

23 April 2020

TO THE SUPPLIER AS ADDRESSED

Dear Sir/Madam

**Virgin Australia Holdings Ltd, ACN 100 686 226
and certain entities listed in Schedule A
(All Administrators Appointed)
(the Companies or Virgin)**

1. Appointment of Voluntary Administrators

Vaughan Strawbridge, Sal Algeri, John Greig and Richard Hughes were appointed Joint and Several Administrators (**Administrators**) of Virgin on 20 April 2020, pursuant to the provisions of Section 436A of the Corporations Act 2001 (**the Act**).

Velocity Frequent Flyer, while owned by Virgin, is a separate company and is not in administration.

As the Administrators:

- we assume responsibility for the business and operations of Virgin. Subject to the various COVID-19 restrictions that are in place, we intend to continue trading Virgin's business whilst we explore options to recapitalise the business.
- we will continue to work with Virgin management and the team at Houlihan Lokey, who were appointed by Virgin prior to our appointment.
- we are responsible for dealing with the staff and suppliers of Virgin in respect to the ongoing trading of the business from the date of our appointment.

Whilst we have assumed responsibility for the business and operations, we will working closely with Paul Scurrah and the Virgin management team, who will continue to manage the business, with support from our team and us.

In working with Paul and the team, it is our intention that Virgin remains in business during and post the Voluntary Administration and in a position to resume flying when the COVID-19 restrictions are lifted.

We will keep you updated as the Administration progresses.

Please read the information below carefully regarding future trading.

2. Ongoing supply

Whilst we restructure the business during the administration process, we endeavour to come through as a restructured financially secure business, which can re-commence normal operations as soon as possible as the COVID-19 pandemic allows.

Please open a new supplier account (**Administrators Account**) under the same entity as your previous account for the Administrators for any continued business during the administration period with Virgin post our appointment. These accounts should be styled '[Company Name] (Administrators Appointed)'. Administrators Accounts will be paid in accordance with your usual terms of credit.

Should you require any paperwork to be completed in order to open a new account please submit this information to newsupplierrequests@virginaustralia.com for completion. Accounts held prior to our appointment should not be used, so as to allow easier reconciliation and payment in the future.

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Any security interests you have with Virgin prior to our appointment will not apply to goods supplied as part of transactions on the Administrators Account, unless specifically agreed to by us in writing.

Any security interest on an Administrators Account will need to be the subject of a separate registration of the security interest on the Personal Property Securities Register (**PPSR**).

Please also note all future properly authorised orders are guaranteed by the Administrators.

3. Purchase orders

Due to the volume of supplies and services required by Virgin, we request that all suppliers submit their orders through the normal processes with the relevant personnel, likely procurement at Virgin.

If you require a purchase order for provision of services, please make your request via email at the following email address: newsupplierrequests@virginaustralia.com

If you are concerned about your supply being authorised, please contact Virgin or our office at virginsuppliers@deloitte.com.au

4. Outstanding or incomplete orders

If there are any outstanding or incomplete orders placed by Virgin prior to our appointment, please email us at virginsuppliers@deloitte.com.au to obtain written instructions concerning your order.

5. Outstanding payments and claims

Unfortunately, the position of the Administrators is that they will not be in a position to make payment of any of your pre-appointment debt. The Administrators as required by law need to treat all creditors equally as part of their duty and it would not be fair if any one creditor received preferential treatment.

For all outstanding amounts due to you as at 20 April 2020, these will form a claim against Virgin. Please complete the enclosed formal proof of debt form (**Form 535**), with details of your claim and evidence to support your claim (e.g. invoices, statements); and then return it via email to virginsuppliers@deloitte.com.au

For all new invoices from 21 April 2020 which have been approved by the Administrators, please continue to submit these invoices to apinvoices@virginaustralia.com. We will attend to payment of all invoices authorised by the Administrators in accordance with your standard trading terms.

6. PPSR and retention of title claims

We will be separately contacting those parties that have registered security interest against Virgin registered on the PPSR. Please note that any security interest you have with the Companies prior to our appointment will not apply to goods supplied as part of transactions on the new account unless specifically agreed to by us in writing and made the subject of a separate registration of the security interest on the PPSR.

7. Ongoing communication and contact details

We understand this is a very difficult and uncertain time for all supplies and creditors. Your continued support is important during the administration whilst we seek a sale of the business as a going concern.

Should you have any questions in relation to this matter, please contact us at virginsuppliers@deloitte.com.au

Yours faithfully



Richard Hughes
Joint and Several Administrator

Encl.

Schedule A

Virgin Australia Holdings Ltd, ACN 100 686 226
Virgin Australia International Operations Pty Ltd, ACN 155 859 608
Virgin Australia International Holdings Pty Ltd, ACN 155 860 021
Virgin Australia International Airlines Pty Ltd, ACN 125 580 823
Virgin Australia Airlines (SE Asia) Pty Ltd, ACN 097 892 389
Virgin Australia Airlines Holdings Pty Ltd, ACN 093 924 675
VAH Newco No.1 Pty Ltd, ACN 160 881 345
Tiger Airways Australia Pty Limited, ACN 124 369 008
Virgin Australia Airlines Pty Ltd, ACN 090 670 965
VA Borrower 2019 No. 1 Pty Ltd, ACN 633 241 059
VA Borrower 2019 No. 2 Pty Ltd, ACN 637 371 343
Virgin Tech Pty Ltd, ACN 101 808 879
Short Haul 2018 No. 1 Pty Ltd, ACN 622 014 831
Short Haul 2017 No. 1 Pty Ltd, ACN 617 644 390
Short Haul 2017 No. 2 Pty Ltd, ACN 617 644 443
Short Haul 2017 No. 3 Pty Ltd, ACN 622 014 813
VBNC5 Pty Ltd, ACN 119 691 502
A.C.N. 098 904 262 Pty Ltd, ACN 098 904 262
Virgin Australia Regional Airlines Pty Ltd, ACN 008 997 662
Virgin Australia Holidays Pty Ltd, ACN 118 552 159
VB Ventures Pty Ltd, ACN 125 139 004
Virgin Australia Cargo Pty Ltd, ACN 600 667 838
VB Leaseco Pty Ltd, ACN 134 268 741
VA Hold Co Pty Ltd, ACN 165 507 157
VA Lease Co Pty Ltd, ACN 165 507 291
Virgin Australia 2013-1 Issuer Co Pty Ltd, ACN 165 507 326
737 2012 No.1 Pty. Ltd, ACN 154 201 859
737 2012 No. 2 Pty Ltd, ACN 154 225 064
Short Haul 2016 No. 1 Pty Ltd, ACN 612 766 328
Short Haul 2016 No. 2 Pty Ltd, ACN 612 796 077
Short Haul 2014 No. 1 Pty Ltd, ACN 600 809 612
Short Haul 2014 No. 2 Pty Ltd, ACN 600 878 199
VA Regional Leaseco Pty Ltd, ACN 127 491 605
VB 800 2009 Pty Ltd, ACN 135 488 934
VB Leaseco No 2 Pty Ltd, ACN 142 533 319
VB LH 2008 No. 1 Pty Ltd, ACN 134 280 354
VB LH 2008 No. 2 Pty Ltd, ACN 134 288 805
VB PDP 2010-11 Pty Ltd, ACN 140 818 266

Informal Proof of Debt Form

Regulation 5.6.47

Please tick ONE of the below entities of which you are a creditor. Should you be a creditor of more than one entity, please complete a new form for each entity.

- Virgin Australia Holdings Ltd, ACN 100 686 226
- Virgin Australia International Operations Pty Ltd, ACN 155 859 608
- Virgin Australia International Holdings Pty Ltd, ACN 155 860 021
- Virgin Australia International Airlines Pty Ltd, ACN 125 580 823
- Virgin Australia Airlines (SE Asia) Pty Ltd, ACN 097 892 389
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- VB LH 2008 No. 1 Pty Ltd, ACN 134 280 354
- VB LH 2008 No. 2 Pty Ltd, ACN 134 288 805
- VB PDP 2010-11 Pty Ltd, ACN 140 818 266

Name of creditor:

Address of creditor:

ABN (if applicable):

Telephone number:

Email address:

Amount of debt claimed: \$ Including GST \$

Consideration for debt (i.e., the nature of goods or services supplied and the period during which they were supplied):

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- I am not a related creditor of the Company
- I am a related creditor of the Company
relationship:

Is the debt secured? YES/NO

If secured, give details of security including dates, etc:

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Other information:

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.....
Signature of Creditor

.....
Dated

(or person authorised by creditor)

Notes: Under the Insolvency Practice Rules (Corporations) (IPR) 75-85, a creditor is not entitled to vote at a meeting unless:

- a) his or her claim has been admitted, wholly or in part, by the Joint Administrators; or
- b) he or she has lodged with the Joint Administrators particulars of the debt or claim, or if required, a formal proof of debt.

At meetings held under Section 436E and 439A, a secured creditor may vote for the whole of his or her debt without regard to the value of the security (IPR 75-87).

Proxies must be made available to the Joint Administrators.