



Approval Prepayment Tax Information for Brokers and Spirit Stockholders: Investor FAQs

Pursuant to the terms of the Agreement and Plan of Merger, dated as of July 28, 2022 (the “Merger Agreement”), by and among Spirit Airlines, Inc. (“Spirit”), JetBlue Airways Corporation (“JetBlue”) and Sundown Acquisition Corp. (“Merger Sub”), on October 26, 2022 JetBlue paid \$2.50 per share of Spirit’s common stock (the “Approval Prepayment”) to Spirit’s stockholders of record as of September 12, 2022, which was the record date established by Spirit for voting at the special meeting to approve the Merger Agreement. The Approval Prepayment was required to be made to such stockholders because holders of a majority in voting power of Spirit common stock voted to approve the Merger Agreement at the special meeting on October 19, 2022. All Spirit stockholders of record as of September 12, 2022 were entitled to receive the Approval Prepayment in accordance with the Merger Agreement.

As previously announced by Spirit, shares of Spirit common stock did not trade with a due bill in respect of the Approval Prepayment.

Please refer to Spirit’s definitive proxy statement filed with the U.S. Securities and Exchange Commission on September 12, 2022 for a full discussion of the Approval Prepayment.

The FAQs below are intended to provide guidance as to the manner in which the Approval Prepayment may be treated and reported for U.S. federal income tax purposes. These FAQs are specific to the Approval Prepayment and are not intended to apply to other payments made in connection with the Merger Agreement.

U.S. Investors

- **How is my Approval Prepayment treated for U.S. federal income tax purposes?**

The U.S. tax treatment of your receipt of the Approval Prepayment is not clear. The Approval Prepayment could be treated as merger consideration paid before the closing of the merger (with a corresponding adjustment to the gain or loss you recognize when you sell or exchange your shares of Spirit common stock); as gain in respect of a separate right or obligation with respect to your shares of Spirit common stock (*e.g.*, if the merger is ultimately not consummated or if you dispose of your shares before the closing of the merger); or potentially as ordinary income. It is also possible that the Internal Revenue Service (“IRS”) could seek to characterize the Approval Prepayment in a different manner.

- **How is an Approval Prepayment received by a U.S. investor being reported for U.S. federal income tax purposes?**

JetBlue is using Form 1099-MISC to report the Approval Prepayment made to each U.S. investor that directly held their shares of Spirit common stock as of the record date. Form 1099-MISC is used for reporting miscellaneous payments made in the course of a trade or business. If you are a U.S. investor and directly held your shares of Spirit common stock as of the record date, our paying agent will send the Form 1099-MISC to you. JetBlue will also ensure that a copy of the Form 1099-MISC delivered to you is transmitted to the IRS.

If you held your shares through a brokerage or similar account, your broker will supply your tax information on the Form 1099 it issues to you and transmits to the IRS. Each broker or other intermediary will be responsible for determining how to report the Approval Prepayment and the Form 1099 it will use for such purpose; JetBlue does not control the information reporting decisions of your broker and is not responsible for the form, content or timing of such reporting.

Non-U.S. Investors

- **How is my Approval Prepayment treated for U.S. federal income tax purposes?**

The U.S. tax treatment of an Approval Prepayment received by a non-U.S. investor is not clear. The Approval Prepayment could be treated as merger consideration paid before the closing of the merger, which should be treated in the same manner as the merger consideration paid to a non-U.S. investor in the merger. Alternatively, it is possible that the Approval Prepayment could be treated as fixed or determinable annual or periodical (FDAP) income, in which case it could be treated either as non-U.S. source or as U.S. source FDAP income. If treated as non-U.S. source FDAP income, the Approval Prepayment received by a non-U.S. investor should not be subject to U.S. federal income tax. U.S. source FDAP income received by a non-U.S. investor generally is subject to U.S. federal income tax withholding at a rate of 30% (or a lower rate under an applicable income tax treaty), unless an exemption applies.

- **How is an Approval Prepayment received by a non-U.S. investor being reported for U.S. federal income tax purposes?**

Because all non-U.S. investors receiving an Approval Prepayment held their Spirit stock through a broker or other U.S. intermediary, if you are a non-U.S. investor your broker (or such other intermediary) will be responsible for determining how they will report your Approval Prepayment for U.S. tax purposes; JetBlue does not control such reporting decisions and is not responsible for the form, content or timing of such reporting.

JetBlue and its paying agent have not withheld U.S. tax from any portion of the Approval Prepayment ultimately payable to non-U.S. investors. The responsibility for withholding and information reporting lies with the brokers or other intermediaries that received the Approval Prepayment on behalf of such investors. In light of the uncertainty as to the U.S. tax treatment of the Approval Prepayment, there is a meaningful possibility that a broker or other intermediary that holds shares of Spirit common stock beneficially owned by a non-U.S. investor may withhold at a rate of 30% (or a lower rate under an applicable income tax treaty) on the entire amount of the Approval Prepayment payable to such non-U.S. investor, in which case the broker or other intermediary would generally report the Approval Prepayment on a Form 1042-S they send to the non-U.S. investor and the IRS.

All Investors

- **Am I required to treat the Approval Prepayment for U.S. tax purposes the same way that JetBlue or my broker is treating it?**

You are not required to treat the Approval Prepayment for U.S. tax purposes in the manner indicated in the Form 1099 or Form 1042-S, if any, delivered to you and the IRS. However, you

should consult your own tax advisor regarding the tax consequences of the Approval Prepayment to you, in light of your particular circumstances, as well as the manner and taxable year in which to report the Approval Prepayment on your U.S. federal, state and local income tax returns; the IRS could seek to characterize the Approval Prepayment in a manner different from how JetBlue or your broker have characterized it or how you and your tax advisor decide to characterize it.