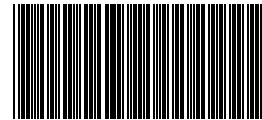




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Form 40
UCPR 35.1

AFFIDAVIT OF Richard John Hughes - 25 March 2021

COURT DETAILS

Court	Supreme Court of NSW
Division	Equity
List	Corporations List
Registry	Supreme Court Sydney
Case number	2021/00084223

TITLE OF PROCEEDINGS

First Plaintiff	The Trustee for Project Volar Creditors' Trust ABN 41124353207
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FILING DETAILS

Filed for	The Trustee for Project Volar Creditors' Trust, Plaintiff 1
Legal representative	Timothy James Sackar
Legal representative reference	
Telephone	(02) 9353 4114

ATTACHMENT DETAILS

In accordance with Part 3 of the UCPR, this coversheet confirms that both the Affidavit (General) (e-Services), along with any other documents listed below, were filed by the Court.

Affidavit (UCPR 40) (Affidavit of R J Hughes of Deloitte affirmed 25 March 2021.pdf)

[attach.]

IN THE SUPREME COURT OF NEW SOUTH WALES
DIVISION: EQUITY
REGISTRY: SYDNEY
CORPORATIONS LIST

No. 2021/

IN THE MATTER OF THE PROJECT VOLAR CREDITORS' TRUST ESTABLISHED IN THE
ADMINISTRATION OF EACH OF VIRGIN AUSTRALIA HOLDINGS LTD & ORS

SALVATORE ALGERI, RICHARD HUGHES,
JOHN GRIEG AND VAUGHAN STRAWBRIDGE
IN THEIR CAPACITY AS JOINT AND SEVERAL
TRUSTEES OF THE PROJECT VOLAR
CREDITORS' TRUST ESTABLISHED IN THE
ADMINISTRATION OF EACH OF VIRGIN
AUSTRALIA HOLDINGS LTD & ORS

Plaintiffs

AFFIDAVIT

On 25 March 2021, I, Richard John Hughes of Deloitte Touche Tohmatsu (of which Deloitte Financial Advisory Pty Ltd is a wholly owned subsidiary) (**Deloitte**), at Brisbane in the State of Queensland, affirm that:

1. I am a partner in the Financial Advisory Group of the professional services firm trading as Deloitte. I am a Chartered Accountant and a Registered Liquidator and I have practised for more than 28 years as an accountant. For the last 20 years, I have been specialising in restructuring distressed companies and other insolvency related matters in Australia.
2. Exhibited to me at the time of making this affidavit is a bundle of documents, to which I make reference in this affidavit marked "**RJH-1**" (**Exhibit RJH-1**). A reference to a Tab in this affidavit is to a tab in Exhibit RJH-1, unless otherwise stated. A copy of my curriculum vitae is located at **Tab 1** of **Exhibit RJH-1**.
3. I make this affidavit in support of the relief sought by the Plaintiffs in the Originating Process filed in these proceedings on 25 March 2021 (**Application**), namely, orders under sections 63, 81 and 86A of the *Trustee Act 1925* (NSW).

Filed on behalf of: The Plaintiffs
Prepared by: Timothy James Sackar
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Ref: 20556/21895/81005835



Introduction

4. I am one of the four joint and several trustees of the Project Volar Creditors' Trust (**Trust**), being the creditors' trust established by the Project Volar Creditors' Trust Deed dated 17 November 2020 (**Trust Deed**) in the deed administration of Virgin Australia Holdings Limited (**VAH**) and each of its subsidiaries listed in Schedule 1 of this affidavit (together with VAH being described as the **Virgin Companies**). The other three joint and several trustees of the Trust are Mr Salvatore Algeri, Mr John Greig and Mr Vaughan Strawbridge (together with myself, the **Trustees** and each a **Trustee**). Mr Algeri and Mr Greig are also partners of Deloitte. A copy of:
- (a) Mr Algeri's curriculum vitae is located at **Tab 2 of Exhibit RJH-1; and**
 - (b) Mr Greig's curriculum vitae is located at **Tab 3 of Exhibit RJH-1.**
5. I am authorised by Mr Algeri and Mr Greig to make this affidavit on behalf of the Trustees. Where I depose below to the view or views of the Trustees, they are the view(s) which each of I, Mr Algeri and Mr Greig hold at the date of affirming this affidavit.
6. On 23 November 2020, Mr Strawbridge provided notice of his resignation from the Deloitte partnership. At the time of making this Application, Mr Strawbridge remains a partner of Deloitte and a Trustee of the Trust, given that the notice period under his employment arrangement with Deloitte has not yet expired. I have made Mr Strawbridge aware of the Application and provided him with draft copies of all materials to be filed in it. I have had calls and emails with Mr Strawbridge to discuss the operation of the Application and Mr Strawbridge has provided his feedback. The feedback provided by Mr Strawbridge has been adopted. Mr Strawbridge has otherwise supported the Application and I intend to keep Mr Strawbridge updated on the status of the Application.
7. Unless otherwise stated, I make this affidavit based on my own knowledge and belief and from information that I and staff members at Deloitte have obtained through my role as one of the voluntary administrators of the Virgin Companies, one of the deed administrators of the Virgin Companies and currently as a Trustee of the Trust, which I believe to be true.
8. I refer to the affidavit of David Michael Orr dated 25 March 2021 (**Orr Affidavit**) filed in the proceedings and make reference to the Orr Affidavit from time to time in this affidavit.

History of the administration and deed administration of the Virgin Companies

Appointment of Administrators

9. On 20 April 2020, Mr Algeri, Mr Greig, Mr Strawbridge and I were appointed as joint and several voluntary administrators (**Administrators**) of each of the Virgin Companies (with the exception of Tiger International Number 1 Pty Ltd (**Tiger**), VAH Newco No. 2 Pty Ltd (**VAH**

Newco No. 2) and VB Investco Pty Ltd (**VB Investco**)) by resolution of the directors of each of the relevant Virgin Companies pursuant to section 436A of the *Corporations Act 2001 (Cth)* (**Corporations Act**). The Administrators were appointed as joint and several administrators of Tiger on 28 April 2020 and as joint and several administrators of each of VAH Newco No. 2 and VB Investco on 3 August 2020. At **Tabs 4 to 44** of **Exhibit RJH-1**, as detailed below, are current and historical company extracts of each of the Virgin Companies as recorded by the Australian Securities and Investments Commission (**ASIC**) dated 24 March 2021.

No.	Entity	Tab
1.	Virgin Australia Holdings Ltd ACN 100 686 226	4
2.	Virgin Australia International Operations Pty Ltd ACN 155 859 608	5
3.	Virgin Australia International Holdings Pty Ltd ACN 155 860 021	6
4.	Virgin Australia International Airlines Pty Ltd ACN 125 580 823	7
5.	Virgin Australia Airlines (SE Asia) Pty Ltd ACN 097 892 389	8
6.	Virgin Australia Airlines Holdings Pty Ltd ACN 093 924 675	9
7.	VAH Newco No.1 Pty Ltd ACN 160 881 345	10
8.	Tiger Airways Australia Pty Limited ACN 124 369 008	11
9.	Virgin Australia Airlines Pty Ltd ACN 090 670 965	12
10.	VA Borrower 2019 No. 1 Pty Ltd ACN 633 241 059	13
11.	VA Borrower 2019 No. 2 Pty Ltd ACN 637 371 343	14
12.	Virgin Tech Pty Ltd ACN 101 808 879	15
13.	Short Haul 2018 No. 1 Pty Ltd ACN 622 014 831	16
14.	Short Haul 2017 No. 1 Pty Ltd ACN 617 644 390	17
15.	Short Haul 2017 No. 2 Pty Ltd ACN 617 644 443	18
16.	Short Haul 2017 No. 3 Pty Ltd ACN 622 014 813	19
17.	VBNC5 Pty Ltd ACN 119 691 502	20
18.	A.C.N. 098 904 262 Pty Ltd ACN 098 904 262	21
19.	Virgin Australia Regional Airlines Pty Ltd ACN 008 997 662	22
20.	Virgin Australia Holidays Pty Ltd ACN 118 552 159	23
21.	VB Ventures Pty Ltd ACN 125 139 004	24
22.	Virgin Australia Cargo Pty Ltd ACN 600 667 838	25

23.	VB Leaseco Pty Ltd ACN 134 268 741	26
24.	VA Hold Co Pty Ltd ACN 165 507 157	27
25.	VA Lease Co Pty Ltd ACN 165 507 291	28
26.	Virgin Australia 2013-1 Issuer Co Pty Ltd ACN 165 507 326	29
27.	737 2012 No.1 Pty. Ltd ACN 154 201 859	30
28.	737 2012 No. 2 Pty Ltd ACN 154 225 064	31
29.	Short Haul 2016 No. 1 Pty Ltd ACN 612 766 328	32
30.	Short Haul 2016 No. 2 Pty Ltd ACN 612 796 077	33
31.	Short Haul 2014 No. 1 Pty Ltd ACN 600 809 612	34
32.	Short Haul 2014 No. 2 Pty Ltd ACN 600 878 199	35
33.	VA Regional Leaseco Pty Ltd ACN 127 491 605	36
34.	VB 800 2009 Pty Ltd ACN 135 488 934	37
35.	VB Leaseco No 2 Pty Ltd ACN 142 533 319	38
36.	VB LH 2008 No. 1 Pty Ltd ACN 134 280 354	39
37.	VB LH 2008 No. 2 Pty Ltd ACN 134 288 805	40
38.	VB PDP 2010-11 Pty Ltd ACN 140 818 266	41
39.	Tiger International Number 1 Pty Ltd ACN 606 131 944	42
40.	VAH Newco No. 2 Pty Ltd ACN 160 881 354	43
41.	VB Investco Pty Ltd ACN 101 961 095	44

10. Prior to the appointment of the Administrators, the group of companies of which the Virgin Companies formed part (**Virgin Group**) comprised:

- (a) VAH, which was the ultimate parent company of the Virgin Group, the shares of which were listed on the Australia Securities Exchange (**ASX**); and
- (b) four main trading entities and nine special purpose entities used for holding and financing aircraft assets.

The Administrators were appointed to 41 entities in the Virgin Group. At **Tab 45 of Exhibit RJH-1** is a copy of the group structure chart of the Virgin Companies as at the date of the appointment of the Administrators.

Creditor position on appointment




11. From the initial review of the books and records of the Virgin Companies upon our appointment, the Administrators identified that the Virgin Companies had approximately 10,247 known creditors in total (including 9,020 employees) and owed approximately \$7,145,400,000 to unrelated third party creditors, including but not limited to secured and unsecured aircraft financiers and unsecured bondholders.
12. As at the date of the appointment of the Administrators, the Virgin Companies' creditor profile was as follows (in summary form):
 - (a) lenders under secured corporate debt and aircraft financing facilities, who were owed approximately \$2,283,639,303;
 - (b) unsecured bondholders, who were owed approximately \$1,988,250,000;
 - (c) trade creditors, who were owed approximately \$166,704,085.69;
 - (d) aircraft lessors, who were owed approximately \$1,883,914,848;
 - (e) landlords, who were owed approximately \$71,209,929; and
 - (f) employees, who were owed approximately \$450,777,961.
13. In addition to the categories of creditors reflected above, a significant group of additional creditors were customers of the Virgin Companies. On completion of the Bain DOCAs (defined in paragraph 26(a) below), customers whose flights were cancelled by the Virgin Companies as a result of the COVID-19 pandemic became entitled to obtain a "Future Flight Credit" in accordance with the Future Flight Credit Policy contained in Schedule 6 of the Primary DOCA (defined in paragraph 33(b) below). Customers' claims against the Virgin Companies were otherwise released pursuant to the terms of the relevant Bain DOCA.
14. The creditor body for the Virgin Companies is extremely large and complex with different creditor groups having different rights and priorities under the provisions of the Corporations Act and specific agreements entered into with Virgin Companies. In section 3.4 of the 75-225 Report (as defined in paragraph 16 below), the Administrators provided a breakdown of the Virgin Companies' creditors on a grouped basis (see Table 6 in section 3.4.1) and set out further detail in relation to the number and estimated value of the creditors' claims in the creditor pool.
15. As at the date of appointment, the Administrators had email addresses for approximately 10,235 out of 10,247 of the Virgin Companies' known creditors (being approximately 99.88%). As at the date of affirming this affidavit, the Trustees have email addresses for all known creditors of the Virgin Companies.

Financial position of the Virgin Companies - 75-225 Report

16. On 25 August 2020, the Administrators issued a report to the creditors of the Virgin Companies pursuant to section 75-225 of the *Insolvency Practice Rules (Corporations) 2016 (Cth) (IPR) (75-225 Report)*, which, amongst other things, gave notice of the second meeting of creditors of each of the Virgin Companies, to be held concurrently on 4 September 2020 (**Second Meetings**). A copy of the 75-225 Report is located at **Tab 46** of **Exhibit RJH-1**.
17. In the 75-225 Report, on the basis of investigations by the Administrators and our staff, the Administrators expressed the opinion that the Virgin Companies were insolvent on 22 March 2020 (and possibly as early as 18 March 2020), for the reasons set out at section 6.4 of the 75-225 Report, namely that:
- (a) the Virgin Companies suffered substantial reductions to capacity and projected revenue due to the 18 March 2020 and 22 March 2020 travel restrictions announced by the Commonwealth and various State Governments in response to the COVID-19 pandemic;
 - (b) the Virgin Companies were unable to access further debt or equity funding, in particular from the Commonwealth Government or from VAH's major shareholders, being Etihad Airways, Singapore Airlines Ltd, Nanshan Group, HNA Group and Virgin Group Ltd (together, the **Major Shareholders**); and
 - (c) as a consequence of the circumstances set out in (a) and (b) above, the Virgin Companies were unable to continue to meet their known liabilities as they fell due.
18. The financial performance of the Virgin Companies was reported to the ASX through audited annual financial statements and reviewed half-yearly (interim) financial statements. The Virgin Group's consolidated audited statement of profit and loss, balance sheet and statement of cash flows for the 2018 and 2019 financial years, and reviewed accounts for the 2019 and 2020 half-year financial reports are summarised in sections 4.2.1 to 4.2.3 of the 75-225 Report.
19. In February 2020, the Virgin Group reported a net loss before tax of \$88.6 million for its half-year results for the 6 months ending 31 December 2019. This was a deterioration relative to the prior financial year of \$87.7 million net profit before tax. Announcements made to the ASX stated that the financial loss was due to the impact of higher costs for fuel, enterprise agreement labour, airports and depreciation, and rental costs. As the impact of COVID-19 on the aviation industry worsened (as a result of initially international and then later domestic travel restrictions), the Virgin Group made further announcements to the ASX on the impact on capacity and the measures taken to reduce costs. Further detail on the events leading to the appointment of the Administrators is set out at sections 5.6 and 6 of the 75-225 Report.

20. In summary, the 75-225 Report detailed that there was a substantial deficiency in assets available to the Virgin Companies to meet the debts and claims owing to the creditors of the Virgin Companies.

Federal Court Proceedings

21. During the course of the administration of the Virgin Companies, the Administrators commenced proceedings in the Federal Court of Australia with proceeding number NSD 464 of 2020 (**Federal Court Proceedings**). Each of the applications made in the Federal Court Proceedings was heard by Justice Middleton. As part of the Federal Court Proceedings, the Administrators (and later in our capacity as deed administrators) sought a number of procedural orders and directions to facilitate the efficient conduct of the administration and subsequent deed administration of the Virgin Companies. These orders were sought pursuant to section 447A(1) of the Corporations Act and 90-15 of the *Insolvency Practice Schedule (Corporations)* (**IPSC**), being Schedule 2 of the Corporations Act and included, among others:
- (a) orders made on 24 April 2020 (**24 April Orders**) and 13 May 2020 (**13 May Orders**) allowing the provision of notices to creditors of the Virgin Companies throughout the course of the administration to be provided electronically; and
 - (b) orders made on 11 August 2020 (**11 August Orders**) and 12 August 2020 (**12 August Orders**) in respect of an application filed on 29 July 2020 (**July Application**) regarding the use of an electronic platform referred to as "Halo" or the "Halo Platform" for the purpose of collecting informal proofs of debt and voting at the Second Meetings – further information and details regarding the operation of the Halo Platform is referred to in the Orr Affidavit and in paragraph 23 and 24 below.
22. Copies of the 24 April Orders, 13 May Orders, 11 August Orders and 12 August Orders are located at **Tabs 47, 48, 49 and 50 of Exhibit RJH-1** respectively.
23. Due to the size of the administrations of the Virgin Companies and the number of creditors, the Administrators sought, by the July Application, to use the Halo Platform to assist the administration process, including to communicate with creditors, to manage the lodgement and adjudication of proofs of debt or claims, and to permit creditors to vote on resolutions at, or in advance of, the Second Meetings. The July Application primarily sought orders that the Administrators were justified in requiring persons who claimed to be creditors of the Virgin Companies (other than bondholders of USD denominated bonds) to register on the Halo Platform and to permit the Administrators to adjudicate on the claims of creditors based only on the material provided in Virgin Companies' books and records or available to them through the Halo Platform (thereby essentially using the Halo Platform as an exclusive means of dealing with creditors in the administrations).

24. During the course of the determination of the July Application, a bondholder of the Virgin Companies, Mr Larry Lazarides, appeared and sought various amendments to the Administrators' proposed orders and sought that an additional order (**Creditor Information Order**) be added due to concerns that information about creditors and the determination of their claims would not be disclosed to such creditors as it would not be available on the Halo Platform. The 11 August Orders and the 12 August Orders reflect the orders sought in the July Application, together with the additional Creditor Information Order which, in substance, had the effect that creditors were entitled to information about them and the determination of their claims, but were not entitled to confidential information concerning any other creditors or third parties. The Creditor Information Order was made in similar form to that proposed in prayer 3(b) of the Application. Those orders reflect the judgment given by Middleton J in *Strawbridge, in the matter of Virgin Australia Holdings Ltd (administrators appointed) (No 6) [2020] FCA 1172*, particularly at [11] and [40].

Sale Process

25. Immediately after the appointment, the Administrators commenced a competitive and comprehensive global sale process for the sale of the business and assets of the Virgin Companies (**Sale Process**). The Sale Process occurred over a two-month period and in three phases:
- (a) **Phase One (April 2020 to mid-May 2020)** - In Phase One, 19 parties who had entered into non-disclosure agreements with the Administrators were given access to a virtual data room containing documents about the business and financial position of the Virgin Companies. The Administrators subsequently received several non-binding indicative offers (**NBIO**) and, based on those offers, formed a shortlist of interested parties (**Shortlisted Bidders**);
 - (b) **Phase Two (mid-May 2020 to June 2020)** - In Phase Two, the Shortlisted Bidders conducted further due diligence, and were provided with additional financial and operational information about the Virgin Companies, including a vendor due diligence report prepared by the Administrators' legal advisers, Clayton Utz. The Administrators subsequently received six final NBIOs, of which, they selected two to proceed to 'Phase Three' of the Sale Process (**Final Bidders**); and
 - (c) **Phase Three (June 2020)** - In Phase Three, the Final Bidders conducted further due diligence, culminating in both parties making final binding offers on 22 June 2020. Following the Administrators' consideration and assessment of the two competing proposals, on 26 June 2020, the Administrators exercised their power of sale as administrators of the Virgin Companies and signed binding transaction documents in the form of a sale and implementation deed and other ancillary documents (**Sale and Implementation Deed**) for the sale of the business to BC

Hart Aggregator, L.P (**Bain Capital**).

26. The completion of the Sale and Implementation Deed was structured to occur in one of two ways:
- (a) pursuant to the deeds of company arrangement proposed by Bain Capital (**Bain DOCAs**); or
 - (b) by way of an asset sale agreement (**ASA**) involving the transfer of the assets and business of the Virgin Companies to Bain Capital,
- (**Bain Transaction**).

Bain Transaction

27. Upon executing the Sale and Implementation Deed to give effect to the Bain Transaction, Bain Capital went on economic risk in respect of the conduct of the external administration of the Virgin Companies. An application was made in the Federal Court Proceedings for orders pursuant to section 588FM of the Corporations Act and other relief and, on 2 July 2020, orders were made by Justice Middleton in the Federal Court Proceedings, a copy of which is located at **Tab 51 of Exhibit RJH-1**.

Entry into the ten Bain DOCAs and appointment of Deed Administrators

28. Prior to issuing the 75-225 Report, the Administrators received a proposal from Bain Capital for the Virgin Companies to execute ten deeds of company arrangement (**Bain DOCA Proposal**) as a mechanism to complete the Bain Transaction.
29. The key terms of the Bain DOCA Proposal were summarised in the 75-225 Report at sections 8.6 and 9 and are summarised below:
- (a) Bain Capital would assume control of the business of the Virgin Companies and continue to trade the Virgin Companies as a going concern;
 - (b) all continuing employees of the Virgin Companies would be paid in the normal course of their employment (with their existing entitlements remaining unaffected);
 - (c) employees whose employment with the Virgin Companies would not continue would have their entitlements paid out in full;
 - (d) customers who currently held, or who were entitled to, a conditional credit (under the conditional credit policy implemented by the Administrators), would be provided with a new credit to be available to be used on a future flight offered by the Virgin Companies for an amount equal to any remaining value on any conditional credit (**Future Flight Credits**) – Future Flight Credits would be available for flights booked

in the period to 31 July 2022 and for travel in the period to 30 June 2023; and

- (e) the following liabilities would be carried forward and assumed by the Virgin Companies under Bain Capital's ownership:
- (i) certain liabilities accrued by the Virgin Companies from the date of the Administrators' appointment up to 30 June 2020 (totalling approximately \$35 million), including unearned revenue and accrued leave entitlements of employees;
 - (ii) liability for a \$150 million loan owing by the Virgin Companies to Velocity Rewards Pty Ltd as trustee for The Loyalty Trust, being another entity in the Virgin Group that was not in external administration; and
 - (iii) liability for all travel credits and unearned travel revenue, being \$604 million gross minus restricted cash of \$210 million (being collateral held in respect of prepaid flights) resulting in a \$394 million net amount – this amount related to customers currently holding, or who are entitled to a conditional flight credit, being provided with a new Future Flight Credit for an amount equal to any remaining value on their conditional credit; and
- (f) the shares in VAH would be transferred to Bain Capital or its nominee, with the shareholders of VAH (**Shareholders**) receiving no payment from the Trust Fund (as defined in paragraph 44(a) below) and no other payment in return for the transfer of their shares.

30. In accordance with section 75-225(3)(b) of the IPR, the Administrators recommended that, at the Second Meetings, the creditors of the Virgin Companies vote in favour of the Bain DOCA Proposal and the resolutions that the Administrators enter into the Bain DOCAs.

31. In section 12 of the 75-225 Report, the Administrators set out their opinion that:

- (a) the Virgin Companies were insolvent and unable to pay their debts as and when they fell due;
- (b) the Administrators did not recommend, nor consider that it would be in the interests of the creditors of the Virgin Companies, that the administration of the Virgin Companies end and the control of the Virgin Companies be returned to their respective directors;
- (c) as the Bain DOCA Proposal provided a greater return to creditors than would be achieved if the Virgin Companies were wound up (with or without the completion of the sale of the business and the assets of the Virgin Companies under the ASA), the creditors should not resolve to wind up the Virgin Companies; and

- (d) it was in the creditors' interests to resolve that the Virgin Companies execute the Bain DOCAs as the Bain DOCA Proposal provided a significantly greater return to creditors than would be achieved if the Virgin Companies were placed into liquidation.

Outcome of the Second Meetings

32. On 4 September 2020, the Second Meetings were held concurrently at 10:00am AEST. In accordance with the 24 April Orders, the Second Meetings were held by videoconference and were hosted online via the Microsoft Teams Live Events platform. Mr Strawbridge chaired the Second Meetings (**Chairman**). Mr Algeri, Mr Greig and I were also in attendance.
33. As described in the minutes of the Second Meetings (exhibited at **Tab 52** of **Exhibit RJH-1**), the Chairman of the meeting proposed the resolutions set out in Appendix M of the 75-225 Report, namely:

- (a) in relation to the future of VAH, Virgin Australia International Operations Pty Ltd, Virgin Australia Airlines Holdings Pty Ltd, VAH Newco No.1 Pty Ltd, Tiger Airways Australia Pty Limited, Virgin Australia Airlines Pty Ltd, Virgin Tech Pty Ltd, A.C.N. 098 904 262 Pty Ltd, Virgin Australia Regional Airlines Pty Ltd, Virgin Australia Holidays Pty Ltd, VB Ventures Pty Ltd, Virgin Australia Cargo Pty Ltd, VB Leaseco Pty Ltd, VB Investco, VAH Newco No. 2, VB LH 2008 No. 1 Pty Ltd, VB LH 2008 No. 2 Pty Ltd, VBNC5 Pty Ltd, Short Haul 2017 No. 1 Pty Ltd, VB PDP 2010-11 Pty Ltd, 737 2012 No.1 Pty. Ltd, 737 2012 No. 2 Pty Ltd, VA Regional Leaseco Pty Ltd, VA Hold Co Pty Ltd, VA Lease Co Pty Ltd, Virgin Australia 2013-1 Issuer Co Pty Ltd, Short Haul 2016 No. 1 Pty Ltd and Short Haul 2016 No. 2 Pty Ltd (the **Primary DOCA Companies**), that each of the Primary DOCA Companies execute the deed of company arrangement described as the "Primary DOCA" (**Primary DOCA**) and that Mr Algeri, Mr Greig, Mr Strawbridge and I be appointed as deed administrators and that the committee of inspection formed in respect of the Virgin Companies for the purposes of the administration of the Virgin Companies (in accordance with the 24 April Orders) (**Committee of Inspection**) be appointed as a committee of inspection for the Primary DOCA;
- (b) in relation to the future of Virgin Australia International Holdings Pty Ltd, Virgin Australia International Airlines Pty Ltd, Tiger and Virgin Australia Airlines (SE Asia) Pty Ltd (the **IG DOCA Companies**), that each of the IG DOCA Companies execute the deed of company arrangement described as the "IG DOCA" (**IG DOCA**) and that Mr Algeri, Mr Greig, Mr Strawbridge and I be appointed as deed administrators and that the Committee of Inspection be appointed as a committee of inspection for the IG DOCA; and
- (c) in relation to the future of VA Borrower 2019 No. 1 Pty Ltd, VA Borrower 2019 No. 2

Pty Ltd, Short Haul 2018 No. 1 Pty Ltd, Short Haul 2017 No. 2 Pty Ltd, Short Haul 2017 No. 3 Pty Ltd, Short Haul 2014 No. 1 Pty Ltd, Short Haul 2014 No. 2 Pty Ltd, VB 800 2009 Pty Ltd and VB Leaseco No 2 Pty Ltd (the **Subsidiary DOCA Companies**), that each of the Subsidiary DOCA Companies execute their respective deeds of company arrangements (**Subsidiary DOCAs**) and that Mr Algeri, Mr Greig, Mr Strawbridge and I be appointed as deed administrators in respect of each Subsidiary DOCA and that the Committee of Inspection be appointed as a committee of inspection for the Subsidiary DOCAs.

34. The resolutions that:

- (a) the Primary DOCA Companies execute the Primary DOCA;
- (b) the IG DOCA Companies execute the IG DOCA; and
- (c) each of the Subsidiary DOCA Companies execute their respective Subsidiary DOCA,

were all overwhelmingly passed by the creditors of the respective Virgin Companies by both number and value.

35. In respect of the Primary DOCA, the result of the voting on the resolution that the relevant Virgin Companies execute the Primary DOCA was as follows:

- (a) For: 6,456 votes with a value of \$6,095,056,526;
- (b) Against: 63 votes with a value of \$142,112,254; and
- (c) Abstain: 257 votes with a value of \$523,880,811.

36. Accordingly, the resolution that the relevant Virgin Companies execute the Primary DOCA passed in both number and value with:

- (a) 99.03% of the number of creditors voting on the resolution voting in favour; and
- (b) 97.72% of the value of creditors voting on the resolution voting in favour.

37. The creditors of the other Virgin Companies also voted in favour of the respective resolutions that the relevant Virgin Companies execute the IG DOCA and the Subsidiary DOCAs. The results of the votes (in number) in respect of the IG DOCA and the Subsidiary DOCAs were as follows:

Vote	IG DOCA	Subsidiary DOCAs
For (%)	96.09%	100%
Against (%)	3.91%	0%
Abstain (number)	184	0

38. The Chairman of the meeting declared that the resolutions of creditors that:
- (a) the Primary DOCA Companies execute the Primary DOCA and that Mr Algeri, Mr Greig, Mr Strawbridge and I be appointed as deed administrators and the Committee of Inspection be appointed as a committee of inspection for the Primary DOCA;
 - (b) the IG DOCA Companies execute the IG DOCA and that Mr Algeri, Mr Greig, Mr Strawbridge and I be appointed as deed administrators and the Committee of Inspection be appointed as a committee of inspection for the IG DOCA; and
 - (c) each of the Subsidiary DOCA Companies execute their respective Subsidiary DOCA and that Mr Algeri, Mr Greig, Mr Strawbridge and I be appointed as deed administrators in respect of each Subsidiary DOCA and the Committee of Inspection be appointed as a committee of inspection for the Subsidiary DOCA,

all passed by a poll conducted through the Halo Platform in accordance with the 12 August Orders and section 75-110(1) of the IPR.

39. On 25 September 2020, the Primary DOCA, IG DOCA and each of the Subsidiary DOCAs were executed by each of the respective parties and the Administrators were appointed as the deed administrators of each of the Virgin Companies (**Deed Administrators**). Copies of each of the Primary DOCA, the IG DOCA and each Subsidiary DOCA are located at **Tabs 53 - 62 of Exhibit RJH-1**.

Completion of the DOCAs

40. Completion of each of the Bain DOCAs was conditional upon each of the conditions precedent set out in clause 4.1 of the Primary DOCA taking place (**Conditions**), which included, among other things:
- (a) the Deed Administrators, the Trustees and the Virgin Companies executing the Trust Deed on the terms set out in Part 10 of the 75-225 Report establishing the Trust (see clause 4.1(a) of the Primary DOCA);

- (b) ASIC providing such consents or approvals necessary to implement the Bain Transaction, including by granting the requisite exemptions and modifications from Chapter 6 of the Corporations Act pursuant to section 655A as necessary to permit the transfer of all of the shares in VAH to Bain Capital or its nominee (see clause 4.1(b) of the Primary DOCA); and
- (c) the Deed Administrators obtaining an order from the Federal Court, pursuant to section 444GA(1)(b) of the Corporations Act, granting leave to the Deed Administrators to transfer all of the existing shares in VAH to Bain Capital or its nominee in accordance with clause 10.3 of the Primary DOCA (see clause 4.1(c) of the Primary DOCA) (**444GA Order**).
41. The 444GA order was made by Justice Middleton in the Federal Court Proceedings on 10 November 2020 and a copy of the orders is located at **Tab 63 of Exhibit RJH-1**.
42. On 12 November 2020, pursuant to section 655A(1)(a) of the Corporations Act, ASIC issued ASIC Instrument 20-1061, granting an exemption to Bain Capital and its Controllers (as that term is defined in the Corporations Act) from the operation of section 606 of the Corporations Act, to permit the transfer of all of the shares in VAH to Bain Capital or its nominee as a result of the 444GA Order and pursuant to the Primary DOCA. A copy of ASIC Instrument 20-1061 is located at **Tab 64 of Exhibit RJH-1**.
43. Completion of each of the Primary DOCA, IG DOCA and Subsidiary DOCAs occurred on 17 November 2020 (**Completion**). On that date, the Deed Administrators, the Trustees and the Virgin Companies executed the Trust Deed, satisfying each of the Conditions. A copy of the Trust Deed is located at **Tab 65 of Exhibit RJH-1**.
44. On Completion:
- (a) a trust fund was established (**Trust Fund**) to meet the claims of unsecured creditors (including secured creditors to the extent of any deficiency in the value of their security) of the Virgin Companies (other than specific excluded claims that have not been released under the Bain DOCAs and for which the Virgin Companies remain liable following their emergence from external administration);
- (b) all shares in VAH were transferred to Bain Capital's nominee in accordance with clause 10.3 of the Primary DOCA; and
- (c) all "Claims" under each of the Bain DOCAs were released and converted to claims against the Trust Fund, in accordance with the Trust Deed.

Trust Deed and the Trust Fund

45. Pursuant to the terms of the Trust Deed, the Trust Fund comprises three separate 'pools' of



money (noting that a fourth pool was contemplated to be used in circumstances where the IG DOCA completed but the Primary DOCA did not, which event never came to pass), each with different eligibility criteria designed to meet claims of different creditors of the Virgin Companies:

- (a) Pool A, which is available for all creditors (other than critical suppliers), comprises an amount equal to \$575,000,000 minus the aggregate of:
 - (i) an amount equal to the full amount drawn under the Interim Funding Facility (as defined in the Primary DOCA) as at the date of Completion;
 - (ii) if the Net Prepaid Flight Liability (as defined in the Primary DOCA) exceeds \$401,533,000 by more than \$100,000, the amount of that difference;
 - (iii) the Pool B fund amount (see below); and
 - (iv) the Pool C fund amount (see below);
- (b) Pool B, which is available for certain creditors of the IG DOCA Companies who or which also have claims against the Primary DOCA Companies (cross over claims), comprises \$10,000,000; and
- (c) Pool C, which is available for suppliers who or which have been deemed to be critical to the continuing operation of the business of the Virgin Companies, comprises \$94,110,384 (and to the identification of critical suppliers from Pool C was determined prior to Completion and are set out in Schedule 3 of the Trust Deed).

46. The Trust Deed contains the following key terms, with definitions used in the below extracts being defined in Clause 1.1 of the Trust Deed:

- (a) Clause 4.3 - Trustee's Powers:

Without limiting the powers that the Trustees have by operation of the Trustees Act, for the purposes of administering the trust created by this Deed, the Trustees have the following powers:

...

(m) to continue, bring, prosecute and defend any claim, action, suit or proceeding, which includes the power to continue, bring and defend any claim, counter-claim, set off, action suit or proceeding in any Deed Company's name, or (if necessary, after assignment) in the Trustees' name, to enforce any right, claim or cause of action that forms part of, or relates to a claim against, the Trust Fund, and to that

end:

(1) to issue or accept service of any writ, summons or other legal process and to appear or be represented in any court and before all wardens, magistrates or judicial or other officers as the Trustees think fit and to commence or defend any conduct any action or other proceeding any court of justice in relation to the Trust Fund, and any claim, proceeding or action forming part of the Trust Fund and to prosecute, discontinue, compromise, stay, terminate or abandon that proceeding or action as the Trustees think fit;

(2) to appoint any solicitor and counsel to prosecute or defend in those proceedings as the occasion may require; and

(3) to take any other lawful ways and means for the recovering or getting any of the Trust Fund or defending claims made against the trustees or in respect of the Trust Fund;

....

(p) to do all acts and execute in the name and on behalf of the Trust all deeds receipts and other documents;

....

(aa) to do anything incidental to exercising a power set out in this Deed;

(bb) to do anything else that is necessary or convenient for administering the Trust.

(b) Clause 5.4 - Unclaimed moneys

In the event that the Trustees, for any reason, are unable to locate a Trust Creditor, or if any cheque sent by the Trustees to a Trust Creditor has not been presented within 6 months, then:

(a) the Trustees shall stop payment of such cheque;

(b) the moneys represented by such stopped cheque or held by the Trustees on behalf of the Trust Creditor shall be paid to ASIC; and

(c) the provisions of sections 544(1) and 544(3) of the Corporations Act will apply, with such modifications as are necessary, to such payment as if reference in those sections to 'liquidator' were references to the 'Trustees'.

(c) Clause 7.2 - Trustees' discretion

The Trustees may, in their absolute discretion:

(a) call for proofs of debt or claim;

(b) admit all or part of a Claim; or

(c) reject all or part of a Claim,

in accordance with the provisions of this Deed.

(d) Clause 7.3 - Determination of Claims:

(a) Subdivisions A, B, C and E of Division 6 of Part 5.6 of the Corporations Act apply to Claims under this Deed as if reference to the liquidator were references to the Trustee and references to winding up were references to this Deed, and with such other modifications as are necessary to give effect to this Deed, except to the extent that those provisions are varied or excluded expressly or impliedly by this Deed

(b) Regulations 5.6.11A, 5.6.37, 5.6.39 to 5.6.43 (inclusive), 5.6.44 to 5.6.53 (inclusive) and 5.6.55 to 5.6.72 (inclusive) of the Regulations shall apply to this Deed and to the Trustees as if references to the liquidator were references to the Trustee and references to winding up were references to this Deed, and with other such modifications as are necessary to give effect to this Deed, except to the extent that those provisions are varied or excluded expressly or impliedly by this Deed.

...

(d) The Trustees may make any distribution by cheque or by electronic funds transfer to a bank account nominated by the relevant Trust Creditor.

...

(f) Where the Trustees propose to reject a Claim (whether in part or in full) the Trustees shall send a notice to the Creditor informing the Creditor of the proposed rejection and giving the party 14 days within which to make an application to the Court to determine the questions relation to the Claim;

(e) Clause 7.7 - Abandonment of Claims:

A Trust Creditor will have abandoned, and will be taken for all purposes to have abandoned, all Claim and all other entitlements (if any) in the Trust Fund:

...



(b) which have been rejected by the Trustees and which are not the subject of any appeal or application to the Court within the time allowed under clause 7.3(f).

(f) Clause 9 - Meetings:

(a) The Trustees may at any time convene a meeting of Trust Creditors and except to the extent (if any) they are excluded or modified by or are inconsistent with the terms of this Deed, Division 75 of Part 3 of the IPR applies, with such modifications as are necessary, to meetings of the Trust Creditors as if references to the 'external administrator' or chairperson, as the case may be, were references to one or more of the Trustees.

(g) Clause 14 - Trustees' resignation:

Any Trustee may resign at any time by giving not less than 28 days' prior written notice to the Deed Companies unless that resignation would result in there being no remaining Trustees, in which even the Trustees must: ...

(h) Clause 16.6 - Variation of Deed:

This Deed may be varied:

...

(b) by the Court upon application of any of the Trust Creditors or the Trustees pursuant to the Trustee Act.

(i) Clause 18 - Notices

18.1 Form of Notices

*A notice or other communication to a party under this Deed (**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 2 (or any alternative details nominated to the sending party by Notice)

18.2 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
<i>By hand to the nominated address</i>	<i>When delivered to the nominated address</i>
<i>By pre-paid post to the nominated address</i>	<i>At 9.00am (addressee's time) on the second Business Day after the date of posting</i>
<i>By email to the nominated email address</i>	<i>When the email (including any attachment) has been sent to the addressee's email address (unless the sender receives a delivery failure notification indicating that the email has not been delivered to the addressee)</i>

18.3 Notices must not be given by electronic communication

A Notice must not be given by electronic means of communication (other than email as permitted in clause 18.2).

Reason for the Application

47. Given the scale and complexity of the Trust and the number of beneficiaries (being the former creditors of the Virgin Companies (**Trust Creditors**)), and for the reasons explained further below, the Trustees are of the view that the orders sought are necessary for the proper management and administration of the Trust.
48. In my opinion, and as detailed in the Orr Affidavit, the relief sought by the Trustees in the Application is necessary for the following reasons:
- (a) (**Order 2 (a)-(k)**): Clause 7.3 of the Trust Deed adopts Subdivisions A, B, C and E of Division 6 of Part 5.6 of the Corporations Act and regulations 5.6.11A, 5.6.37, 5.6.39 to 5.6.43 (inclusive), 5.6.44 to 5.6.53 (inclusive) and 5.6.55 to 5.6.72 (inclusive) of the *Corporations Regulations 2001* (Cth) (**Regulations**) and clause 9.3(a) of the Trust Deed adopts Division 75 of Part 3 of the IPR, in respect of meetings. The Trustees seek judicial advice or direction that due to the uncertainty

and state of flux caused by the COVID-19 pandemic (for example, travel restrictions and social distancing restrictions), the Trustees are justified in using the Halo Platform as an electronic means of communication and, where meetings are held, are to hold such meetings electronically without any Trust Creditor being permitted to attend the offices of the Trustees in person. Additionally, due to the complexity of the Trust Deed, the quantum of Trust Creditors as well as the number of formal proofs of debt or claims that the Trustees will be required to collect and adjudicate on, I believe that the orders sought in prayer 2(a)-(k) will:

- (i) streamline the administration process of the Trust and the adjudication of proofs of debt or claim;
- (ii) reduce the risk of any dividend being payable to Trust Creditors being diminished as considerable further resources would be required to undertake the adjudication process; and
- (iii) likely reduce the need for any further extensions of time to undertake the adjudication process, which would also result in a risk of any dividend payable being delayed.

- (b) **(Order 2(l))**: Pursuant to section 554C of the Corporations Act, and as adopted by clause 7.3 of the Trust Deed, the Trustees are required to use the opening carded on demand airmail buying rate available at the Commonwealth Bank of Australia (**CBA Carded Rates**) as at the date of the appointment of the Administrators (**Relevant Date**) in circumstances where the relevant Virgin Company and Trust Creditor have not agreed on a method to be applied for the purpose of converting the relevant Virgin Company's liability in respect of the debt or claim which is in a foreign currency into Australian currency from the relevant foreign currency. Due to international business operations of the Virgin Companies, the Trustees have identified that claims of certain Trust Creditors are in various currencies such as the Tongan Pa'anga or the Fijian Dollar, which are not listed on the CBA Carded Rates. An extract of the CBA Carded Rates as at the Relevant Dates is at **Tab 66 of Exhibit RJH-1**. Accordingly, in the absence of relevant exchange rates being listed on the CBA Carded Rates, the Trustees seek advice that they are justified in using the historical exchange rate as provided by the Reserve Bank of Australia and, in circumstances where the relevant exchange rates (such as the Tongan Pa'anga or the Fijian Dollar) are not recorded with the Reserve Bank of Australia, the Trustees are justified in using the historical exchange rate as recorded on website www.xe.com (**XE**). According to XE's webpage, XE is the world's trusted currency authority with more than 25 years' experience in the currency industry, and provides up-to-date, reputable currency information.



- (c) **(Order 2(m))**: The Trustees seek advice that they are justified in using the best available Australian Dollar (AUD) exchange rate available to them on the date that any such dividend is paid to a Trust Creditor (who or which has nominated a foreign bank account). This is due to the large number of Trust Creditors that have lodged proofs of debt or claims in foreign currencies and are requiring that any distribution that is to be paid to them, is paid into a foreign bank account. The ability to seek the best available exchange rate will seek to ensure that the Trust Fund is not unnecessarily depleted due to the use of higher exchange rates.
- (d) **(Orders 3 (a) - (b))**: These orders relate to material and information concerning a Trust Creditor's claim that has been provided to the Trustees and what the Trustees are obligated to do in respect of specific information in certain circumstances. The proposed orders are designed to provide Trust Creditors comfort that, in the event that a Trust Creditor disputes a decision by the Trustees about the Trust Creditor's debt or claim, the Trustees will provide all relevant information in respect of their decision to the Trust Creditor so that the Trust Creditor can be fully informed in respect of the Trustees' decision. As referred to in paragraphs 23 and 24, the orders sought in prayer 3(a) - (b) will also ensure that the Trustees will be able to comply with their confidentiality obligations in relation to information relating to third parties in circumstances where the Trustees are required to provide information to Trust Creditors. These orders are sought in circumstances where similar orders, including the Creditor Information Order, were made in the 11 August Orders due to concerns raised by a creditor about the adjudication process and the use of the Halo Platform. Accordingly, the 11 August Orders assisted the Administrators during the course of the administration of the Virgin Companies and, in my opinion, similar orders will also assist the Trustees during the course of the administration of the Trust Fund and the Trust more generally.
- (e) **(Order 4)**: This order relates to the Trustees treating the Trust Creditors that have registered on the Halo Platform as having deemed the Halo Platform as their nominated notification and access means. The proposed order is designed to enable the Trustees to streamline the notification process to Trust Creditors and the administration of the Trust generally. Most, if not all, Trust Creditors are registered with the Halo Platform and the Trust Creditors are already familiar with the Halo Platform by its use in respect of the conduct of and voting at the Second Meetings. This order will also likely reduce the risk of any dividend being payable to Trust Creditors being diminished as further resources would be required and further costs would need to be incurred by the Trustees to provide notice to Trust Creditors by different means, such as by post.
- (f) **(Orders 5 and 6)**: These orders seek amendments to be made to certain provisions of the Trust Deed to align the relevant provisions of the Trust Deed with the

proposed course to be adopted by the Trustees. The amendments to those provisions will ensure that:

- (i) the Trustees will not be in breach of any terms of the Trust Deed as a result of proceeding on the basis of judicial advice set out in the Application;
- (ii) due to the complexity of the Trust and the very large number of Trust Creditors, the Trustees have sufficient time for the Trustees to undertake the adjudication process including responding to any enquiries or appeals that may be made by a Trust Creditor; and
- (iii) the percentage discount to be applied (as prescribed by regulation 5.6.44 of the Regulations) to any amounts claimed by a Trust Creditor that relate to the amount of a debt that is admissible to proof but that, as at the relevant date, was not payable by the relevant Virgin Companies until an ascertained or ascertainable date in the future after the appointment of the Administrators, is to be aligned with market rates and reflective of the rate set by the Reserve Bank of Australia (**RBA**). As interest rates have reduced substantially in recent years and the current RBA cash rate is 0.10% as at 3 March 2021.

No prejudice to the Trust Creditors

49. The Trustees are of the view that, if the orders sought in the Application are made, there will be substantial benefits to Trust Creditors (in terms of efficiencies of administration and distribution of the Trust Fund conferred by the additional time and electronic means of communication sought in the orders) and there will not be any prejudice to them.
50. The Trustees consider that:
- (a) most, if not all, Trust Creditors are registered with the Halo Platform as a result of the 11 August Orders and 12 August Orders;
 - (b) the Trust Creditors are already familiar with the Halo Platform by its use in respect of the conduct of and voting at the Second Meetings;
 - (c) the use of the Halo Platform will streamline the adjudication and administration of the Trust Deed and will reduce the risk of the dividend to be paid to Trust Creditors being reduced due to extended time and additional resources that might otherwise be required if the Halo Platform were not available;
 - (d) during the course of the administration of the Virgin Companies, in particular leading up to and at the Second Meetings, there were no material or substantive

complaints received by the Administrators from any user of the Halo Platform regarding the operation of the Halo Platform;

- (e) the judicial advice sought under s 63 of the *Trustee Act 1925* (NSW) will give Trust Creditors as much comfort as possible that the process being undertaken by the Trustees is fair and fully sanctioned by the Court. Given the very large number of Trust Creditors, the Trustees have concerns about proceeding in the manner proposed without such judicial advice;
- (f) without the judicial advice and other orders sought:
 - (i) Trust Creditors will likely face extensive time delays in the payment of any dividend due to them, having regard to the manual process required to adjudicate on the proofs of debt or claim lodged and the additional costs associated with requiring additional resources to be able to manually adjudicate on the proofs of debt or claim (which will be imposed on the Trust Fund), thereby diminishing any dividend payable to Trust Creditors;
 - (ii) the Trustees and their staff, as a result of the uncertainty of the COVID-19 pandemic, may not be able to travel to the offices of Deloitte to attend any meetings and adjudicate on any proofs of debt or claim that are lodged by post, thereby potentially causing unnecessary delays and imposing additional costs on the Trust Fund; and
 - (iii) delays are likely to occur from the time taken to send and receive, in the post, requisite notices issued under the Trust Deed and proofs of debt or claim lodged by Trust Creditors; and
- (g) as no impediments involving the Halo Platform arose during its use in the administration of the Virgin Companies, Trust Creditors will not be prejudiced from using the Halo Platform in the administration of the Trust.

51. I consider that the only potential prejudice to Trust Creditors, in the circumstances, is that all notifications will be issued electronically, which would require a Trust Creditor to have an internet connection available to them. However, the Trustees consider that this prejudice is very limited, particularly in circumstances where most, if not all, Trust Creditors have already demonstrated that they have an internet connection available to them. As explained in paragraph 48(e) above, most, if not all, Trust Creditors have registered with the Halo Platform, which in itself requires a Trust Creditor to access to the internet. In any event, the Trust Deed permits notices to be sent in electronic form in any event (for example, by email), which would in effect require Trust Creditors to have an internet connection available to them.

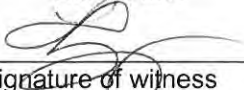
52. Accordingly, the Trustees consider that that potential limited prejudice is substantially outweighed by the efficiencies and cost savings described above.

Urgency of Application

53. This Application is sought to be heard on an expedited basis in order to facilitate the distribution to Pool C Creditors who are creditors receiving a stated and confirmed amount via the Halo Platform. Pool C Creditors are, for the most part, critical suppliers and counterparties that are required for Bain Capital to trade on the business. For example, Pool C Creditors include the Australian airports.

Affirmed at Brisbane
this 25th day of March 2021


Deponent

Before me:

Signature of witness

Zackary P George, Lawyer, Clayton Utz.
Name and capacity of witness

And as a witness, I certify the following matters concerning the person who made this affidavit (deponent):

[*strike out the text that does not apply]

1. *I saw the face of the deponent.

OR

~~*I did not see the face of the deponent because he/she was wearing a face covering, but I am satisfied that he/she had a special justification for not removing it.~~

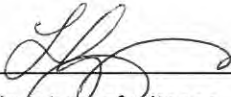
2. ~~*I have known the person for at least 12 months.~~

OR

~~*I confirmed the person's identity using the following identification document:~~
I confirmed the person's identity using the

Drivers License.

Identification document relied on
(may be original or certified copy)


Signature of witness

A handwritten signature in black ink, appearing to be 'D. S.', written in a cursive style.A handwritten signature in black ink, appearing to be 'Rafael', written in a cursive style.

Schedule 1 - Virgin Companies

1. Virgin Australia Holdings Ltd ACN 100 686 226
2. Virgin Australia International Operations Pty Ltd ACN 155 859 608
3. Virgin Australia International Holdings Pty Ltd ACN 155 860 021
4. Virgin Australia International Airlines Pty Ltd ACN 125 580 823
5. Virgin Australia Airlines (SE Asia) Pty Ltd ACN 097 892 389
6. Virgin Australia Airlines Holdings Pty Ltd ACN 093 924 675
7. VAH Newco No.1 Pty Ltd ACN 160 881 345
8. Tiger Airways Australia Pty Limited ACN 124 369 008
9. Virgin Australia Airlines Pty Ltd ACN 090 670 965
10. VA Borrower 2019 No. 1 Pty Ltd ACN 633 241 059
11. VA Borrower 2019 No. 2 Pty Ltd ACN 637 371 343
12. Virgin Tech Pty Ltd ACN 101 808 879
13. Short Haul 2018 No. 1 Pty Ltd ACN 622 014 831
14. Short Haul 2017 No. 1 Pty Ltd ACN 617 644 390
15. Short Haul 2017 No. 2 Pty Ltd ACN 617 644 443
16. Short Haul 2017 No. 3 Pty Ltd ACN 622 014 813
17. VBNC5 Pty Ltd ACN 119 691 502
18. A.C.N. 098 904 262 Pty Ltd ACN 098 904 262
19. Virgin Australia Regional Airlines Pty Ltd ACN 008 997 662
20. Virgin Australia Holidays Pty Ltd ACN 118 552 159
21. VB Ventures Pty Ltd ACN 125 139 004
22. Virgin Australia Cargo Pty Ltd ACN 600 667 838
23. VB Leaseco Pty Ltd ACN 134 268 741
24. VA Hold Co Pty Ltd ACN 165 507 157
25. VA Lease Co Pty Ltd ACN 165 507 291
26. Virgin Australia 2013-1 Issuer Co Pty Ltd ACN 165 507 326
27. 737 2012 No.1 Pty. Ltd ACN 154 201 859
28. 737 2012 No. 2 Pty Ltd ACN 154 225 064
29. Short Haul 2016 No. 1 Pty Ltd ACN 612 766 328
30. Short Haul 2016 No. 2 Pty Ltd ACN 612 796 077
31. Short Haul 2014 No. 1 Pty Ltd ACN 600 809 612
32. Short Haul 2014 No. 2 Pty Ltd ACN 600 878 199
33. VA Regional Leaseco Pty Ltd ACN 127 491 605
34. VB 800 2009 Pty Ltd ACN 135 488 934
35. VB Leaseco No 2 Pty Ltd ACN 142 533 319
36. VB LH 2008 No. 1 Pty Ltd ACN 134 280 354
37. VB LH 2008 No. 2 Pty Ltd ACN 134 288 805
38. VB PDP 2010-11 Pty Ltd ACN 140 818 266
39. Tiger International Number 1 Pty Ltd ACN 606 131 944
40. VAH Newco No. 2 Pty Ltd ACN 160 881 354
41. VB Investco Pty Ltd ACN 101 961 095

