period primarily as a result of a 35.9% decrease in fuel prices per gallon, offset by a 24.7% increase in fuel gallons consumed and an increase of $4.4 million in net realized and unrealized losses from fuel derivatives year over year.

The elements of the changes in aircraft fuel expense are illustrated in the following table:

	Six Months Ended June 30,		
	2015	2014	
	(in thousands, except per gallon amounts)		Percent Change
Fuel gallons consumed	119,857	96,078	24.7 %
Into-plane fuel cost per gallon	$ 1.96	$ 3.15	(37.8)%
Into-plane fuel expense	$ 235,468	$ 302,856	(22.3)%
Realized losses (gains) related to fuel derivative contracts	6,839	—	100.0 %
Unrealized losses (gains) related to fuel derivative contracts	(1,974)	467	(522.7)%
Aircraft fuel expense (per Statement of Operations)	**$ 240,333**	**$ 303,323**	**(20.8)%**

The elements of the changes in economic fuel expense are illustrated in the following table:

	Six Months Ended June 30,		
	2015	2014	
	(in thousands, except per gallon amounts)		Percent Change
Into-plane fuel expense	$ 235,468	$ 302,856	(22.3)%
Realized losses (gains) related to fuel derivative contracts	6,839	—	100.0 %
Economic fuel expense	**$ 242,307**	**$ 302,856**	**(20.0)%**
Fuel gallons consumed	119,857	96,078	24.7 %
Economic fuel cost per gallon	$ 2.02	$ 3.15	(35.9)%

During the six months ended June 30, 2015, we paid $2.1 million in premiums to acquire jet fuel options, with options scheduled to expire in the current and future period. Total realized loss recognized for fuel derivatives that expired during the six months ended of 2015 was $6.8 million. Total realized losses include cash paid for premiums in previous and current periods of $7.4 million which expired in the current period and cash received for settlement of fuel derivatives in the current period of $0.6 million. We had $2.0 million in unrealized gains related to our outstanding fuel derivatives during the six months ended June 30, 2015. We had $0.5 million in unrealized losses related to our outstanding fuel derivatives and did not have any realized gains or losses related to fuel derivatives contracts during the six months ended June 30, 2014.

As of June 30, 2015, we had fuel derivatives consisting of jet fuel options with refined products as the underlying commodities designed to protect 25.5 million gallons, or approximately 19.1% of our remaining anticipated jet fuel consumption, at a weighted-average ceiling price of $1.93 per gallon.

We measure our operating cost performance on a per-ASM basis, since one ASM is the unit of production of an airline's capacity. The following table presents our cost per-ASM, or unit cost, for the six months ended June 30, 2015 and 2014, followed by explanations of the material changes on a unit cost basis and/or dollar basis:

	Six Months Ended June 30, 2015		Per-ASM Change	Percent Change
	2015	2014		
	(in cents, except for percentages)			
Aircraft fuel	2.42	3.89	(1.47)	(37.8)%
Salaries, wages, and benefits	1.87	1.97	(0.10)	(5.1)%
Aircraft rent	1.07	1.21	(0.14)	(11.6)%
Landing fees and other rents	0.64	0.64	—	— %
Distribution	0.43	0.50	(0.07)	(14.0)%
Maintenance, materials and repairs	0.41	0.47	(0.06)	(12.8)%
Depreciation and amortization	0.32	0.29	0.03	10.3 %
Other operating	1.03	0.92	0.11	12.0 %
Loss on disposal of assets	0.01	0.01	—	NA
Special charges (credits)	0.01	—	0.01	NA
CASM	8.20	9.91	(1.71)	(17.3)%
Adjusted CASM (1)	8.20	9.89	(1.69)	(17.1)%
Adjusted CASM ex-fuel (2)	5.76	6.01	(0.25)	(4.2)%

(1) For the six months ended June 30, 2015, adjusted CASM excludes unrealized gains related to fuel derivative contracts of 0.02 cent per ASM, loss on disposal of assets of 0.01 cent per ASM and special charges of 0.01 cent per ASM. For the six months ended June 30, 2014, adjusted CASM excludes unrealized losses related to fuel derivative contracts of less than 0.01 cent per ASM, loss on disposal of assets of 0.01 cent per ASM and special charges of less than 0.01 cent per ASM.

(2) Excludes aircraft fuel expense, loss on disposal of assets, and special charges and credits.

Our adjusted CASM ex-fuel for the six months ended June 30, 2015 decreased by 4.2% as compared to the same period in 2014. The decrease on a per-ASM basis was primarily due to a decrease in aircraft rent and salaries, wages and benefits, offset by an increase in other operating expense per ASM.

Labor costs for the six months ended June 30, 2015 increased $32.4 million, or 21.1%, compared to same period in 2014. The increase was primarily driven by a 21.9% increase in our pilot and flight attendant workforce resulting from the introduction of sixteen new aircraft since the end of the second quarter of 2014. On a per-ASM basis, labor costs decreased primarily due to scale benefits from overall growth as well as larger gauge aircraft. This decrease was offset by an increase in our group health care costs on a per-ASM basis.

Aircraft rent expense for the six months ended June 30, 2015 increased by $11.3 million, or 12.0%, compared to the same period in 2014. This increase in aircraft rent expense was primarily driven by the delivery of four new aircraft, financed under operating leases, subsequent to the end of the second quarter of 2014. On a per-ASM basis, aircraft rent expense decreased due to a change in the composition of our aircraft fleet between leased aircraft (for which rent expense is recorded under aircraft rent) and purchased aircraft (for which depreciation expense is recorded under depreciation and amortization). Since the prior year period, the Company has taken delivery of twelve purchased aircraft which increased capacity but had no effect on aircraft rent expense, as these assets are being depreciated over their useful life. Had the respective aircraft been leased, the change in rent expense, on both a dollar and per-ASM basis, would have been greater than the increase currently experienced in depreciation and amortization as result of these purchases.

Landing fees and other rents for the six months ended June 30, 2015 increased $14.1 million, or 28.2%, as compared to the same period in 2014 primarily due to a 25.1% increase in departures. On a per-ASM basis, landing fees and other rents remained stable, as compared to prior year period.

Distribution costs increased by $4.1 million, or 10.6%, for the six months ended June 30, 2015 as compared to the same period in 2014. The increase was due primarily to increased sales volume. On a per-ASM basis, distribution costs decreased primarily due to a decrease in credit card fees resulting from a renegotiation with our primary credit card processor in late 2014.

Maintenance costs for the six months ended June 30, 2015 increased by $3.6 million, or 9.8%, compared to the prior year period. The increase in maintenance costs on a dollar basis was due to routine and ongoing maintenance on a growing fleet. On a per-unit basis, our growth outpaced the increase in maintenance costs during the period, as compared to the prior year period, due to a change in the timing and mix of maintenance events resulting in lower cost events in the current year period as compared to the prior year period. In addition, on a per-unit basis, maintenance expense decreased due to the purchase of $13.0 million in rotable inventory that was made in the third quarter of 2014 to support our aircraft fleet. The expense for these rotables is recorded under depreciation and amortization expense versus maintenance expense as they were in prior year period when the rotables were owned by a third party. We expect maintenance expense to increase as our fleet continues to grow and age, resulting in the need for additional or more frequent repairs over time.

Depreciation and amortization increased by $9.5 million compared to prior year period. The increase on both a dollar and per-ASM basis was primarily due to depreciation expense resulting from the purchase of twelve aircraft made during the fourth quarter of 2014 and first half of 2015. The amortization of heavy maintenance costs was $19.7 million and $18.0 million for the six months ended of June 30, 2015 and 2014, respectively. As our fleet continues to age, we expect that the amount of deferred heavy maintenance events will increase and will result in an increase in the amortization of those costs.

We account for heavy maintenance under the deferral method. Under the deferral method, the cost of heavy maintenance is capitalized and amortized as a component of depreciation and amortization expense in the statement of operations until the next heavy maintenance event or end of the lease term. If heavy maintenance events were amortized within maintenance, materials and repairs expense in the statement of operations, our maintenance, materials and repairs expense would have been $60.1 million and $54.8 million for the six months ended June 30, 2015 and 2014, respectively.

Other operating expense for the six months ended June 30, 2015 increased by $30.1 million, or 41.8%, compared to the prior year period primarily due to our growth. During the latter part of the current period, our operations were negatively impacted by numerous cancellations related to adverse weather conditions. These cancellations contributed to an increase in passenger re-accomodation expense which was the primary driver of the increase in other operating expenses on a dollar and per-ASM basis. Our travel and lodging expense was also higher as compared to prior year period due to increased training of pilots and flight attendants resulting from our fleet growth, and higher rates at certain hotels.

Other income (expenses)

Our interest expense and corresponding capitalized interest for the six months ended June 30, 2015 primarily represents interest related to the financing of purchased aircraft, which began in the fourth quarter of 2014.

Income Taxes

Our effective tax rate for the six months ended June 30, 2015 was 36.6% compared to 37.4% for the six months ended June 30, 2014. In arriving at these rates, we considered a variety of factors, including our forecast full-year pre-tax results, the U.S. federal rate of 35%, expected nondeductible expenses, and estimated state income taxes. We evaluate our tax rate each quarter and make adjustments when necessary. Our final effective tax rate for the full year is dependent on the level of pre-tax income and the magnitude of any nondeductible expenses in relation to the respective pre-tax income.

Liquidity and Capital Resources

Cash at June 30, 2015 was $769.3 million, an increase of $136.5 million, from December 31, 2014. Our primary use of cash is for working capital needs, capital expenditures, aircraft and engine pre-delivery deposit payments (PDPs) and maintenance reserves.

Currently, our single largest capital need is to fund the acquisition costs of our aircraft. PDPs relating to future deliveries under our agreement with Airbus are required at various times prior to each delivery date. In the six months ended June 30, 2015, $25.8 million of PDPs were returned to us and $49.5 million of PDPs were utilized for delivered aircraft and engines in the period. During the six months ended June 30, 2015, we paid $96.8 million of PDPs for future deliveries of aircraft and spare engines. As of June 30, 2015, we had $267.3 million of PDPs on our balance sheet.

In addition to funding the acquisition of our fleet, we are required to make maintenance reserve payments for a portion of our current fleet. Maintenance reserves are paid to aircraft lessors and are held as collateral in advance of our performance of major maintenance activities. In the six months ended June 30, 2015, we recorded an increase of $4.6 million in maintenance reserves, net of reimbursements, and as of June 30, 2015, we had $253.5 million ($35.5 million in prepaid expenses and other current assets and $217.9 million in aircraft maintenance deposits) on our balance sheet.

We have secured third-party debt financing commitments for three of our remaining six aircraft deliveries from Airbus, scheduled for delivery in 2015. In addition, we have secured financing for five aircraft to be leased directly from a third party, scheduled for delivery in 2015 and 2016. We do not have financing commitments in place for the remaining 90 Airbus aircraft currently on firm order scheduled for delivery between the fourth quarter of 2015 through 2021, including 9 scheduled for delivery in the next twelve months.

Future aircraft deliveries may be leased or otherwise financed based on market conditions, our prevailing level of liquidity, and capital market availability.

Net Cash Flows Provided By Operating Activities. Operating activities in the six months ended June 30, 2015 provided $296.9 million in cash compared to $144.1 million provided in the six months ended June 30, 2014. The increase resulted from higher net income, lower spend on heavy maintenance events in 2015, higher cash collections on flights sold not flown and higher cash collected on pass through taxes.

Net Cash Flows Used In Investing Activities. In the six months ended June 30, 2015, investing activities used $379.1 million, compared to $101.4 million used in the prior year period. The increase was mainly driven by the purchase of eight aircraft in the six months ended June 30, 2015, offset by a decrease in paid PDPs, net of refunds, driven by timing of future aircraft deliveries.

Net Cash Flows Provided By Financing Activities. During the six months ended June 30, 2015, financing activities provided $218.8 million. We received $296.0 million in connection with the debt financing of eight aircraft and retained $8.5 million as a result of excess tax benefits related to share-based payments. We spent $79.4 million to repurchase common stock primarily under the stock repurchase program, which became effective in December 2014, and $4.7 million in debt issuance costs to secure the financing on eight aircraft in the current period and three aircraft expected to be received through the remainder of 2015.

Commitments and Contractual Obligations

We have contractual obligations and commitments primarily with regard to future purchases of aircraft and engines, repayment of debt, and lease arrangements. The following table discloses aggregate information about our contractual obligations as of June 30, 2015 and the periods in which payments are due (in millions):

	Remainder of 2015	2016 - 2017	2018 - 2019	2020 and beyond	Total
Long-term debt (1)	$ 15	$ 64	$ 71	$ 285	$ 435
Interest commitments (2)	10	34	28	46	118
Operating lease obligations	124	464	370	675	1,633
Flight equipment purchase obligations	285	1,360	1,319	1,515	4,479
Other	4	9	3	—	16
Total future payments on contractual obligations	$ 438	$ 1,931	$ 1,791	$ 2,521	$ 6,681

(1) Includes principal only associated with senior term loans due through 2027 and junior term loans due through 2022. Please see "Notes to Financial Statements - 8. Long-term Debt."

(2) Related to senior and junior term loans only.

Some of our master lease agreements provide that we pay maintenance reserves to aircraft lessors to be held as collateral in advance of our required performance of major maintenance activities. Some maintenance reserve payments are fixed contractual amounts, while others are based on utilization. In addition to the contractual obligations disclosed in the table above, we have fixed maintenance reserve payments for these aircraft and related flight equipment, including estimated amounts for contractual price escalations, which are approximately $3.8 million for the remainder of 2015, $8.0 million in 2016, $7.4 million in 2017, $5.8 million in 2018, $4.2 million in 2019, and $14.1 million in 2020 and beyond.

Off-Balance Sheet Arrangements

We have significant lease obligations for aircraft as 61 of our 73 aircraft are financed under operating leases and therefore are not reflected on our balance sheets. These leases expire between 2016 and 2026. Aircraft rent payments were $54.5 million and $49.1 million for the three months ended June 30, 2015 and 2014, respectively, and $108.6 million and $97.0 million for the six months ended June 30, 2015 and 2014, respectively. Our aircraft lease payments for 56 of our aircraft are fixed-rate obligations. Five of our aircraft leases provide for variable rent payments, which fluctuate based on changes in LIBOR (the London Interbank Offered Rate).

Our contractual purchase commitments consist primarily of aircraft and engine acquisitions through manufacturers and aircraft leasing companies. As of June 30, 2015, our aircraft orders consisted of the following:

	Airbus				Third-Party Lessor	
	A320	A320NEO	A321	A321NEO	A320NEO	Total
remainder of 2015			6		1	7
2016	3		9		4	16
2017	8		10			18
2018	2	6	5			13
2019		3		10		13
2020		13				13
2021		18				18
	13	40	30	10	5	98

We also have four spare engine orders for V2500 SelectOne engines with IAE and nine spare engine orders for PurePower PW1100G-JM engines with Pratt & Whitney. Spare engines are scheduled for delivery from 2017 through 2023. Committed expenditures for these aircraft and spare engines, including estimated amounts for contractual price escalations and aircraft PDPs, are expected to be approximately $285 million for the remainder of 2015, $597 million in 2016, $763 million in 2017, $618 million in 2018, $701 million in 2019 and $1,515 million in 2020 and beyond.

As of June 30, 2015, we had lines of credit related to corporate credit cards of $18.6 million from which we had drawn $9.8 million.

As of June 30, 2015, we had lines of credit with counterparties for physical fuel delivery, jet fuel derivatives and interest rate derivatives in the amount of $38.0 million. As of June 30, 2015, we had drawn $11.9 million on these lines of credit. We are required to post collateral for any excess above the lines of credit if the derivatives are in a net liability position and make periodic payments in order to maintain an adequate undrawn portion for physical fuel delivery. As of June 30, 2015, we did not hold any fuel derivatives with requirements to post collateral.

As of June 30, 2015, we had $6.9 million in uncollateralized surety bonds and $25.3 million in unsecured standby letter of credit facilities of which $12.7 million had been drawn upon for issued letters of credit.

GLOSSARY OF AIRLINE TERMS

Set forth below is a glossary of industry terms:

“Adjusted CASM” means operating expenses, excluding unrealized gains or losses related to fuel derivative contracts, out of period fuel federal excise tax, loss on disposal of assets, and special charges (credits), divided by ASMs.

“Adjusted CASM ex-fuel” means operating expenses excluding aircraft fuel expense, loss on disposal of assets, and special charges (credits), divided by ASMs.

“AFA-CWA” means the Association of Flight Attendants-CWA.

“Air traffic liability” or “ATL” means the value of tickets sold in advance of travel.

“ALPA” means the Airline Pilots Association, International.

“ASIF” means an Aviation Security Infrastructure Fee assessed by the TSA on each airline.

“Available seat miles” or “ASMs” means the number of seats available for passengers multiplied by the number of miles the seats are flown, also referred to as "capacity."

“Average aircraft” means the average number of aircraft in our fleet 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 economic fuel cost per gallon” means total aircraft fuel expense, excluding unrealized gains or losses related to fuel derivative contracts and out of period fuel federal excise tax, divided by the total number of fuel gallons consumed.

“Average non-ticket revenue per passenger flight segment” means the total non-ticket revenue divided by passenger flight segments.

“Average ticket revenue per passenger flight segment” means total passenger revenue divided by passenger flight segments.

“Average stage length” represents the average number of miles flown per flight.

“Average yield” means average operating revenue earned per RPM, calculated as total revenue divided by RPMs.

“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.

“CBA” means a collective bargaining agreement.

“CBP” means United States Customs and Border Protection.

“DOT” means the United States Department of Transportation.

“EPA” means the United States Environmental Protection Agency.

“FAA” means the United States Federal Aviation Administration.

“FCC” means the United States Federal Communications Commission.

“FLL Airport” means the Fort Lauderdale-Hollywood International Airport.

“GDS” means Global Distribution System (e.g., Amadeus, Galileo, Sabre and Worldspan).

"IAMAW" means the International Association of Machinists and Aerospace Workers.

“Into-plane fuel cost per gallon” means into-plane fuel expense divided by number of fuel gallons consumed.

“Into-plane fuel expense” represents the cost of jet fuel and certain other charges such as fuel taxes and oil.

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

“NMB” means the National Mediation Board.

“Operating revenue per-ASM,” “RASM” or “unit revenue” means operating revenue divided by ASMs.

“OTA” means Online Travel Agent (e.g., Orbitz and Travelocity).

“Passenger flight segments” or “PFS” means the total number of passengers flown on all flight segments.

“PDP” means pre-delivery deposit payment.

“Revenue passenger mile” or “RPM” means one revenue passenger transported one mile. RPMs equals revenue passengers multiplied by miles flown, also referred to as “traffic.”

“RLA” means the United States Railway Labor Act.

“TWU” means the Transport Workers Union of America.

“TSA” means the United States Transportation Security Administration.

“ULCC” means “ultra low-cost carrier.”

“VFR” means visiting friends and relatives.

“Wet-leased aircraft” means a lease where the lessor provides for aircraft, crew, maintenance and insurance, also known as an “ACMI.”

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Market Risk-Sensitive Instruments and Positions

We are subject to certain market risks, including commodity prices (specifically aircraft fuel). The adverse effects of changes in these markets could pose a potential loss as discussed below. The sensitivity analysis provided below 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. Aircraft fuel expense for the six months ended June 30, 2015 and 2014 represented 29.5% and 39.3% of our operating expenses, respectively. Increases in aircraft fuel prices or a shortage of supply could have a material adverse effect on our operations and operating results. We source a significant portion of our fuel from refining resources located in the southeast United States, particularly facilities adjacent to the Gulf of Mexico. Gulf Coast fuel is subject to volatility and supply disruptions, particularly during hurricane season when refinery shutdowns have occurred, or when the threat of weather related disruptions has caused Gulf Coast fuel prices to spike above other regional sources. During peak hurricane season (August through October), we may enter into fuel derivative contracts to protect the refining price risk between the price of crude oil and the price of refined jet fuel. Gulf Coast Jet indexed fuel is the basis for a substantial majority of our fuel consumption. Based on our fuel consumption over the last twelve months, a 10% increase in the average price per gallon of aircraft fuel would have increased aircraft fuel expense by approximately $55.0 million. To attempt to manage fuel price risk, from time to time we use jet fuel options or jet fuel swaps to mitigate a portion of the crack spread between crude and jet fuel. As of June 30, 2015, we had jet fuel option agreements in place to protect 25.5 million gallons, or approximately 19% of our remaining 2015 anticipated jet fuel consumption, at a weighted-average ceiling price of $1.93 per gallon.

The fair value of our fuel derivative contracts as of June 30, 2015 and December 31, 2014 was an asset of $1.5 million and $4.8 million, respectively. We measure our financial derivative instruments at fair value. Fair value of the instruments is determined using standard option valuation models. Changes in the related commodity derivative instrument cash flows may change by more or less than this amount based upon further fluctuations in futures prices. Outstanding financial derivative instruments expose us to credit loss in the event of nonperformance by the counterparties to the agreements. However, we do not expect the counterparties to fail to meet their obligations.

Interest Rates. We have market risk associated with changing interest rates due to LIBOR-based lease rates on five of our aircraft. A hypothetical 10% change in interest rates would affect total aircraft rent expense by less than $0.1 million per annum. We also have market risk associated with changing interest rates due to LIBOR-based forward interest rate swaps that fix the benchmark interest rate component of the forecasted interest payments on the debt related to three Airbus A321 aircraft with expected delivery dates ranging from July 2015 to September 2015. The interest rate swaps are designated as cash flow hedges. The fair value of our interest rate swaps as of June 30, 2015 and December 31, 2014 was a liability of $1.7 million and $1.1 million, respectively.

Fixed-Rate Debt. As of June 30, 2015, we had $435.8 million outstanding in fixed-rate debt related to the purchase of twelve Airbus A320 aircraft, which had a fair value of $426.5 million. As of December 31, 2014, we had $148.0 million outstanding in fixed-rate debt related to the purchase of four Airbus A320 aircraft, which had a fair value of $148.1 million.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer and our Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures as of June 30, 2015. The term “disclosure controls and procedures,” as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, means 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 Securities and Exchange Commission’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, as appropriate to allow timely decisions regarding required disclosure.

Management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Based on the evaluation of our disclosure controls and procedures as of

June 30, 2015, our Chief Executive Officer and Chief Financial Officer concluded that, as of such date, our disclosure controls and procedures were effective at the reasonable assurance level.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act) during the quarter ended June 30, 2015, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

We are subject to commercial litigation claims and to administrative and regulatory proceedings and reviews that may be asserted or maintained from time to time.

In August 2014, two cases (entitled Rosen v. Spirit Airlines and Legg v. Spirit Airlines) were filed against the Company in federal court in Illinois and Florida, respectively. The Rosen case has now been transferred to Florida. The cases, which contain identical claims, allege violations of the Fair and Accurate Credit Transactions Act (FACTA) based on incidents of unlawfully including more information on the electronically printed credit card receipts provided to customers from our airport kiosk machines than FACTA permits. Both cases are styled as class actions and the Legg case has been certified. The plaintiffs seek statutory damages, attorney’s fees, litigation expenses and costs. We believe we have valid arguments in our defense and intend to vigorously defend against these claims. We believe the estimate of probable losses is not material. However, the outcome of any litigation is inherently uncertain and any resolution may differ materially and could have a material adverse effect on the our business and financial position.

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, 2014. Investors are urged to review these risk factors carefully.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Our Repurchases of Equity Securities

The following table reflects our repurchases of our common stock during the second quarter of 2015. Repurchases of equity securities during this period include repurchases made from employees who received restricted stock or performance share awards as well as open market repurchases made under our stock repurchase program that became effective in December 2014, which authorizes the repurchase of up to $100 million of the Company's common stock. All employee stock repurchases were made at the election of each employee pursuant to an offer to repurchase by us. In each case, the shares repurchased constituted the portion of vested shares necessary to satisfy minimum withholding tax requirements.

ISSUER PURCHASES OF EQUITY SECURITIES

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares that May Yet be Purchased Under Plans or Programs
April 1-30, 2015	349,467	$ 73.03	337,529	$ 75,375,005
May 1-31, 2015	342,107	$ 64.20	341,713	$ 53,432,770
June 1-30, 2015	336,782	$ 62.26	336,568	$ 32,471,163
Total	**1,028,356**	**$ 66.56**	**1,015,810**	

The timing and amount of any stock repurchase is subject to prevailing market conditions and other considerations, and may be discontinued at any time.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable

ITEM 5. OTHER INFORMATION

None

ITEM 6. EXHIBITS

Exhibit Number	Description of Exhibits
10.1	Spirit Airlines, Inc. 2015 Incentive Award Plan, filed as Annex A to the Company's definitive proxy statement on Form DEF 14A dated April 28, 2015, is hereby incorporated by reference.
10.2	Form of Performance Share Award Grant Notice and Performance Share Award Agreement for awards under the Spirit Airlines, Inc. 2015 Incentive Award Plan.
10.3	Form of Restricted Stock Unit Award Grant Notice and Restricted Stock Unit Award Agreement for awards under the Spirit Airlines, Inc. 2015 Incentive Award Plan.
10.4	Form of Annual Cash Award Grant Notice and Annual Cash Award Agreement for awards under the Spirit Airlines, Inc. 2015 Incentive Award Plan.
10.5	Non-Employee Director Form of Restricted Stock Unit Award Grant Notice and Restricted Stock Unit Award Agreement for awards under the Spirit Airlines, Inc. 2015 Incentive Award Plan.
10.6	Form of Restricted Stock Award Grant Notice and Restricted Stock Award Agreement for awards under the Spirit Airlines, Inc. 2011 Equity Incentive Award Plan.
31.1	Certification of the Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of the Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1*	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.
32.2*	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.
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema
101.CAL	XBRL Taxonomy Extension Calculation Linkbase
101.LAB	XBRL Taxonomy Extension Label Linkbase
101.PRE	XBRL Taxonomy Extension Presentation Linkbase

* Exhibits 32.1 and 32.2 are being furnished and shall not be deemed to be "filed" for purposes of Section 18 of the Exchange Act, or otherwise subject to the liability of that section, nor shall such exhibits be deemed to be incorporated by reference in any registration statement or other document filed under the Securities Act or the Exchange Act, except as otherwise specifically stated in such filing.

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.

SPIRIT AIRLINES, INC.

Date: July 24, 2015

By: /s/ Edward Christie
Edward Christie
Senior Vice President and
Chief Financial Officer

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Section 2: EX-10.2 (FORM OF PERFORMANCE SHARE AWARD GRANT NOTICE AND AGREEMENT)

Exhibit 10.2

SPIRIT AIRLINES, INC.

2015 INCENTIVE AWARD PLAN

**PERFORMANCE SHARE AWARD GRANT NOTICE
AND PERFORMANCE SHARE AWARD AGREEMENT**

Spirit Airlines, Inc., a Delaware corporation (the "***Company***"), pursuant to its 2015 Incentive Award Plan, as amended from time to time (the "***Plan***"), hereby grants to the individual listed below ("***Participant***"), a Performance Share Award ("***Performance Shares***"). Each Performance Share represents the right to receive one share of the Company's Common Stock (each, a "***Share***"), upon the achievement of certain performance goals and continued employment requirements. This award is subject to all of the terms and conditions set forth herein and in the Performance Share Award Agreement attached hereto as Exhibit A (the "***Performance Share Award Agreement***") and the Plan, each of which are incorporated herein by reference. Capitalized terms not specifically defined in this Grant Notice and the Agreement shall have the meanings specified in the Plan.

Participant:	______________________
Grant Date:	______________________
Target Number of Performance Shares:	______________________
Performance Period:	______________________
Performance Goals:	Participant is eligible to be issued shares of Common Stock as of the Settlement Date with the number thereof determined based upon the Company's attainment of Total Stockholder Return relative to its Peer Group during the Performance Period, as set forth in Section 2.2(b) of the Performance Share Award Agreement.
Termination:	Except as otherwise set forth in the Performance Share Award Agreement, Participant shall forfeit all Performance Shares upon Participant's Termination of Service prior to the Settlement Date.

By his or her signature and the Company's signature below, Participant agrees to be bound by the terms and conditions of the Plan, the Performance Share Award Agreement and this Grant Notice. Participant has reviewed the Plan, the Performance Share Award Agreement and this Grant Notice in their entirety, and fully understands all provisions of the Plan, the Performance Share Award Agreement and this Grant Notice. Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of

the Administrator upon any questions arising under or with respect to the Plan, this Grant Notice, the Performance Shares or the Performance Share Award Agreement. Further, by signing below, Participant agrees that Participant has read, fully understands and agrees to abide by the terms of the Company's Insider Trading Policy and has read and fully understands the plan prospectus and prospectus supplement, if applicable, copies of which have been provided to Participant.

In addition, by signing below, Participant agrees that the Company, in its sole discretion, may satisfy any withholding obligations in accordance with Section 3.5 of the Agreement by (i) withholding shares otherwise issuable to Participant upon vesting of the Performance Shares, (ii) instructing a broker on Participant's behalf to sell shares otherwise issuable to Participant and submit the proceeds of such sale to the Company, or (iii) using any other method permitted by the Plan or Section 3.5 of the Performance Share Award Agreement.

Exhibit 10.2

SPIRIT AIRLINES, INC.: HOLDER:		**PARTICIPANT:**	
By:	______	By:	______
Print Name:	______	Print Name:	______
Title:	______		

EXHIBIT A

TO PERFORMANCE SHARE AWARD GRANT NOTICE

PERFORMANCE SHARE AWARD AGREEMENT

Pursuant to the Performance Share Award Grant Notice (the "***Grant Notice***") to which this Performance Share Award Agreement (this "***Agreement***") is attached, Spirit Airlines, Inc., a Delaware corporation (the "***Company***"), has granted to Participant a performance share award ("***Performance Shares***") under the Spirit Airlines, Inc. 2015 Incentive Award Plan, as amended from time to time (the "***Plan***"). Each Performance Share represents the right to receive one share of the Company's Common Stock (each, a "***Share***"), subject to the terms and conditions set forth in the Plan, this Agreement and the Grant Notice.

ARTICLE 1.

GENERAL

1.1 Defined Terms. Wherever the following terms are used in this Agreement they shall have the meanings specified below, unless the context clearly indicates otherwise. Capitalized terms not specifically defined herein shall have the meanings specified in the Plan and the Grant Notice.

(a) "***Commencement Date Average Stock Price***" means the average of the Common Stock Prices for the last twenty (20) trading days ending prior to and including the Performance Commencement Date.

(b) "***Common Stock Price***" shall mean, as of a particular date, the Fair Market Value for a Share as of such date.

(c) "***Measurement Date***" shall mean December 31 of the year that is two calendar years following the year in which the Grant Date occurs.

(d) "***Peer Companies***" shall mean the companies in the Peer Group, including the Company.

(e) "***Peer Group***" shall mean the Company's peer group set forth on ***Exhibit B,*** including the Company; *provided*, *however*, that if a company in the Peer Group ceases to be actively traded, due, for example, to merger (but not bankruptcy) or the Administrator otherwise reasonably determines that it is no longer suitable for the purposes of this Agreement, then the Administrator in its reasonable discretion shall remove such company from the Peer Group and may select a comparable company to be added to the Peer Group for purposes of making the Total Stockholder Return comparison required by Section 2.2 hereof. If the Administrator is not able to select such a comparable company to add to the Peer Group, the Administrator may amend Section 2.2(b) hereof to make such reasonable adjustments to the Company TSR relative ranks and the percentages of target Performance Shares to be issued, as the Administrator deems necessary to effectuate the intention of this Agreement.

(f) "***Performance Commencement Date***" shall mean January 1 of the year in which the Grant Date occurs.

(g) "***Settlement Date***" shall mean the date the Administrator determines that the shares of Common Stock payable with respect to the Performance Shares, pursuant to Section 2.2(b), shall be issued to Participant, which date shall be no later than sixty (60) days after the Valuation Date (for the avoidance of doubt, this deadline is intended to comply with the "short-term deferral" exception from Section 409A of the Code).

(h) "***Total Stockholder Return***" or "***TSR***" shall mean the percentage appreciation (positive or negative) in the Common Stock Price from the Performance Commencement Date to the Valuation Date, determined by dividing (i) the difference obtained by subtracting (A) the Commencement Date Average Stock Price, from (B) the Valuation Date Average Stock Price plus all dividends paid on a Share from the Performance Commencement Date to the Valuation Date by (ii) the Commencement Date Average Stock Price. Additionally, as set forth in, and pursuant to, Section 3.4 hereof, the Administrator may make appropriate adjustments to

the Total Stockholder Return to take into account stock dividends, stock splits, reverse stock splits and the other events set forth in Section 3.4 hereof that occur prior to the Valuation Date.

(i) "***Valuation Date***" shall mean the earliest of (i) the Measurement Date or (ii) the date upon which a Change in Control or, if earlier, Participant's death or disability, shall occur.

(j) "***Valuation Date Average Stock Price***" means the average of the Common Stock Prices for the last twenty (20) trading days ending prior to and including the Valuation Date.

1.2 Incorporation of Terms of Plan. The Performance Shares are subject to the terms and conditions of the Plan which are incorporated herein by reference. In the event of any inconsistency between the Plan and this Agreement, the terms of the Plan shall control.

1.3 Shareholder Approval Condition. The grant of Performance Shares hereunder, the Grant Notice and this Agreement are subject to approval of the Plan by the stockholders of the Company in accordance with Section 14.3 of the Plan. If such stockholder approval is not obtained, the grant of Performance Shares hereunder, the Grant Notice and this Agreement shall automatically terminate and become null and void and be of no further force or effect.

ARTICLE 2.

GRANT OF PERFORMANCE SHARES

2.1 Grant of Performance Shares. In consideration of Participant's past and/or continued employment with or service to the Company or a Subsidiary and for other good and valuable consideration, effective as of the Grant Date set forth in the Grant Notice (the "***Grant Date***"), the Company grants to Participant an award of Performance Shares as set forth in the Grant Notice (the "***Performance Shares***"), upon the terms and conditions set forth in the Plan, this Agreement and the Grant Notice.

2.2 Performance-Based Right to Payment.

(a) The payment of shares of Common Stock with respect to the Performance Shares is contingent on the Company's attainment of Total Stockholder Return relative to its Peer Group as set forth in Section 2.2(b) below (the "***Performance Goals***"). Accordingly, Participant will not become entitled to payment with respect to the Performance Shares unless and until the Administrator determines whether and to what extent the Performance Goals have been attained. Upon such determination by the Administrator and subject to the provisions of the Plan and this Agreement, Participant shall be entitled to payment of that portion of the Performance Shares as corresponds to the Performance Goals attained (as determined by the Administrator in its sole discretion) as set forth in Section 2.2(b) below.

(b) Subject to Participant's continued employment in active service with the Company from the Grant Date through the Valuation Date, the number of shares of Common Stock that shall be issued pursuant to the Performance Shares shall be determined as of the Valuation Date, based on the Company's Total Stockholder Return relative to the Total Shareholder Returns of the Peer Companies, as shown in the table below, provided that if the Company's Total Shareholder Return is negative, the number of shares of Common Stock issued according to the table below shall be reduced by 50%. If a company in the Peer Group ceases to be actively traded due to bankruptcy, the company shall remain a part of the Peer Group and shall be assigned a Total Stockholder Return of -100% as of the Valuation Date for purposes of this Section 2.2(b).

TSR Rank	TSR Percentile	Payout	
1	100%	200%	**Maximum**
2	91%	200%	
3	82%	175%	
4	73%	150%	
5	64%	125%	

6	55%	100%	**Target**
7	45%	50%	
8	36%	25%	**Threshold**
9	27%	0%	
10	18%	0%	
11	9%	0%	
12	0%	0%	

2.3 Payment of Shares. The number of shares of Common Stock to be paid with respect to the Performance Shares, as set forth in Section 2.2(b), above, shall be issued to Participant on the Settlement Date, subject to Section 2.5 and 2.7, below. Notwithstanding the foregoing, in the event the shares of Common Stock cannot be issued pursuant to Section 2.4(a) or (b) hereof, then the shares of Common Stock shall be issued pursuant to the preceding sentence as soon as administratively practicable after the Administrator determines that the shares of Common Stock can again be issued in accordance with Sections 2.4(a) or (b) hereof. Any Performance Shares awarded pursuant to this Agreement that are unpaid as of the Settlement Date as a result of the Company's Total Stockholder Return relative to the Total Shareholder Returns of the Peer Companies shall automatically and without further action be cancelled and forfeited by Participant, and Participant shall have no further right or interest in or with respect to such portion of the Performance Shares.

2.4 Conditions to Delivery of Shares. Subject to Section 11.4 of the Plan and Section 3.5 hereof, the shares deliverable hereunder, or any portion thereof, may be either previously authorized but unissued shares of Common Stock or issued shares of Common Stock which have then been reacquired by the Company. Such shares of Common Stock shall be fully paid and nonassessable. The Company shall not be required to issue or deliver any shares of Common Stock deliverable hereunder or portion thereof prior to fulfillment of all of the following conditions:

(a) The admission of such shares of Common Stock to listing on all stock exchanges on which such Common Stock is then listed;

(b) The completion of any registration or other qualification of such shares of Common Stock under any state or federal law or under rulings or regulations of the Securities and Exchange Commission or of any other governmental regulatory body, which the Administrator shall, in its absolute discretion, deem necessary or advisable;

(c) The obtaining of any approval or other clearance from any federal, state or local governmental agency which the Administrator shall, in its absolute discretion, determine to be necessary or advisable;

(d) The receipt by the Company of full payment for such shares of Common Stock, including payment of any applicable withholding tax, which may be in one or more of the forms of consideration permitted under Section 3.5 hereof; and

(e) The lapse of such reasonable period of time following the Valuation Date as the Administrator may from time to time establish for reasons of administrative convenience.

2.5 Proration in Event of Change in Control, Death or Permanent Disability. Subject to Sections 2.4 and 2.7 hereof, notwithstanding any contrary provision of this Agreement, in the event of a Change in Control or Participant's death or permanent disability (within the meaning of Section 22(e) of the Code) at any time prior to the Measurement Date, that number of shares of Common Stock determined pursuant to Section 2.2(b) hereof for the period beginning on the Performance Commencement Date and ending on the date of such Change in Control, death or permanent disability shall be issued to Participant immediately prior to (and subject to the consummation of) such Change in Control, or in the case death or permanent disability, no later than sixty (60) days after such date, with the exception that the number of shares of Common Stock that shall be issued, if any, shall be further multiplied by a fraction (not to exceed one), (a) the numerator of which shall be equal to the number of whole months (counting each month as

ending on the first day of a calendar month) elapsed from the Performance Commencement Date until the date of Change in Control, death or permanent disability, and (b) the denominator of which shall be thirty-six (36).

2.6 Right to Continued Employment. Nothing in the Plan or this Agreement shall confer upon Participant any right to continue in the employ or service of the Company or any Affiliate or shall interfere with or restrict in any way the rights of the Company and its Affiliates, which rights are hereby expressly reserved, to discharge or terminate the services of Participant at any time for any reason whatsoever, with or without cause, except to the extent expressly provided otherwise in a written agreement between the Company or an Affiliate and Participant.

2.7 Effect of Termination of Service. Notwithstanding any contrary provision of this Agreement, upon Participant's Termination of Service for any or no reason (other than Participant's death or permanent disability, as described in Section 2.5 above) prior to the Valuation Date, all rights with respect to any unpaid Performance Shares awarded pursuant to this Agreement shall automatically and without further action be cancelled and forfeited by Participant, and Participant shall not be entitled to any payments or benefits with respect thereto.

2.8 Rights as Stockholder. The holder of the Performance Shares shall not be, nor have any of the rights or privileges of, a stockholder of the Company, including, without limitation, voting rights and rights to dividends, in respect of the Performance Shares and any shares of Common Stock underlying the Performance Shares and deliverable hereunder unless and until such shares of Common Stock shall have been duly issued by the Company and held of record by such holder (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company).

2.9 Clawback. If Participant, at any time during the period commencing on the Grant Date and ending on the second anniversary of the date on which Participant incurs a Termination of Service or, if later, on the expiration of any applicable non-compete period, engages in any activity in competition with the Company, or which is inimical, contrary or harmful to the interests of the Company in the determination of the Administrator (including, without limitation, committing fraud or conduct contributing to any financial restatements or irregularities, or violating a non-competition, non-solicitation, non-disparagement or non-disclosure covenant or agreement with the Company or any Affiliate, as determined by the Administrator), then Participant must pay to the Company any proceeds, gains or other economic benefit actually or constructively received by Participant upon receipt of the Performance Shares or upon the resale of vested Performance Shares, and this Agreement and the Grant Notice shall terminate and any Performance Shares (whether or not vested) shall be forfeited without payment of any consideration therefor. In addition and without limiting the foregoing, to the extent required by applicable law and/or the rules and regulations of the securities exchange or inter-dealer quotation system on which the Common Stock is listed or quoted, or if so required pursuant to a written policy adopted by the Company which applies to Participant, this Agreement and the Performance Shares awarded hereunder shall be subject (including on a retroactive basis) to such clawback, forfeiture or similar requirements, and such requirements shall be deemed incorporated by reference into this Agreement.

ARTICLE 3.

OTHER PROVISIONS

3.1 Administration. The Administrator shall have the power to interpret the Plan, this Agreement and the Grant Notice and to adopt such rules for the administration, interpretation and application of the Plan as are consistent therewith and to interpret, amend or revoke any such rules. All actions taken and all interpretations and determinations made by the Administrator in good faith shall be final and binding upon Participant, the Company and all other interested persons. No member of the Committee or the Board shall be personally liable for any action, determination or interpretation taken or made, or omitted to be taken or made, under or with respect to the Plan, this Agreement, the Grant Notice or the Performance Shares (unless constituting fraud or a willful criminal act or omission). The duties and obligations of the Company, the Administrator and each member of the Administrator shall be determined only with reference to the Plan and this Agreement, and no implied duties or obligations shall be read into the Plan, this Agreement or the Grant Notice on the part of the Company, the Administrator or any member of the Administrator. Under no circumstances shall the Company, the Administrator or any member of the Administrator be obligated to prove good faith for any purpose, it being specifically understood and agreed that the Administrator and each member of the Administrator shall be presumed in all instances to have acted in good faith. To overcome this presumption of good faith, Participant shall have the burden of proving, by clear and convincing evidence, that the Administrator or the member of the Administrator, as the case may be, intentionally acted in bad faith.

3.2 Grant is Not Transferable. During the lifetime of Participant, the Performance Shares and the rights and privileges conferred hereby will not be sold, transferred, assigned, pledged, hypothecated or otherwise disposed in any way (whether by operation of law or otherwise), and will not be subject to sale under execution, attachment or similar process, unless and until the shares of Common Stock underlying the Performance Shares have been issued. Upon any attempt to sell, transfer, assign, pledge, hypothecate or otherwise dispose of the Performance Shares, or any right or privilege conferred hereby, or upon any attempted sale under any execution, attachment or similar process, the Performance Shares and the rights and privileges conferred hereby immediately will become null and void. Unless and until the shares of Common Stock underlying the Performance Shares have been

issued, neither the Performance Shares nor any interest or right therein shall be liable for the debts, contracts or engagements of Participant or his or her successors in interest or shall be subject to disposition by transfer, alienation, anticipation, pledge, encumbrance, assignment or any other means whether such disposition be voluntary or involuntary or by operation of law by judgment, levy, attachment, garnishment or any other legal or equitable proceedings (including bankruptcy), and any attempted disposition thereof shall be null and void and of no effect. Notwithstanding anything herein to the contrary, this Section 3.2 shall not prevent transfers by will or applicable laws of descent and distribution; *provided, however*, that all such transfers shall be subject to the terms and conditions of the Plan, the Grant Notice and this Agreement.

3.3 Binding Agreement. Subject to the limitation on the transferability of the Performance Shares contained herein, this Agreement will be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

3.4 Adjustments upon Specified Events. The Administrator may accelerate payment of the Performance Shares in such circumstances as it, in its sole discretion, may determine. In addition, upon the occurrence of certain events relating to the Common Stock contemplated by Section 14.2 of the Plan, the Administrator shall make such adjustments the Administrator deems appropriate in the number of Performance Shares then outstanding and the number and kind of securities that may be issued in respect of the Performance Shares. Participant acknowledges that the Performance Shares are subject to amendment, modification and termination in certain events as provided in this Agreement and Article 14 of the Plan.

3.5 Withholding.

(a) Notwithstanding anything to the contrary in this Agreement or the Grant Notice, the Company shall be entitled to require payment by Participant of any sums required by applicable law to be withheld with respect to the grant or vesting of the Performance Shares or the issuance of shares of Common Stock pursuant to the Performance Shares. Such payment shall be made in the manner determined by the Company in its sole discretion, and may be made by deduction from other compensation payable to Participant or in such other form of consideration acceptable to the Company, which may include:

(i) Cash or check;

(ii) Surrender of shares of Common Stock held for such period of time as may be required by the Administrator in order to avoid adverse accounting consequences and having a Fair Market Value on the date of delivery equal to the minimum amount required to be withheld by statute; or

(iii) Other property acceptable to the Company (including, without limitation, through the delivery of a notice that Participant has placed a market sell order with a broker with respect to shares of Common Stock payable pursuant to the Performance Shares, and that the broker has been directed to pay a sufficient portion of the net proceeds of the sale to the Company in satisfaction of its withholding obligations; *provided* that payment of such proceeds is then made to the Company at such time as may be required by the Company, but in any event not later than the settlement of such sale).

(b) The Company shall not be obligated to deliver any new certificate representing shares of Common Stock to Participant or Participant's legal representative or enter such shares of Common Stock in book entry form unless and until Participant or Participant's legal representative shall have paid or otherwise satisfied in full the amount of all federal, state and local taxes applicable to the taxable income of Participant resulting from the grant or vesting of the Performance Shares or the issuance of shares of Common Stock pursuant to the Performance Shares.

3.6 Notices. Any notice to be given under the terms of this Agreement to the Company shall be addressed to the Company in care of the Secretary of the Company at the Company's principal executive office, and any notice to be given to Participant shall be addressed to Participant at Participant's last address reflected on the Company's records. By a notice given pursuant to this Section 3.6, either party may hereafter designate a different address for notices to be given to that party. Any notice shall be deemed duly given when sent via email or when sent by certified mail (return receipt requested) and deposited (with postage prepaid) in a post office or branch post office regularly maintained by the United States Postal Service.

3.7 Titles. Titles provided herein are for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

3.8 Governing Law. The laws of the State of Delaware shall govern the interpretation, validity, administration, enforcement and performance of the terms of this Agreement and the Grant Notice, regardless of the law that might be applied under principles of conflicts of laws.

3.9 Conformity to Securities Laws. Participant acknowledges that the Plan, this Agreement and the Grant Notice are intended to conform to the extent necessary with all provisions of the Securities Act and the Exchange Act and any and all regulations and rules promulgated by the Securities and Exchange Commission thereunder, and state securities laws and regulations. Notwithstanding anything herein to the contrary, the Plan shall be administered, and the Performance Shares are granted, only in such

a manner as to conform to such laws, rules and regulations. To the extent permitted by applicable law, the Plan, this Agreement and the Grant Notice shall be deemed amended to the extent necessary to conform to such laws, rules and regulations.

3.10 Amendments, Suspension and Termination. To the extent permitted by the Plan, the Administrator or the Board may waive any conditions or rights under, amend any terms of, or alter, suspend, discontinue, cancel or terminate, this Agreement, the Grant Notice and/or the Performance Shares granted hereunder, prospectively or retroactively (including after Participant's termination of employment or service with the Company); *provided* that any such waiver, amendment, alteration, suspension, discontinuance, cancellation or termination that would materially and adversely affect the rights of Participant with respect to the Performance Shares granted hereunder shall not to that extent be effective without Participant's consent unless the Committee or the Board, as applicable, determines that such either is required or advisable in order for the Company, the Plan or the award of Performance Shares made hereunder to satisfy any applicable law or regulation. Nothing in this Agreement or the Grant Notice shall restrict in any way the adoption of any amendment, modification, suspension or termination to the Plan in accordance with the terms of the Plan.

3.11 Successors and Assigns. The Company may assign any of its rights under this Agreement and the Grant Notice to single or multiple assignees, and this Agreement and the Grant Notice shall inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer herein set forth in Section 3.2 hereof, this Agreement and the Grant Notice shall be binding upon Participant and his or her heirs, executors, administrators, successors and assigns.

3.12 Limitations Applicable to Section 16 Persons. Notwithstanding any other provision of the Plan or this Agreement, if Participant is subject to Section 16 of the Exchange Act, the Plan, the Performance Shares and this Agreement shall be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3 of the Exchange Act) that are requirements for the application of such exemptive rule. To the extent permitted by applicable law, this Agreement shall be deemed amended to the extent necessary to conform to such applicable exemptive rule.

3.13 Not a Contract of Employment. Nothing in the Plan, this Agreement or the Grant Notice shall confer upon Participant any right to continue to serve as an employee or other service provider of the Company or any of its Affiliates.

3.14 Entire Agreement. The Plan, the Grant Notice and this Agreement constitute the entire agreement of the parties and supersede in their entirety all prior undertakings and agreements of the Company and Participant with respect to the subject matter hereof.

3.15 Section 409A; Taxes. The Performance Shares are not intended to constitute "nonqualified deferred compensation" within the meaning of Section 409A of the Code (together with any Department of Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the date hereof, "***Section 409A***"). Notwithstanding any other provision of the Plan, the Grant Notice or this Agreement, if at any time the Administrator determines that the Performance Shares (or any portion thereof) may be subject to Section 409A, the Administrator shall have the right, in its sole discretion (without any obligation to do so or to indemnify Participant or any other person for failure to do so, and without Participant's consent), to adopt such amendments to the Plan, the Grant Notice or this Agreement, or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, as the Administrator determines are necessary or appropriate for the Performance Shares either to be exempt from the application of Section 409A or to comply with the requirements of Section 409A. This Section 3.15 does not create an obligation on the part of the Company to modify the Plan or this Award Agreement and does not guarantee that the Performance Shares will not be subject to taxes, interest and penalties under Section 409A. For the avoidance of doubt, Participant is solely responsible and liable for the satisfaction of all taxes and penalties that may be imposed on or for his account in connection with this Agreement (including any taxes and penalties under Section 409A), and neither the Company nor any Affiliate shall have any obligation to indemnify or otherwise hold Participant (or any beneficiary) harmless from any or all of such taxes or penalties.

3.16 Limitation on Participant's Rights. Participation in the Plan confers no rights or interests other than as herein provided. This Agreement and the Grant Notice create only a contractual obligation on the part of the Company as to amounts payable and shall not be construed as creating a trust or separate fund of any kind, or a fiduciary relationship between the Company, any Affiliate of the Company, or the Administrator, on the one hand, and Participant or other person or entity, on the other hand. Neither the Plan nor any underlying program, in and of itself, has any assets. Participant shall have only the rights of a general unsecured creditor of the Company with respect to amounts credited and benefits payable, if any, with respect to the Performance Shares, and rights no greater than the right to receive shares of Common Stock as a general unsecured creditor with respect to the Performance Shares, as and when payable hereunder.

Exhibit 10.2

<u>EXHIBIT B</u>
PEER GROUP

Alaska Air Group, Inc.

Allegiant Travel Company

American Airlines Group, Inc.

Delta Airlines

Hawaiian Holdings Inc.

JetBlue Airways Corporation

Republic Airways Holdings Inc.

Sky West Inc.

Southwest Airlines

United Continental

Virgin America, Inc.

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Section 3: EX-10.3 (FORM OF RESTRICTED STOCK UNIT AWARD GRANT NOTICE AND AGREEMENT)

Exhibit 10.3

SPIRIT AIRLINES, INC.

2015 INCENTIVE AWARD PLAN

RESTRICTED STOCK UNIT AWARD GRANT NOTICE AND
RESTRICTED STOCK UNIT AWARD AGREEMENT

Spirit Airlines, Inc., a Delaware corporation (the "***Company***"), pursuant to its 2015 Incentive Award Plan, as amended from time to time (the "***Plan***"), hereby grants to the individual listed below ("***Participant***"), an award of restricted stock units ("***Restricted Stock Units***" or "***RSUs***"). Each Restricted Stock Unit represents the right to receive one share of Common Stock upon vesting of such Restricted Stock Unit. This award of Restricted Stock Units is subject to all of the terms and conditions as set forth herein and in the Restricted Stock Unit Award Agreement attached hereto as <u>Exhibit A</u> (the "***Agreement***") and the Plan, each of which is incorporated herein by reference. Capitalized terms not specifically defined in this Grant Notice and the Agreement shall have the meanings specified in the Plan.

Participant's Name:	___
Grant Date:	___
Total Number of RSUs:	__
Vesting Commencement Date:	___
Vesting Schedule:	

By his or her signature and the Company's signature below, Participant agrees to be bound by the terms and conditions of the Plan, the Agreement and this Grant Notice. Participant has reviewed the Agreement, the Plan and this Grant Notice in their entirety, and fully understands all provisions of the Agreement, the Plan and this Grant Notice. Additionally, by signing below, Participant agrees that Participant has read, fully understands and agrees to abide by the terms of the Company's Insider Trading Policy and has read and fully understands the plan prospectus and prospectus supplement, if applicable, copies of which have been provided to Participant. In addition, by signing below, Participant agrees that the Company, in its sole discretion, may satisfy any withholding obligations in accordance with Section 2.6 of the Agreement by (i) withholding shares of Common Stock otherwise issuable to Participant upon vesting of the RSUs, (ii) instructing a broker on Participant's behalf to sell shares of Common Stock otherwise issuable to Participant upon vesting of the RSUs and submit the proceeds of such sale to the Company, or (iii) using any other method permitted by the Plan or Section 2.6 of the Agreement. Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Administrator upon any questions arising under the Plan or relating to the RSUs.

SPIRIT AIRLINES, INC.:		**PARTICIPANT:**	
By:	______	By:	______
Print Name:	______	Print Name:	______
Title:	______		

Exhibit 10.3

EXHIBIT A

TO RESTRICTED STOCK UNIT AWARD GRANT NOTICE

RESTRICTED STOCK UNIT AWARD AGREEMENT

Pursuant to the Restricted Stock Unit Award Grant Notice (the "***Grant Notice***") to which this Restricted Stock Unit Award Agreement (this "***Agreement***") is attached, Spirit Airlines, Inc., a Delaware corporation (the "***Company***"), has granted to Participant an award of restricted stock units ("***Restricted Stock Units***" or "***RSUs***") under the Company's 2015 Incentive Award Plan, as amended from time to time (the "***Plan***").

ARTICLE I

GENERAL

1.1 Defined Terms. Capitalized terms not specifically defined herein shall have the meanings specified in the Plan and the Grant Notice.

1.2 General. Each Restricted Stock Unit shall constitute a non-voting unit of measurement which is deemed for bookkeeping purposes to be equivalent to one outstanding share of the Company's Common Stock ("***Share***") (subject to adjustment as provided in Section 14.2 of the Plan) solely for purposes of the Plan and this Agreement. The Restricted Stock Units shall be used solely as a device for the determination of the payment to eventually be made to Participant if such Restricted Stock Units vest pursuant to Section 2.3 hereof. The Restricted Stock Units shall not be treated as property or as a trust fund of any kind.

1.3 Incorporation of Terms of Plan. RSUs are subject to the terms and conditions of the Plan which are incorporated herein by reference. In the event of any inconsistency between the Plan and this Agreement, the terms of the Plan shall control.

1.4 Shareholder Approval Condition. The grant of RSUs hereunder, the Grant Notice and this Agreement are subject to approval of the Plan by the stockholders of the Company in accordance with Section 14.3 of the Plan. If such stockholder approval is not obtained, the grant of RSUs hereunder, the Grant Notice and this Agreement shall automatically terminate and become null and void and be of no further force or effect.

ARTICLE II

GRANT OF RESTRICTED STOCK UNITS

2.1 Grant of RSUs. In consideration of Participant's past and/or continued employment with or service to the Company or a Subsidiary and for other good and valuable consideration, effective as of the Grant Date set forth in the Grant Notice (the "***Grant Date***"), the Company grants to Participant an award of RSUs as set forth in the Grant Notice, upon the terms and conditions set forth in the Plan, this Agreement and the Grant Notice.

2.2 Company's Obligation to Pay. Each RSU has a value equal to the Fair Market Value of a Share on the date it becomes vested. Unless and until the RSUs will have vested in the manner set forth in Article II hereof, Participant will have no right to payment with respect to any of the RSUs. Prior to

actual payment of any vested RSUs, such RSUs will represent an unsecured obligation of the Company, payable (if at all) only from the general assets of the Company.

2.3 Vesting Schedule. Subject to Section 2.4 hereof, the RSUs will vest and become nonforfeitable with respect to the applicable portion thereof according to the vesting schedule set forth on the Grant Notice to which this Agreement is attached (the "***Vesting Schedule***"), subject to Participant's continued employment in active service through such applicable vesting dates. Unless otherwise determined by the Administrator, partial employment, even if substantial, during any vesting period will not entitle Participant to any proportionate vesting or avoid or mitigate a termination of rights and benefits upon or following a Termination of Service, except as provided in Section 2.4 below or under the Plan.

2.4 Death, Disability and Change-in-Control Treatment.

(a) In the event the successor corporation in a Change in Control fails to assume or substitute the RSUs in accordance with Section 14.2 of the Plan, the RSUs will automatically vest in full as of immediately prior to the consummation of such Change in Control.

(b) In the event (i) Participant incurs a Termination of Service by reason of the Company's termination of Participant's employment other than for Cause (as defined below) or by reason of Participant's resignation for Good Reason (as defined below) and (ii) such Termination of Service is effective on or after the execution of a definitive agreement that contemplates a transaction that, if consummated, would constitute a Change in Control (a "***Transaction Agreement***") but before the effective date of such Change in Control, then any then-unvested RSUs shall remain outstanding and shall automatically vest in full upon the effective date of such Change in Control; *provided*, that if such Transaction Agreement is terminated in accordance with its terms or a Change in Control does not otherwise occur as a result of the transaction contemplated by the Transaction Agreement, as determined by the Administrator in its sole discretion, then the RSUs will thereupon be automatically forfeited, terminated and cancelled as of the date of termination of the Transaction Agreement or other determination date, without payment of any consideration therefor, and Participant, or Participant's beneficiary or personal representative, as the case may be, shall have no further rights hereunder in respect of such forfeited RSUs.

(c) In the event (i) Participant incurs a Termination of Service by reason of the Company's termination of Participant's employment other than for Cause (as defined below) or by reason of Participant's resignation for Good Reason (as defined below) and (ii) such Termination of Service is effective during the period beginning on the effective date of a Change in Control and ending on the twelve (12) month anniversary thereof, then any then-unvested RSUs will automatically vest in full as of the date of such Termination of Service.

(d) If Participant is an employee of the Company who has a Termination of Service by reason of Participant's death or permanent disability (within the meaning of Section 22(e) of the Code), the RSUs will automatically vest in full as of the date of such Termination of Service.

(e) As used herein, "Cause" and Good Reason" shall have the meanings set forth below:

"***Cause***" shall mean that Participant has: (i) refused or repeatedly failed to perform the duties assigned to him/her but only if Participant's refusal or repeated failure to perform the duties assigned to him/her were willful and deliberate on Participant's part or committed in bad faith or without reasonable belief that such refusal or failure was in the best interests of the Company; (ii) engaged in a

Exhibit 10.3

willful or intentional act that has the effect of injuring the reputation or business of the Company in any material respect; (iii) continually or repeatedly been absent from the Company, unless due to an approved leave due to serious illness or disability; (iv) used illegal drugs or been impaired due to other substances; (v) been convicted of any felony; (vi) committed an act of gross misconduct, fraud, embezzlement or theft against the Company; (vii) engaged in any act of such extreme nature that the Company determines to be grounds for immediate dismissal, including, but not limited to, harassment of any nature; or (viii) violated a material Company policy as determined by the Company's Chief Executive Officer, the Administrator and/or the Board.

"***Good Reason***" shall mean the occurrence of any of the following events, upon or following a Change in Control, without Participant's express written consent: (i) the assignment to Participant of any duties which constitutes a material negative change in Participant's position(s), duties or responsibilities with the Company immediately prior to the such change; *provided*, *however*, that the fact that Participant's duties following a Change in Control are owed to a successor or an Affiliate of a successor (whether or not public) shall not in and of itself constitute a change in such Participant's position(s), duties or responsibilities in any material respect; (ii) a material reduction in Participant's base salary or bonus opportunity as in effect immediately prior to such reduction; (iii) any requirement that Participant be based more than fifty (50) miles from Participant's principal place of employment immediately prior to the change in location of Participant's principal place of employment; (iv) the failure of a successor to: (a) continue in effect any material employee benefit plan or compensation plan in which Participant and Participant's eligible dependents are participating immediately prior to the Change in Control, unless Participant is permitted to participate in other plans providing Participant with substantially equivalent benefits in the aggregate, or (b) provide Participant with paid vacation in accordance with the plans, practices, programs and policies of the Company and its Affiliates in effect for Participant immediately prior to such Change in Control or as in effect generally at any time thereafter with respect to other similarly situated executives of the Company. Notwithstanding the foregoing, Participant shall not have "Good Reason" unless Participant notifies the Company in writing of Participant's intent to resign within ninety (90) days after the initial occurrence of the event giving rise to a claim for Good Reason, the Company fails to cure the Good Reason provided by Participant in such notice within thirty (30) days after the Company's receipt of the notice, and Participant's resignation is effective within ninety (90) days of the Company's failure to cure.

2.5 Forfeiture, Termination and Cancellation upon Termination of Service. Upon Participant's Termination of Service for any or no reason, the then-unvested RSUs subject to this Agreement (after giving effect to any accelerated vesting pursuant to Section 2.4 hereof) will thereupon be automatically forfeited, terminated and cancelled as of the applicable termination date without payment of any consideration therefor, and the Participant, or Participant's beneficiary or personal representative, as the case may be, shall have no further rights hereunder.

2.6 Payment after Vesting.

(a) On the thirtieth (30th) day following the vesting of any Restricted Stock Units pursuant to Section 2.3 or Section 2.4 hereof, the Company shall deliver to Participant a number of shares (either by delivering one or more certificates for such shares or by entering such shares in book entry form, as determined by the Company in its sole discretion) equal to the number of Restricted Stock Units subject to this award that vest on the applicable vesting date, unless such Restricted Stock Units terminate prior to the given vesting date pursuant to Section 2.5 hereof. Notwithstanding the foregoing, in the event shares cannot be issued pursuant to Section 2.8(a), (b) or (c) hereof, then the shares shall be issued pursuant to the preceding sentence as soon as administratively practicable after the Committee determines

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that shares can again be issued in accordance with Sections 2.8(a), (b) and (c) hereof. Notwithstanding any discretion in the Plan, this Agreement or the Grant Notice to the contrary, upon vesting of the RSUs, shares will be issued as set forth in this section. In no event will the RSUs be paid to Participant in the form of cash.

(b) Notwithstanding anything to the contrary in this Agreement or the Grant Notice, the Company shall be entitled to require payment by Participant of any sums required by applicable law to be withheld with respect to the grant or vesting of the RSUs or the issuance of the shares. Such payment shall be made in the manner determined by the Company in its sole discretion, and may be made by deduction from other compensation payable to Participant or in such other form of consideration acceptable to the Company, which may include:

(i) Cash or check;

(ii) Surrender of shares held for such period of time as may be required by the Administrator in order to avoid adverse accounting consequences and having a Fair Market Value on the date of delivery equal to the minimum amount required to be withheld by statute; or

(iii) Other property acceptable to the Company in its sole discretion (including, without limitation, through the delivery of a notice that Participant has placed a market sell order with a broker with respect to shares payable pursuant to the RSUs, and that the broker has been directed to pay a sufficient portion of the net proceeds of the sale to the Company in satisfaction of its withholding obligations; *provided* that payment of such proceeds is then made to the Company at such time as may be required by the Company, but in any event not later than the settlement of such sale).

The Company shall not be obligated to deliver any new certificate representing shares to Participant or Participant's legal representative or enter such shares in book entry form unless and until Participant or Participant's legal representative shall have paid or otherwise satisfied in full the amount of all federal, state and local taxes applicable to the taxable income of Participant resulting from the grant or vesting of the RSUs or the issuance of shares pursuant to the RSUs.

2.7 Rights as Stockholder. The holder of the RSUs shall not be, nor have any of the rights or privileges of, a stockholder of the Company, including, without limitation, any dividend rights and voting rights, in respect of the RSUs and any shares underlying the RSUs and deliverable hereunder unless and until such shares shall have been actually issued by the Company and held of record by such holder (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company). No adjustment will be made for a dividend or other right for which the record date is prior to the date the shares are issued, except as provided in Section 14.2 of the Plan.

2.8 Conditions to Delivery of Shares. Subject to Section 11.4 of the Plan and Section 3.5 hereof, the shares deliverable hereunder, or any portion thereof, may be either previously authorized but unissued shares of Common Stock or issued shares of Common Stock which have then been reacquired by the Company. Such shares shall be fully paid and nonassessable. The Company shall not be required to issue or deliver any shares deliverable hereunder or portion thereof prior to fulfillment of all of the following conditions:

(a) The admission of such shares to listing on all stock exchanges on which such Common Stock is then listed;

Exhibit 10.3

(b) The completion of any registration or other qualification of such shares under any state or federal law or under rulings or regulations of the Securities and Exchange Commission or of any other governmental regulatory body, which the Administrator shall, in its absolute discretion, deem necessary or advisable;

(c) The obtaining of any approval or other clearance from any federal, state or local governmental agency which the Administrator shall, in its absolute discretion, determine to be necessary or advisable;

(d) The receipt by the Company of full payment for such shares, including payment of any applicable withholding tax, which may be in one or more of the forms of consideration permitted under Section 2.6 hereof; and

(e) The lapse of such reasonable period of time following the vesting of any Restricted Stock Units as the Administrator may from time to time establish for reasons of administrative convenience.

2.9 Clawback. If the Participant ,at any time during the period commencing on the Grant Date and ending on the second anniversary of the date on which Participant incurs a Termination of Service or, if later, on the expiration of any applicable non-compete period, engages in any activity in competition with the Company, or which is inimical, contrary or harmful to the interests of the Company in the determination of the Administrator (including, without limitation, committing fraud or conduct contributing to any financial restatements or irregularities, or violating a non-competition, non-solicitation, non-disparagement or non-disclosure covenant or agreement with the Company or any Affiliate, as determined by the Administrator), then Participant must pay to the Company any proceeds, gains or other economic benefit actually or constructively received by Participant upon receipt of the RSUs or upon the resale of vested RSUs, and this Agreement and the Grant Notice shall terminate and any RSUs (whether or not vested) shall be forfeited without payment of any consideration therefor. In addition and without limiting the foregoing, to the extent required by applicable law and/or the rules and regulations of the securities exchange or inter-dealer quotation system on which the Common Stock is listed or quoted, or if so required pursuant to a written policy adopted by the Company which applies to Participant, this Agreement and the RSUs awarded hereunder shall be subject (including on a retroactive basis) to such clawback, forfeiture or similar requirements, and such requirements shall be deemed incorporated by reference into this Agreement.

ARTICLE III

OTHER PROVISIONS

3.1 Administration. The Administrator shall have the power to interpret the Plan, this Agreement and the Grant Notice and to adopt such rules for the administration, interpretation and application of the Plan as are consistent therewith and to interpret, amend or revoke any such rules. All actions taken and all interpretations and determinations made by the Administrator in good faith shall be final and binding upon Participant, the Company and all other interested persons. No member of the Committee or the Board shall be personally liable for any action, determination or interpretation taken or made, or omitted to be taken or made, under or with respect to the Plan, this Agreement, the Grant Notice or the RSUs (unless constituting fraud or a willful criminal act or omission). The duties and obligations of the Company, the Administrator and each member of the Administrator shall be determined only with reference to the Plan and this Agreement, and no implied duties or obligations shall be read into the Plan,

Exhibit 10.3

this Agreement or the Grant Notice on the part of the Company, the Administrator or any member of the Administrator. Under no circumstances shall the Company, the Administrator or any member of the Administrator be obligated to prove good faith for any purpose, it being specifically understood and agreed that the Administrator and each member of the Administrator shall be presumed in all instances to have acted in good faith. To overcome this presumption of good faith, Participant shall have the burden of proving, by clear and convincing evidence, that the Administrator or the member of the Administrator, as the case may be, intentionally acted in bad faith.

3.2 Adjustments upon Specified Events. The Administrator may accelerate payment of the RSUs in such circumstances as it, in its sole discretion, may determine. In addition, upon the occurrence of certain events relating to the Common Stock contemplated by Section 14.2 of the Plan, the Administrator shall make such adjustments the Administrator deems appropriate in the number of RSUs then outstanding and the number and kind of securities that may be issued in respect of the RSUs. Participant acknowledges that the RSUs are subject to amendment, modification and termination in certain events as provided in this Agreement and Article 14 of the Plan.

3.3 Grant is Not Transferable. During the lifetime of Participant, the RSUs and the rights and privileges conferred hereby will not be sold, transferred, assigned, pledged, hypothecated or otherwise disposed in any way (whether by operation of law or otherwise), and will not be subject to sale under execution, attachment or similar process, unless and until the shares underlying the RSUs have been issued. Upon any attempt to sell, transfer, assign, pledge, hypothecate or otherwise dispose of the RSUs, or any right or privilege conferred hereby, or upon any attempted sale under any execution, attachment or similar process, the RSUs and the rights and privileges conferred hereby immediately will become null and void. Unless and until the shares underlying the RSUs have been issued, neither the RSUs nor any interest or right therein shall be liable for the debts, contracts or engagements of Participant or his or her successors in interest or shall be subject to disposition by transfer, alienation, anticipation, pledge, encumbrance, assignment or any other means whether such disposition be voluntary or involuntary or by operation of law by judgment, levy, attachment, garnishment or any other legal or equitable proceedings (including bankruptcy), and any attempted disposition thereof shall be null and void and of no effect. Notwithstanding anything herein to the contrary, this Section 3.3 shall not prevent transfers by will or applicable laws of descent and distribution; *provided, however*, that all such transfers shall be subject to the terms and conditions of the Plan, the Grant Notice and this Agreement.

3.4 Binding Agreement. Subject to the limitation on the transferability of the RSUs contained herein, this Agreement will be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

3.5 Notices. Any notice to be given under the terms of this Agreement to the Company shall be addressed to the Company in care of the Secretary of the Company at the Company's principal executive office, and any notice to be given to Participant shall be addressed to Participant at Participant's last address reflected on the Company's records. By a notice given pursuant to this Section 3.5, either party may hereafter designate a different address for notices to be given to that party. Any notice shall be deemed duly given when sent via email or when sent by certified mail (return receipt requested) and deposited (with postage prepaid) in a post office or branch post office regularly maintained by the United States Postal Service.

3.6 Titles. Titles provided herein are for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

Exhibit 10.3

3.7 Governing Law. The laws of the State of Delaware shall govern the interpretation, validity, administration, enforcement and performance of the terms of this Agreement and the Grant Notice, regardless of the law that might be applied under principles of conflicts of laws.

3.8 Conformity to Securities Laws. Participant acknowledges that the Plan, this Agreement and the Grant Notice are intended to conform to the extent necessary with all provisions of the Securities Act and the Exchange Act and any and all regulations and rules promulgated by the Securities and Exchange Commission thereunder, and state securities laws and regulations. Notwithstanding anything herein to the contrary, the Plan shall be administered, and the RSUs are granted, only in such a manner as to conform to such laws, rules and regulations. To the extent permitted by applicable law, the Plan, this Agreement and the Grant Notice shall be deemed amended to the extent necessary to conform to such laws, rules and regulations.

3.9 Amendments, Suspension and Termination. To the extent permitted by the Plan, the Administrator or the Board may waive any conditions or rights under, amend any terms of, or alter, suspend, discontinue, cancel or terminate, this Agreement, the Grant Notice and/or the RSUs granted hereunder, prospectively or retroactively (including after Participant's termination of employment or service with the Company); *provided* that any such waiver, amendment, alteration, suspension, discontinuance, cancellation or termination that would materially and adversely affect the rights of Participant with respect to the RSUs granted hereunder shall not to that extent be effective without Participant's consent unless the Committee or the Board, as applicable, determines that such either is required or advisable in order for the Company, the Plan or the award of RSUs made hereunder to satisfy any applicable law or regulation. Nothing in this Agreement or the Grant Notice shall restrict in any way the adoption of any amendment, modification, suspension or termination to the Plan in accordance with the terms of the Plan.

3.10 Successors and Assigns. The Company may assign any of its rights under this Agreement and the Grant Notice to single or multiple assignees, and this Agreement and the Grant Notice shall inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer herein set forth in Section 3.3 hereof, this Agreement and the Grant Notice shall be binding upon Participant and his or her heirs, executors, administrators, successors and assigns.

3.11 Limitations Applicable to Section 16 Persons. Notwithstanding any other provision of the Plan or this Agreement, if Participant is subject to Section 16 of the Exchange Act, the Plan, the RSUs and this Agreement shall be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3 of the Exchange Act) that are requirements for the application of such exemptive rule. To the extent permitted by applicable law, this Agreement shall be deemed amended to the extent necessary to conform to such applicable exemptive rule.

3.12 Not a Contract of Employment. Nothing in the Plan, this Agreement or the Grant Notice shall confer upon Participant any right to continue to serve as an employee or other service provider of the Company or any of its Affiliates.

3.13 Entire Agreement. The Plan, the Grant Notice and this Agreement constitute the entire agreement of the parties and supersede in their entirety all prior undertakings and agreements of the Company and Participant with respect to the subject matter hereof.

3.14 Section 409A; Taxes. The RSUs are not intended to constitute "nonqualified deferred compensation" within the meaning of Section 409A of the Code (together with any Department of Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the date hereof, "***Section 409A***"). Notwithstanding

Exhibit 10.3

any other provision of the Plan, the Grant Notice or this Agreement, if at any time the Administrator determines that the RSUs (or any portion thereof) may be subject to Section 409A, the Administrator shall have the right, in its sole discretion (without any obligation to do so or to indemnify Participant or any other person for failure to do so, and without Participant's consent), to adopt such amendments to the Plan, the Grant Notice or this Agreement, or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, as the Administrator determines are necessary or appropriate for the RSUs either to be exempt from the application of Section 409A or to comply with the requirements of Section 409A. This Section 3.14 does not create an obligation on the part of the Company to modify the Plan or this Award Agreement and does not guarantee that the RSUs will not be subject to taxes, interest and penalties under Section 409A. For the avoidance of doubt, Participant is solely responsible and liable for the satisfaction of all taxes and penalties that may be imposed on or for his account in connection with this Agreement (including any taxes and penalties under Section 409A), and neither the Company nor any Affiliate shall have any obligation to indemnify or otherwise hold Participant (or any beneficiary) harmless from any or all of such taxes or penalties.

3.15 Limitation on Participant's Rights. Participation in the Plan confers no rights or interests other than as herein provided. This Agreement and the Grant Notice create only a contractual obligation on the part of the Company as to amounts payable and shall not be construed as creating a trust or separate fund of any kind, or a fiduciary relationship between the Company, any Affiliate of the Company, or the Administrator, on the one hand, and Participant or other person or entity, on the other hand. Neither the Plan nor any underlying program, in and of itself, has any assets. Participant shall have only the rights of a general unsecured creditor of the Company with respect to amounts credited and benefits payable, if any, with respect to the RSUs, and rights no greater than the right to receive hares as a general unsecured creditor with respect to the RSUs, as and when payable hereunder.

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Section 4: EX-10.4 (FORM OF ANNUAL CASH AWARD GRANT NOTICE AND AGREEMENT)

Exhibit 10.4

SPIRIT AIRLINES, INC.

2015 INCENTIVE AWARD PLAN

ANNUAL CASH AWARD GRANT NOTICE AND
ANNUAL CASH AWARD AGREEMENT

Spirit Airlines, Inc., a Delaware corporation (the "***Company***"), pursuant to its 2015 Incentive Award Plan, as amended from time to time (the "***Plan***"), hereby grants to the individual listed below ("***Participant***"), a cash bonus award in respect of the Company's performance in fiscal year 2015 (the "***Award***"). This Award is subject to all of the terms and conditions as set forth herein and in the Annual Cash Award Agreement attached hereto as Exhibit A (the "***Agreement***") and the Plan, each of which is incorporated herein by reference. Capitalized terms not specifically defined in this Grant Notice and the Agreement shall have the meanings specified in the Plan.

Participant's Name:	___
Grant Date:	___
Target Cash Award:	__
Performance Period:	___

By his or her signature and the Company's signature below, Participant agrees to be bound by the terms and conditions of the Plan, the Agreement and this Grant Notice (including Exhibit B attached hereto). Participant has reviewed the Agreement, the Plan and this Grant Notice in their entirety, and fully understands all provisions of the Agreement, the Plan and this Grant Notice. In addition, by signing below, Participant agrees that the Company, in its sole discretion, may satisfy any withholding obligations in accordance with Section 2.6 of the Agreement by using any other method permitted by the Plan or Section 2.6 of the Agreement. Participant hereby

agrees to accept as binding, conclusive and final all decisions or interpretations of the Administrator upon any questions arising under the Plan or relating to the Award.

SPIRIT AIRLINES, INC.:		**PARTICIPANT:**	
By:	______	By:	______
Print Name:	______	Print Name:	______
Title:	______		

Exhibit 10.4

EXHIBIT A

TO ANNUAL CASH AWARD GRANT NOTICE

ANNUAL CASH AWARD AGREEMENT

Pursuant to the Annual Cash Award Grant Notice (the "***Grant Notice***") to which this Annual Cash Award Agreement (this "***Agreement***") is attached, Spirit Airlines, Inc., a Delaware corporation (the "***Company***"), has granted to Participant a cash bonus award in respect of the Company's performance in fiscal year 2015 ("***Award***") under the Company's 2015 Incentive Award Plan, as amended from time to time (the "***Plan***").

ARTICLE I

GENERAL

1.1 Defined Terms. Capitalized terms not specifically defined herein shall have the meanings specified in the Plan and the Grant Notice.

1.2 Incorporation of Terms of Plan. The Award is subject to the terms and conditions of the Plan which are incorporated herein by reference. In the event of any inconsistency between the Plan and this Agreement, the terms of the Plan shall control.

1.3 Stockholder Approval Condition. The grant of the Award hereunder, the Grant Notice and this Agreement are subject to approval of the Plan by the stockholders of the Company in accordance with Section 14.3 of the Plan. If such stockholder approval is not obtained, the grant of the Award hereunder, the Grant Notice and this Agreement shall automatically terminate and become null and void and be of no further force or effect.

1.4 Performance Award. The Award is a Performance Award intended to qualify as a "Performance-Based Compensation" under the Plan, and accordingly the provisions of Article V thereunder shall apply to the Award and are hereby incorporated herein by reference.

ARTICLE II

GRANT OF AWARD

2.1 Grant of Award. In consideration of Participant's past and/or continued employment with or service to the Company or a Subsidiary and for other good and valuable consideration, effective as of the Grant Date set forth in the Grant Notice (the "***Grant Date***"), the Company grants to Participant the Award as set forth in the Grant Notice, upon the terms and conditions set forth in the Plan, this Agreement and the Grant Notice (including Exhibit B attached thereto).

2.2 Performance Conditions. The target amount of the Award is set forth in the Grant Notice. The actual Award amount shall be determined in accordance with Section 2.3 hereof based on the achievement of the Performance Goals set forth on Exhibit B to the Grant Notice for the January 1, 2015 to December 31, 2015 Performance Period (the "***2015 Performance Period***").

2.3 Certification. Following the completion of the 2015 Performance Period, the Committee shall review and certify in writing (which may be in the form of minutes of a meeting of the Committee)

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whether and the extent to which the applicable Performance Goals have been achieved for the 2015 Performance Period, and, if so, calculate and certify in writing (which may be in such form as the Committee shall determine, including minutes of a meeting of the Committee) that amount of the Award actually earned based upon the applicable payout formula set forth in Exhibit B to the Grant Notice. The Committee may apply discretion to eliminate or reduce the amount of the Award payable to Participant consistent with Section 162(m) of the Code.

2.3 Payment. Any amount of the Award that is earned, as determined by the Committee in accordance with Section 2.2, shall be payable within sixty (60) days following the end of the Performance Period. Any such payment shall be subject to all applicable tax withholding in accordance with Section 2.6 hereof.

2.4 Death, Disability and Change-in-Control Treatment.

(a) In the event of the Participant's death, Termination of Service due to the Participant's permanent disability (within the meaning of Section 22(e) of the Code), or in the event of a Change in Control, in each case occurring prior to the end of the 2015 Performance Period, the Committee shall determine, in its sole discretion, whether any portion of the Award shall be paid to Participant or Participant's beneficiary or personal representative, as the case may be.

(b) In the event of the Participant's death, Termination of Service due to the Participant's permanent disability (within the meaning of Section 22(e) of the Code), or in the event of a Change in Control, in each case occurring on or after the end of the 2015 Performance Period but before payment, payment of the Award (if any) shall be determined by the Committee in accordance with Section 2.2 hereof and paid to Participant or Participant's beneficiary or personal representative, as the case may be, in accordance with Section 2.3 hereof.

2.5 Forfeiture, Termination and Cancellation upon Termination of Service. Upon Participant's Termination of Service for any or no reason, the Award (except for any partial payment, if any, approved pursuant to Section 2.4(a) hereof) will thereupon be automatically forfeited, terminated and cancelled as of the applicable termination date without payment of any consideration therefor, and the Participant, or Participant's beneficiary or personal representative, as the case may be, shall have no further rights hereunder.

2.6 Tax Withholding. Notwithstanding anything to the contrary in this Agreement or the Grant Notice, the Company shall be entitled to require payment by Participant of any sums required by applicable law to be withheld with respect to the grant or payment of the Award. Such payment shall be made in the manner determined by the Company in its sole discretion, and may be made by deduction from other compensation payable to Participant or in such other form of consideration acceptable to the Company.

2.7 Clawback. If Participant at any time during the period commencing on the Grant Date and ending on the first anniversary of the Grant Date engages in any activity in competition with the Company, or which is inimical, contrary or harmful to the interests of the Company in the determination of the Administrator (including, without limitation, committing fraud or conduct contributing to any financial restatements or irregularities, or violating a non-competition, non-solicitation, non-disparagement or non-disclosure covenant or agreement with the Company or any Affiliate, as determined by the Administrator), then Participant must pay to the Company any amount actually or constructively received by Participant pursuant to the Award, and this Agreement and the Grant Notice shall terminate and the Award (whether or not earned) shall be forfeited without payment of any consideration therefor. In addition and without limiting

the foregoing, to the extent required by applicable law and/or the rules and regulations of the securities exchange or inter-dealer quotation system on which the Common Stock is listed or quoted, or if so required pursuant to a written policy adopted by the Company which applies to Participant, this Agreement and the Award shall be subject (including on a retroactive basis) to such clawback, forfeiture or similar requirements, and such requirements shall be deemed incorporated by reference into this Agreement

ARTICLE III

OTHER PROVISIONS

3.1 Administration. The Administrator shall have the power to interpret the Plan, this Agreement and the Grant Notice and to adopt such rules for the administration, interpretation and application of the Plan as are consistent therewith and to interpret, amend or revoke any such rules. All actions taken and all interpretations and determinations made by the Administrator in good faith shall be final and binding upon Participant, the Company and all other interested persons. No member of the Committee or the Board shall be personally liable for any action, determination or interpretation taken or made, or omitted to be taken or made, under or with respect to the Plan, this Agreement, the Grant Notice or the Award (unless constituting fraud or a willful criminal act or omission). The duties and obligations of the Company, the Administrator and each member of the Administrator shall be determined only with reference to the Plan, the Grant Notice and this Agreement, and no implied duties or obligations shall be read into the Plan, this Agreement or the Grant Notice on the part of the Company, the Administrator or any member of the Administrator. Under no circumstances shall the Company, the Administrator or any member of the Administrator be obligated to prove good faith for any purpose, it being specifically understood and agreed that the Administrator and each member of the Administrator shall be presumed in all instances to have acted in good faith. To overcome this presumption of good faith, Participant shall have the burden of proving, by clear and convincing evidence, that the Administrator or the member of the Administrator, as the case may be, intentionally acted in bad faith.

3.2 Adjustments upon Specified Events. Participant acknowledges that the Award is subject to amendment, modification and termination in certain events as provided in this Agreement and Article 14 of the Plan.

3.3 Grant is Not Transferable. During the lifetime of Participant, the Award and the rights and privileges conferred hereby will not be sold, transferred, assigned, pledged, hypothecated or otherwise disposed in any way (whether by operation of law or otherwise), and will not be subject to sale under execution, attachment or similar process, unless and until the Award has been paid. Upon any attempt to sell, transfer, assign, pledge, hypothecate or otherwise dispose of the Award, or any right or privilege conferred hereby, or upon any attempted sale under any execution, attachment or similar process, the Award and the rights and privileges conferred hereby immediately will become null and void. Unless and until the Award has been paid, neither the Award nor any interest or right therein shall be liable for the debts, contracts or engagements of Participant or his or her successors in interest or shall be subject to disposition by transfer, alienation, anticipation, pledge, encumbrance, assignment or any other means whether such disposition be voluntary or involuntary or by operation of law by judgment, levy, attachment, garnishment or any other legal or equitable proceedings (including bankruptcy), and any attempted disposition thereof shall be null and void and of no effect. Notwithstanding anything herein to the contrary, this Section 3.3 shall not prevent transfers by will or applicable laws of descent and

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distribution; *provided, however*, that all such transfers shall be subject to the terms and conditions of the Plan, the Grant Notice and this Agreement.

3.4 Binding Agreement. Subject to the limitation on the transferability of the Award contained herein, this Agreement will be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

3.5 Notices. Any notice to be given under the terms of this Agreement to the Company shall be addressed to the Company in care of the Secretary of the Company at the Company's principal executive office, and any notice to be given to Participant shall be addressed to Participant at Participant's last address reflected on the Company's records. By a notice given pursuant to this Section 3.5, either party may hereafter designate a different address for notices to be given to that party. Any notice shall be deemed duly given when sent via email or when sent by certified mail (return receipt requested) and deposited (with postage prepaid) in a post office or branch post office regularly maintained by the United States Postal Service.

3.6 Titles. Titles provided herein are for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

3.7 Governing Law. The laws of the State of Delaware shall govern the interpretation, validity, administration, enforcement and performance of the terms of this Agreement and the Grant Notice, regardless of the law that might be applied under principles of conflicts of laws.

3.8 Conformity to Applicable Laws. Participant acknowledges that the Plan, this Agreement and the Grant Notice are intended to conform to the extent necessary with all applicable laws, rules and regulations. Notwithstanding anything herein to the contrary, the Plan shall be administered, and the Award is granted, only in such a manner as to conform to such laws, rules and regulations. To the extent permitted by applicable law, the Plan, this Agreement and the Grant Notice shall be deemed amended to the extent necessary to conform to such laws, rules and regulations.

3.9 Amendments, Suspension and Termination. To the extent permitted by the Plan, the Administrator or the Board may waive any conditions or rights under, amend any terms of, or alter, suspend, discontinue, cancel or terminate, this Agreement, the Grant Notice and/or the Award granted hereunder, prospectively or retroactively (including after Participant's termination of employment or service with the Company); *provided* that any such waiver, amendment, alteration, suspension, discontinuance, cancellation or termination that would materially and adversely affect the rights of Participant with respect to the Award granted hereunder shall not to that extent be effective without Participant's consent unless the Committee or the Board, as applicable, determines that such either is required or advisable in order for the Company, the Plan or the Award made hereunder to satisfy any applicable law or regulation. Nothing in this Agreement or the Grant Notice shall restrict in any way the adoption of any amendment, modification, suspension or termination to the Plan in accordance with the terms of the Plan.

3.10 Successors and Assigns. The Company may assign any of its rights under this Agreement and the Grant Notice to single or multiple assignees, and this Agreement and the Grant Notice shall inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer herein set forth in Section 3.3 hereof, this Agreement and the Grant Notice shall be binding upon Participant and his or her heirs, executors, administrators, successors and assigns.

3.11 Limitations Applicable to Section 16 Persons. Notwithstanding any other provision of the Plan or this Agreement, if Participant is subject to Section 16 of the Exchange Act, the Plan, the Award and this Agreement shall be subject to any additional limitations set forth in any applicable exemptive rule under

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Section 16 of the Exchange Act (including any amendment to Rule 16b-3 of the Exchange Act) that are requirements for the application of such exemptive rule. To the extent permitted by applicable law, this Agreement shall be deemed amended to the extent necessary to conform to such applicable exemptive rule.

3.12 Not a Contract of Employment. Nothing in the Plan, this Agreement or the Grant Notice shall confer upon Participant any right to continue to serve as an employee or other service provider of the Company or any of its Affiliates.

3.13 Entire Agreement. The Plan, the Grant Notice and this Agreement constitute the entire agreement of the parties and supersede in their entirety all prior undertakings and agreements of the Company and Participant with respect to the subject matter hereof.

3.14 Section 409A; Taxes. The Award is not intended to constitute "nonqualified deferred compensation" within the meaning of Section 409A of the Code (together with any Department of Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the date hereof, "***Section 409A***"). Notwithstanding any other provision of the Plan, the Grant Notice or this Agreement, if at any time the Administrator determines that the Award (or any portion thereof) may be subject to Section 409A, the Administrator shall have the right, in its sole discretion (without any obligation to do so or to indemnify Participant or any other person for failure to do so, and without Participant's consent), to adopt such amendments to the Plan, the Grant Notice or this Agreement, or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, as the Administrator determines are necessary or appropriate for the Award either to be exempt from the application of Section 409A or to comply with the requirements of Section 409A. This Section 3.14 does not create an obligation on the part of the Company to modify the Plan or this Award Agreement and does not guarantee that the Award will not be subject to taxes, interest and penalties under Section 409A. For the avoidance of doubt, Participant is solely responsible and liable for the satisfaction of all taxes and penalties that may be imposed on or for his account in connection with this Agreement (including any taxes and penalties under Section 409A), and neither the Company nor any Affiliate shall have any obligation to indemnify or otherwise hold Participant (or any beneficiary) harmless from any or all of such taxes or penalties.

3.15 Limitation on Participant's Rights. Participation in the Plan confers no rights or interests other than as herein provided. This Agreement and the Grant Notice create only a contractual obligation on the part of the Company as to amounts payable and shall not be construed as creating a trust or separate fund of any kind, or a fiduciary relationship between the Company, any Affiliate of the Company, or the Administrator, on the one hand, and Participant or other person or entity, on the other hand. Neither the Plan nor any underlying program, in and of itself, has any assets. Participant shall have only the rights of a general unsecured creditor of the Company with respect to amounts credited and benefits payable, if any, with respect to the Award, and rights no greater than the right to payment as a general unsecured creditor with respect to the Award, as and when payable hereunder.

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EXHIBIT B
TO ANNUAL CASH AWARD GRANT NOTICE

PERFORMANCE GOALS*

Metric	Target Basis	50% Payout (Threshold)	100% Payout (Target)	200% Payout (Stretch)	Payout Weight	Definition
Adjusted CASM ex-fuel	2015 Plan	5.053	4.930	4.856	50%	Operating costs less: fuel, restructuring cost, gain or loss asset disposition, special items, distribution and other marketing expenses, equity compensation expense , bonus expense, divided by ASMs.
Adjusted Total RASM	2015 Plan	9.773	10.180	10.404	30%	Operating revenue less: distribution and other marketing expenses, divided by ASMs.
A:14	Better of: A:14 ranking average monthly performance or % of target achievement	See below	See below	See below	10%	Percent of flights that arrive at the destination gate within 14 minutes of schedule per DOT reporting.
Courtesy Rate	Courtesy rate average monthly performance	96.39%	96.65%	97.38%	10%	All NPS detractor responses where words suggesting rudeness occurred (targeted key word search) divided by all NPS responses=Courtesy Rate %.

* Minimum threshold trigger for payout is $157 million of net income.

<u>A:14 Payout Calculation</u>:

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Payout is calculated based on the average percentage of target related to A:14% achievement or A:14 rank according to which calculation reflects the better performance.

Spirit A:14 Rank	Spirit A:14 % Achievement	% of Target Payout	Goal Level	Comparison Group
1 - 4 of 8	+	200%	Stretch	Delta Frontier JetBlue Southwest Spirit United American US Airways
5 of 8	75.0 – 78.9%	150%		
6 of 8	71.0 – 74.9%	100%	Target	
7 of 8	67.0% - 70.9%	50%	Threshold	
8 of 8	Less than 67.0%	0%	No Payout	

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Section 5: EX-10.5 (NON-EMPLOYEE DIRECTOR FORM OF RESTRICTED STOCK UNIT AWARD GRANT NOTICE AND AGRE)

Exhibit 10.5

SPIRIT AIRLINES, INC.

2015 INCENTIVE AWARD PLAN

NON-EMPLOYEE DIRECTOR FORM OF
RESTRICTED STOCK UNIT AWARD GRANT NOTICE AND
RESTRICTED STOCK UNIT AWARD AGREEMENT

Spirit Airlines, Inc., a Delaware corporation (the "***Company***"), pursuant to its 2015 Incentive Award Plan, as amended from time to time (the "***Plan***"), hereby grants to the individual listed below ("***Participant***"), an award of restricted stock units ("***Restricted Stock Units***" or "***RSUs***"). Each Restricted Stock Unit represents the right to receive one share of Common Stock upon vesting of such Restricted Stock Unit. This award of Restricted Stock Units is subject to all of the terms and conditions as set forth herein and in the Restricted Stock Unit Award Agreement attached hereto as Exhibit A (the "***Agreement***") and the Plan, each of which is incorporated herein by reference. Capitalized terms not specifically defined in this Grant Notice and the Agreement shall have the meanings specified in the Plan.

Participant's Name: ___

Grant Date: ___

Total Number of RSUs: __

Vesting Commencement Date: ___

Vesting Schedule:

By his or her signature and the Company's signature below, Participant agrees to be bound by the terms and conditions of the Plan, the Agreement and this Grant Notice. Participant has reviewed the Agreement, the Plan and this Grant Notice in their entirety, and fully understands all provisions of the Agreement, the Plan and this Grant Notice. Additionally, by signing below, Participant agrees that Participant has read, fully understands and agrees to abide by the terms of the Company's Insider Trading Policy and has read and fully understands the plan prospectus and prospectus Supplement, if applicable, copies of which have been provided to Participant. In

addition, by signing below, Participant agrees that the Company, in its sole discretion, may satisfy any withholding obligations in accordance with Section 2.5 of the Agreement by (i) withholding shares of Common Stock otherwise issuable to Participant upon vesting of the RSUs, (ii) instructing a broker on Participant's behalf to sell shares of Common Stock otherwise issuable to Participant upon vesting of the RSUs and submit the proceeds of such sale to the Company, or (iii) using any other method permitted by the Plan or Section 2.5 of the Agreement. Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Administrator upon any questions arising under the Plan or relating to the RSUs.

SPIRIT AIRLINES, INC.:		**PARTICIPANT:**	
By:	______	By:	______
Print Name:	______	Print Name:	______
Title:	______		

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EXHIBIT A

TO RESTRICTED STOCK UNIT AWARD GRANT NOTICE

RESTRICTED STOCK UNIT AWARD AGREEMENT

Pursuant to the Restricted Stock Unit Award Grant Notice (the "***Grant Notice***") to which this Restricted Stock Unit Award Agreement (this "***Agreement***") is attached, Spirit Airlines, Inc., a Delaware corporation (the "***Company***"), has granted to Participant an award of restricted stock units ("***Restricted Stock Units***" or "***RSUs***") under the Company's 2015 Incentive Award Plan, as amended from time to time (the "***Plan***").

ARTICLE I

GENERAL

1.1 Defined Terms. Capitalized terms not specifically defined herein shall have the meanings specified in the Plan and the Grant Notice.

1.2 General. Each Restricted Stock Unit shall constitute a non-voting unit of measurement which is deemed for bookkeeping purposes to be equivalent to one outstanding share of the Company's Common Stock ("***Share***") (subject to adjustment as provided in Section 14.2 of the Plan) solely for purposes of the Plan and this Agreement. The Restricted Stock Units shall be used solely as a device for the determination of the payment to eventually be made to Participant if such Restricted Stock Units vest pursuant to Section 2.3 hereof. The Restricted Stock Units shall not be treated as property or as a trust fund of any kind.

1.3 Incorporation of Terms of Plan. RSUs are subject to the terms and conditions of the Plan which are incorporated herein by reference. In the event of any inconsistency between the Plan and this Agreement, the terms of the Plan shall control.

1.4 Shareholder Approval Condition. The grant of RSUs hereunder, the Grant Notice and this Agreement are subject to approval of the Plan by the stockholders of the Company in accordance with Section 14.3 of the Plan. If such stockholder approval is not obtained, the grant of RSUs hereunder, the Grant Notice and this Agreement shall automatically terminate and become null and void and be of no further force or effect.

ARTICLE II

GRANT OF RESTRICTED STOCK UNITS

2.1 Grant of RSUs. In consideration of Participant's past and/or continued service to the Company or a Subsidiary and for other good and valuable consideration, effective as of the Grant Date set forth in the Grant Notice (the "***Grant Date***"), the Company grants to Participant an award of RSUs as set forth in the Grant Notice, upon the terms and conditions set forth in the Plan, this Agreement and the Grant Notice.

2.2 Company's Obligation to Pay. Each RSU has a value equal to the Fair Market Value of a Share on the date it becomes vested. Unless and until the RSUs will have vested in the manner set forth in Article II hereof, Participant will have no right to payment with respect to the RSUs. Prior to actual

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payment of any vested RSUs, such RSUs will represent an unsecured obligation of the Company, payable (if at all) only from the general assets of the Company.

2.3 Vesting Schedule. Subject to Section 2.4 hereof, the RSUs will vest and become nonforfeitable with respect to the applicable portion thereof according to the vesting schedule set forth on the Grant Notice to which this Agreement is attached (the "***Vesting Schedule***").

2.4 Termination of Service. Upon the Participant's Termination of Service for any reason, the RSUs will automatically vest in full upon such Termination of Service.

2.5 Payment after Vesting.

(a) On the thirtieth (30th) day following the vesting of any Restricted Stock Units pursuant to Section 2.3 or Section 2.4 hereof, the Company shall deliver to Participant a number of Shares (either by delivering one or more certificates for such Shares or by entering such Shares in book entry form, as determined by the Company in its sole discretion) equal to the number of Restricted Stock Units subject to this award that vest on the applicable vesting date. Notwithstanding the foregoing, in the event Shares cannot be issued pursuant to Section 2.7(a), (b) or (c) hereof, then the Shares shall be issued pursuant to the preceding sentence as soon as administratively practicable after the Committee determines that Shares can again be issued in accordance with Sections 2.7(a), (b) and (c) hereof. Notwithstanding any discretion in the Plan, this Agreement or the Grant Notice to the contrary, upon vesting of the RSUs, Shares will be issued as set forth in this section. In no event will the RSUs be paid to Participant in the form of cash.

(b) Participant shall be solely responsible and liable for the satisfaction of all federal, state and local taxes that may be imposed on or for the account of Participant in connection with the RSUs or this Agreement, and none of the Company nor any of its Affiliates shall have any obligation to indemnify or otherwise hold Participant (or any beneficiary) harmless from any or all of such taxes.

(c) If applicable, then notwithstanding anything to the contrary in this Agreement or the Grant Notice, the Company shall be entitled to require payment by Participant of any sums required by applicable law to be withheld with respect to the grant or vesting of the RSUs or the issuance of the shares of Common Stock. Such payment shall be made in the manner determined by the Company in its sole discretion, and may be made by deduction from other compensation payable to Participant or in such other form of consideration acceptable to the Company, which may include:

(i) Cash or check;

(ii) Surrender of shares of Common Stock held for such period of time as may be required by the Administrator in order to avoid adverse accounting consequences and having a Fair Market Value on the date of delivery equal to the minimum amount required to be withheld by statute; or

(iii) Other property acceptable to the Company in its sole discretion (including, without limitation, through the delivery of a notice that Participant has placed a market sell order with a broker with respect to shares of Common Stock payable pursuant to the RSUs, and that the broker has been directed to pay a sufficient portion of the net proceeds of the sale to the Company in satisfaction of its withholding obligations; *provided* that payment of such proceeds is then made to the Company at such time as may be required by the Company, but in any event not later than the settlement of such sale).

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If applicable, the Company shall not be obligated to deliver any new certificate representing shares of Common Stock to Participant or Participant's legal representative or enter such shares of Common Stock in book entry form unless and until Participant or Participant's legal representative shall have paid or otherwise satisfied in full the amount of all federal, state and local taxes applicable to the taxable income of Participant resulting from the grant or vesting of the RSUs or the issuance of shares of Common Stock pursuant to the RSUs.

2.6 Rights as Stockholder. The holder of the RSUs shall not be, nor have any of the rights or privileges of, a stockholder of the Company, including, without limitation, any dividend rights and voting rights, in respect of the RSUs and any shares of Common Stock underlying the RSUs and deliverable hereunder unless and until such shares of Common Stock shall have been actually issued by the Company and held of record by such holder (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company). No adjustment will be made for a dividend or other right for which the record date is prior to the date the shares of Common Stock are issued, except as provided in Section 14.2 of the Plan.

2.7 Conditions to Delivery of Shares. Subject to Section 11.4 of the Plan and Section 3.5 hereof, the shares of Common Stock deliverable hereunder, or any portion thereof, may be either previously authorized but unissued shares of Common Stock or issued shares of Common Stock which have then been reacquired by the Company. Such shares of Common Stock shall be fully paid and nonassessable. The Company shall not be required to issue or deliver any shares of Common Stock deliverable hereunder or portion thereof prior to fulfillment of all of the following conditions:

(a) The admission of such shares of Common Stock to listing on all stock exchanges on which such Common Stock is then listed;

(b) The completion of any registration or other qualification of such shares of Common Stock under any state or federal law or under rulings or regulations of the Securities and Exchange Commission or of any other governmental regulatory body, which the Administrator shall, in its absolute discretion, deem necessary or advisable;

(c) The obtaining of any approval or other clearance from any federal, state or local governmental agency which the Administrator shall, in its absolute discretion, determine to be necessary or advisable;

(d) The receipt by the Company of full payment for such shares of Common Stock, including payment of any applicable withholding tax, which may be in one or more of the forms of consideration permitted under Section 2.5 hereof; and

(e) The lapse of such reasonable period of time following the vesting of any Restricted Stock Units as the Administrator may from time to time establish for reasons of administrative convenience.

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ARTICLE III

OTHER PROVISIONS

3.1 Administration. The Administrator shall have the power to interpret the Plan, this Agreement and the Grant Notice and to adopt such rules for the administration, interpretation and application of the Plan as are consistent therewith and to interpret, amend or revoke any such rules. All actions taken and all interpretations and determinations made by the Administrator in good faith shall be final and binding upon Participant, the Company and all other interested persons. No member of the Committee or the Board shall be personally liable for any action, determination or interpretation taken or made, or omitted to be taken or made, under or with respect to the Plan, this Agreement, the Grant Notice or the RSUs (unless constituting fraud or a willful criminal act or omission). The duties and obligations of the Company, the Administrator and each member of the Administrator shall be determined only with reference to the Plan and this Agreement, and no implied duties or obligations shall be read into the Plan, this Agreement or the Grant Notice on the part of the Company, the Administrator or any member of the Administrator. Under no circumstances shall the Company, the Administrator or any member of the Administrator be obligated to prove good faith for any purpose, it being specifically understood and agreed that the Administrator and each member of the Administrator shall be presumed in all instances to have acted in good faith. To overcome this presumption of good faith, Participant shall have the burden of proving, by clear and convincing evidence, that the Administrator or the member of the Administrator, as the case may be, intentionally acted in bad faith.

3.2 Adjustments upon Specified Events. The Administrator may accelerate payment of the RSUs in such circumstances as it, in its sole discretion, may determine. In addition, upon the occurrence of certain events relating to the Common Stock contemplated by Section 14.2 of the Plan, the Administrator shall make such adjustments the Administrator deems appropriate in the number of RSUs then outstanding and the number and kind of securities that may be issued in respect of the RSUs. Participant acknowledges that the RSUs are subject to amendment, modification and termination in certain events as provided in this Agreement and Article 14 of the Plan.

3.3 Grant is Not Transferable. During the lifetime of Participant, the RSUs and the rights and privileges conferred hereby will not be sold, transferred, assigned, pledged, hypothecated or otherwise disposed in any way (whether by operation of law or otherwise), and will not be subject to sale under execution, attachment or similar process, unless and until the shares of Common Stock underlying the RSUs have been issued. Upon any attempt to sell, transfer, assign, pledge, hypothecate or otherwise dispose of the RSUs, or any right or privilege conferred hereby, or upon any attempted sale under any execution, attachment or similar process, the RSUs and the rights and privileges conferred hereby immediately will become null and void. Unless and until the shares of Common Stock underlying the RSUs have been issued, neither the RSUs nor any interest or right therein shall be liable for the debts, contracts or engagements of Participant or his or her successors in interest or shall be subject to disposition by transfer, alienation, anticipation, pledge, encumbrance, assignment or any other means whether such disposition be voluntary or involuntary or by operation of law by judgment, levy, attachment, garnishment or any other legal or equitable proceedings (including bankruptcy), and any attempted disposition thereof shall be null and void and of no effect. Notwithstanding anything herein to the contrary, this Section 3.3 shall not prevent transfers by will or applicable laws of descent and distribution; *provided, however*, that all such transfers shall be subject to the terms and conditions of the Plan, the Grant Notice and this Agreement..

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3.4 Binding Agreement. Subject to the limitation on the transferability of the RSUs contained herein, this Agreement will be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

3.5 Notices. Any notice to be given under the terms of this Agreement to the Company shall be addressed to the Company in care of the Secretary of the Company at the Company's principal executive office, and any notice to be given to Participant shall be addressed to Participant at Participant's last address reflected on the Company's records. By a notice given pursuant to this Section 3.5, either party may hereafter designate a different address for notices to be given to that party. Any notice shall be deemed duly given when sent via email or when sent by certified mail (return receipt requested) and deposited (with postage prepaid) in a post office or branch post office regularly maintained by the United States Postal Service.

3.6 Titles. Titles provided herein are for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

3.7 Governing Law. The laws of the State of Delaware shall govern the interpretation, validity, administration, enforcement and performance of the terms of this Agreement and the Grant Notice, regardless of the law that might be applied under principles of conflicts of laws.

3.8 Conformity to Securities Laws. Participant acknowledges that the Plan, this Agreement and the Grant Notice are intended to conform to the extent necessary with all provisions of the Securities Act and the Exchange Act and any and all regulations and rules promulgated by the Securities and Exchange Commission thereunder, and state securities laws and regulations. Notwithstanding anything herein to the contrary, the Plan shall be administered, and the RSUs are granted, only in such a manner as to conform to such laws, rules and regulations. To the extent permitted by applicable law, the Plan, this Agreement and the Grant Notice shall be deemed amended to the extent necessary to conform to such laws, rules and regulations.

3.9 Amendments, Suspension and Termination. To the extent permitted by the Plan, the Administrator or the Board may waive any conditions or rights under, amend any terms of, or alter, suspend, discontinue, cancel or terminate, this Agreement, the Grant Notice and/or the RSUs granted hereunder, prospectively or retroactively (including after Participant's termination of service with the Company); *provided* that any such waiver, amendment, alteration, suspension, discontinuance, cancellation or termination that would materially and adversely affect the rights of Participant with respect to the RSUs granted hereunder shall not to that extent be effective without Participant's consent unless the Committee or the Board, as applicable, determines that such either is required or advisable in order for the Company, the Plan or the award of RSUs made hereunder to satisfy any applicable law or regulation. Nothing in this Agreement or the Grant Notice shall restrict in any way the adoption of any amendment, modification, suspension or termination to the Plan in accordance with the terms of the Plan.

3.10 Successors and Assigns. The Company may assign any of its rights under this Agreement and the Grant Notice to single or multiple assignees, and this Agreement and the Grant Notice shall inure to the benefit of, and be binding upon, the successors and assigns of the Company. Subject to the restrictions on transfer herein set forth in Section 3.3 hereof, this Agreement and the Grant Notice shall be binding upon Participant and his or her heirs, executors, administrators, successors and assigns.

3.11 Limitations Applicable to Section 16 Persons. Notwithstanding any other provision of the Plan or this Agreement, if Participant is subject to Section 16 of the Exchange Act, the Plan, the RSUs and this Agreement shall be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3 of the Exchange Act) that are

Exhibit 10.5

requirements for the application of such exemptive rule. To the extent permitted by applicable law, this Agreement shall be deemed amended to the extent necessary to conform to such applicable exemptive rule.

3.12 Not a Contract of Employment or Service. Nothing in the Plan, this Agreement or the Grant Notice shall confer upon Participant any right to continue to serve as an employee, director or other service provider of the Company or any of its Affiliates.

3.13 Entire Agreement. The Plan, the Grant Notice and this Agreement constitute the entire agreement of the parties and supersede in their entirety all prior undertakings and agreements of the Company and Participant with respect to the subject matter hereof.

3.14 Section 409A; Taxes. The RSUs are not intended to constitute "nonqualified deferred compensation" within the meaning of Section 409A of the Code (together with any Department of Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the date hereof, "***Section 409A***"). Notwithstanding any other provision of the Plan, the Grant Notice or this Agreement, if at any time the Administrator determines that the RSUs (or any portion thereof) may be subject to Section 409A, the Administrator shall have the right, in its sole discretion (without any obligation to do so or to indemnify Participant or any other person for failure to do so, and without Participant's consent), to adopt such amendments to the Plan, the Grant Notice or this Agreement, or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, as the Administrator determines are necessary or appropriate for the RSUs either to be exempt from the application of Section 409A or to comply with the requirements of Section 409A. This Section 3.14 does not create an obligation on the part of the Company to modify the Plan or this Award Agreement and does not guarantee that the RSUs will not be subject to taxes, interest and penalties under Section 409A. For the avoidance of doubt, Participant is solely responsible and liable for the satisfaction of all taxes and penalties that may be imposed on or for his account in connection with this Agreement (including any taxes and penalties under Section 409A), and neither the Company nor any Affiliate shall have any obligation to indemnify or otherwise hold Participant (or any beneficiary) harmless from any or all of such taxes or penalties.

3.15 Limitation on Participant's Rights. Participation in the Plan confers no rights or interests other than as herein provided. This Agreement and the Grant Notice create only a contractual obligation on the part of the Company as to amounts payable and shall not be construed as creating a trust or separate fund of any kind, or a fiduciary relationship between the Company, any Affiliate of the Company, or the Administrator, on the one hand, and Participant or other person or entity, on the other hand. Neither the Plan nor any underlying program, in and of itself, has any assets. Participant shall have only the rights of a general unsecured creditor of the Company with respect to amounts credited and benefits payable, if any, with respect to the RSUs, and rights no greater than the right to receive shares of Common Stock as a general unsecured creditor with respect to the RSUs, as and when payable hereunder.

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Section 6: EX-10.6 (FORM OF RESTRICTED STOCK AWARD NOTICE AND AGREEMENT)

Exhibit 10.6

SPIRIT AIRLINES, INC.

2011 EQUITY INCENTIVE AWARD PLAN

RESTRICTED STOCK AWARD GRANT NOTICE AND RESTRICTED STOCK AWARD AGREEMENT

Spirit Airlines, Inc., a Delaware corporation (the "***Company***"), pursuant to its 2011 Equity Incentive Award Plan, as amended from time to time (the "***Plan***"), hereby grants to the individual listed below ("***Participant***"), an award of restricted shares of Common Stock ("***Restricted Shares***"). This award of Restricted Shares vests over time and is subject to all of the terms and conditions as set forth herein and in the Restricted Stock Award Agreement attached hereto as Exhibit A (the "***Agreement***") and the Plan, each of which is incorporated herein by reference. Capitalized terms not specifically defined in this Grant Notice and the Agreement shall have the meanings specified in the Plan.

Participant's Name: ___

Grant Date: ___

Total Number of Restricted Shares: __

Vesting Commencement Date: ___

Vesting Schedule:

By his or her signature and the Company's signature below, Participant agrees to be bound by the terms and conditions of the Plan, the Agreement and this Grant Notice. Participant has reviewed the Agreement, the Plan and this Grant Notice in their entirety, and fully understands all provisions of the Agreement, the Plan and this Grant Notice. Additionally, by signing below, Participant agrees that Participant has read, fully understands and agrees to abide by the terms of the Company's Insider Trading Policy and has read and fully understands the plan prospectus and prospectus supplement, if applicable, copies of which have been provided to Participant. In addition, by signing below, Participant agrees that the Company, in its sole discretion, may satisfy any withholding obligations in accordance with Section 2.6 of the Agreement by (i) withholding shares of Common Stock otherwise issuable to Participant upon vesting of the Restricted Shares, (ii) instructing a broker on Participant's behalf to sell the Restricted Shares upon vesting and submit the proceeds of such sale to the Company, or (iii) using any other method permitted by the Plan or Section 2.6 of the Agreement. Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Administrator upon any questions arising under the Plan or relating to the Restricted Shares.

SPIRIT AIRLINES, INC.:		**PARTICIPANT:**	
By:	______	By:	______
Print Name:	______	Print Name:	______
Title:	______		

EXHIBIT A

TO RESTRICTED STOCK AWARD GRANT NOTICE

RESTRICTED STOCK AWARD AGREEMENT

Pursuant to the Restricted Stock Award Grant Notice (the "***Grant Notice***") to which this Restricted Stock Award Agreement (this "***Agreement***") is attached, Spirit Airlines, Inc., a Delaware corporation (the "***Company***"), has granted to Participant an award of restricted shares of Common Stock ("***Restricted Shares***") under the Company's 2011 Equity Incentive Award Plan, as amended from time to time (the "***Plan***").

ARTICLE I

GENERAL

1.1 Defined Terms. Capitalized terms not specifically defined herein shall have the meanings specified in the Plan and the Grant Notice.

1.2 General. Each Restricted Share is subject to the vesting conditions set forth in Section 2.2, the transfer restrictions set forth in Section 3.3 and the cancellation provisions set forth in Sections 2.4 and 2.9.

1.3 Incorporation of Terms of Plan. The Restricted Shares are subject to the terms and conditions of the Plan which are incorporated herein by reference. In the event of any inconsistency between the Plan and this Agreement, the terms of the Plan shall control.

ARTICLE II

GRANT OF RESTRICTED STOCK

2.1 Grant of Restricted Stock. In consideration of Participant's past and/or continued employment with or service to the Company or a Subsidiary and for other good and valuable consideration, effective as of the Grant Date set forth in the Grant Notice (the

"***Grant Date***"), the Company grants to Participant an award of Restricted Shares as set forth in the Grant Notice, upon the terms and conditions set forth in the Plan, this Agreement and the Grant Notice.

2.2 Vesting Schedule. Subject to Section 2.3 hereof, the Restricted Shares awarded by the Grant Notice will vest and become nonforfeitable with respect to the applicable portion thereof according to the vesting schedule set forth on the Grant Notice to which this Agreement is attached (the "***Vesting Schedule***"), subject to Participant's continued employment in active service with the Company and its Subsidiaries through such applicable vesting dates. Unless otherwise determined by the Administrator, partial employment, even if substantial, during any vesting period will not entitle Participant to any proportionate vesting or avoid or mitigate a termination of rights and benefits upon or following a Termination of Service, except as provided in Section 2.3 below or under the Plan.

2.3 Death, Disability and Change-in-Control Treatment.

(a) In the event the successor corporation in a Change in Control fails to assume or substitute the Restricted Shares in accordance with Section 14.2 of the Plan, the Restricted Shares will automatically vest in full as of immediately prior to the consummation of such Change in Control.

(b) In the event (i) Participant incurs a Termination of Service by reason of the Company's termination of Participant's employment other than for Cause (as defined below) or by reason of Participant's resignation for Good Reason (as defined below) and (ii) such Termination of Service is effective on or after the execution of a definitive agreement that contemplates a transaction that, if consummated, would constitute a Change in Control (a "***Transaction Agreement***") but before the effective date of such Change in Control, then any then-unvested Restricted Shares shall remain outstanding and shall automatically vest in full upon the effective date of such Change in Control; *provided*, that if such Transaction Agreement is terminated in accordance with its terms or a Change in Control does not otherwise occur as a result of the transaction contemplated by the Transaction Agreement, as determined by the Administrator in its sole discretion, then the Restricted Shares will thereupon be automatically forfeited, terminated and cancelled as of the date of termination of the Transaction Agreement or other determination date, without payment of any consideration therefor, and Participant, or Participant's beneficiary or personal representative, as the case may be, shall have no further rights hereunder in respect of such forfeited Restricted Shares.

(c) In the event (i) Participant incurs a Termination of Service by reason of the Company's termination of Participant's employment other than for Cause (as defined below) or by reason of Participant's resignation for Good Reason (as defined below) and (ii) such Termination of Service is effective during the period beginning on the effective date of a Change in Control and ending on the twelve (12) month anniversary thereof, then any then-unvested Restricted Shares will automatically vest in full as of the date of such Termination of Service.

(d) If Participant is an employee of the Company who has a Termination of Service by reason of Participant's death or permanent disability (within the meaning of Section 22(e) of the Code), the Restricted Shares will automatically vest in full as of the date of such Termination of Service.

(e) As used herein, "Cause" and Good Reason" shall have the meanings set forth below:

"***Cause***" shall mean that Participant has: (i) refused or repeatedly failed to perform the duties assigned to him/her but only if Participant's refusal or repeated failure to perform the duties assigned to him/her were willful and deliberate on Participant's part or committed in bad faith or without reasonable belief that such refusal or failure was in the best interests of the Company; (ii) engaged in a willful or intentional act that has the effect of injuring the reputation or business of the Company in any material respect; (iii) continually or repeatedly been absent from the Company, unless due to an approved leave due to serious illness or disability; (iv) used illegal drugs or been impaired due to other substances; (v) been convicted of any felony; (vi) committed an act of gross misconduct, fraud, embezzlement or theft against the Company; (vii) engaged in any act of such extreme nature that the Company determines to be grounds for immediate dismissal, including, but not limited to, harassment of any nature; or (viii) violated a material Company policy as determined by the Company's Chief Executive Officer, the Administrator and/or the Board.

"***Good Reason***" shall mean the occurrence of any of the following events, upon or following a Change in Control, without Participant's express written consent: (i) the assignment to Participant of any duties which constitutes a material negative change in Participant's position(s), duties or responsibilities with the Company immediately prior to the such change; *provided*, *however*, that the fact that Participant's duties following a Change in Control are owed to a successor or an Affiliate of a successor (whether or not public) shall not in and of itself constitute a change in such Participant's position(s), duties or responsibilities in any material respect; (ii) a material reduction in Participant's base salary or bonus opportunity as in effect immediately prior to such reduction; (iii) any requirement that Participant be based more than fifty (50) miles from Participant's principal place of employment immediately prior to the change in location of Participant's principal place of employment; (iv) the failure of a successor to: (a) continue in effect any material employee benefit plan or compensation plan in which Participant and Participant's eligible dependents are participating immediately prior to the Change in Control, unless Participant is permitted to participate in other plans providing Participant with substantially equivalent benefits in the aggregate, or (b) provide Participant with paid vacation in accordance with the plans, practices, programs and policies of the Company and its Affiliates in effect for Participant immediately prior to such Change in Control or as in effect generally at any time thereafter with respect to other similarly situated executives of the Company. Notwithstanding the foregoing, Participant shall not have "Good Reason" unless Participant notifies the Company in writing of

Participant's intent to resign within ninety (90) days after the initial occurrence of the event giving rise to a claim for Good Reason, the Company fails to cure the Good Reason provided by Participant in such notice within thirty (30) days after the Company's receipt of the notice, and Participant's resignation is effective within ninety (90) days of the Company's failure to cure.

2.4 Forfeiture, Termination and Cancellation upon Termination of Service. Upon Participant's Termination of Service for any or no reason, the then-unvested Restricted Shares subject to this Agreement (after giving effect to any accelerated vesting pursuant to Section 2.3 hereof) will thereupon be automatically forfeited, terminated and cancelled as of the applicable termination date without payment of any consideration therefor, and Participant, or Participant's beneficiary or personal representative, as the case may be, shall have no further rights hereunder.

2.5 Share Certificate and Shares held in Book-Entry Form. Upon Participant's request, a share certificate shall be issued by the Company's transfer agent, but only after the restrictions on the Restricted Shares have lapsed. Restrictions include, without limitation, any vesting conditions, transferability or other restrictions under applicable securities and other laws or under a Grant Notice, this Agreement or the Plan, and the satisfaction of any tax withholding obligations described in Section 2.6. Such delivery will occur within a reasonable amount of time, as required to satisfy withholding obligations and other administrative processes. Any account statement or similar instrument representing the Restricted Shares held in book-entry form shall bear a conspicuous legend or legends referencing the Plan, the Grant Notice and this Agreement and the terms, conditions and restrictions set forth therein and herein. The Administrator may cause an additional legend or legends to be put on such account statement or similar instrument or may cause a legend or legends to be put on a share certificate, as the Administrator may deem advisable under the Plan or this Agreement or as may be required by the rules, regulations, and other requirements of the Securities and Exchange Commission, any exchange that lists the Shares, and any applicable federal, state or local laws.

2.6 Tax Withholding. Notwithstanding anything to the contrary in this Agreement or the Grant Notice, the Company shall be entitled to require payment by Participant of any sums required by applicable law to be withheld with respect to the grant or vesting of the Restricted Shares. Such payment shall be made in the manner determined by the Company in its sole discretion, and may be made by deduction from other compensation payable to Participant or in such other form of consideration acceptable to the Company, which may include:

(i) Cash or check;

(ii) Surrender of shares of Common Stock (including, without limitation, the Restricted Shares) held for such period of time as may be required by the Administrator in order to avoid adverse accounting consequences and having a Fair Market Value on the date of delivery equal to the minimum amount required to be withheld by statute; or

(iii) Other property acceptable to the Company in its sole discretion (including, without limitation, through the delivery of a notice that Participant has placed a market sell order with a broker with respect to vested Restricted Shares, and that the broker has been directed to pay a sufficient portion of the net proceeds of the sale to the Company in satisfaction of its withholding obligations; *provided* that payment of such proceeds is then made to the Company at such time as may be required by the Company, but in any event not later than the settlement of such sale).

The Company shall not be obligated to deliver the certificate representing the Restricted Shares to Participant or Participant's legal representative unless and until Participant or Participant's legal representative shall have paid or otherwise satisfied in full the amount of all federal, state and local taxes applicable to the taxable income of Participant resulting from the grant or vesting of the Restricted Shares.

2.7 Rights as Stockholder. The holder of the Restricted Shares shall be, and shall have the rights or privileges of, a stockholder of the Company, including, without limitation, any dividend rights and voting rights, in respect of the Restricted Shares; *provided*, *however*, that the holder of the Restricted Shares shall not be entitled to receive, and shall forfeit and expressly waive any rights or privileges to receive, any dividends or distributions in respect of any Restricted Share which may be declared prior to such Restricted Share becoming vested and nonforfeitable in accordance with the Plan, this Agreement and the Grant Notice. No adjustment will be made to the Restricted Shares in respect of any dividend or other distribution declared by the Company, except as provided in Section 14.2 of the Plan.

2.8 Conditions to Delivery of Shares. Subject to Section 11.4 of the Plan, the shares of Common Stock issued hereunder, or any portion thereof, may be either previously authorized but unissued shares of Common Stock or issued shares of Common Stock which have then been reacquired by the Company. Such shares of Common Stock shall be fully paid and nonassessable. The Company shall not be required to issue any shares of Common Stock or portion thereof prior to fulfillment of all of the following conditions:

(a) The admission of such shares to listing on all stock exchanges on which such Common Stock is then listed;

(b) The completion of any registration or other qualification of such shares under any state or federal law or under rulings or regulations of the Securities and Exchange Commission or of any other governmental regulatory body, which the Administrator shall, in its absolute discretion, deem necessary or advisable;

(c) The obtaining of any approval or other clearance from any federal, state or local governmental agency which the Administrator shall, in its absolute discretion, determine to be necessary or advisable;

(d) The receipt by the Company of full payment for such shares, including payment of any applicable withholding tax, which may be in one or more of the forms of consideration permitted under Section 2.6 hereof; and

(e) The lapse of such reasonable period of time following the grant of any Restricted Share as the Administrator may from time to time establish for reasons of administrative convenience.

2.9 Clawback. If the Participant, at any time during the period commencing on the Grant Date and ending on the second anniversary of the date on which Participant incurs a Termination of Service or, if later, on the expiration of any applicable non-compete period, engages in any activity in competition with the Company, or which is inimical, contrary or harmful to the interests of the Company in the determination of the Administrator (including, without limitation, committing fraud or conduct contributing to any financial restatements or irregularities, or violating a non-competition, non-solicitation, non-disparagement or non-disclosure covenant or agreement with the Company or any parent or Subsidiary, as determined by the Administrator), then Participant must pay to the Company any proceeds, gains or other economic benefit actually or constructively received by Participant upon receipt of the Restricted Shares or upon the resale of vested Restricted Shares, and this Agreement and the Grant Notice shall terminate and any Restricted Shares (whether or not vested) shall be forfeited without payment of any consideration therefor. In addition and without limiting the foregoing, to the extent required by applicable law and/or the rules and regulations of the securities exchange or inter-dealer quotation system on which the Common Stock is listed or quoted, or if so required pursuant to a written policy adopted by the Company which applies to Participant, this Agreement and the Restricted Shares awarded hereunder shall be subject (including on a retroactive basis) to such clawback, forfeiture or similar requirements, and such requirements shall be deemed incorporated by reference into this Agreement.

ARTICLE III

OTHER PROVISIONS

3.1 Administration. The Administrator shall have the power to interpret the Plan, this Agreement and the Grant Notice and to adopt such rules for the administration, interpretation and application of the Plan as are consistent therewith and to interpret, amend or revoke any such rules. All actions taken and all interpretations and determinations made by the Administrator in good faith shall be final and binding upon Participant, the Company and all other interested persons. No member of the Committee or the Board shall be personally liable for any action, determination or interpretation taken or made, or omitted to be taken or made, under or with respect to the Plan, this Agreement, the Grant Notice or the Restricted Shares (unless constituting fraud or a willful criminal act or omission). The duties and obligations of the Company, the Administrator and each member of the Administrator shall be determined only with reference to the Plan and this Agreement, and no implied duties or obligations shall be read into the Plan, this Agreement or the Grant Notice on the part of the Company, the Administrator or any member of the Administrator. Under no circumstances shall the Company, the Administrator or any member of the Administrator be obligated to prove good faith for any purpose, it being specifically understood and agreed that the Administrator and each member of the Administrator shall be presumed in all instances to have acted in good faith. To overcome this presumption of good faith, Participant shall have the burden of proving, by clear and convincing evidence, that the Administrator or the member of the Administrator, as the case may be, intentionally acted in bad faith.

3.2 Adjustments upon Specified Events. The Administrator may accelerate vesting of the Restricted Shares in such circumstances as it, in its sole discretion, may determine. In addition, upon the occurrence of certain events relating to the Common Stock contemplated by Section 14.2 of the Plan, the Administrator shall make such adjustments the Administrator deems appropriate in the number of Restricted Shares then outstanding and the number and kind of securities that may be issued in respect of the Restricted Shares. Participant acknowledges that the Restricted Shares are subject to amendment, modification and termination in certain events as provided in this Agreement and Article 14 of the Plan. Unless otherwise determined by the Administrator, any shares of Common Stock or other securities of the Company received by Participant as a result of such adjustment shall be subject to the same restrictions as the related Restricted Shares, and all references to Restricted Shares hereunder shall be deemed to include such shares or other securities.

3.3 Grant is Not Transferable. During the lifetime of Participant, the Restricted Shares and the rights and privileges conferred hereby will not be sold, transferred, assigned, pledged, hypothecated or otherwise disposed in any way (whether by operation of law or otherwise), and will not be subject to sale under execution, attachment or similar process, unless and until the Restricted Shares are vested and the restrictions thereon shall have lapsed. Upon any attempt to sell, transfer, assign, pledge, hypothecate or otherwise dispose of the Restricted Shares, or any right or privilege conferred hereby, or upon any attempted sale under any execution, attachment or similar process, the Restricted Shares and the rights and privileges conferred hereby immediately will become null and void. Unless and until the Restricted Shares are vested and the restrictions thereon shall have lapsed, neither the Restricted Shares nor any interest or right therein shall be liable for the debts, contracts or engagements of Participant or his or her successors in interest or shall be subject to disposition by transfer, alienation, anticipation, pledge, encumbrance, assignment or any other means whether such disposition be voluntary or involuntary or by operation of law by judgment, levy, attachment, garnishment or any other legal or equitable proceedings (including bankruptcy), and any attempted disposition thereof shall be null and void and of no effect. Notwithstanding anything herein

to the contrary, this Section 3.3 shall not prevent transfers by will or applicable laws of descent and distribution, *provided, however*, that all such transfers shall be subject to the terms and conditions of the Plan, the Grant Notice and this Agreement.

3.4 Binding Agreement. Subject to the limitation on the transferability of the Restricted Shares contained herein, this Agreement will be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

3.5 Notices. Any notice to be given under the terms of this Agreement to the Company shall be addressed to the Company in care of the Secretary of the Company at the Company's principal executive office, and any notice to be given to Participant shall be addressed to Participant at Participant's last address reflected on the Company's records. By a notice given pursuant to this Section 3.5, either party may hereafter designate a different address for notices to be given to that party. Any notice shall be deemed duly given when sent via email or when sent by certified mail (return receipt requested) and deposited (with postage prepaid) in a post office or branch post office regularly maintained by the United States Postal Service.

3.6 Titles. Titles provided herein are for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

3.7 Governing Law. The laws of the State of Delaware shall govern the interpretation, validity, administration, enforcement and performance of the terms of this Agreement and the Grant Notice, regardless of the law that might be applied under principles of conflicts of laws.

3.8 Conformity to Securities Laws. Participant acknowledges that the Plan, this Agreement and the Grant Notice are intended to conform to the extent necessary with all provisions of the Securities Act and the Exchange Act and any and all regulations and rules promulgated by the Securities and Exchange Commission thereunder, and state securities laws and regulations. Notwithstanding anything herein to the contrary, the Plan shall be administered, and the Restricted Shares are granted, only in such a manner as to conform to such laws, rules and regulations. To the extent permitted by applicable law, the Plan, this Agreement and the Grant Notice shall be deemed amended to the extent necessary to conform to such laws, rules and regulations.

3.9 Amendments, Suspension and Termination. To the extent permitted by the Plan, the Administrator or the Board may waive any conditions or rights under, amend any terms of, or alter, suspend, discontinue, cancel or terminate, this Agreement, the Grant Notice and/or the Restricted Shares granted hereunder, prospectively or retroactively (including after Participant's termination of employment or service with the Company); *provided* that any such waiver, amendment, alteration, suspension, discontinuance, cancellation or termination that would materially and adversely affect the rights of Participant with respect to the Restricted Shares granted hereunder shall not to that extent be effective without Participant's consent unless the Committee or the Board, as applicable, determines that such either is required or advisable in order for the Company, the Plan or the award of Restricted Shares made hereunder to satisfy any applicable law or regulation. Nothing in this Agreement or the Grant Notice shall restrict in any way the adoption of any amendment, modification, suspension or termination to the Plan in accordance with the terms of the Plan.

3.10 Successors and Assigns. The Company may assign any of its rights under this Agreement and the Grant Notice to single or multiple assignees, and this Agreement and the Grant Notice shall inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer herein set forth in Section 3.3 hereof, this Agreement and the Grant Notice shall be binding upon Participant and his or her heirs, executors, administrators, successors and assigns.

3.11 Limitations Applicable to Section 16 Persons. Notwithstanding any other provision of the Plan or this Agreement, if Participant is subject to Section 16 of the Exchange Act, the Plan, the Restricted Shares and this Agreement shall be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3 of the Exchange Act) that are requirements for the application of such exemptive rule. To the extent permitted by applicable law, this Agreement shall be deemed amended to the extent necessary to conform to such applicable exemptive rule.

3.12 Not a Contract of Employment. Nothing in the Plan, this Agreement or the Grant Notice shall confer upon Participant any right to continue to serve as an employee or other service provider of the Company, any parent of the Company or any Subsidiary.

3.13 Entire Agreement. The Plan, the Grant Notice and this Agreement constitute the entire agreement of the parties and supersede in their entirety all prior undertakings and agreements of the Company and Participant with respect to the subject matter hereof.

3.14 Section 409A; Taxes. Restricted Shares are not subject to Section 409A of the Code (together with any Department of Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the date hereof, "***Section 409A***"). Notwithstanding any other provision of the Plan, the Grant Notice or this Agreement, if at any time the Administrator determines that the Restricted Shares (or any portion thereof) may be subject to Section 409A, the Administrator shall have the right, in its sole discretion (without any obligation to do so or to indemnify Participant or any other person for failure to do so, and without Participant's consent), to adopt such amendments to the Plan, this Agreement or the Grant Notice or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, as the Administrator determines are necessary or appropriate for the Restricted Shares either to be exempt from the

application of Section 409A or to comply with the requirements of Section 409A. This Section 3.14 does not create an obligation on the part of the Company to modify the Plan or this Award Agreement and does not guarantee that the Restricted Shares will not be subject to taxes, interest and penalties under Section 409A. For the avoidance of doubt, Participant is solely responsible and liable for the satisfaction of all taxes and penalties that may be imposed on or for his account in connection with this Agreement (including any taxes and penalties under Section 409A), and neither the Company nor any Affiliate shall have any obligation to indemnify or otherwise hold Participant (or any beneficiary) harmless from any or all of such taxes or penalties.

3.15 Limitation on Participant's Rights. Participation in the Plan confers no rights or interests other than as herein provided. This Agreement and the Grant Notice create only a contractual obligation on the part of the Company as to the Restricted Shares issued and shall not be construed as creating a trust or separate fund of any kind, or a fiduciary relationship between the Company, any parent of the Company, any Subsidiary or the Administrator, on the one hand, and Participant or other person or entity, on the other hand. Neither the Plan nor any underlying program, in and of itself, has any assets.

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Section 7: EX-31.1 (CERTIFICATION OF THE CHIEF EXECUTIVE OFFICER PURSUANT TO SECTION 302 OF THE SARB)

Exhibit 31.1

CERTIFICATION

I, B. Ben Baldanza, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Spirit Airlines, Inc. (the "Registrant");

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 described 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: July 24, 2015

/s/ B. Ben Baldanza

B. Ben Baldanza

President and Chief Executive Officer

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Section 8: EX-31.2 (CERTIFICATION OF THE CHIEF FINANCIAL OFFICER PURSUANT TO SECTION 302 OF THE SARB)

Exhibit 31.2

CERTIFICATION

I, Edward Christie, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Spirit Airlines, Inc. (the "Registrant");

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 described 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 Company’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: July 24, 2015

/s/ Edward M. Christie
Edward M. Christie
Senior Vice President and
Chief Financial Officer

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Section 9: EX-32.1 (CERTIFICATION OF THE CHIEF EXECUTIVE OFFICER PURSUANT TO 18 U.S.C. SECTION 1350)

Exhibit 32.1

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, adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of Spirit Airlines, Inc. (the “Company”) hereby certifies, to such officer’s knowledge, that:

(i.) the Quarterly Report on Form 10-Q of the Company for the quarter ended June 30, 2015 (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

(ii.) the information contained in the Report fairly present, in all material respects, the financial condition and results of operations of the Company.

Date: July 24, 2015

/s/ B. Ben Baldanza
B. Ben Baldanza
President and Chief Executive Officer

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Section 10: EX-32.2 (CERTIFICATION OF THE CHIEF FINANCIAL OFFICER PURSUANT TO 18 U.S.C. SECTION 1350)

Exhibit 32.2

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, adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of Spirit Airlines, Inc. (the “Company”) hereby certifies, to such officer’s knowledge, that:

(i.) the Quarterly Report on Form 10-Q of the Company for the quarter ended June 30, 2015 (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

(ii.) the information contained in the Report fairly present, in all material respects, the financial condition and results of operations of the Company.

Date: July 24, 2015

/s/ Edward Christie
Edward Christie
Senior Vice President and
Chief Financial Officer

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