



Application and instructions for completing the Early Retirement Incentive Program

1. The Early Retirement Incentive Program is being offered to IAM-represented employees. This program is available to at least 500 employees and acceptance into the program is based on seniority (not first come, first served).

To be eligible for the program, employees must be:

- o IAM-represented employees, and
 - o age 55 or older (**with no upper age limit**), on or before September 2, 2010
2. If you are eligible and wish to consider the Early Retirement Incentive Program we suggest you gather the appropriate information about benefit amounts that apply to you, to help you make your decision. Use the following resources to get current estimates of benefit amounts and payment options: (**Note: access to the links below are accessible through the Spirit internal website only.**)
 - o **For Pension Benefit amounts:**
 - IAM pension: www.iamnpf.org
 - Pension Value Plan (frozen pension): <http://www.myspiritbenefits.mercerhrs.com/>
 - o **For Savings Plan amounts:**
 - IAM 401(k) Plan: www.prudential.com/online/retirement
 - Spirit Retirement & Savings Plan: www.myrsp.ingplans.com/csportal
 - o **For COBRA and Retiree medical costs:**
 - COBRA premiums for the remainder of the 2010-2011 plan year are listed in [this attachment \[click here\]](#)
 - Retiree medical premiums for the remainder of the 2010-2011 plan year are listed in [this attachment \[click here\]](#)
 - o **Collective Bargaining Agreements, if applicable**
 3. If you decide to retire, complete the Early Retirement Incentive Program Application and **submit it to Spirit Human Resources by 5 p.m. CDT, July 23, 2010.**

Next Steps:

- 1) You must sign a release of claims and elect your incentive payment option in the release of claims form.
 - a) Incentive Options:
 - i) A \$25,000 cash incentive will be paid out over five (5) months subject to the legally required withholdings and taxes. Incentive payments will begin one month following the retirement date in the retirement offer and will be paid monthly. With this option, a "Mini-Med" health insurance program is available through an IAM-sponsored plan ("EBS"), **if elected**. Spirit will pay 30% of the premium for the "Mini-Med until the retiree reaches age 65. The employee will be responsible for the remaining premium; or
 - ii) The \$30,000 cash incentive, **if the "Mini-Med" health insurance program is not elected**, will be paid out over six (6) months, subject to the legally required withholdings and taxes. Incentive payments will begin one month following the retirement date in the retirement offer and will be paid monthly.

NOTE: With either of the options above, the employee has the option to have all or one half of their incentive payment deposited into a Health Reimbursement Account (HRA) which could have a tax advantage if it is used to pay for eligible medical expenses. Please understand, however, that the Company is providing no tax advice and employees should consult with their tax advisor.

- b) Receipt of incentive payments is conditioned upon satisfying certain requirements, such as completion of a knowledge transfer program, return of any company property (keys, ID cards, laptops, cell phones, equipment/tools, etc), and completing all required paperwork, including a release of claims. A copy of the release is attached. This is an important legal document, and employees are encouraged to review it carefully. Employees will have up to 45 days from the beginning of the application period (July 12, 2010) to decide whether to sign the release.

Please print the release of claims, complete and forward it to the Benefits Organization, K94-00, or deliver in person to the Spirit Employment Center, 3420 S. Oliver. Release of claims must be submitted no later than 5 p.m. CDT, August 25, 2010, to be eligible for the incentive payments.

In order to determine retirement dates for the 500 employees accepted, the Company must address future business needs. Part of the process will be to consider job rights, shift preference and in-line promotions as contractually obligated. Once all of the processes are complete, retirement offers will be extended. The retirement offer will contain the employee's scheduled retirement date. Retirement dates may differ by individual and will range from September to December, 2010.

If you have questions, call the Spirit Benefits Organization at (316) 523-4556.

Application for the Early Retirement Incentive Program

Name

Employee ID Number

Work Phone (if applicable)

Home Phone

E-mail address

Submitting this form indicates that I voluntarily elect to retire under Spirit's Early Retirement Incentive Program being held in summer 2010. *Applying does not guarantee I will be accepted for the Early Retirement Incentive.* Applicants will be notified of their status in the program by July 27, 2010.

Signature (only required if submitting paper form)

Date (paper form)

Please review your selections and data entry - pressing the "submit" button will e-mail your application to the Spirit Benefits Organization. Thank you.