



Voluntary Severance Incentive Program  
**Management Workgroup**

Program Guide

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# Section 1 - Overview

In this guide, you will find a description of the features of the Voluntary Severance Incentive (VSI) program. This **one-time** opportunity offers a lump sum cash payment, health care continuation, and travel privileges. It is designed to give employees and their families maximum flexibility to make important life decisions.

The details of the program follow. Please review the information carefully and contact anyone listed in the *Contacts* section of this document for more details. Before deciding whether to accept or decline participation in this program, please carefully consider what is right for you and your family.

## Eligibility for VSI

All regular management employees, employed in the United States, who are employed with Alaska Airlines as of the date of this communication, are eligible to request participation in the VSI program. Participation is entirely voluntary.

Employees who have previously announced a resignation date, or who have accepted a severance package or consulting agreement from the Company are not eligible.

Alaska Airlines retains sole discretion regarding the number of employees who may voluntarily terminate their employment under the VSI program. Alaska also reserves the right to determine the effective date of each employee's separation from the Company based on business needs. The Company will not delay an employee's departure past May 31, 2005. During this extension, employees are expected to maintain performance standards and follow all federal regulations and Company policies. An employee terminated for cause or performance (including attendance) will forfeit eligibility for this incentive program.

Additionally, if an employee voluntarily ends his/her employment before his/her deferred termination date (as determined by the Company at its sole discretion), (s)he will not receive any cash or benefits under the VSI program.

Before VSI payments are issued and distributed to an employee, the Company will verify that all property belonging to Alaska Airlines has been returned. This includes, but is not limited to, employee ID badges, airport/SIDA badges, keys, calling cards, company issued cell phones, laptop computers, manuals and confidential information.

If an employee received this information as the result of an administrative error and is not eligible for this program, his/her application for VSI will not be accepted.

## Important Dates

<b>August 20</b>	Communication of the VSI program begins
<b>September 7</b>	VSI Election form must be completed and submitted
<b>Late September</b>	Confirmation letters will be processed and returned as soon as practical based on the number of employees who submit paperwork
<b>Early October</b>	VSI General Release and Waivers returned and final VSI approval granted

# Application Process

If you choose to take advantage of the VSI program, you must complete the following steps:

1. Sign the Election form included in this packet. This is your written request to be considered for participation in the VSI program.
2. Return the Election form to Stacie Butcher. (Please refer to the Election form for instructions regarding where to send your forms.) **All requests must be received or postmarked by September 7, 2004, in order to be considered.**

**DO NOT GIVE THE FORM TO YOUR IMMEDIATE SUPERVISOR FOR PROCESSING.**

3. After your Election form is processed, you will receive a confirmation letter approving or denying your request. If you are approved, your termination date will be noted in your confirmation letter.
4. **Employees approved for VSI must return a signed, notarized General Release and Waiver form in order to participate in the plan. The deadline for returning this form will be noted on your confirmation letter. No VSI agreement is binding until the General Release and Waiver is returned and any period to revoke has passed.**

***Important Note:** See Attachment A for a **sample** General Release and Waiver. Please review this sample waiver carefully and ensure that you are comfortable with the terms and conditions. If you feel it is appropriate, please feel free to share the VSI General Release and Waiver with your family and/or legal counsel. You do not need to return the sample VSI General Release and Waiver with your VSI Election form – if you are approved for VSI, an official General Release and Waiver will be sent to you.*

5. Following your termination date, you will receive information regarding your health care coverage continuation. You must complete and return the election forms in order to continue coverage.

***If you elect NOT to participate in the VSI program, no action is required.***

## Company Discretion

Alaska Airlines retains sole discretion regarding the number of employees who may voluntarily terminate their employment under the VSI program. Alaska also reserves the right to determine the effective date of each employee's separation from the company based on business needs. The Company will not delay an employee's departure past May 31, 2005.

As soon as practical after September 7, 2004, based on the number of employees who submit VSI Election forms, the Company will determine the number of VSI applications that will be approved. Decisions will take into account the needs of the business and may be impacted by an employee's job function, location, workgroup, division and other factors. Alaska Airlines reserves the right to withhold approval of signed VSI Election forms.

## Section 2 - Program Incentives

### Lump Sum Cash Payment

Employees approved for the VSI program will receive a lump sum cash payment. The payment will be sent via FedEx no later than 30 business days after (the later of) either the employee's separation date or the date that all Company property has been returned. The lump sum cash payment will consist of the following:

Part A: A **severance payment** equal to two weeks of base pay for every year of service. Years of service will be calculated from the employee's date of hire (or adjusted date of hire in the event of breaks in service). The maximum payout will be 52 weeks of base pay.

Part B: A **cash incentive payment** of \$3,000 - \$15,000, based on years of service as indicated in the chart below:

	Up to 4 yrs of service	5 - 9 yrs of service	10 -14 yrs of service	15 - 19 yrs of service	20+ yrs of service
Cash Incentive	\$3,000	\$5,000	\$7,000	\$10,000	\$15,000

For the purpose of this program, one week of base pay is defined as the employee's annual salary (excluding overtime and CMA pay) as of August 1, 2004, divided by 52 (weeks). For part-time employees, this will be prorated based on scheduled hours during the pay period including August 1, 2004.

For purposes of the VSI lump sums only (both the cash incentive and the severance payment), all service in excess of a full year will be rounded up. For example, if you have 4 years and 3 months of service, you will receive credit for 5 years. (For vesting purposes or determination of credited service in any of the Company-sponsored defined contribution 401(k) or defined benefit pension plans, service will not be rounded up.)

#### **Example:**

15 years of continuous regular service with Alaska Airlines = **\$10,000** cash incentive (see chart)  
Weekly base pay of \$1,000 (annual earnings of \$52,000) = **\$30,000** (15 years x 2 weeks x \$1,000)  
**Total VSI lump sum payment** would be **\$40,000** (\$10,000 lump sum + \$30,000 base pay severance)

These cash payments are subject to applicable taxes and are not "pensionable" earnings, nor are they "deferrable"; that is, they will not be used when calculating benefits under the Retirement Plan for Salaried Employees, and employees will not be able to defer any amount into the AlaskaSaver Plan.

### Wage and Benefits Transition Period

Employees approved for VSI will remain on the payroll for nine weeks following their last day of work. During this time, they will be treated as active employees for the purposes of health and welfare benefits, retirement/401(k) benefits, and travel privileges and will continue to receive paychecks on the normal payroll schedule. The separation date for employees participating in the VSI program will be at the end of that nine-week period.

For example, if an employee's last day worked is May 31, 2005, the employee will stay on the active payroll for nine additional weeks – through August 2, 2005. August 2 would then be considered the employee's separation date, and would be used to determine the amount of his/her lump sum payment and travel privileges. The twelve-month company-paid health care period would begin on the separation date.

# Program Incentives (continued)

## Health Care Continuation

Employees approved for the VSI program will receive up to **twelve months of free COBRA or retiree health care** coverage (whichever they are eligible for and elect) for themselves and any eligible dependent(s) after separation from the Company. Alaska Airlines will pay the monthly COBRA premiums or retiree health care premiums (if applicable) for up to twelve months; the employee will be responsible for any co-pays, deductibles and out-of-pocket expenses under the covered plan. Free coverage will end on the earlier of the date the employee or dependent(s) are no longer eligible for COBRA or retiree health care, OR twelve months following separation from the Company.

If the employee is still eligible for COBRA or retiree health care continuation beyond the initial company-paid twelve months, (s)he will be able to continue coverage through the end of the COBRA eligibility (an additional six months) or retiree health care eligibility period by self-paying the applicable monthly premiums for as long as (s)he remains eligible for the coverage. (Please see the *Health Care* section of this document for more information.)

## Section 3 - Health Care

The Company understands that health care coverage is vitally important to employees and their families. Employees have different needs when it comes to health care coverage. As a result, up to twelve months of health care coverage with no monthly premiums will be offered to those who elect and are approved for the VSI program.

To be eligible for this feature of the VSI program, employees (and their eligible dependents, if applicable) must be covered by one of Alaska Airlines' health care plans as an employee on their separation date. If an employee is not receiving health care benefits on his/her last day of employment, (s)he will not be eligible for this option.

At the end of the twelve-month coverage period during which the Company will pay the monthly premiums, employees eligible for additional COBRA coverage (an additional 6 months) or retiree coverage will have the option to continue that coverage, if they choose to pay the monthly premiums. Employees who wish to do so may use their cash incentive to cover those payments. Employees who continue their coverage through COBRA or retiree health care after the initial twelve months must pay the full cost of their coverage (the normal employee contribution plus the Company's contribution amount) plus the standard 2% administrative fee. COBRA continuation coverage and retiree health care coverage are more fully explained in the attached Q&A.

For calendar year 2004, the monthly premium for COBRA and retiree healthcare (medical/dental/vision coverage) **under the PPO plan** is:

Employee Only	\$293.05
Employee and Spouse	\$586.13
Employee and Child(ren)	\$498.19
Employee and Family	\$791.25

*These premiums are valid through December 2004, and will increase next year. (Health Care premiums increase at the beginning of every calendar year.) Employees who are covered under a different Health Care plan (e.g., an HMO or High Deductible PPO) and who are interested in the current COBRA cost for that coverage, should call/email one of the Health Care/Group Benefits contacts listed in the Contacts section of this document.*

Employees who are eligible for and elect to retire from Alaska under the terms of the Retirement Plan for Salaried Employees will be eligible for retiree health care. Those employees who defer receipt of their retirement benefits until some time in the future will be eligible for retiree health coverage under an Alaska Airlines plan at the time of their retirement only if their coverage under an Alaska health care plan has been continuous (either active or under COBRA). No gap in coverage is permitted between active (or COBRA continuation coverage, which is limited to a total of 18 months) and retiree health care. For more information, employees are encouraged to review their Benefits Handbook online at [www.alaskasworld.com](http://www.alaskasworld.com) and to contact one of the Health Care/Group Benefits contacts listed in the *Contacts* section of this document.

## Section 4 - Retirement Plans

Under the terms of the Retirement Plan for Salaried Employees, normal retirement age is 62 and early retirement age is 52. If an employee chooses to begin receiving benefits before normal retirement age, his or her monthly benefits are reduced for early payment to reflect the longer period over which benefits are expected to be paid. Employees who choose the VSI program, and who are already eligible to receive pension benefits because they are age 52 or older, have the option to start receiving those benefits immediately if they elect to retire.

When employees terminate employment under the VSI program, their Alaskasaver 401(k) Plan contributions will end. **Contributions will not be taken out of VSI checks.** Employees with an outstanding loan balance at the time of termination will need to repay their balance in full or it will be treated as a taxable distribution from the plan.

Employees are encouraged to contact one of the individuals listed under **Retirement/401(k)** in the *Contacts* section of this document with any questions regarding pension and 401(k) benefits before deciding to participate in the VSI program. Please read the Benefits section of the attached Q&A carefully for more details about our retirement plans. The information in the Benefits Handbook can also be accessed online at [www.alaskasworld.com](http://www.alaskasworld.com).

## Section 5 - Travel Privileges

Employees who participate in the VSI program, as well as their eligible dependents, will receive one full year of unlimited space available passes on Alaska Airlines and Horizon Air for every two years of service. For the purposes of VSI travel privileges only, all service in excess of a full year will be rounded up to the next even number of years. For example, if you have 4 years and 3 months of service, you will receive credit for 6 years of service and will receive unlimited travel for 3 years from your date of separation from the Company.

Travel for eligible individuals will carry an E2Y boarding priority, equivalent to that of a retiree (parents will continue to travel with the E3Y priority code). Priority within this boarding classification will be based on the employee's seniority date for pass travel ("adjusted date of hire," if applicable).

Eligible family members include the employee, legal spouse, qualified registered domestic partner, eligible dependent children, and parents. "Employee Designated Guests" (EDGs) will not be eligible for VSI travel privileges. Eligible new family members (e.g., a new spouse or new baby) may be added for VSI eligibility after the employee's termination date with proof of eligibility. Family members must continue to meet all eligibility requirements in order to remain eligible to use VSI passes during an employee's VSI travel privilege eligibility period. Travel privileges will cease for existing eligible family members if they lose eligibility as a "dependent" under the pass policy at any time during the eligibility period.

**No additional travel privileges apply under this program.**

Participants in this program may not receive both VSI travel privileges and retiree travel privileges concurrently.

All non-revenue travel provided to participants of the VSI program and their dependents will be subject to the applicable Alaska non-revenue travel pass policy in effect at the time travel occurs. Alaska reserves the right to suspend or permanently revoke the travel privileges of any employee or separated employee or dependents who fail to comply fully with all provisions of Alaska's pass policy, including the proper code of conduct expected of all pass privilege users.

Please note that Alaska's pass policy (as applied to active and/or separated employees) is subject to change, including termination, at any time at Alaska's discretion. If state or federal regulations impact our ability to offer these travel privileges, those regulations will supersede any agreement.

## Section 6 - Other Information

All monies owed to Alaska Airlines by an employee separating under the VSI program will be deducted from the lump sum cash payment.

Any accrued PTO/Vacation time will be paid out in the employee's last paycheck. PTO/Vacation balance payouts upon termination are not considered "eligible earnings" for calculation of pension benefits, nor are they deferrable into a 401(k).

Under Alaska Airlines' neutral reference policy, employees should refer prospective employers to Alaska's Benefits Department at (206) 392-5042 for employment verification purposes. Under Alaska's policy, the only information that will be provided to prospective employers includes dates of employment and job title, and only upon written authorization by the employee, confirmation of the last rate of pay.

## Section 7 – Definition of Terms

**Last Day Worked** – The last day an employee reports to work. Employees approved for VSI will remain on the payroll for nine weeks following their last day of work. During this time, they will be treated as active employees for the purposes of health and welfare benefits, retirement/401(k) benefits and travel privileges and will continue to receive paychecks on the normal payroll schedule.

**Separation Date** – The separation date for employees participating in the VSI program will be at the end of the nine-week transition period. The separation date will be the date the final I-8 is cut removing the employee from the payroll.

**Years of Service for Travel** – For the purposes of VSI travel privileges only, all service in excess of a full year will be rounded up to the next even number of years. For example, if you have 4 years and 3 months of service, you will receive credit for 6 years of service and will receive unlimited travel for 3 years from your date of separation from the Company.

**Years of Service for VSI Lump Sums**- For purposes of the VSI lump sum only (both the cash incentive and the severance payment), all service in excess of a full year will be rounded up to the next full year. For example, if you have 4 years and 3 months of service, you will receive credit for 5 years. (For vesting purposes or determination of credited service in any of the Company-sponsored defined contribution 401(k) or defined benefit pension plans, service will not be rounded up.)

**Weekly Base Pay** - For the purpose of this program, one week of base pay is defined as the employee's annual salary (excluding overtime and CMA pay) as of August 1, 2004, divided by 52 (weeks). For part-time employees, this will be prorated based on scheduled hours during the pay period including August 1, 2004.

## Section 8 - Contacts

If you have additional questions about how the VSI program works, and its impact on your benefits coverage, we have listed the appropriate resources below:

### **General Questions -**

Stacie Butcher, Compensation Manager  
(206) 392-5073 (or ext. 25073), or  
[Stacie.Butcher@AlaskaAir.com](mailto:Stacie.Butcher@AlaskaAir.com)

OR

Alyssa Edwards, Sr. Compensation Analyst  
(206) 392-5090 (or ext. 25090), or  
[Alyssa.Edwards@AlaskaAir.com](mailto:Alyssa.Edwards@AlaskaAir.com)

OR

Lucy Purcell, Staffing and Compensation Analyst  
(206) 392-5047 (or ext. 25047), or  
[Lucy.Purcell@AlaskaAir.com](mailto:Lucy.Purcell@AlaskaAir.com)

### **Estimated Lump Sum Calculations -**

Alyssa Edwards, Sr. Compensation Analyst  
(206) 392-5090 (or ext. 25090), or  
[Alyssa.Edwards@AlaskaAir.com](mailto:Alyssa.Edwards@AlaskaAir.com)

### **Retirement/401(k)**

#### **Retiree Travel Privileges -**

Kristine Choquette, Pension Analyst  
(206) 392-5480 (or ext. 25480), or  
[Kristine.Choquette@AlaskaAir.com](mailto:Kristine.Choquette@AlaskaAir.com)

OR

Komal Ram, Pension Benefits Specialist  
(206) 392-5866 (or ext. 25866), or  
[Komal.Ram@AlaskaAir.com](mailto:Komal.Ram@AlaskaAir.com)

### **Health Care/Group Benefits -**

Kendra Morrison, Health Benefits Specialist  
(206) 392-5892 (or ext. 25892), or  
[Kendra.Morrison@AlaskaAir.com](mailto:Kendra.Morrison@AlaskaAir.com)

OR

Heidi Neidlinger, Health Benefits Specialist  
(206) 392-5768 (or ext. 25768), or  
[Heidi.Neidlinger@AlaskaAir.com](mailto:Heidi.Neidlinger@AlaskaAir.com)

### **General Travel Questions -**

Jo Bowie, Supervisor Employee Travel  
(206) 392-5756 (or ext. 25756), or  
[Jo.Bowie@AlaskaAir.com](mailto:Jo.Bowie@AlaskaAir.com)



**Attachment A:  
SAMPLE VOLUNTARY SEVERANCE INCENTIVE  
AGREEMENT AND RELEASE OF ALL CLAIMS**

FULL NAME _____ (Print Last Name)                      (First Name)                      (Middle Initial)	DATE _____
EMPLOYEE NUMBER _____	DATE OF HIRE _____
TELEPHONE # _____ (Home)	_____ (Work)
	_____ (Cell)
JOB TITLE _____	

This Agreement, Waiver and Release constitutes the election form to participate in the Alaska Airlines Voluntary Severance Incentive (“VSI”). Execution of this Agreement, Waiver and Release is the only method by which you may elect to participate in the Alaska Airlines VSI. This Agreement, Waiver and Release is not valid for any severance, leave or other program being offered by Alaska Airlines except the VSI. **THIS AGREEMENT CONTAINS A PROVISION TO ARBITRATE ANY DISPUTE YOU MAY HAVE REGARDING THIS AGREEMENT AND THAT YOU ARE WAIVING YOUR RIGHT TO BRING A LAWSUIT IN A COURT OF LAW.**

- I, \_\_\_\_\_ (“Employee”), agree to voluntarily terminate my employment under the Alaska Airlines VSI being offered by Alaska Airlines, Inc. (“Alaska”). I have carefully reviewed the provisions of the VSI dated August 20, 2004, as well as this Agreement, Waiver and Release (“Agreement”). I believe this Agreement is in my best interests and I am voluntarily entering into this Agreement without coercion.
- I acknowledge that I am knowingly and voluntarily waiving and releasing any rights I may have under the Age Discrimination in Employment Act (ADEA). I agree that this waiver and release does not apply to any claims or rights that may arise under the ADEA after the execution of this Agreement. I acknowledge that I have been advised that (a) I should consult with an attorney before executing this Agreement; (b) I have at least forty-five (45) days to consider the Agreement (although I may, by my own choice, execute this Agreement earlier); (c) I have seven (7) days after the execution of this Agreement to revoke it; and (d) this Agreement shall not be effective until the date upon which the revocation period has expired.
- In exchange for my executing and returning this Agreement to Alaska, and satisfying all eligibility criteria set forth in the VSI, I understand that Alaska will provide me the enhanced severance benefits set forth in the VSI, subject to the withholding and payment

of all applicable federal, state and local taxes. The terms of the VSI are incorporated by reference into the Agreement and made a part hereof. I acknowledge and agree that Alaska will have no obligation to provide me with any benefits in connection with my employment relationship with Alaska, or the termination of that relationship, except as described in this Agreement and the VSI.

4. I understand that, if I am retirement eligible and elect to retire at the time of my separation under the VSI, that I will be eligible to receive the enhanced benefits set forth in the VSI, in addition to anything of value to which I would otherwise be entitled under the Alaska Air Group, Inc. Retirement Plan for Salaried Employees, the Alaska Air Group, Inc. Alaskasaver Plan, the Alaska Air Group, Inc. Welfare Benefit Plan and Trust, the Alaska Stock Purchase Plan, the Alaska Profit Sharing Plan, OSRP, and the Alaska Performance Based Plan, (collectively, the “Alaska Plans”) as a retiree from Alaska.

5. I agree that I will not apply for employment with Alaska Airlines at any time in the future.

6. In exchange for the benefits which Alaska is providing me in connection with the VSI program, I hereby agree, as follows:

a. Except for the rights and obligations provided by or arising under this Agreement, I hereby release, acquit, withdraw, retract and forever discharge any and all claims, manner of actions, or causes of action which I now have or may have hereafter, directly or indirectly, personally or in a representative capacity, Alaska Air Group, Inc. Retirement Plan for Salaried Employees, the Alaska Air Group, Inc. Alaskasaver Plan, the Alaska Air Group, Inc. Welfare Benefit Plan and Trust, the Alaska Stock Purchase Plan, the Alaska Profit Sharing Plan, OSRP, and the Alaska Performance Based Plan, and their predecessors, successors, administrators, fiduciaries, parents, subsidiaries, affiliates, committees, officers, directors, shareholders, representatives, agents, employees, and all persons acting through or in connection with Alaska Airlines, Horizon Air, Alaska Air Group, Inc. and/or the Alaska Plans (“Released Parties”) by reason of any matter, conduct, claim, event, act, omission, cause or thing whatsoever, from the beginning of time to, and including, the date of execution of this Agreement. Except as expressly provided above, this Agreement includes, but is not limited to, all claims, manner of actions and causes of action which arise under Title VII of the Civil Rights Act of 1964 as amended; the Americans with Disabilities Act; the Rehabilitation Act of 1973, as amended; the Family & Medical Leave Act; the Worker Adjustment and Retraining Notification Act; 42 U.S.C. §§ 1981 through 1988; the Employee Retirement Income Security Act of 1974, as amended; and any other federal, state or local statute or ordinance respecting discriminatory hiring or employment practices or civil rights laws based on protected class status; common law claims or intentional or negligent infliction of emotional distress, defamation, negligent hiring, breach of contract, breach of the covenant of good faith, and fair dealing, promissory estoppel, negligence, wrongful termination of employment; and all other claims of any type or nature, including any claim in contract or tort, or for violation of public policy, including any claim for attorney’s fees. I understand and intend that, except as expressly set forth above, this Agreement shall discharge any claims against the Released Parties to the

extent permitted by law, but shall not discharge claims arising out of any events which may occur after the date of execution of this Agreement.

b. Except as necessary to enforce the terms of this Agreement, I hereby agree that neither I, nor anyone acting on my behalf, will sue any Released Party concerning any of the matters covered by the Agreement.

c. I may be required to sign a Non-Compete Agreement in connection with the VSI program.

7. I understand that Alaska's pass policy (as applied to active and/or separated employees) is subject to change, including termination, at any time at Alaska's discretion. If state or federal regulations affect Alaska's ability to offer these travel privileges, those regulations will supersede any agreement.

8. If I am an individual who resides in California, or with respect to whom California law governs this Agreement, I understand that Section 1542 of the Civil Code of the State of California states, as follows:

A general release does not extend to claims, which the creditor does not know or suspect to exist in his favor at the time of executing the release, which, if known by him, must have materially affected his settlement with the debtor.

I hereby expressly waive and relinquish all rights and benefits, if any, afforded to me by the above Section and acknowledge that this Agreement is intended to, and does, include and discharge all claims which I do not know about, or suspect to exist, at the date of this Agreement.

**9. ANY ACTION OR DISPUTE ARISING OUT OF OR RELATED TO THIS LETTER SHALL BE RESOLVED BY PRIVATE AND CONFIDENTIAL ARBITRATION PURSUANT TO THE AMERICAN ARBITRATION ASSOCIATION RULES THEN IN EFFECT. THE VENUE FOR ANY SUCH ARBITRATION SHALL BE IN KING COUNTY, WASHINGTON. THIS LETTER SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH SUBSTANTIVE LAWS OF THE STATE OF WASHINGTON, WITHOUT REGARD TO CHOICE OF LAW RULES.**

10. I also agree that this Agreement is not to be construed in any way as an admission by the Released Parties that they violated any federal, state, or local law, ordinance, regulation or policy. I understand that I have numerous valuable rights under federal, state and local law that I am waiving by executing this Agreement. In connection with this, by executing this Agreement, I hereby certify that:

a. I am receiving valuable consideration under this Agreement to which I would not otherwise be entitled;

b. This Agreement and any documents that have been provided in connection with this Agreement, including the VSI, are written in a manner that is

understandable to me. I have read this Agreement and I understand that it is a release of Alaska and the other Released Parties from past or existing Claims or potential Claims that I may have against Alaska or against the Released Parties, including Claims or potential Claims relating to my employment relationship with Alaska, or termination of that relationship;

c. I have been given a reasonable and sufficient period of time in which to consider and make a knowing and voluntary decision as to whether to sign this Agreement and to consult with an attorney, accountant, tax advisor, spouse, or any other person of my choosing; and

d. I understand that I will receive the benefits available under the VSI only if I remain employed as of the termination date as described in the eligibility provisions set forth in the VSI.

9. I understand that in the event that one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect that this shall not affect any other provisions in this Agreement, but this Agreement shall be construed as if such invalid, illegal, or unenforceable provisions had never been contained herein.

10. I understand that this Agreement, including the VSI, is a single integrated contract expressing the entire Agreement between Alaska and myself, and that in deciding to sign this Agreement and accept the terms of the VSI, I have not relied on any representations, promises, statements, or inducements of any kind made to me, except for those set forth in this Agreement, including the VSI.

Employee Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Date: \_\_\_\_\_

ALASKA AIRLINES, INC.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

