

NOTICE OF FILING AND HEARING

This document was lodged electronically in the FEDERAL COURT OF AUSTRALIA (FCA) on 11/05/2020 10:36:31 PM AEST and has been accepted for filing under the Court's Rules. Filing and hearing details follow and important additional information about these are set out below.

Filing and Hearing Details

Document Lodged:	Interlocutory process (Rule 2.2): Federal Court (Corporations) Rules 2000 form 3
File Number:	NSD464/2020
File Title:	APPLICATION IN THE MATTER OF VIRGIN AUSTRALIA HOLDINGS LTD (ADMINISTRATORS APPOINTED) ACN 100 686 226 & ORS
Registry:	NEW SOUTH WALES REGISTRY - FEDERAL COURT OF AUSTRALIA
Reason for Listing:	Interlocutory Hearing
Time and date for hearing:	13/05/2020, 10:15 AM
Place:	Please check Daily Court List for details



Sia Lagos

Dated: 12/05/2020 7:58:27 AM AEST

Registrar

Important Information

As required by the Court's Rules, this Notice has been inserted as the first page of the document which has been accepted for electronic filing. It is now taken to be part of that document for the purposes of the proceeding in the Court and contains important information for all parties to that proceeding. It must be included in the document served on each of those parties.

The Reason for Listing shown above is descriptive and does not limit the issues that might be dealt with, or the orders that might be made, at the hearing.

The date and time of lodgment also shown above are the date and time that the document was received by the Court. Under the Court's Rules the date of filing of the document is the day it was lodged (if that is a business day for the Registry which accepts it and the document was received by 4.30 pm local time at that Registry) or otherwise the next working day for that Registry.

Form 3 Interlocutory process

(Rules 2.2, 15A.4, 15A.8 and 15A.9)



Federal Court of Australia
District Registry: New South Wales
Division: Commercial and Corporations List

No. NSD 464 of 2020

IN THE MATTER OF VIRGIN AUSTRALIA HOLDINGS LTD (ADMINISTRATORS APPOINTED) ACN 100 686 226 & ORS

VAUGHAN STRAWBRIDGE, SALVATORE ALGERI, JOHN GREIG AND RICHARD HUGHES, IN THEIR CAPACITY AS JOINT AND SEVERAL VOLUNTARY ADMINISTRATORS OF EACH OF VIRGIN AUSTRALIA HOLDINGS LTD (ADMINISTRATORS APPOINTED) AND THE THIRD TO THIRTY-NINTH PLAINTIFFS NAMED IN SCHEDULE 1

First Plaintiffs

AND OTHERS NAMED IN THE SCHEDULE

Plaintiffs

A. DETAILS OF APPLICATION

This application is made under sections 439A(6), 443B(8) and 447A of the *Corporations Act 2001* (Cth) (**Corporations Act**) and sections 90-15 and 80-55 of the *Insolvency Practice Schedule (Corporations)*, being Schedule 2 to the Corporations Act (**IPSC**).

On the facts stated in the supporting affidavit of Vaughan Neil Strawbridge sworn on 11 May 2020 (**Strawbridge Affidavit**), and the further affidavit of Vaughan Neil Strawbridge sworn on 11 May 2020 (the **Supplementary Strawbridge Affidavit**) the Plaintiffs seek the following orders:

Return date of Interlocutory Process

1. An order that the Interlocutory Process filed on 11 May 2020 be returnable at 10.15am on 13 May 2020.

Filed on behalf of (name & role of party)	The Plaintiffs		
Prepared by (name of person/lawyer)	Timothy James Sackar		
Law firm (if applicable)	Clayton Utz		
Tel	+61 2 9353 4000	Fax	+61 2 8220 6700
Email	kaadams@claytonutz.com		
Address for service (include state and postcode)	Level 15, 1 Bligh Street, Sydney NSW 2000		



Tiger International No. 1 Pty Ltd

Joinder

2. An order pursuant to rule 9.05 of the *Federal Court Rules 2011* (Cth) that Tiger International No. 1 Pty Ltd (Administrators Appointed) ACN 606 131 944 (**Tiger 1**) be added to this proceeding as Fortieth Plaintiff.

First meeting of creditors

3. An order pursuant to section 1322(4)(a) of the Corporations Act that the convening and holding of the first meeting of creditors of Tiger 1 in accordance with section 436E of the Corporations Act, pursuant to the notice sent to creditors in accordance with sections 75-225(1) and 75-15 of the *Insolvency Practice Rules (Corporations) 2016* (Cth) (**IPR**), is not invalidated by reason of the notice having been issued on 7 May 2020 (resulting in less than five business days' notice of the meeting being given to the creditors of Tiger 1).
4. An order pursuant to section 447A(1) of the Corporations Act and section 90-15 of the IPSC, that Part 5.3A of the Corporations Act is to operate, *nunc pro tunc*, in relation to Tiger 1, as if any notice (**Notice**) required to be given pursuant to sections 75-225(1) and 75-15 of the IPR will have been validly given to creditors of Tiger 1 by reason of the following steps having been taken in accordance with prayer 3 prior to the date of the meeting:
 - a. where the First Plaintiffs:
 - i. have an email address for a creditor, by sending the Notice by email to each such creditor;
 - ii. where the First Plaintiffs do not have an email address for a creditor, but have a postal address for the creditor (or have received notification of non-delivery of a notice sent by email in accordance with (a)(i) above), by sending the Notice by posting a copy of it to the postal address for each such creditor;
 - b. by causing the Notice to be published on the Australian Securities and Investments Commission (**ASIC**) published notices website at <https://insolyncynotices.asic.gov.au/>; and
 - c. by publishing the Notice on the website maintained by the First Plaintiffs at <https://www2.deloitte.com/au/en/pages/finance/articles/virgin-australia-holdings-limited-subsidiaries.html>.

Other notices to creditors to be provided electronically

5. An order pursuant to section 447A(1) of the Corporations Act and section 90-15 of the IPSC, that if, pursuant to any provision in any of Part 5.3A of the Corporations Act, Part 5.3A of the *Corporations Regulations 2001* (Cth), the IPSC, or the IPR, the First Plaintiffs are required to provide any other



notification to creditors during the administration of Tiger 1, the applicable notice requirements will be satisfied if the First Plaintiffs give such notice by taking the following steps:

- a. where the First Plaintiffs:
 - i. have an email address for a creditor, by notifying each such creditor of the relevant matter via email;
 - ii. do not have an email address for a creditor, but have a postal address for that creditor (or have received notification of non-delivery of a notice sent by email in accordance with (a)(i) above), by notifying each such creditor in writing of the relevant matter via post;
- b. by publishing notice of the relevant matter on the website maintained by the First Plaintiffs at <https://www2.deloitte.com/au/en/pages/finance/articles/virgin-australia-holdings-limited-subsidiaries.html>; and
- c. to the extent that the matter relates to a meeting that is the subject of section 75-40(4) of the IPR, by causing notice of the meeting to be published on the ASIC published notices website at <https://insolvencynotices.asic.gov.au/>.

Conducting meetings of creditors electronically

6. An order pursuant to section 447A(1) of the Corporations Act and section 90-15 of the IPSC, that, to the extent not permitted specifically by sections 75-30, 75-35 and 75-75 of the IPR and the *Corporations (Coronavirus Economic Response) Determination (No. 1) 2020* (Cth), the First Plaintiffs be permitted to hold meetings of creditors during the administration of Tiger 1 by telephone or audio-visual conference only at the place of the First Plaintiffs' offices (without creditors of Tiger 1 being able to attend physically at that place), with such details of the arrangements for using the telephone or audio-visual conference facilities to be specified in each of the notices issued to creditors.
7. An order pursuant to section 447A(1) of the Corporations Act and section 90-15 of the IPSC, that, to the extent not permitted specifically by section 75-35(2)(b) of the IPR and the *Corporations (Coronavirus Economic Response) Determination (No. 1) 2020* (Cth), the creditors of Tiger 1 who wish to participate at any meeting of Tiger 1 by telephone or audio-visual conference only at the place of the First Plaintiffs' offices (without creditors of Tiger 1 being able to attend physically at that place), must lodge with the First Plaintiffs, no later than the second last business day before the day on which the meeting is held, specific proxy forms containing the information in section 75-35(2)(b)(i)-(iii) of the IPR (with liberty to notify the First Plaintiffs of the withdrawal of that specific proxy and amended vote following any discussion at a meeting, in advance of a resolution being passed).

Committee of Inspection

8. An order pursuant to section 447A(1) of the Corporations Act and 90-15 of the IPSC, that Divisions 75 and 80 of the IPSC, and Division 75 of the IPR are to operate as if the requirement in sections 80-10



and 80-15 of the IPSC for the creditors of a company to resolve that a committee of inspection be formed and to appoint members of the committee of inspection, be dispensed with.

9. An order that Order 6(b) of the orders made on 24 April 2020 be varied by deleting the words “Thirty-Ninth Plaintiffs” and replacing them with the words “Fortieth Plaintiffs”, such that that order reads:

a single committee of inspection be formed in respect of the Second to Fortieth Plaintiffs.

10. An order pursuant to section 447A(1) of the Corporations Act and 90-15 of the IPSC that the First Plaintiffs are not required to issue any further Proposal (as that term is defined in Order 6(d) of the orders made on 24 April 2020) to the creditors of the Second to Fortieth Plaintiffs.

Extension of Convening Period

11. An order pursuant to section 439A(6) of the Corporations Act that the convening period defined in section 439A(5)(b) of the Corporations Act in respect of each of the Second to Thirty-Ninth Plaintiffs and, should paragraph 2 of this Interlocutory Process be made, the Fortieth Plaintiff (together, the **Virgin Companies** and each, a **Virgin Company**), be extended until 18 August 2020.
12. An order, pursuant to section 447A(1) of the Corporations Act, that Part 5.3A of the Corporations Act is to operate in relation to each of the Virgin Companies such that, notwithstanding section 439A(2) of the Corporations Act, the second meeting of the creditors of each of the Virgin Companies required under section 439A of the Corporations Act may be convened at any time before, or within, five (5) business days after, the end of the convening period as extended by paragraph 11 above (provided that the First Plaintiffs give notice of the meetings to eligible creditors of each of the Virgin Companies (including the persons claiming to be creditors of the Virgin Companies) at least five (5) business days before the meeting).

Limitation of Administrators' Liability

Current Rio Tinto Agreement

13. An order pursuant to sections 447A(1) and 443B(8) of the Corporations Act and section 90-15 of the IPSC, that Part 5.3A of the Corporations Act is to operate in relation to the Plaintiffs as if section 443A(1) of the Corporations Act provides that:
- a. the liabilities of the First Plaintiffs (in their capacity as administrators of the Twentieth Plaintiff) incurred with respect to any obligations arising out of, or in connection with, an agreement entered into with Rio Tinto Services Limited in respect of charter flights as described in paragraph 106 (**Rio Tinto Agreement**) of the Strawbridge Affidavit, are in the nature of debts incurred by the First Plaintiffs in the performance and exercise of their functions as joint and several administrators of the Twentieth Plaintiff; and



- b. notwithstanding that the liabilities in subparagraph (a) are debts incurred by the First Plaintiffs in the performance and exercise of their functions as joint and several administrators of the Twentieth Plaintiff, the First Plaintiffs will not be personally liable to repay such debts or satisfy such liabilities to the extent that the assets of the Twentieth Plaintiff are insufficient to satisfy the debt and liabilities incurred by the First Plaintiffs arising out of, or in connection with, the Rio Tinto Agreement.

Specified Categories of Future Agreements

14. An order pursuant to section 447A(1) of the Corporations Act and section 90-15 of the IPSC, that Part 5.3A of the Corporations Act is to operate in relation to the Plaintiffs as if section 443A(1) of the Corporations Act provides that:

- a. the liabilities of the First Plaintiffs (in their capacity as administrators of each of the Virgin Companies) incurred with respect to any obligations arising out of, or in connection with, any future:
- i. agreement on the terms of, or substantially in accordance with, the Aircraft Protocols document in the form exhibited at Tab 15 of Exhibit VNS-2 to the Strawbridge Affidavit;
 - ii. alliance agreements, being international arrangements established with various global airlines that provide the Virgin Companies with a long distance international network;
 - iii. procurement contracts, including:
 - 1. in-flight services agreements, being agreements entered into for the provision of food and beverages and other retail on-board services, catering, entertainment and internet wifi on flights operated by the Virgin Companies;
 - 2. ground handling agreements, being agreements entered into for the provision of ground handling services for the Virgin Companies' flight arrivals and departures at national and international airports;
 - 3. operational systems agreements, being agreements entered into for the provision of support and maintenance services in relation to licenced software, systems, platforms and network infrastructure;
 - 4. fuel agreements, being agreements entered into for the supply and delivery of fuel to the Virgin Companies at various locations throughout Australia, New Zealand and the United States;
 - 5. maintenance and parts agreements, being agreements entered into for the provision of maintenance, repair and modification services for aircraft operated by the Virgin Companies, including the provision of the relevant component parts;



6. IT agreements, being agreements entered into for the provision of core computer infrastructure and end user computing support services and business services to the Virgin Companies;

- iv. trade mark licence agreements;
- v. airport agreements, being agreements entered into with major airports across Australia, for the use of terminal gates, public spaces and facilities and for sub-leases in relation to each of the Virgin Companies' airport lounges;
- vi. charter agreements, being agreements entered into with various major companies for the supply of scheduled air transport services for personnel and freight to nominated destinations agreed between the parties to the agreement;
- vii. cargo agreements, being agreements entered into for the handling of cargo and the provision of management, administration and support services;
- viii. corporate sales agreements, being agreements entered into with major travel agents and other platforms, including with both government and private counterparties, which set out incentives offered by the Virgin Companies for the sale of Virgin flights by the relevant agents;
- ix. industry/agency agreements, being agreements entered into which provide for the preferred supply by the Virgin Companies of flight services to each of its clients, including with both government and private counterparties;
- x. insurance arrangements, including contracts to support the ongoing operation of the Virgin Companies' self-insurance scheme; and
- xi. training agreements, being agreements entered into to provide ongoing training to crew members.

(together, the **Applicable Agreements** and each, an **Applicable Agreement**) are in the nature of debts incurred by the First Plaintiffs in the performance and exercise of their functions as joint and several administrators of each of the Virgin Companies; and

- b. notwithstanding that the liabilities in subparagraph (a) are debts incurred by the First Plaintiffs in the performance and exercise of their functions as joint and several administrators of each of the Virgin Companies, the First Plaintiffs will not be personally liable to repay such debts or satisfy such liabilities to the extent that the assets of the particular Virgin Company or Virgin Companies that is or are a party to the particular Applicable Agreement are insufficient to satisfy the debt and liabilities incurred by the First Plaintiffs arising out of, or in connection with, the Applicable Agreements.

15. An order pursuant to section 447A of the Corporations Act and section 90-15 of the IPSC, that the First Plaintiffs provide notice, in the Applicable Agreement or otherwise, to any counterparty to an Applicable Agreement of paragraph 14 above, prior to that counterparty entering into an Applicable Agreement.



Conditional Credits

16. A direction pursuant to section 90-15 of the IPSC, that the First Plaintiffs would be justified in issuing conditional credits to customers of the Virgin Companies in accordance with the proposal set out in Schedule 2 to this Interlocutory Process (**Conditional Credits**).
17. An order pursuant to section 447A(1) of the Corporations Act and section 90-15 of the IPSC, that Part 5.3A of the Corporations Act is to operate in relation to the Plaintiffs as if section 443A(1) of the Corporations Act provides that:
 - a. the liabilities of the First Plaintiffs incurred with respect to any obligations arising out, of or in connection with, the issuing of Conditional Credits, including but not limited to taxes, airline surcharges and ancillary fees associated to the Conditional Credits Proposal, are in the nature of debts incurred by the Administrators in the performance and exercise of their functions as joint and several administrators of each of the Virgin Companies; and
 - b. notwithstanding that the liabilities for the Conditional Credits are debts incurred by the First Plaintiffs in the performance and exercise of their functions as joint and several administrators of each of the Virgin Companies, the First Plaintiffs shall not be personally liable to repay such debts or satisfy such liabilities to the extent that the assets of the particular Virgin Company or Virgin Companies that are the issuers of the Conditional Credits are insufficient to satisfy the debt and liabilities incurred by the First Plaintiffs arising out of, or in connection with, the issuance of the Conditional Credits.

JobKeeper Liabilities

18. An order pursuant to sections 447A(1) of the Corporations Act and section 90-15 of the IPSC, that Part 5.3A of the Corporations Act is to operate in relation to the Plaintiffs as if section 443A(1) of the Corporations Act provides that:
 - a. any liabilities of the First Plaintiffs that may be incurred as a result of any JobKeeper application pursuant to the *Coronavirus Economic Response Package (Payments and Benefits) Rules 2020* (Cth) and as amended by the *Coronavirus Economic Response Package (Payments and Benefits) Amendment Rules (No 2) 2020* (Cth) arising out, of or in connection with, the employment of staff and facilitating the payment of employee wages for any employee of any of the Ninth, Tenth and Thirteenth Plaintiffs, are in the nature of debts incurred by the First Plaintiffs in the performance and exercise of their functions as joint and several administrators of each of the Ninth, Tenth and Thirteenth Plaintiffs; and
 - b. notwithstanding that any liabilities that may arise in respect of subparagraph (a) are debts incurred by the First Plaintiffs in the performance and exercise of their functions as joint and several administrators of each of the Ninth, Tenth and Thirteenth Plaintiffs, the First Plaintiffs shall not be personally liable to repay such debts or satisfy such liabilities to the extent that the assets of the particular companies or companies (of the Ninth, Tenth and Thirteenth



Plaintiffs) that received the benefit of the JobKeeper payment are insufficient to satisfy the debt and liabilities incurred by the First Plaintiffs arising out of, or in connection with, the receipt of any JobKeeper payment.

Virgin Company Loan Monies

19. An order pursuant to section 447A(1) of the Corporations Act and section 90-15 of the IPSC, that Part 5.3A of the Corporations Act is to operate in relation to the Plaintiffs as if section 443A(1) of the Corporations Act provides that:

- a. any liability incurred by the First Plaintiffs arising out of, or in connection with, any loan or monies borrowed by a Virgin Company from another Virgin Company or Virgin Companies are in the nature of debts incurred by the First Plaintiffs in the performance and exercise of their functions as joint and several administrators of each of the Virgin Companies; and
- b. notwithstanding that the liabilities in subparagraph (a) are debts incurred by the First Plaintiffs in the performance and exercise of their functions as joint and several administrators of each of the Virgin Companies, the First Plaintiffs will not be personally liable to repay such debts or satisfy such liabilities to the extent that the assets of the particular Virgin Company that has borrowed monies from any other Virgin Company or Virgin Companies are insufficient to satisfy the debt and liabilities incurred by the First Plaintiffs.

Report on company activities and property

20. An order pursuant to section 447A(1) of the Corporations Act and section 90-15 of the IPSC, that Part 5.3A of the Corporations Act is to operate in relation to the Plaintiffs as if:

- a. a single report in the prescribed form about the business, property, affairs and financial circumstances of the Second, Third, Seventh to Tenth, Thirteenth, and Ninetieth to Twenty-Fourth Plaintiffs be prepared by each of the directors of the Second Plaintiff;
- b. the requirement in section 438B(2) that the directors of each of the Second, Third, Seventh to Tenth, Thirteenth, and Ninetieth to Twenty-Fourth Plaintiffs prepare a separate report about the business, property, affairs and financial circumstances of each of those companies, be dispensed with; and
- c. the requirement in section 438B(2) that the directors of each of the Fourth to Sixth, Eleventh to Twelfth, Fourteenth to Eighteenth, and Twenty-Fifth to Fortieth Plaintiffs prepare a separate report about the business, property, affairs and financial circumstances of each of those companies, be maintained.

Leave to members of the committee of inspection to derive profit

21. An order pursuant to sections 80-55 and 90-15 of the IPSC, that leave be granted to the members of the committee of inspection formed in respect of the Second to Thirty-Ninth Plaintiffs (or, if the order



in paragraph 9 above is made, the committee of inspection formed in respect of the Virgin Companies) to derive a profit or advantage from the external administration of each of the Virgin Companies.

Bank account

22. An order pursuant to sections 65-45 and 90-15 of the IPSC, that the First Plaintiffs (in their capacity as administrators of each of the Virgin Companies) are not required to maintain a separate administration account in relation to each of the Virgin Companies (as otherwise required by the operation of Division 65 of the IPS).

Other ancillary orders

23. An order that the First Plaintiffs take all reasonable steps to cause notice of the Court's orders to be given, within one (1) business day after the making of these orders, to:

a. the creditors (including persons or entities claiming to be creditors) of each of the Virgin Companies, in the following manner:

- i. where the First Plaintiffs have an email address for a creditor, notifying each such creditor, via email, of the making of the orders and providing a link to a website where the creditor may download the orders and the Interlocutory Process;
- ii. where the First Plaintiffs do not have an email address for a creditor but have a postal address for that creditor (or have received notification of non-delivery of a notice sent by email in accordance with (a)(i) above), notifying each such creditor, via post, of the making of the orders and providing a link to a website where the creditor may download the orders and the Interlocutory Process; and
- iii. placing scanned, sealed copies of the orders and the Interlocutory Process on the website maintained by the First Plaintiffs at <https://www2.deloitte.com/au/en/pages/finance/articles/virgin-australia-holdings-limited-subsidiaries.html>.; and

b. ASIC; and

c. the Australian Competition and Consumer Commission (**ACCC**).

24. An order that liberty to apply be granted to any person claiming to be interested, including any creditor of any of the Virgin Companies (including persons or entities claiming to be a creditor of any of the Virgin Companies) or ASIC or the ACCC, who can demonstrate sufficient interest to vary or discharge these orders upon one (1) business day's notice being given to the First Plaintiffs and to this Court.

25. An order that the First Plaintiffs have liberty to apply for any further extension of the convening period as extended by paragraph 11 above at any time before that period expires.



26. An order that Order 12 of the orders made on 24 April 2020 be varied by deleting the words “Thirty-Ninth Plaintiffs” and replacing them with the words “Fortieth Plaintiffs” such that that order reads:

The Plaintiffs have liberty to apply on 1 business day’s written notice to the Court in relation to any variation of these orders or any other matter generally arising in the administrations of each of the Second to Fortieth Plaintiffs.

27. An order that the Plaintiffs' costs of this application be costs in the administration of the Virgin Companies, jointly and severally.
28. An order that the Court’s orders be entered forthwith.
29. Such further or other orders or directions as the Court considers appropriate.

Date: 11 May 2020

A handwritten signature in black ink, appearing to read "Timothy James Sackar".

Signed by Timothy James Sackar
Solicitor for the First Plaintiffs

This application will be heard by the Federal Court of Australia at the Owen Dixon Commonwealth Law Courts Building, 305 William Street, Melbourne, Victoria at **10.15am on 13 May 2020**.

B. NOTICE TO RESPONDENT(S) (IF ANY)

N/A

C. FILING

This interlocutory process is filed by Clayton Utz for the First Plaintiffs.



E. SERVICE

The First Plaintiffs' address for service is:

Attention: Timothy Sackar/Kassandra Adams
C/- Clayton Utz Lawyers
Level 15,
1 Bligh Street
SYDNEY NSW 2000

It is intended to provide a copy of this interlocutory process on each of the persons listed below:

1. Aircraft Lessors
2. Rio Tinto Services Limited
3. Australian Securities and Investments Commission
4. Australian Taxation Office
5. Australian Competition and Consumer Commission
6. The Committee of Inspection

**SCHEDULE 1**

Federal Court of Australia
District Registry: New South Wales
Division: Commercial and Corporations List

No. NSD 464 of 2020

**IN THE MATTER OF VIRGIN AUSTRALIA HOLDINGS LTD (ADMINISTRATORS APPOINTED) ACN
100 686 226 & ORS**

Plaintiffs

- First Plaintiff: Vaughan Strawbridge, Salvatore Algeri, John Greig and Richard Hughes, in their capacity as joint and several voluntary administrators of the Second to Thirty-ninth Plaintiffs
- Second Plaintiff: Virgin Australia Holdings Ltd (Administrators Appointed) ACN 100 686 226
- Third Plaintiff: Virgin Australia International Operations Pty Ltd (Administrators Appointed) ACN 155 859 608
- Fourth Plaintiff: Virgin Australia International Holdings Pty Ltd (Administrators Appointed) ACN 155 860 021
- Fifth Plaintiff: Virgin Australia International Airlines Pty Ltd (Administrators Appointed) ACN 125 580 823
- Sixth Plaintiff: Virgin Australia Airlines (SE Asia) Pty Ltd (Administrators Appointed) ACN 097 892 389
- Seventh Plaintiff: Virgin Australia Airlines Holdings Pty Ltd (Administrators Appointed) ACN 093 924 675
- Eighth Plaintiff: VAH Newco No.1 Pty Ltd (Administrators Appointed) ACN 160 881 345
- Ninth Plaintiff: Tiger Airways Australia Pty Limited (Administrators Appointed) ACN 124 369 008
- Tenth Plaintiff: Virgin Australia Airlines Pty Ltd (Administrators Appointed) ACN 090 670 965
- Eleventh Plaintiff: VA Borrower 2019 No. 1 Pty Ltd (Administrators Appointed) ACN 633 241 059
- Twelfth Plaintiff: VA Borrower 2019 No. 2 Pty Ltd (Administrators Appointed) ACN 637 371 343



Thirteenth Plaintiff:	Virgin Tech Pty Ltd (Administrators Appointed) ACN 101 808 879
Fourteenth Plaintiff:	Short Haul 2018 No. 1 Pty Ltd (Administrators Appointed) ACN 622 014 831
Fifteenth Plaintiff:	Short Haul 2017 No. 1 Pty Ltd (Administrators Appointed) ACN 617 644 390
Sixteenth Plaintiff:	Short Haul 2017 No. 2 Pty Ltd (Administrators Appointed) ACN 617 644 443
Seventeenth Plaintiff:	Short Haul 2017 No. 3 Pty Ltd (Administrators Appointed) ACN 622 014 813
Eighteenth Plaintiff:	VBNC5 Pty Ltd (Administrators Appointed) ACN 119 691 502
Nineteenth Plaintiff:	A.C.N. 098 904 262 Pty Ltd (Administrators Appointed) ACN 098 904 262
Twentieth Plaintiff:	Virgin Australia Regional Airlines Pty Ltd (Administrators Appointed) ACN 008 997 662
Twenty-first Plaintiff:	Virgin Australia Holidays Pty Ltd (Administrators Appointed) ACN 118 552 159
Twenty-second Plaintiff:	VB Ventures Pty Ltd (Administrators Appointed) ACN 125 139 004
Twenty-third Plaintiff:	Virgin Australia Cargo Pty Ltd (Administrators Appointed) ACN 600 667 838
Twenty-fourth Plaintiff:	VB Leaseco Pty Ltd (Administrators Appointed) ACN 134 268 741
Twenty-fifth Plaintiff:	VA Hold Co Pty Ltd (Administrators Appointed) ACN 165 507 157
Twenty-sixth Plaintiff:	VA Lease Co Pty Ltd (Administrators Appointed) ACN 165 507 291
Twenty-seventh Plaintiff:	Virgin Australia 2013-1 Issuer Co Pty Ltd (Administrators Appointed) ACN 165 507 326
Twenty-eighth Plaintiff:	737 2012 No.1 Pty. Ltd (Administrators Appointed) ACN 154 201 859
Twenty-ninth Plaintiff:	737 2012 No. 2 Pty Ltd (Administrators Appointed) ACN 154 225 064



Thirtieth Plaintiff: Short Haul 2016 No. 1 Pty Ltd (Administrators Appointed) ACN 612
766 328

Thirty-first Plaintiff: Short Haul 2016 No. 2 Pty Ltd (Administrators Appointed) ACN 612
796 077

Thirty-second Plaintiff: Short Haul 2014 No. 1 Pty Ltd (Administrators Appointed) ACN 600
809 612

Thirty-third Plaintiff: Short Haul 2014 No. 2 Pty Ltd (Administrators Appointed) ACN 600
878 199

Thirty-fourth Plaintiff: VA Regional Leaseco Pty Ltd (Administrators Appointed) ACN 127
491 605

Thirty-fifth Plaintiff: VB 800 2009 Pty Ltd (Administrators Appointed) ACN 135 488 934

Thirty-sixth Plaintiff: VB Leaseco No 2 Pty Ltd (Administrators Appointed) ACN 142 533
319

Thirty-seventh Plaintiff: VB LH 2008 No. 1 Pty Ltd (Administrators Appointed) ACN 134
280 354

Thirty-eighth Plaintiff: VB LH 2008 No. 2 Pty Ltd (Administrators Appointed) ACN 134
288 805

Thirty-ninth Plaintiff: VB PDP 2010-11 Pty Ltd (Administrators Appointed) ACN 140 818
266



SCHEDULE 2

Proposal

1. The voluntary administrators may cause Virgin Australia Airlines Pty Limited, Tiger Airways Australia Pty Limited, Virgin Australia International Airlines Pty Limited or Virgin Australia Regional Airlines Pty Ltd (each a **Virgin Australia Group Entity**) to issue conditional credits on the terms set out in paragraphs 2 to 11 below.
 2. Subject to paragraph 3 below, the conditional credits may be issued to:
 - (a) customers who:
 - (i) purchased a ticket (**Original Ticket**) (including by redeeming Velocity Frequent Flyer points for a Velocity Any Seat) for a flight operated by a Virgin Australia Group Entity prior to it entering into voluntary administration; or
 - (ii) purchased a holiday package from Virgin Australia Airlines Pty Limited prior to it entering into voluntary administration; and
 - (b) where:
 - (i) either:
 - A. the flight for which the ticket could be used or the holiday package was cancelled by the Virgin Australia Group Entity or, in the case of a holiday package, a component (including a component supplied by a third party supplier) was cancelled in connection with COVID-19 resulting in the cancellation of the entire package; or
 - B. the ticket or holiday package was cancelled by the customer prior to scheduled departure and:
 - 1) in the case of a flight, the ticket was of a type that gave the customer an entitlement to a refund or credit on that cancellation by the customer; or
 - 2) in the case of a holiday package, the customer was entitled to a refund or credit (or a combination of them) on that cancellation by the customer; and
 - (ii) the customer has not been provided with a refund, credit, re-accommodation on another flight, another holiday package or alternative compensation.
- In this paragraph 2, a flight or ticket includes any flight or ticket arising from a change in the booking in respect of the Original Ticket.
3. This proposal does not apply in respect of any Velocity Reward Seat ticket.
 4. The conditional credits will:
 - (a) in the case of a ticket purchased for a flight:
 - (i) be for the amount paid for the Original Ticket (**Original Ticket Amount**), comprising the cost of the fare for the flight and taxes and airline surcharges (excluding fees) (**Original Fare Amount**) and the fees paid for any ancillary services to be provided by the operator of the flight (**Original Ancillary Services Amount**);



- (ii) be redeemable against one of the following, depending on how the Original Ticket was booked:
- A. if the Original Ticket was booked through a travel agent, the:
- 1) cost of the fare for an Eligible Flight (including taxes and airline surcharges but excluding fees) (**Fare Amount**) that is equal to or less than the Original Fare Amount, or for an Eligible Flight with a higher Fare Amount provided that the customer pays the difference between that higher Fare Amount and the Original Fare Amount; and
 - 2) fees for the ancillary services provided by the operator in respect of the Eligible Flight in paragraph 2(a)(ii)A(1) where they are the same as the ancillary services to be provided under the Original Ticket and the cost is equal to or less than the Original Ancillary Services Amount, or for the ancillary services provided by the operator in respect of the Eligible Flight in paragraph 2(a)(ii)A(1) where they are the same as the ancillary services to be provided under the Original Ticket and the cost is greater than the Ancillary Services Amount provided that the customer pays the difference between that higher amount and the Original Ancillary Services Amount; or
- B. if the Original Ticket was not booked through a travel agent, the Fare Amount across one or more Eligible Flights, up to the amount of that credit;
- (b) in the case of a holiday package:
- (i) be for the amount paid for the holiday package; and
 - (ii) be redeemable against one or more Eligible Flights, up to that amount;
- (c) not be redeemable on codeshare flights operated by other airlines or for any other good or service supplied by a Virgin Australia Group Entity;
- (d) not be transferable to any other person;
- (e) not be able to be used in conjunction with Velocity Frequent Flyer Points;
- (f) not be able to be used in conjunction with travel credits of that person or another person. Where the Original Ticket was not booked through a travel agent, a customer can combine their own conditional credits.

An **Eligible Flight** is a domestic flight operated by Virgin Australia Airlines Pty Limited or Virgin Australia Regional Airlines Pty Ltd.

5. To book a flight with a conditional credit, customers must call the Guest Contact Centre unless the Original Ticket was booked through a travel agent, in which case the customer must contact that travel agent.
6. The conditional credit will only be able to be redeemed for a limited period and will have to be redeemed before the earlier of:



- (a) a restructuring or recapitalisation of the Virgin Australia Group Entity that issues the credit (unless the right to redeem such credits, or their equivalent, is expressly preserved and extended as part of that restructuring or recapitalisation); or
- (b) a liquidation of the Virgin Australia Group Entity that issues the credit.

It may not be possible or practical for Virgin Australia Airlines Pty Limited or Virgin Australia Regional Airlines Pty Ltd to resume commercial flights during this period and nothing in this Proposal should be understood as a promise or warranty that either company will do so.

7. A customer's use of the conditional credit will be subject to the availability of flights and, if applicable, payment of any fare differences and applicable fees, taxes and airline surcharges if the credit is not sufficient to cover them or the credit is not redeemable for them. Upon booking a flight with a conditional credit, the terms and conditions applicable to that flight and fare type will apply.
8. A conditional credit cannot be exchanged for a refund or unconditional credit. If the conditional credit is used to book a flight and that flight (or any changed flight) is subsequently cancelled by the Virgin Australia Group Entity or the booking (or any subsequent changed booking) is cancelled by the customer prior to scheduled departure in accordance with the terms and conditions applicable to the booking, the customer cannot obtain a refund or unconditional credit. However, in that case, the original conditional credit will be reissued to the customer (provided the redemption period in paragraph 5 above has not expired). If the customer booked a flight that was for a higher Fare Amount and paid the difference between that higher Fare Amount and the Original Fare Amount and/or paid for additional ancillary services to be provided by the operator of the flight, the reissued conditional credit will include that higher Fare Amount and the additional amounts paid for those additional ancillary services. If the redemption period in paragraph 5 has expired, the customer will not be reissued with a conditional credit, but the customer retains all of the customer's general law and statutory rights against the relevant Virgin Australia Group Entity.
9. The practical effect of the conditional credit being used is that the customer will not be entitled to a refund or credit that would otherwise have resulted from the cancellation. "Use" of the credit for this purpose will occur once the flight booked with the credit has been provided or, where a credit has been used to book a flight, if the customer does not turn up for the booked flight or if the customer cancels the booking otherwise than in accordance with the terms and conditions applicable to the booking.
10. A conditional credit will be lost and may not be used where the customer has received a refund or alternative compensation in respect of the Original Ticket.
11. Where a customer elects not to receive a conditional credit, or does not use the conditional credit in the redemption period in paragraph 5, the customer retains all of the customer's general law and statutory rights against the relevant Virgin Australia Group Entity.