



1 Background and overall structure

1.1 Deeds of company arrangement

- (a) The Deed Proponent proposes 10 deeds of company arrangement (**DOCAs**) for the companies specified below (**DOCA Companies**):

Primary DOCA	a pooled DOCA relating to the companies listed in item 1 of Part 2 of this Proposal (Primary DOCA Companies), on the terms described in Part 2 of this Proposal.
IG DOCA	a pooled DOCA relating to the companies listed in item 1 of Part 3 of this Proposal (IG DOCA Companies), on the terms described in Part 3 of this Proposal.
Subsidiary DOCAs	8 additional DOCAs relating to the companies listed in item 1 of Part 4 of this Proposal (Subsidiary DOCA Companies and, together with the Primary DOCA Companies and IG DOCA Companies, DOCA Companies), on the terms described in Part 4 of this Proposal.

1.2 Interconditionality of DOCAs

- (a) The Primary DOCA is not conditional on approval of the IG DOCA or the Subsidiary DOCAs. If the Primary DOCA is approved but the IG DOCA or any Subsidiary DOCA is not approved, the assets of the relevant IG DOCA Company or Subsidiary DOCA Company will be sold to a related body corporate of the Deed Proponent (**Asset Purchaser**) via the Asset Sale Agreement between, among others, the Administrators, the DOCA Companies and the Asset Purchaser in accordance with the Sale and Implementation Deed between the Administrators, the DOCA Companies and the Deed Proponent (**Sale and Implementation Deed**).
- (b) The IG DOCA and the Subsidiary DOCAs will be conditional on approval of the Primary DOCA but if the Primary DOCA is not approved, the Deed Proponent will have the option of waiving that condition and proceeding with an acquisition of the shares in the relevant IG DOCA Company or Subsidiary DOCA Company under the Asset Sale Agreement.

- (c) Completion of the IG DOCA and Subsidiary DOCAs will occur simultaneously with completion of the Primary DOCA (subject to satisfaction of the conditions precedent to the IG DOCA and Subsidiary DOCAs, as applicable).

1.3 Virgin Group Creditors Trust

- (a) A single Creditors Trust will be established on completion of the Primary DOCA, or on completion of the IG DOCA in the event that the Deed Proponent elects to proceed with the IG DOCA in circumstances where the Primary DOCA is not approved or the conditions to completion of the Primary DOCA are not satisfied.
- (b) The Creditors Trust Fund will be comprised of the following funds:

Pool A Fund	<p>The Pool A Fund will be established on completion of the Primary DOCA and made available to meet the claims of:</p> <p>(a) creditors of the Primary DOCA Companies other than the Pool C Creditors;</p> <p>(b) the claims of creditors of the International Group DOCA Companies; and</p> <p>(c) the claims of creditors of the Subsidiary DOCA Companies</p> <p>(together, Pool A Creditors).</p>	<p>The Pool A Fund will be comprised of:</p> <p>(a) the Pool A Fund Amount, being an amount equal to \$575,000,000 less the aggregate of the following:</p> <ol style="list-style-type: none"> the full amount drawn under the Interim Funding Facility Agreement between, among others, the Administrators, VAA and the Deed Proponent (such adjustment representing the deemed repayment and cancellation of indebtedness of the obligors and commitments under the Interim Funding Facility) as contemplated in paragraph (c) of the Completion steps in item 12 of Part 2 of this Proposal); if the liability of the DOCA Companies on account of prepaid flights as at 30 June 2020 less the restricted cash collateral held in respect of prepaid flights as at 30 June 2020 (Net Prepaid Flight Liability) exceeds \$401,533,000 by more than \$100,000, the amount of that difference; the Pool C Fund Amount described below; if the IG DOCA is approved and Completion of the IG DOCA occurs simultaneously with the Primary DOCA, the Pool B Fund Amount described below; if the IG DOCA is not approved or the conditions to Completion of the IG DOCA are not satisfied, \$23,200,000. <p>(b) the Excluded Cash, being:</p> <ol style="list-style-type: none"> the unrestricted cash at bank in the account maintained by the Administrators for the Primary DOCA Companies on 30 June 2020; plus the cash proceeds of all trade debts owing as at 30 June 2020 to a group company that is a party to the Sale and Implementation Deed (including any jobkeeper payments referable to wages paid for the period up to 30 June 2020); less the liabilities that were incurred by the Administrators in trading the business carried on by the
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		<p>Primary DOCA Companies as at 26 June 2020 for which the Administrators are personally liable (Administrator Trading Liabilities) incurred prior to 1 July 2020 and paid after that date; and</p> <p>d. except as otherwise agreed in writing by the Deed Proponent, any Administrator Trading Liabilities incurred after 1 July 2020 that were not provided for, or exceed the amount provided, in the approved budget for the administration period, or which the lenders under the Interim Funding Facility Agreement are not obliged to fund under the Interim Funding Facility.</p> <p>(c) any amount that may become payable by the Deed Proponent to the Trustees of the Creditors Trust pursuant to the Contingent Value Entitlement Deed Poll (described in section 12);</p> <p>(d) the cash balances of the foreign currency accounts held by Primary DOCA Companies described in Schedule 2 (VAA Foreign Currency Accounts);</p> <p>(e) if the IG DOCA is approved and Completion of the IG DOCA occurs simultaneously with the Primary DOCA, the cash balances of the foreign currency accounts held by IG DOCA Companies described in Schedule 2 (IG Group Foreign Currency Accounts);</p> <p>(f) if the IG DOCA is not approved or the conditions to Completion of the IG DOCA are not satisfied, the intercompany claims of the Primary DOCA Companies against the IG DOCA Companies</p> <p>(g) any surplus funds in the Pool C Fund after the final distribution to the Pool C Creditors entitled to participate in that fund; and</p> <p>(h) interest accruing on the Creditors Trust Fund.</p>
Pool B Fund	<p>The Pool B Fund will be established only if both the Primary DOCA and IG DOCA complete and will be made available for distribution to creditors of the IG DOCA Companies on account of claims in respect of which the creditor has a claim that arises from a common underlying obligation or in connection with the</p>	<p>The Pool B Fund will be comprised of the Pool B Fund Amount, being \$10,000,000.</p>



	same underlying transaction under the Primary DOCA (for example, where a Primary DOCA Company is a guarantor, indemnifier or co-obligor of an obligation or debt owing by an IG DOCA Company) (Pool B Creditors).	
Pool C Fund	The Pool C Fund will be established on completion of the Primary DOCA and will be made available to meet the claims of the Pool C Creditors , being the critical suppliers described in section 7 of Part 5 of this Proposal.	The Pool C Fund will be comprised of the Pool C Fund Amount , being \$94,110,384.
Pool D Fund	The Pool D Fund will be established only if the IG DOCA completes but the Primary DOCA does not complete and will be made available to creditors of the IG DOCA companies (Pool D Creditors)	The Pool D Fund will be comprised of: a) the Pool D Fund Amount , being \$23,200,000; b) the cash balances of the IG Group Foreign Currency Accounts; and c) interest accruing on the Pool D Fund.

- (c) In the event that the Primary DOCA is not approved or the conditions to Completion of the Primary DOCA are not satisfied, no distributions will be made under the Subsidiary DOCAs, but the release of claims under a Subsidiary DOCA will not limit a creditor's rights in respect of any claim in the liquidation of another DOCA Company that arises from a common underlying obligation or in

connection with the same underlying transaction (for example, where another DOCA Company is a guarantor, indemnifier or co-obligor of an obligation or debt owing by the Subsidiary DOCA Company).

2 Primary DOCA

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| 1 | Primary DOCA Companies | |
| | | 1 Virgin Australia Holdings Limited (VAH) |
| | | 2 Virgin Australia Airlines Holdings Pty Ltd (VAAH) |
| | | 3 VAH Newco No.1 Pty Ltd |
| | | 4 Tiger Airways Australia Pty Limited |
| | | 5 Virgin Australia Airlines Pty Ltd (VAA) |
| | | 6 Virgin Tech Pty Ltd |
| | | 7 A.C.N. 098 904 262 Pty Ltd |
| | | 8 Virgin Australia Regional Airlines Pty Ltd |
| | | 9 Virgin Australia Holidays Pty Ltd |
| | | 10 VB Ventures Pty Ltd |
| | | 11 Virgin Australia Cargo Pty Ltd |
| | | 12 VB Leaseco Pty Ltd |
| | | 13 VB Investco Pty Ltd |
| | | 14 VAH Newco No.2 Pty Ltd |
| | | 15 Virgin Australia International Operations Pty Ltd (VAIO) |
| | | 16 VBNC5 Pty Ltd |
| | | 17 Short Haul 2017 No. 1 Pty Ltd |
| | | 18 VB PDP 2010-11 Pty Ltd |
| | | 19 VB LH 2008 No. 1 Pty Ltd |
| | | 20 VB LH 2008 No. 2 Pty Ltd |



- 21 737 2012 No.1 Pty. Ltd.
- 22 737 2012 No. 2 Pty Ltd
- 23 VA Regional Leaseco Pty Ltd
- 24 VA Hold Co Pty Ltd
- 25 Virgin Australia 2013-1 Issuer Co Pty Ltd
- 26 VA Lease Co Pty Ltd
- 27 Short Haul 2016 No. 1 Pty Ltd
- 28 Short Haul 2016 No. 2 Pty Ltd

2	Deed Administrators	Vaughan Strawbridge, Salvatore Algeri, John Greig and Richard Hughes (Administrators) will act as deed administrators (Deed Administrators) of the Primary DOCA.
3	Deed Proponent	BC Hart Aggregator, L.P.
4	Purchaser	the Deed Proponent, or its nominee.
5	Primary DOCA consideration	The Primary DOCA consideration will be comprised of the Pool A Fund Amount and Pool C Fund Amount (as described in section 1.3 of Part 1 of this Proposal).
6	Creditors Trust	<p>The Creditors Trust will be established on Completion of the Primary DOCA (or on Completion of the IG DOCA, in the event that the Deed Proponent elects to proceed with the IG DOCA in circumstances where the Primary DOCA is not approved or the conditions to Completion of the Primary DOCA are not satisfied).</p> <p>The Creditors Trust Deed will contain the terms set out in Part 5 of this Proposal. The Deed Administrators will be the trustees of the Creditors Trust.</p>



7	Released Claims	<p>Except for the Excluded Claims described in section 13, the Primary DOCA will release all debts and claims (whether present or future, certain or contingent, ascertained or sounding only in damages) that would be admissible to proof against a Primary DOCA Company if that Primary DOCA Company had been wound up and the winding up was taken to have commenced on the Appointment Date, and any fine or penalty to which a Primary DOCA Company is subject or liable to be subject arising out of circumstances occurring prior to the Appointment Date that would be so admissible but for the operation of section 553B of the <i>Corporations Act 2001</i> (Cth) (Corporations Act), including:</p> <ul style="list-style-type: none">(a) without limiting the rights of secured creditors under section 444D(2), the claims of secured creditors;(b) without limiting the rights of lessors under section 444D(3), the claims of lessors; and(c) all claims under the 2007 ASIC deed of cross guarantee of which VAH is the head company. <p>In return for the releases, creditors will receive an entitlement to receive a distribution from the Pool A Fund or Pool C Fund of the Creditors Trust Fund in accordance with section 9 and Part 5 of this Proposal, or in respect of creditors who have an FFC Claim described in section 19, a Future Flight Credit.</p> <p>Each Creditor will, if called upon to do so, execute and deliver to the applicable Primary DOCA Companies such forms of release of the Creditor's Claim as the Deed Administrators require. The Deed Administrators will take all steps reasonably required by the Deed Proponent to obtain such releases from any Creditors nominated by the Deed Proponent.</p>
8	Assets available for distribution to Creditors	<p>Creditors of the Primary DOCA Companies will receive an entitlement to receive a distribution from the Pool A Fund or the Pool C Fund of the Creditors Trust Fund, described in section 1.3 of Part 1 of this Proposal.</p> <p>No other assets of the Primary DOCA Companies will be available to meet the Claims of creditors of those companies.</p>
9	Order of Distribution	<p>The assets of the Pool A Fund and Pool C Fund will be distributed to creditors in the order of priority set out in sections 9 and 11 of Part 5 of this Proposal.</p>
10	Conditions to Completion of the Primary DOCA	<p>Completion of the Primary DOCA will be conditional on the following:</p> <ul style="list-style-type: none">(a) execution of the Creditors Trust Deed;(b) ASIC has issued or provided such consents or approvals or done such other acts which the parties agree in writing are reasonable or necessary or desirable to implement the Transaction, including such exemptions and modifications from Chapter 6 of the Corporations Act granted by ASIC pursuant to section 655A of the Corporations Act as are necessary to permit the transfer of all the shares in VAH to the Purchaser;(c) the Deed Administrators obtaining an order granting approval of the transfer of the shares in VAH to the Purchaser pursuant to

section 444GA(1)(b) of the Corporations Act;

- (d) the Deed Administrators obtaining an order under Chapter 15 of the US Bankruptcy Code recognising and giving full force and effect to the Primary DOCA and the release of claims under the Primary DOCA, permanently enjoining any proceedings in respect of a released claim being continued or commenced, and rendering unenforceable any released claim, within the territorial jurisdiction of the United States or under the law of the United States, together with ancillary orders typically granted in connection with such recognition orders (**Chapter 15 Order**);
- (e) the Deed Proponent is reasonably satisfied that on Completion, all Claims expressed to be released under the Primary DOCA will be fully and effectively released under all applicable laws; and
- (f) the Sale and Implementation Deed has not been terminated.

The Deed Proponent may waive any of the conditions described in (d), (e) or (f) in writing.

11 **Control of
Primary DOCA
Companies**

Control of the Primary DOCA Companies will remain with the Deed Administrators until Completion.

12 **Completion of the
Primary DOCA**

Completion of the Primary DOCA will involve the following steps, or such other steps as are reasonably required by the Deed Proponent and agreed by the Deed Administrators.

Pre-Completion steps

No later than 2 Business Days prior to Completion:

- (a) if requested by and at the cost of the Deed Proponent, VAH will incorporate the following SPV entities:
 - a. BC Hart Holdco, an Australian company (to be directly wholly owned by VAH);
 - b. BC Hart Midco, an Australian company (to be directly wholly owned by BC Hart Holdco);
 - c. BC Hart Company, an Australian company (to be directly wholly owned by BC Hart Midco); and
- (b) the Deed Proponent will deliver to the Deed Administrators the Primary DOCA Excluded Contracts Designation Notice (as described in section 16).

Completion steps

On Completion of the Primary DOCA the following will be effected (or deemed to be effected) in the following order (or in such other order notified in writing to the Deed Administrators prior to Completion):

- (a) the releases of the Released Claims will take effect;
- (b) the Deed Administrators will transfer all of the shares in VAH to the Purchaser in accordance with the Section 444GA Order;
- (c) the Purchaser will subscribe for additional shares in VAH in an aggregate amount equal to the Pool A Fund Amount and the Pool C Fund Amount (and, if the IG DOCA has been approved and is completing simultaneously, the Pool B Fund Amount) (as described in section 1.3 of Part 1 of this Proposal) and an amount equal to the drawn amount under the Interim Funding Facility and VAH will direct the Purchaser to transfer the consideration for the portion of the subscription amount equal to the drawn amount under the Interim Funding Facility to the lender under the Interim Funding Facility in full satisfaction of the amounts owing under the Interim Funding Facility;
- (d) if the SPV entities have been incorporated by VAH at the request of the Deed Proponent as contemplated in paragraph (a) of the Pre-Completion Steps above, VAH will transfer its shares in Virgin Australia Airlines Holdings Pty Ltd and VAIO to BC Hart Company;
- (e) VAH will pay the Pool A Fund Amount and the Pool C Fund Amount (and, if the IG DOCA has been approved and is completing simultaneously, the Pool B Fund Amount) at the direction of the Deed Administrators to the Trustees of the Creditors Trust;
- (f) the Deed Proponent will deliver to the Deed Administrators a deed poll substantially in the form attached as Schedule 1 to this Proposal (**Contingent Value Entitlement Deed Poll**).

Post-Completion Steps

Immediately following Completion, the boards of the Primary DOCA Companies will be reconstituted in accordance with the Deed Proponent's direction.

Timing of completion

Completion of the IG DOCA and each Subsidiary DOCA (or, if the IG DOCA, or any Subsidiary DOCA, is not approved or the conditions to Completion of the IG DOCA or a Subsidiary DOCA are not satisfied, completion of the Asset Sale Agreement) will occur simultaneously with the Primary DOCA.

13 Excluded claims

Claims against the Primary DOCA Companies that will not be released under the Primary DOCA (and which will be continuing obligations of the Primary DOCA Companies) will be limited to:

- (a) claims of Continuing Employees (as described in section 15) in respect of an amount referred to in section 556(1)(e), (g) or (h) of the Corporations Act (other than claims for historical underpayment of superannuation or wages which will be paid from the Creditors Trust Fund);
- (b) claims of Employees under the workers' compensation self insurance scheme in which the DOCA Companies are participants;
- (c) claims in respect of Staff Travel Entitlements, being entitlements to refunds or credits arising prior to the Appointment Date under the Virgin Australia Team Travel Leisure Policy;

- (d) claims in respect of certain excluded contracts as described in section 16, other than (except as otherwise agreed in writing by the Primary DOCA Company and the counterparty) an Excluded Contract Released Claim;
- (e) claims in respect of certain excluded aircraft contracts as described in section 16 other than claims in respect of any obligations, duties and liabilities which have arisen under such excluded aircraft contracts before completion of the Primary DOCA or which relate to the period before completion of the Primary DOCA (but without limiting the rights of an aircraft lessor or financier to receive any payment required to be made under any aircraft protocol agreement for the period between 20 April 2020 and completion of the Primary DOCA);
- (f) insured claims (as described in section 17);
- (g) intragroup claims (as described in section 18); and
- (h) any other claim that the Deed Proponent nominates in writing to the Deed Administrators as an Excluded Claim before Completion.

Excluded Contract Released Claim means, in relation to a Primary DOCA Company and an Excluded Contract, any Claim under or in respect of that Excluded Contract that relates to:

- (a) an amount that was due and payable by a Primary DOCA Company before the Appointment Date or relates to a period up to the Appointment Date whether or not due and payable at that date;
- (b) goods or services supplied to a Primary DOCA Company prior to the Appointment Date;
- (c) amounts payable under any Excluded Contract that are referable to a period prior to the Appointment Date;
- (d) any failure of a Primary DOCA Company to perform obligations or duties under an Excluded Contract prior to, or in respect of the period prior to, the Appointment Date
- (e) amounts payable under any Excluded Contract that are referable to the period of the administration of the Primary DOCA Companies or which relate to goods or services supplied by a Primary DOCA Company or failure to perform obligations or duties under an Excluded Contract during the period of the administration of the Primary DOCA Companies (provided that this does not affect any right that a Creditor has to be paid any such amounts for which the Administrators are personally liable under Division 9 of Part 5.3A of the Corporations Act); and
- (f) any other liability of a Primary DOCA Company that arose by reason of the appointment of the Administrators to a Primary DOCA Company including any obligations to pay charges or default interest and any liability under any indemnity provisions in the relevant Excluded Contract.

14	Non-participating claims	<p>The following claims will be released under the Primary DOCA but will not be entitled to any distribution from the Creditors Trust Fund or other payment:</p> <ul style="list-style-type: none"> (a) claims that are 'subordinate claims' within the meaning of section 563A of the Corporations Act;
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- (b) any claim by a Primary DOCA Company or a related body corporate of a Primary DOCA Company against a Primary DOCA Company which is not an Excluded Claim;
- (c) any FFC Claim (as described in section 19);
- (d) any claim in respect of which the relevant creditor has agreed in writing with the Administrators, the Deed Administrators or the Primary DOCA Companies not to participate in distributions from the Creditors Trust Fund.

15 **Continuing Employees**

The Continuing Employees will be those employees who are employed by a Primary DOCA Company as at the date of the Primary DOCA and who remain employees as at Completion of the Primary DOCA.

The Deed Proponent is responsible for funding all employee entitlements of employees who cease to be employed by a Primary DOCA Company between 1 July 2020 and completion of the Primary DOCA.

The Deed Proponent will procure that on and from completion of the Primary DOCA, the Primary DOCA Company which is the employer of the Continuing Employees will remain responsible for, and shall recognise, honour and pay, the entitlements of any Continuing Employee, including any entitlements accrued prior to the Appointment Date.

16 **Excluded contracts**

A list of contracts (including aircraft finance contracts and leases) to which a Primary DOCA Company is a party and which are intended to be Excluded Contracts under the Primary DOCA (subject in some cases to certain waivers and/or negotiated amendments being agreed with the Primary DOCA Companies and coming into effect on or before Completion) is set out in the schedule provided with this Proposal (**Primary DOCA Excluded Contracts Schedule**).

The Excluded Contracts to which the Primary DOCA Companies are party will remain on foot and, where applicable, on varied terms agreed with the relevant counterparty which will take effect on or before Completion.

The Excluded Contracts will consist of:

- (a) the contracts contained in part 1 of the Primary DOCA Excluded Contracts Schedule;
 - (b) the contracts contained in part 2 of the Primary DOCA Excluded Contracts Schedule, provided that either:
 - i. the counterparty has waived or waives, prior to or with effect from Completion, any event of default or breach by the relevant Primary DOCA Company which has occurred, or may occur prior to or on Completion, insofar as the counterparty would be entitled to terminate the contract or (where applicable) take possession of or otherwise recover from the Primary DOCA Company property leased under that contract; or
 - ii. the Deed Proponent confirms in the Primary DOCA Excluded Contracts Designation Notice (referred to below) that the contract is an Excluded Contract notwithstanding that the counterparty has not satisfied the requirements of paragraph (i);
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- (c) the contracts contained in part 3 of the Primary DOCA Excluded Contracts Schedule, provided that the Deed Proponent confirms to the Deed Administrators in the Primary DOCA Excluded Contracts Designation Notice (described below) that any conditions to the exclusion of that contract identified in the Excluded Contracts Schedule have been satisfied (or will be satisfied simultaneously with Completion);
- (d) the contracts contained in part 4 of the Primary DOCA Excluded Contracts Schedule in relation to an aircraft, provided that the Deed Proponent confirms in the Excluded Contracts Designation Notice that the relevant Primary DOCA Company has entered into an amendment agreement in respect of the contracts relating to that aircraft with the relevant counterparties prior to Completion of the Primary DOCA, and any conditions to the effectiveness of the amendments contemplated by the amendment agreement have been satisfied or waived (or will be satisfied simultaneously with Completion of the Primary DOCA); or
- (e) any contract (including any lease) that is otherwise designated in the Primary DOCA Excluded Contracts Designation Notice.

The conditions referred to in paragraph (c) may include, for example:

- a. the counterparty having entered into an amendment agreement with the Primary DOCA Company prior to Completion, and any conditions to the effectiveness of that amendment agreement having been satisfied or waived prior to Completion or being satisfied simultaneously with Completion; and/or
- b. Completion occurring in respect of another DOCA Company.

Except as otherwise agreed in writing between the relevant Primary DOCA Company and the creditor, the Excluded Contract Released Claims (as defined in section 13) under the Excluded Contracts will be extinguished under the Primary DOCA in return for an entitlement to make a claim against the Creditors Trust Fund.

The Deed Proponent may designate additional Excluded Contracts prior to Completion of the Primary DOCA (**Primary DOCA Excluded Contracts Designation Notice**). The Primary DOCA Excluded Contracts Designation Notice will be delivered to the Deed Administrators no later than 2 Business Days prior to Completion of the Primary DOCA.

17 Insured claims

Insured claims will be excluded from the Primary DOCA.

An insured claim is a claim which a creditor has against a Primary DOCA Company and which would have been entitled to priority in a liquidation of a Primary DOCA Company under section 562 of the Corporations Act, being a claim where:

- (a) the Primary DOCA Company is insured against the claim under a contract of insurance entered into before the date of appointment of the Administrators; and
- (b) an amount in respect of that claim would be payable by the insurer to the Primary DOCA Company under the contract of insurance,

but only to the extent of such part of the claim as would be discharged by the payment from the insurer and, if required by the Primary DOCA Company, provided the creditor indemnifies the Primary DOCA Company in respect of all costs and expenses incurred by the

Primary DOCA Company in connection with such claim.

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| 18 | Intragroup claims | <p>Intragroup claims that will not be released under the Primary DOCA and will be excluded from receiving a distribution from the Creditors Trust Fund are:</p> <ul style="list-style-type: none"> (a) intercompany loan balances owed by a Primary DOCA Company to another Primary DOCA Company; (b) intercompany loan balances between a Primary DOCA Company to a Subsidiary DOCA Company but only if the Primary DOCA and the relevant Subsidiary DOCA both complete; (c) intercompany loan balances between a Primary DOCA Company and an IG DOCA Company but only if the Primary DOCA and the IG DOCA both complete; and (d) claims in respect of the contracts listed in Schedule 3, subject to the satisfaction of any conditions in respect of a contract identified in Schedule 3. |
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| 19 | Future Flight Credits | <p>Claims of creditors for refunds or other monetary compensation (FFC Claims) for or in respect of the following will be released under the Primary DOCA, with the relevant creditors to receive an entitlement to a Future Flight Credit from completion of the Primary DOCA in exchange for such release:</p> <ul style="list-style-type: none"> (a) flights or holiday packages operated or sold by or on behalf of a Primary DOCA Company that were booked and paid for prior to the Appointment Date have been cancelled as at the date of the Primary DOCA, where that creditor is entitled (whether under the terms of the relevant policy or as a result of a direct communication to that creditor by or on behalf of a Primary DOCA Company), immediately prior to Completion, to a Conditional Credit; (b) flights or holiday packages operated or sold by or on behalf of a Primary DOCA Company that were booked and paid for prior to the Appointment Date and which are cancelled after the date of the Primary DOCA or after Completion; (c) flights or holiday packages operated or sold by or on behalf of a Primary DOCA Company that were booked and paid for prior to the Appointment Date which were cancelled prior to the Appointment Date and in respect of which the relevant creditor had, prior to the Appointment Date, been issued with a travel credit in accordance with the Primary DOCA Company's terms and conditions applicable as at the date such credit was issued; (d) expenses incurred in connection with a delayed or cancelled flight or holiday package operated or sold by or on behalf of a Primary DOCA Company that was booked prior to the Appointment Date, or ancillary services paid for in connection with a delayed or cancelled flight or holiday package operated or sold by or on behalf of a Primary DOCA Company that was booked prior to the Appointment Date, where that creditor is entitled (whether under the terms of the relevant policy or as a result of a direct communication to that creditor by or on behalf of a Primary DOCA Company), immediately prior to Completion, to a Conditional Credit; |
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- (e) service-related incidents arising in connection with a flight or holiday package operated or sold by or on behalf of a Primary DOCA Company, which was booked prior to the Appointment Date, where the relevant creditor is entitled (whether under the terms of the relevant policy or as a result of a direct communication to that creditor by or on behalf of a Primary DOCA Company), immediately prior to Completion, to a Conditional Credit; and
- (f) deposits paid to, and held by, a Primary DOCA Company prior to the Appointment Date in respect of a group booking for flights operated or sold by or on behalf of a Primary DOCA Company that have been cancelled, or are cancelled after the date of the Primary DOCA.

The terms and conditions of the Future Flight Credits are set out in Schedule 4.

Conditional Credits are the conditional travel credits made available to eligible customers pursuant to a scheme implemented by the Administrators and certain Primary DOCA Companies in accordance with the orders made by the Federal Court of Australia on 13 May 2020.

20	Assumed liabilities	<p>The following liabilities will be assumed by the Primary DOCA Companies following Completion and will not form part of the costs of the administration to be paid from the Creditors Trust Fund:</p> <ul style="list-style-type: none"> (a) annual leave entitlements accrued during the administration period; (b) claims for credits or other compensation in respect of flights or holiday packages operated or sold by or on behalf of a Primary DOCA Company that were booked and paid for during the administration period and cancelled during the administration period, DOCA period or after Completion, in accordance with the terms and conditions applicable at the time of booking.
21	Administrators / Deed Administrators Lien	<p>The Administrators and Deed Administrators will have a lien over and be entitled to be indemnified from the assets of the Primary DOCA Companies until Completion and out of the Creditors Trust Fund from Completion, for their remuneration, costs and expenses.</p>
22	Moratorium on Claims	<p>Subject to sections 23 or 24, during or after the period of the Primary DOCA a creditor may not, in relation to that creditor's claim:</p> <ul style="list-style-type: none"> (a) make or proceed with an application for an order to wind up a Primary DOCA Company; (b) institute, revive or continue any action, suit, arbitration, mediation or proceeding against a Primary DOCA Company or in relation to the property of a Primary DOCA Company; (c) institute, revive or continue with any Enforcement Process (as defined in the Corporations Act) against the property of a Primary DOCA Company;

- (d) take any action whatsoever to seek to recover any part of its claim;
 - (e) exercise any right of set off or defence, cross claim or cross action to which that creditor would not have been entitled had the relevant Primary DOCA Company been wound up on the Appointment Date;
 - (f) commence or take any further step in any arbitration against a Primary DOCA Company or to which a Primary DOCA Company is a party in relation to any matter arising or occurring before the Appointment Date; or
 - (g) otherwise enforce any right it may have or acquire,
- except to the extent of that creditor's entitlement to participate in the Creditors Trust Fund in accordance with the terms of the Creditors Trust Deed.

23	Secured creditors	Nothing in the Primary DOCA will restrict the right of a secured creditor to realise or otherwise deal with its security interest to the extent permitted by s 444D(2) of the Corporations Act.
24	Owners of property in the possession of a Primary DOCA Company	Nothing in the Primary DOCA will restrict a right that an owner of property in the possession of a Primary DOCA Company of the Primary DOCA has in relation to the property of that owner under s 444D(3) of the Corporations Act.
25	Termination	<p>The Primary DOCA will terminate:</p> <ul style="list-style-type: none"> (a) as a result of being fully effectuated in accordance with its terms immediately following Completion simultaneously with the IG DOCA and Subsidiary DOCAs, or (if applicable, where the IG DOCA or any Subsidiary DOCA is not approved, or a condition to completion under the IG DOCA or a Subsidiary DOCA is not satisfied or waived by the Deed Proponent) completion under the Asset Sale Agreement; (b) if the court makes an order terminating the Primary DOCA under s 445D of the Corporations Act; or (c) if the creditors of the Primary DOCA Companies pass a resolution terminating the Primary DOCA in accordance with section 445C(b) and 445CA of the Corporations Act.
26	Asset Sale Agreement	<p>In the event that:</p> <ul style="list-style-type: none"> (a) the Deed Administrators and the Deed Proponent are of the opinion that one or more of the conditions to Completion of the

Primary DOCA is incapable of being satisfied; or

- (b) the conditions to Completion of the Primary DOCA have not been satisfied or waived by 30 November 2020 (or such later date agreed by the Deed Proponent and the Deed Administrators),

the parties must complete the acquisition of the assets of the Primary DOCA Companies under the Asset Sale Agreement in accordance with its terms.

In those circumstances the Primary DOCA will not terminate and will continue in operation until completion of the Asset Sale Agreement.

Following completion of the Asset Sale Agreement, the Deed Administrators will convene a meeting to consider the future of the Primary DOCA Companies.

27	Other terms	The Primary DOCA will contain other terms that are customary for a DOCA of this nature and are agreed between the Administrators and the Deed Proponent.
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3 International Group DOCA

The IG DOCA will be on materially the same terms as the Primary DOCA as if references to the 'Primary DOCA Companies' were references to the 'IG DOCA Companies', except as set out below:

1	IG DOCA Companies	<p>1 Virgin Australia International Holdings Pty Ltd (VAIH)</p> <p>2 Virgin Australia International Airlines Pty Ltd</p> <p>3 Tiger International Number1 Pty Ltd</p> <p>4 Virgin Australia Airlines (SE Asia) Pty Ltd</p>
2	IG DOCA consideration	<p>Subject to completion of the Primary DOCA, the creditors of the IG DOCA Companies will be entitled to a distribution from the Pool A Fund and, in respect of Pool B Creditors, the Pool B Fund, as described in section 1.3 of Part 1 of this Proposal.</p> <p>If the Deed Proponent elects to proceed with the IG DOCA in circumstances where the Primary DOCA is not approved, or if the conditions to Completion of the Primary DOCA are not satisfied, the creditors of the IG DOCA Companies will be entitled to a</p>



distribution from the Pool D Fund, as described in section 1.3 of Part 1 of this Proposal.

3	Assets available for distribution to creditors	<p>Creditors of the IG DOCA Companies will receive an entitlement to receive a distribution from the Pool A Fund and, in respect of Pool B Creditors, the Pool B Fund, of the Creditors Trust Fund, or alternatively, the Pool D Fund as described in section 1.3 of Part 1 of this Proposal.</p> <p>No other assets of the IG DOCA Companies will be available to meet the Claims of creditors of those companies.</p>
4	Order of distribution	<p>The assets of the Pool A Fund and Pool B Fund or Pool D Fund, as applicable, will be distributed to creditors of the IG DOCA Companies in the order of priority set out in section 10 of Part 5 of this Proposal.</p>
5	Conditions to IG DOCA Completion	<p>Completion of the IG DOCA will be conditional on the following:</p> <ul style="list-style-type: none">(a) execution of the Creditors Trust Deed;(b) the Deed Administrators obtaining the Chapter 15 Order;(c) completion of the transfer of the shares in VAH to the Purchaser occurs under the Primary DOCA; and(d) the VSID has not been terminated. <p>The Deed Proponent may waive any of the conditions described in (b), (c) or (d) in writing.</p>
6	Completion of the IG DOCA	<p>Completion of the IG DOCA will occur simultaneously with the Primary DOCA and Subsidiary DOCAs (or if the Primary DOCA or any Subsidiary DOCA is not approved or the conditions to Completion of the Primary DOCA or any Subsidiary DOCA are not satisfied, completion of the Asset Sale Agreement).</p> <p>Completion of the IG DOCA will involve the following steps, or such other steps as are reasonably required by the Deed Proponent and agreed by the Deed Administrators.</p> <p>Pre-Completion steps</p> <p>No later than 2 Business Days prior to Completion of the IG DOCA, the Deed Proponent will deliver to the Administrators the IG DOCA Excluded Contracts Designation Notice in respect of the IG DOCA Companies (as described in section 7).</p> <p>Completion steps</p> <p>On Completion of the IG DOCA, the following will be effected (or deemed to be effected) in the following order (or in such other order</p>

notified in writing to the Deed Administrators prior to Completion):

- (a) the releases of the Released Claims will take effect (at the same time as the releases of the Released Claims under the Primary DOCA take effect); and
- (b) if Completion of the IG DOCA occurs in circumstances where the Primary DOCA was not approved, or a condition to Completion of the Primary DOCA has not been satisfied, the Deed Proponent will pay, or procure the payment of, the Pool D Fund Amount (described in section 1.3 of Part 1 of this Proposal) to the Trustees of the Creditors Trust.

Post-Completion steps

Immediately following Completion, the boards of the IG DOCA Companies will be reconstituted in accordance with the Deed Proponent's direction.

7 Excluded contracts

A list of contracts (including aircraft finance contracts and leases) to which an IG DOCA Company is a party and which are intended to be Excluded Contracts under the IG DOCA (subject in some cases to certain waivers and/or negotiated amendments being agreed with the IG DOCA Companies and coming into effect on or before Completion) is set out in the schedule provided with this Proposal (**IG DOCA Excluded Contracts Schedule**).

The Excluded Contracts to which the IG DOCA Companies are party will remain on foot and, where applicable, on varied terms agreed with the relevant counterparty which will take effect on or before Completion.

The Excluded Contracts will consist of:

- (a) the contracts contained in part 1 of the IG DOCA Excluded Contracts Schedule;
- (b) the contracts contained in part 2 of the IG DOCA Excluded Contracts Schedule, provided that either:
 - i. the counterparty has waived or waives, prior to or with effect from Completion, any event of default or breach by the relevant IG DOCA Company which has occurred, or may occur prior to or on Completion, insofar as the counterparty would be entitled to terminate the contract or (where applicable) take possession of or otherwise recover from the IG DOCA Company property leased under that contract; or
 - ii. the Deed Proponent confirms in the IG DOCA Excluded Contracts Designation Notice (referred to below) that the contract is an Excluded Contract notwithstanding that the counterparty has not satisfied the requirements of paragraph (i);
- (c) the contracts contained in part 3 of the IG DOCA Excluded Contracts Schedule, provided that the Deed Proponent confirms to the Deed Administrators in the IG DOCA Excluded Contracts Designation Notice (described below) that any conditions to the exclusion of that contract identified in the IG DOCA Excluded Contracts Schedule have been satisfied (or will be satisfied simultaneously with Completion);
- (d) the contracts contained in part 4 of the IG DOCA Excluded Contracts Schedule in relation to an aircraft, provided that the Deed

Proponent confirms in the Excluded Contracts Designation Notice that the relevant IG DOCA Company has entered into an amendment agreement in respect of the contracts relating to that aircraft with the relevant counterparties prior to Completion of the IG DOCA, and any conditions to the effectiveness of the amendments contemplated by the amendment agreement have been satisfied or waived (or will be satisfied simultaneously with Completion of the IG DOCA); or

(e) any contract (including any lease) that is otherwise designated in the IG DOCA Excluded Contracts Designation Notice.

The conditions referred to in paragraph (c) may include, for example:

- a. the counterparty having entered into an amendment agreement with the IG DOCA Company prior to Completion, and any conditions to the effectiveness of that amendment agreement having been satisfied or waived prior to Completion or being satisfied simultaneously with Completion; and/or
- b. Completion occurring in respect of another DOCA Company.

Except as otherwise agreed in writing between the relevant IG DOCA Company and the creditor, the Excluded Contract Released Claims (as defined in section 13 of Part 2 of this Proposal) under the Excluded Contracts will be extinguished under the IG DOCA in return for an entitlement to make a claim against the Creditors Trust Fund.

The Deed Proponent may designate additional Excluded Contracts prior to Completion of the IG DOCA (**IG DOCA Excluded Contracts Designation Notice**). The IG DOCA Excluded Contracts Designation Notice will be delivered to the Deed Administrators no later than 2 Business Days prior to Completion of the IG DOCA.

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| 8 | Intragroup claims | <p>Intragroup claims that will not be released under the IG DOCA and will be excluded from receiving a distribution from the Creditors Trust Fund are:</p> <ol style="list-style-type: none"> (a) intercompany loan balances owed by an IG DOCA Company to another IG DOCA Company; (b) intercompany loan balances between an IG DOCA Company and a Subsidiary DOCA Company but only if the IG DOCA and the relevant Subsidiary DOCA both complete; (c) intercompany loan balances between an IG DOCA Company and a Primary DOCA Company but only if the IG DOCA and the Primary DOCA both complete; and (d) claims in respect of the contracts listed in Schedule 3, subject to the satisfaction of any conditions in respect of a contract identified in Schedule 3. |
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| 9 | Termination | <p>The IG DOCA will terminate:</p> <ol style="list-style-type: none"> (a) as a result of being fully effectuated in accordance with its terms immediately following Completion simultaneously with the Primary DOCA, or (if applicable, where the Primary DOCA is not approved by the creditors at the Second Meeting, or a condition |
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to completion under the Primary DOCA is not satisfied or waived by the Deed Proponent) completion under the Asset Sale Agreement;

- (b) if the court makes an order terminating the Primary DOCA under s 445D of the Corporations Act; or
- (c) if the creditors of the Primary DOCA Companies pass a resolution terminating the Primary DOCA in accordance with section 445C(b) and 445CA of the Corporations Act.

10 **Asset Sale Agreement**

In the event that:

- (a) the Deed Administrators and the Deed Proponent are of the opinion that one or more of the conditions to Completion of the IG DOCA is incapable of being satisfied; or
- (b) the conditions to Completion of the IG DOCA have not been satisfied waived by 30 November 2020 (or such later date agreed by the Deed Proponent and the Deed Administrators),

the parties must complete the acquisition of the assets of the IG DOCA Companies under the Asset Sale Agreement in accordance with its terms.

In those circumstances the IG DOCA will not terminate and will continue in operation until completion of the Asset Sale Agreement.

Following completion of the Asset Sale Agreement, the Deed Administrators will convene a meeting to consider the future of the IG DOCA Companies.

4 Subsidiary DOCAs

Each Subsidiary DOCA will be on materially the same terms as the Primary DOCA, as if references to the 'Primary DOCA Companies' were references to the 'Subsidiary DOCA Company', except as set out below:

1 **Subsidiary DOCA Companies**

- 1 VB Leaseco No 2 Pty Ltd
- 2 VB 800 2009 Pty Ltd
- 3 Short Haul 2017 No. 2 Pty Ltd
- 4 Short Haul 2018 No. 1 Pty. Ltd.

- 5 VA Borrower 2019 No. 1 Pty Ltd
- 6 VA Borrower 2019 No. 2 Pty Ltd
- 7 Short Haul 2014 No. 1 Pty Ltd and Short Haul 2014 No. 2 Pty Ltd (to be subject to a pooled DOCA)
- 8 Short Haul 2017 No. 3 Pty. Ltd.

2	Assets available for distribution to creditors	<p>If Completion of the Primary DOCA occurs, creditors of the Subsidiary DOCA Companies will receive an entitlement to receive a distribution from the Pool A Fund of the Creditors Trust Fund, described in section 1.3 of Part 1 of this Proposal.</p> <p>If the Primary DOCA is not approved or Completion of the Primary DOCA does not occur, no distributions will be made under the Subsidiary DOCAs, but the release of claims under a Subsidiary DOCA will not limit a creditor's rights in respect of any claim in the liquidation of another DOCA Company that arises from a common underlying obligation or in connection with the same underlying transaction (for example, where another DOCA Company is a guarantor, indemnifier or co-obligor of an obligation or debt owing by the Subsidiary DOCA Company).</p>
3	Conditions to Completion of each Subsidiary DOCA	<p>Completion of each Subsidiary DOCA will be conditional on the following:</p> <ol style="list-style-type: none"> (a) completion of the transfer of the shares in VAH to the Purchaser occurs under the Primary DOCA; (b) for each Subsidiary DOCA Company other than VB Leaseco No. 2 and VB 800, in relation to each aircraft finance contract or aircraft lease that is intended to be an Excluded Contract under the Subsidiary DOCA, the Subsidiary DOCA Company has entered into a binding amendment agreement with the financier or lessor on terms satisfactory to the Deed Proponent and any conditions to the effectiveness of the amendment agreement have been satisfied or will be satisfied simultaneously with Completion of the Subsidiary DOCA; (c) for VB Leaseco No. 2 and VB 800, a binding amendment agreement on terms satisfactory to the Deed Proponent has been entered into, and any conditions to the effectiveness of that amendment agreement have been satisfied or will be satisfied simultaneously with Completion of the Subsidiary DOCA, in respect of the aircraft finance contracts or aircraft lease documents that are intended to be Excluded Contracts in relation to at least one aircraft that is financed or leased by the Subsidiary DOCA Company; (d) the VSID has not been terminated. <p>The Deed Proponent may waive any of the conditions in writing.</p>
4	Completion of the Subsidiary	<p>Completion of each Subsidiary DOCA will occur simultaneously with the Primary DOCA or, if the Deed Proponent elects to waive the condition in section 4(a), simultaneously with completion of the Asset Sale Agreement (in either case, subject to satisfaction of the</p>

DOCAs

conditions to Completion of the Subsidiary DOCA).

Completion of each Subsidiary DOCA will involve the following steps, or such other steps as are reasonably required by the Deed Proponent and agreed by the Deed Administrators.

Pre-Completion steps

No later than 2 Business Days prior to Completion of each Subsidiary DOCA, the Deed Proponent will deliver to the Deed Administrators the Subsidiary DOCA Excluded Contracts Designation Notice in respect of that Subsidiary DOCA Company (as described in section 5).

Completion steps

On Completion of each Subsidiary DOCA, the releases of the Released Claims will take effect (at the same time as the releases of the Released Claims under the Primary DOCA take effect, if Completion of the Primary DOCA occurs).

Post-Completion steps

Immediately following Completion, the board of the Subsidiary DOCA Company will be reconstituted in accordance with the Deed Proponent's direction.

5 Excluded contracts

Lists of the contracts (including aircraft finance contracts and leases) to which each Subsidiary DOCA Company is a party and which are intended to be Excluded Contracts under each Subsidiary DOCA (subject in some cases to certain waivers and/or negotiated amendments being agreed with the Subsidiary DOCA Company and coming into effect on or before Completion) are set out in the schedules provided with this Proposal (each, a **Subsidiary DOCA Excluded Contracts Schedule**).

The Excluded Contracts to which the Subsidiary DOCA Companies are party will remain on foot and, where applicable, on varied terms agreed with the relevant counterparty which will take effect on or before Completion.

The Excluded Contracts will consist of:

- (a) the contracts contained in part 1 of each Subsidiary DOCA Excluded Contracts Schedule;
- (b) the contracts contained in part 2 of each Subsidiary DOCA Excluded Contracts Schedule, provided that either:
 - i. the counterparty has waived or waives, prior to or with effect from Completion, any event of default or breach by the relevant Subsidiary DOCA Company which has occurred, or may occur prior to or on Completion, insofar as the counterparty would be entitled to terminate the contract or (where applicable) take possession of or otherwise recover from the Subsidiary DOCA Company property leased under that contract; or
 - ii. the Deed Proponent confirms in the Subsidiary DOCA Excluded Contracts Designation Notice (referred to below) that the contract is an Excluded Contract notwithstanding that the counterparty has not satisfied the requirements of paragraph (i);

- (c) the contracts contained in part 3 of each Subsidiary DOCA Excluded Contracts Schedule, provided that the Deed Proponent confirms to the Deed Administrators in the Subsidiary DOCA Excluded Contracts Designation Notice (described below) that any conditions to the exclusion of that contract identified in the Subsidiary DOCA Excluded Contracts Schedule have been satisfied (or will be satisfied simultaneously with Completion);
- (d) the contracts contained in part 4 of the Subsidiary DOCA Excluded Contracts Schedule in relation to an aircraft, provided that the Deed Proponent confirms in the Excluded Contracts Designation Notice that the relevant Subsidiary DOCA Company has entered into an amendment agreement in respect of the contracts relating to that aircraft with the relevant counterparties prior to Completion of the Subsidiary DOCA, and any conditions to the effectiveness of the amendments contemplated by the amendment agreement have been satisfied or waived (or will be satisfied simultaneously with Completion of the Subsidiary DOCA); or
- (e) any contract (including any lease) that is otherwise designated in a Subsidiary DOCA Excluded Contracts Designation Notice.

The conditions referred to in paragraph (c) may include, for example:

- a. the counterparty having entered into an amendment agreement with the Subsidiary DOCA Company prior to Completion, and any conditions to the effectiveness of that amendment agreement having been satisfied or waived prior to Completion or being satisfied simultaneously with Completion; and/or
- b. Completion occurring in respect of another DOCA Company.

Except as otherwise agreed in writing between the relevant Subsidiary DOCA Company and the creditor, the Excluded Contract Released Claims (as defined in section 13 of Part 2 of this Proposal) under the Excluded Contracts will be extinguished under the Subsidiary DOCA in return for an entitlement to make a claim against the Creditors Trust Fund.

The Deed Proponent may designate additional Excluded Contracts prior to Completion of each Subsidiary DOCA (each, a **Subsidiary DOCA Excluded Contracts Designation Notice**). Each Subsidiary DOCA Excluded Contracts Designation Notice will be delivered to the Deed Administrators no later than 2 Business Days prior to Completion of the Subsidiary DOCAs.

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| 6 | Intragroup claims | <p>Intragroup claims that will not be released under each Subsidiary DOCA and will be excluded from receiving a distribution from the Creditors Trust Fund are:</p> <ul style="list-style-type: none"> (a) intercompany loan balances between the Subsidiary DOCA Company to another Subsidiary DOCA Company but only if the DOCA in respect of both Subsidiary DOCA Companies completes; (b) intercompany loan balances between the Subsidiary DOCA Company and a Primary DOCA Company but only if the Subsidiary DOCA and the Primary DOCA both complete; and (c) intercompany loan balances between the Subsidiary DOCA Company and an IG DOCA Company but only if the Subsidiary DOCA and the IG DOCA both complete. |
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7 Asset Sale Agreement

In the event that:

- (a) the Deed Administrators and the Deed Proponent are of the opinion that one or more of the conditions to Completion of a Subsidiary DOCA is incapable of being satisfied; or
- (b) the conditions to Completion a Subsidiary DOCA have not been satisfied or waived by 30 November 2020 (or such later date agreed by the Deed Proponent and the Deed Administrators),

then, unless the Deed Proponent notifies the Deed Administrators in writing that the assets of the Subsidiary DOCA Company will not be subject to the Asset Sale Agreement pursuant to section 8(b), the parties must complete the acquisition of the assets of that Subsidiary DOCA Company under the Asset Sale Agreement in accordance with its terms.

In those circumstances the Subsidiary DOCA will not terminate and will continue in operation until completion of the Asset Sale Agreement.

Following completion of the Asset Sale Agreement, the Deed Administrators will convene a meeting to consider the future of the Subsidiary DOCA Company.

8 Termination

Each Subsidiary DOCA will terminate:

- (a) as a result of being fully effectuated in accordance with its terms immediately following Completion;
- (b) if:
 - a. the Deed Administrators and the Deed Proponent are of the opinion that one or more of the conditions to Completion of the Subsidiary DOCA is incapable of being satisfied, or the conditions to Completion of the Subsidiary DOCA have not been satisfied or waived by 30 November 2020 (or such later date agreed by the Deed Proponent and the Deed Administrators); and
 - b. the Deed Proponent notifies the Deed Administrators in writing that the assets of the Subsidiary DOCA Company will not be subject to the Asset Sale Agreement,

in which case the Subsidiary Company will be placed into liquidation under s 446AA of the Corporations Act;
- (c) if the court makes an order terminating the Subsidiary DOCA under s 445D of the Corporations Act; or
- (d) if the creditors of the Subsidiary DOCA Companies pass a resolution terminating the Subsidiary DOCA in accordance with section 445C(b) and 445CA of the Corporations Act.

5 Creditors' Trust Deed

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| 1 | Creditors Trust | <p>The Creditors Trust will be established on Completion of the Primary DOCA, or on Completion of the IG DOCA in the event that the Purchaser elects to proceed with the IG DOCA in circumstances where the Primary DOCA is not approved or the conditions to Completion of the Primary DOCA are not satisfied.</p> <p>Upon Completion of the Primary DOCA, the IG DOCA and the Subsidiary DOCAs, all Claims of the Trust Creditors against the DOCA Companies will convert to and become claims against the Creditors Trust Fund.</p> |
| <hr/> | | |
| 2 | Trustees | <p>The Deed Administrators will be the trustees of the Creditors Trust.</p> |
| <hr/> | | |
| 3 | Creditors Trust Fund | <p>The Creditors Trust Fund will be comprised of the Pool A Fund, the Pool B Fund, the Pool C Fund and the Pool D Fund, in each case as described in section 1.3 of Part 1 of this Proposal.</p> |
| <hr/> | | |
| 4 | Trust Creditors | <p>Each creditor of the Primary DOCA Companies, the IG DOCA Companies and the Subsidiary DOCA Companies who has a Released Claim will be entitled to receive a distribution from the Creditors' Trust Fund, except to the extent that its Claim is a Non-Participating Claim under the Primary DOCA, IG DOCA or Subsidiary DOCA (Trust Creditors).</p> <p>The Trust Creditors will consist of the Pool A Creditors, Pool B Creditors, Pool C Creditors and Pool D Creditors.</p> |
| <hr/> | | |
| 5 | Pool A Creditors | <p>The Pool A Creditors will be:</p> <ul style="list-style-type: none"> (a) each Trust Creditor that is a creditor of the Primary DOCA Companies, other than the Pool C Creditors; (b) each Trust Creditor that is a creditor of the IG DOCA Companies; and (c) each Trust Creditor that is a creditor of a Subsidiary DOCA Company. |
| <hr/> | | |
| 6 | Pool B Creditors | <p>The Pool B Creditors will be each Trust Creditor that is a creditor of the IG DOCA Companies, on account of claims in respect of which the creditor has a claim that arises from a common underlying obligation or in connection with the same underlying transaction under the Primary DOCA.</p> |
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7	Pool C Creditors	The Pool C Creditors will be each of the Trust Creditors of the Primary DOCA Companies that is a critical supplier of the Primary DOCA Companies set out in Schedule 5.
8	Pool D Creditors	The Pool D Creditors will be each Trust Creditor of the IG DOCA Companies.
9	Distribution of Pool A Fund	<p>The Pool A Fund will be available for distribution to the Pool A Creditors in the following order of priority:</p> <ul style="list-style-type: none"> (a) first, to the Administrators or Deed Administrators for any amount which the Administrators or Deed Administrators are entitled to be paid or indemnified for under the Primary DOCA, IG DOCA or Subsidiary DOCAs including their remuneration, costs and expenses and all other all debts and liabilities incurred by them during the administration and deed administration of the DOCA Companies; (b) next, to the trustees of the Creditors Trust in satisfaction of their remuneration and costs; (c) next, any liability to employees of the DOCA Companies for historic underpayment claims; (d) next, pro rata to each other Pool A Creditor. <p>Sections 444DA and 444DB of the Corporations Act will apply to the Creditors Trust.</p>
10	Distribution of Pool B Fund	The Pool B Fund will be available for distribution pro rata to each Pool B Creditor.
11	Distribution of Pool C Fund	The Pool C Fund will be available for distribution to each Pool C Creditor in the amounts set out in Schedule 5.
12	Distribution of Pool D Fund	<p>The Pool D Fund will be available for distribution to the Pool D Creditors in the following order of priority:</p> <ul style="list-style-type: none"> (a) first, to the Administrators or Deed Administrators for any amount which the Administrators or Deed Administrators are entitled to be paid or indemnified for under the IG DOCA including their remuneration, costs and expenses and all other all debts and liabilities incurred by them during the administration and deed administration of the IG DOCA Companies; (b) next, to the trustees of the Creditors Trust in satisfaction of their remuneration and costs; (c) next, any liability to employees of the DOCA Companies for historic underpayment claims



(d) next, pro rata to each other Pool D Creditor.

The Pool D Fund will only be established if the IG DOCA completes but the Primary DOCA does not complete and the Asset Sale Agreement in respect of the assets of the Primary DOCA Companies completes.

13	Multiple Claims arising from same circumstances	Creditors will be entitled to make only a single claim in the Creditors Trust Fund in respect of any claims that arise from a common underlying obligation or in connection with the same underlying transaction (for example, where one DOCA Company is a guarantor, indemnifier or co-obligor of an obligation of debt owing by another DOCA Company), and where they are for different amounts, for the largest admitted claim; provided that Pool B Creditors will be entitled to claim against the Pool A Fund and the Pool B Fund.
14	Determination of Claims	<p>The Trust Deed will include provisions relating to the determination of Claims incorporating the provisions of the Corporations Act and Regulations applicable to the determination of Claims.</p> <p>Section 444DB of the Corporations Act will apply to the Creditors Trust.</p>
15	Trustees' lien	The Trustees will have a lien over and be entitled to be indemnified out of the assets of the Creditors Trust Fund for their remuneration, costs and expenses.
16	Other terms	The Trust Deed will contain other terms that are customary for a creditors trust of this nature and are agreed between the Administrators and the Deed Proponent.

Schedule 1

Contingent Value Entitlement Deed Poll

Attached.



HERBERT
SMITH
FREEHILLS

Deed poll

Project Hart

Contingent Value Entitlement deed poll

[BC Hart Aggregator, L.P.]



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Deed poll

Date ►

Made by:

Purchaser **[BC Hart Aggregator, L.P.]**
of PO Box 309, Ugland House Grand Cayman, KY1-1104, Cayman
Islands
(Purchaser)

in favour and for the
benefit of

Trustees **Vaughan Strawbridge, Salvatore Algeri, John Grieg and Richard
Hughes** of c/- Deloitte, Level 9, 225 George Street, Sydney NSW
2000, in their capacities as joint and several trustees of the Creditors'
Trust

Recitals

- 1 On or about the date of this deed poll, the Purchaser has, or will,
acquire all of the issued share capital in VAH pursuant to the
Primary DOCA.
- 2 In connection with the Primary DOCA, and as part of the
consideration for the acquisition of VAH and its business, the
Purchaser has agreed to enter into this deed poll in favour of the
Trustees to be held on trust as part of the assets of the Creditors'
Trust.

This deed poll witnesses as follows:



1 Definitions, interpretation and deed poll components

1.1 Definitions

The meanings of the terms used in this deed poll are set out below.

Term	Meaning
Affiliate	in relation to any person, a Subsidiary of that person or a Holding Company of that person or any other Subsidiary of that Holding Company.
Australian Accounting Standards	the accounting standards approved under the Corporations Act, being the Australian Accounting Standards and any authoritative interpretations issued by the Australian Accounting Standards Board.
Available Operating Cash	<p>in respect of any period for the Group, consolidated earned revenue for the Group for that period, minus the sum of the following for that period (and without double counting):</p> <ol style="list-style-type: none">1 Taxes paid or payable in cash by the Group during that period;2 the amount of the increase in Working Capital during that period or plus the amount of the decrease in Working Capital during that period;3 capital expenditure paid or payable during that period;4 interest expense and anything in the nature of interest expense (including commissions, discounts and other fees and charges of a recurring nature, and net payments, if any, made in respect of interest rate hedging arrangements) paid or payable in cash during that period;5 operating costs and any other expenses paid or payable during that period (including rental payments on aircraft operating leases and other leases);6 the principal component of any payments under any finance or capital leases during that period;7 any voluntary prepayment or mandatory prepayment of financial indebtedness made by a member of the Group during that period;8 the amount of any transaction costs relating to the Transaction paid during that period;9 realised cash losses on hedging arrangements plus any realised cash gains on hedging arrangements; and10 the amount to be deposited or paid on account of Restricted

Term	Meaning
	Cash during the relevant period plus any amount of Restricted Cash that is released and becomes Unrestricted Cash during the relevant period.
Business Day	a day on which banks are open for business in Sydney, Brisbane and New York, excluding a Saturday, Sunday or public holiday in that city.
Completion	has the meaning given to that term in the Primary DOCA.
Contingent Value Entitlement	has the meaning given to that term in clause 2.1(a).
Corporations Act	<i>Corporations Act 2001</i> (Cth).
Creditors' Trust	the trust established pursuant to the Creditors' Trust Deed.
Creditors' Trust Deed	the trust deed dated on or about [x] between the Trustees and the Purchaser.
CVE Determination Date	in relation to a Contingent Value Entitlement for a Relevant Financial Year, the date that is 5 Business Days after the audited consolidated accounts for the Group for that Relevant Financial Year are finalised.
CVE Payment Date	31 December and 30 June in each Financial Year, commencing with 31 December 2022.
EBITDAR	<p>for any period in relation to the Group, consolidated net profit of the Group for that period adjusted as follows (and without double counting):</p> <ul style="list-style-type: none"> • after adding back (to the extent deducted) any corporate Tax expense or other Taxes paid or payable during that period on income or gains; • after adding back (to the extent deducted) interest expense and anything in the nature of interest expense (including net payments, if any, made in respect of interest rate hedging arrangements) paid or payable in cash during that period; • after adding back (to the extent deducted) any depreciation of fixed assets (including leasehold property), any amortisation and/or impairment of goodwill, intangible assets, up-front lease

Term	Meaning
	<p>payments and debt issuance costs;</p> <ul style="list-style-type: none"> • after adding back (to the extent deducted) any loss against book value incurred by a member of the Group on the disposal of any asset (not being disposals made in the ordinary course of trading) during that period; • after adding back (to the extent deducted) any extraordinary, non-recurring or one-off losses during that period; • after adding back (to the extent deducted) any rental payments paid or payable during that period in respect of any leases of aircraft operated by a member of the Group or leases of aircraft engines, or other leasehold property; • after adding back (to the extent deducted) Restructuring Costs incurred during that period; • after deducting (to the extent included) any gain over book value arising in favour of a member of the Group on the disposal of any asset (not being disposals made in the ordinary course of trading) during that period and any reversal of impairment losses previously taken on the revaluation of any asset during that period; • after deducting (to the extent included) any extraordinary, non-recurring or one-off gains during that period; and • after removing (to the extent included) the impact of unrealised gains and losses on hedging arrangements.
Encumbrance	a mortgage, charge, pledge, lien, encumbrance, security interest, title retention, preferential right, trust arrangement, contractual right of set-off, or any other security agreement or arrangement in favour of any person, whether registered or unregistered, including any Security Interest.
Financial Year	a financial year of the Group ending 30 June of the relevant year.
Government Agency	any government or governmental, administrative, monetary, fiscal or judicial body, department, commission, authority, tribunal, agency or entity in any part of the world.
Group	VAH, each of its Subsidiaries, and each other entity in which it or its Subsidiaries holds an interest, in each case, from time to time on and from Completion.
GST	the goods and services tax levied under the <i>A New Tax System (Goods and Services Tax) Act 1999</i> (Cth).

Term	Meaning
Holding Company	In relation to a person, any other person in respect of which it is a Subsidiary.
Primary DOCA	the deed of company arrangement dated [x] between, amongst others, VAH, Vaughan Strawbridge, Salvatore Algeri, John Grieg and Richard Hughes as joint and several deed administrators and the Purchaser.
Related Fund	in relation to a fund (the first fund), a fund which is managed or advised by the same investment manager or investment adviser as the first fund or, if it is managed by a different investment manager or investment adviser, a fund whose investment manager or investment adviser is an Affiliate of the investment manager or investment adviser of the first fund.
Relevant Financial Year	the Financial Years ending 30 June 2022 and 30 June 2023.
Restricted Cash	the aggregate amount of cash of the Group that is subject to an Encumbrance in favour of a person that is not another Group member and which entitles the holder of that Encumbrance to restrict or prohibit the use of that cash (including, without limitation, any cash collateral provided by a member of the Group in support of its obligations under merchant acquirer facilities or letter of credit facilities).
Restructuring Costs	in respect of any period, non-recurring costs and expenses incurred by the Group during that period in relation to redundancy, closure, lease break costs and asset write downs.
Security Interest	any mortgage, chattel mortgage, pledge, charge, agreement, encumbrance, lien, right of set-off (arising otherwise than by operation of law or as a result of a banker's right to combine accounts) and assignment which provides for and secures the payment of any debt or monetary liability or the performance of any obligation any 'security interest' as defined in section 12 of the <i>Personal Property Securities Act 2009</i> (Cth).
Subsidiary	has the meaning given in the Corporations Act, but as if body corporate includes any entity.
Tax	any tax (including the GST), levy, charge, impost, duty, fee, deduction, compulsory loan or withholding or any income, stamp or transaction duty, tax or charge, which is assessed, levied, imposed



Term	Meaning
	or collected by any Government Agency and includes any interest, fine, penalty, charge, fee or other amount imposed on or in respect of the foregoing.
Transaction	the transaction contemplated by, and effected pursuant to, the Primary DOCA and each other deed of company arrangement expressed to be conditional on effectuation of the Primary DOCA.
VAH	Virgin Australia Holdings Limited (Subject to Deed of Company Arrangement) ACN 100 686 226.
Working Capital	<p>1 the sum of (without double counting):</p> <ul style="list-style-type: none">– debtors less provision for doubtful debts;– sundry debtors;– prepayments;– other current assets; and– inventory less inventory reserve; <p>minus</p> <p>2 the sum of (without double counting)</p> <ul style="list-style-type: none">– accounts payable (other than amounts payable in respect of financial indebtedness and tax);– accrued compensation;– other accrued liabilities; and– accrued provisions, <p>all as determined in a manner consistent with the audited consolidated accounts for the Relevant Financial Year.</p>

1.2 Interpretation

In this deed poll:

- (a) Headings and bold type are for convenience only and do not affect the interpretation of this deed poll.
- (b) The singular includes the plural and the plural includes the singular.
- (c) Words of any gender include all genders.
- (d) Other parts of speech and grammatical forms of a word or phrase defined in this deed poll have a corresponding meaning.



- (e) An expression importing a person includes any company, partnership, joint venture, association, corporation or other body corporate and any Government Agency as well as an individual.
- (f) A reference to a clause, party, schedule, attachment or exhibit is a reference to a clause of, and a party, schedule, attachment or exhibit to, this deed poll.
- (g) A reference to any legislation includes all delegated legislation made under it and amendments, consolidations, replacements or re-enactments of any of them.
- (h) A reference to a document includes all amendments or supplements to, or replacements or novations of, that document.
- (i) A reference to a party to a document includes that party's successors and permitted assignees.
- (j) A reference to an agreement other than this deed poll includes a deed and any legally enforceable undertaking, agreement, arrangement or understanding, whether or not in writing.
- (k) A reference to liquidation or insolvency includes appointment of an administrator, compromise, arrangement, merger, amalgamation, reconstruction, winding-up, dissolution, deregistration, assignment for the benefit of creditors, scheme, composition or arrangement with creditors, insolvency, bankruptcy, or any similar procedure or, where applicable, changes in the constitution of any partnership or person, or death.
- (l) No provision of this deed poll will be construed adversely to a party because that party was responsible for the preparation of this deed poll or that provision.
- (m) A reference to a body, other than a party to this deed poll (including an institute, association or authority), whether statutory or not:
 - (1) which ceases to exist; or
 - (2) whose powers or functions are transferred to another body,is a reference to the body which replaces it or which substantially succeeds to its powers or functions.
- (n) EBITDAR and other applicable accounting concepts in this document will be determined in accordance with Australian Accounting Standards, but excluding the application of AASB16.

1.3 Interpretation of inclusive expressions

Specifying anything in this deed poll after the words 'include' or 'for example' or similar expressions does not limit what else is included.

1.4 Business Day

Where the day on or by which any thing is to be done is not a Business Day, that thing must be done on or by the next Business Day.

1.5 Deed poll components

This deed poll includes any schedule.

2 Contingent Value Entitlement

2.1 Calculation of Contingent Value Entitlement

- (a) If EBITDAR for a Relevant Financial Year is greater than or equal to the EBITDAR target specified in the table below for that Relevant Financial Year, an amount as specified in the table below corresponding to that Relevant Financial Year (a **Contingent Value Entitlement**) will accrue and become payable by the Purchaser to the Trustees in accordance with clause 2.2.

Relevant Financial Year	EBITDAR target	Contingent Value Entitlement (A\$)
FY22	A\$1,000,000,000	A\$62,000,000
FY23	A\$1,200,000,000	A\$62,000,000

- (b) The Purchaser will determine whether a Contingent Value Entitlement is payable for a Relevant Financial Year on the relevant CVE Determination Date by reference to the audited consolidated accounts for the Group for that Relevant Financial Year.
- (c) The Purchaser must notify the Trustees within 2 Business Days of making a determination under clause 2.1(b) as to whether a Contingent Value Entitlement is payable for a Relevant Financial Year.

2.2 Payment of Contingent Value Entitlement

- (a) If a Contingent Value Entitlement is payable for a Relevant Financial Year, on the date that is 45 Business Days after each CVE Payment Date occurring after the relevant CVE Determination Date until the relevant Contingent Value Entitlement is paid in full, the Purchaser must pay, or procure the payment, to the Trustees an amount equal to the lesser of:
- (1) Available Operating Cash for the 6 month period ending on the CVE Payment Date; and
 - (2) the amount of the Contingent Value Entitlement less the aggregate amount that has been paid prior to that date to the Trustees pursuant to this clause 2.2(a) in respect of that Contingent Value Entitlement.
- (b) To avoid doubt:
- (1) the Purchaser's obligation to pay, or procure the payment, of the Contingent Value Entitlement is limited to Available Operating Cash; and
 - (2) the aggregate Contingent Value Entitlement payable by the Purchaser under this deed poll will not exceed A\$125,000,000.

3 Payments

- (a) All payments by or on behalf of the Purchaser under this deed poll must be made in immediately available and freely transferable funds and in Australian dollars to the account of the Trustees as notified by the Trustees to the Purchaser in writing from time to time.
- (b) All payments which the Purchaser is required to make or procure under this deed poll must be made without any set-off, counterclaim or condition, or any deduction or withholding for any Tax or any other reason unless it is required to make a deduction or withholding by applicable law.

4 Notices

4.1 Form of Notice

A notice or other communication to a party under this deed poll (**Notice**) must be:

- (a) in writing and in English and signed by or on behalf of the sending party; and
- (b) addressed to that party in accordance with the details nominated in Schedule 1 (or any alternative details nominated to the sending party by Notice).

4.2 How Notice must be given and when Notice is received

- (a) A Notice must be given by one of the methods set out in the table below.
- (b) A Notice is regarded as given and received at the time set out in the table below.

However, if this means the Notice would be regarded as given and received outside the period between 9.00am and 5.00pm (addressee's time) on a Business Day (**business hours period**), then the Notice will instead be regarded as given and received at the start of the following business hours period.

Method of giving Notice	When Notice is regarded as given and received
By hand to the nominated address	When delivered to the nominated address
By pre-paid post to the nominated address	At 9.00am (addressee's time) on the second Business Day after the date of posting
By fax to the nominated fax number	At the time indicated by the sending party's transmission equipment as the time that the fax was sent in its entirety. However, if the recipient party informs the sending party within 4 hours after that time that the fax transmission was illegible or incomplete, then the Notice will not be regarded as given or received. When calculating this 4 hour period, only time within a business hours period is



to be included.

By email to the nominated email address

When the email (including any attachment) comes to the attention of the recipient party or a person acting on its behalf.

4.3 Notice must not be given by electronic communication

A Notice must not be given by electronic means of communication (other than fax and email as permitted in clause 4.2).

5 General

5.1 Governing law and jurisdiction

This deed poll is governed by the law in force in New South Wales.

5.2 Invalidity and enforceability

- (a) If any provision of this deed poll is invalid under the law of any jurisdiction the provision is enforceable in that jurisdiction to the extent that it is not invalid, whether it is in severable terms or not.
- (b) Clause 5.2(a) does not apply where enforcement of the provision of this deed poll in accordance with clause 5.2(a) would materially affect the nature or effect of the Purchaser's obligations under this deed poll.

5.3 Waiver

The Purchaser may not rely on the words or conduct of the Trustees as a waiver of any right unless the waiver is in writing and signed by the Trustees.

The meanings of the terms used in this clause 5.3 are set out below.

Term	Meaning
conduct	includes delay in the exercise of a right.
right	any right arising under or in connection with this deed poll and includes the right to rely on this clause.
waiver	includes an election between rights and remedies, and conduct which might otherwise give rise to an estoppel.



5.4 Variation

A variation of any term of this deed poll must be in writing and signed by the Purchaser and the Trustees.

5.5 Assignment and transfer

- (a) Rights arising out of or under this deed poll are not assignable by the Trustees without the prior written consent of the Purchaser.
- (b) The Purchaser may assign any of its rights, or transfer any of its rights and/or obligations, under this deed poll to:
 - (1) an Affiliate or Related Fund of the Purchaser without the prior written consent of the Trustees; or
 - (2) with the prior written consent of the Trustees.

5.6 Entire agreement

This deed poll states all the express terms agreed by the parties in respect of its subject matter. It supersedes all prior discussions, negotiations, understandings and agreements in respect of its subject matter.



Schedules

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Schedule 1

Notice details

Purchaser	BC Hart Aggregator, L.P.
Address	PO Box 309, Ugland House Grand Cayman, KY1-1104, Cayman Islands c/o Bain Capital Private Equity (Australia) Pty Ltd, Level 19, Deutsche Bank Place, 126 Phillip Street, Sydney NSW 2000
Attention	Barnaby Lyons and Scott Garfield
Phone	
Fax	
Email	blyons@baincapital.com sgarfield@baincapital.com

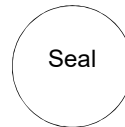
	Vaughan Strawbridge, Salvatore Algeri, Richard Hughes and John Grieg
Address	c/o Deloitte, Level 9, 255 George Street, Sydney NSW 2000
Attention	Vaughan Strawbridge, Salvatore Algeri, Richard Hughes and John Grieg
Phone	
Fax	
Email	vstrawbridge@deloitte.com.au saalgeri@deloitte.com.au richughes@deloitte.com.au jgrieg@deloitte.com.au



Signing page

Executed as a deed

Signed sealed and delivered by
BC Hart Aggregator, L.P. in the
presence of



sign here ► _____
Authorised signatory

sign here ► _____
Witness

print name _____

print name _____



Schedule 2

Foreign currency accounts

VAA Foreign Currency Accounts

Bank Name	Account name	Acc number	Currency
ANZ Bank, Australia	VAA ANZ JPY ACC	*****0001	JPY
Hong Kong Branch	VA FX HKD	*****9532	HKD
JPMORGAN CHASE BANK, N.A.	VA FX EUR	*****5167	EUR
WESTPAC BANKING CORPORATION	VA WBC FJD	*****1473	FJD

IG Group Foreign Currency Accounts

Bank Name	Account name	Acc number	Currency
ANZ Bank, Solomon Islands	VAIA SBD	*****7455	SBD
ANZ BANK (VANUATU) LTD	VAIA VUV	*****1500	VUV
ANZ Bank, Tonga	VAIA TOP	*****7472	TOP
ANZ BANK (SAMOA) LTD	VAIA FX WST	*****9724	WST
BANK ANZ INDONESIA, P.T.	VAIA FX IDR	*****0001	IDR
AUSTRALIA AND NEW ZEALAND BANKING GROUP (PNG) LTD.	VASE FX PGK	*****9010	PGK

Schedule 3

Intragroup Claims

Primary DOCA – Rutherford documents

Claims in respect of the following contracts will be Excluded Claims under the Primary DOCA subject to completion of the IG DOCA occurring simultaneously with completion of the Primary DOCA:

1. Service agreement between VAA, VAIA, VAIH, VAA (SE Asia) and Virgin Australia Airlines (NZ) Ltd dated 28 March 2012 (as amended from time to time, most recently amended on 15 March 2019).
 2. Loan agreement between VAA and VAIH dated 28 March 2012.
-

Primary DOCA – Barracuda documents

Claims in respect of the following contracts will be Excluded Claims under the Primary DOCA:

1. Deed of undertaking between VAA, VAH and Velocity Frequent Flyer Pty Ltd ACN 601 408 824 (VFF) dated 27 August 2014.
 2. Deed of assignment and undertaking between VAA and VAH dated 27 August 2014.
 3. Investment management mandate letter between VAA and Velocity Rewards Pty Ltd ACN 580 890 951 as trustee for the Loyalty Trust (**VRPL**) dated 21 August 2018.
 4. VFF services agreement between VFF and VAA dated 27 August 2014 (as amended from time to time, most recently amended on 8 October 2014).
 5. Loyalty program access and administration agreement between VAA and VFF dated 27 August 2014 (as amended from time to time, most recently amended on 8 October 2014).
 6. VAA tier management agreement between VAA and VFF dated 27 August 2014 (as amended from time to time, most recently amended on 8 October 2014).
-



-
7. VAA participation agreement between VAA and VFF dated 27 August 2014 (as amended from time to time, most recently amended on 8 October 2014).
 8. IP assignment and licence deed between VAA, VB Ventures and VFF dated 27 August 2014 (as amended from time to time, most recently amended on 8 October 2014).
 9. IP licence deed between VAA, VRPL and VFF dated 27 August 2014 (as amended from time to time, most recently amended on 8 October 2014).
 10. Co-marketing agreement between VAA and VFF dated 27 August 2014 (as amended from time to time, most recently amended on 8 October 2014).
 11. Co-marketing agreement between VAA and VRPL dated 27 August 2014 (as amended from time to time, most recently amended on 8 October 2014).
 12. Consent letter between VAA, VAH, VFF and VRPL dated 19 November 2015.
-

IG DOCA – Rutherford documents

Claims in respect of the following contracts will be Excluded Claims under the IG DOCA subject to completion of the Primary DOCA occurring simultaneously with completion of the IG DOCA:

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1. Service agreement between VAA, VAIA, VAIH, VAA (SE Asia) and Virgin Australia Airlines (NZ) Ltd dated 28 March 2012 (as amended from time to time, most recently amended on 15 March 2019).
 2. Loan agreement between VAA and VAIH dated 28 March 2012.
 3. Declaration of trust between the Trust Company (Australia) Limited ACN 000 000 993 and VAIH dated 28 March 2012.
-

Schedule 4

Future Flight Credits

<p>Customers eligible to receive a Future Flight Credit (FFC)</p>	<p>Customers with claims for refunds or other monetary compensation (being the person who made the relevant booking) for or in respect of the following:</p> <ul style="list-style-type: none"> – flights or holiday packages operated or sold by or on behalf of a DOCA Company that were booked and paid for prior to the Appointment Date that have been cancelled, where that customer is entitled (whether under the terms of the relevant policy or as a result of a direct communication to that creditor by or on behalf of a DOCA Company), immediately prior to Completion, to a Conditional Credit; – flights or holiday packages operated or sold by or on behalf of a DOCA Company that were booked and paid for prior to the Appointment Date and which are cancelled during the Deed Period or after Completion; – flights or holiday packages operated or sold by or on behalf of a DOCA Company that were booked and paid for prior to the Appointment Date which were cancelled prior to the Appointment Date and in respect of which the relevant customer had, prior to the Appointment Date, been issued with a travel credit in accordance with the relevant DOCA Company's terms and conditions applicable as at the date such credit was issued; – expenses incurred in connection with a delayed or cancelled flight or holiday package operated or sold by or on behalf of a DOCA Company which was booked prior to the Appointment Date, or ancillary services paid for in connection with a delayed or cancelled flight or holiday package operated or sold by or on behalf of a DOCA Company which was booked prior to the Appointment Date, where that customer is entitled (whether under the terms of the relevant policy or as a result of a direct communication to that customer by or on behalf of a DOCA Company), immediately prior to Completion, to a Conditional Credit; – service-related incidents arising in connection with a flight or holiday package operated or sold by or on behalf of a DOCA Company, which was booked prior to the Appointment Date, where that customer is entitled (whether under the terms of the relevant policy or as a result of a direct communication to that customer by or on behalf of a DOCA Company), immediately prior to Completion, to a Conditional Credit;
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	<ul style="list-style-type: none"> – deposits paid to, and held by, a DOCA Company prior to the Appointment Date in respect of a group booking for flights operated or sold by or on behalf of a DOCA Company which have been cancelled, or are cancelled in the future.
Services for which an FFC can be used	<ul style="list-style-type: none"> – Flights operated by Virgin Australia Group companies (no codeshare or third party airline flights) – Virgin Australia flight ancillaries
Validity	<ul style="list-style-type: none"> – Travel must be booked by 31 July 2022 unless extended by Virgin Australia – Travel must be completed by 30 June 2023 – Any remaining credit where travel has not been booked by 31 July 2022 will be forfeited
Value of FFC	<ul style="list-style-type: none"> – If the customer was, prior to Completion, entitled to a Conditional Credit, the value of that Conditional Credit; or – If, prior to Completion, the customer had a travel credit from a DOCA Company that was issued prior to the Appointment Date, the value of that travel credit; or – For customers with flight bookings made prior to the Appointment Date where cancellation has not yet occurred, the value of the unused portion of the ticket and any Virgin Australia flight ancillaries (less any non-refundable fees and taxes paid for by the customer at the time the original booking was made); – For customers with holiday package bookings made prior to the Appointment Date where cancellation has not yet occurred, the value of the unused portion of the holiday package (less any non-refundable fees and taxes paid for by the customer at the time the original booking was made and less any cancellation fees charged by a third-party supplier); – For customers with deposits paid to, and held by, a DOCA Company prior to the Appointment Date in respect of a group booking for flights, the value of the deposit held.
Who can use the FFC	<ul style="list-style-type: none"> – Bookings can be made by the person to whom the FFC is issued, being the customer who made the original booking that made the customer eligible to receive the FFC
Use of FFC	<ul style="list-style-type: none"> – Direct bookings: Can be used by contacting Virgin Australia to make a booking – Indirect bookings: Can be used by contacting the travel agent with whom the initial booking was made – All bookings: – The use of an FFC will be subject to terms and conditions applying to FFCs. <p>These include but will not be limited to:</p> <ul style="list-style-type: none"> – The availability of seats in the restricted fare class reserved for FFCs (note the exception for Group bookings



	<p>as per below)</p> <ul style="list-style-type: none">– FFCs will be able to be used to book Economy and Business class (depending on the value of the FFC)– If an FFC is used to purchase a fare which is higher in value than the value of the FFC, the fare difference will be payable by the customer at the time of booking. In this instance, the total value paid for the new fare would be refunded to an FFC only in the event the future flight is cancelled– Changes to a booking made using an FFC will be permitted in accordance with the fare rules for that booking, which may require the customer to pay a fee for the change– An FFC cannot be used to make a booking in conjunction with Velocity Frequent Flyer Points or travel credits (whether FFCs or other forms of travel credits) of another person– An FFC cannot be used to make a booking in conjunction with other forms of travel credits
Bookings made using an FFC	<ul style="list-style-type: none">– Where a flight is booked using an FFC and that flight is either (1) cancelled by the airline and the airline is not able to provide an alternative flight; or (2) cancelled by the customer and the customer would ordinarily be permitted to receive a credit or a refund under the fare rules applicable to their booking, the customer will only be entitled to receive an FFC (cash refunds or other forms of travel credits will not be provided under these terms).– The new FFC will be issued with the same value as the cancelled booking, less any cancellation fees payable under the fare rules applicable to that booking and/or non-refundable fees and taxes paid for by the customer at the time the previous booking was made.
Group Bookings	<ul style="list-style-type: none">– Where an FFC is used to make a Group booking, the booking will be made in the restrictive booking class currently available for Group bookings. All other terms and conditions applicable to FFCs will apply to the booking.– Virgin Australia's current Group booking terms and conditions will apply to the booking other than in respect of refundability.– Where a flight is booked using an FFC and that flight is either (1) cancelled by the airline and the airline is not able to provide an alternative flight ; or (2) cancelled by the Group customer and the Group customer would ordinarily be permitted to receive a credit or a refund under the fare rules applicable to their booking, the customer will only be entitled to receive an FFC (cash refunds or other forms of travel credits will not be provided under these terms).

Schedule 5

Pool C Creditors - critical suppliers

- (a) The following creditors will be Pool C Creditors:

Name of Creditor	Dividend amount
Tech Mahindra Limited	\$1,840,000
The Boeing Company	\$45,000,000

- (b) The following creditors will be Pool C Creditors subject to receipt of their binding agreement, with effect from completion of the Primary DOCA or Asset Sale Agreement, to waive all termination rights, review events and defaults under existing agreements between that creditor and a Primary DOCA Company and to release any security interest over aircraft or other assets of any Primary DOCA Company. To the extent that such binding waivers and releases are not provided, the relevant creditor will become a Pool A Creditor and the surplus funds in the Pool C Fund will be transferred to the Pool A Fund.

Name of Creditor	Dividend amount
Adelaide Airport Limited	\$3,255,154
Brisbane Airport Corporation Limited	\$12,475,820



Name of Creditor	Dividend amount
Canberra Airport	\$2,344,711
Gold Coast Airport Pty Limited	\$2,113,084
Australia Pacific Airports (Melbourne) Pty Ltd	\$9,769,041
Perth Airport Pty Ltd	\$6,647,577
Launceston Airport	\$409,285
Hobart International Airport Pty Ltd	\$977,624
Townsville Airport Pty Ltd	\$157,232
Sunshine Coast Airport Pty Ltd	\$262,667
Sydney Airport	\$8,858,189