

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

VIRGIN AUSTRALIA HOLDINGS LIMITED (VAH)

ABN

54 100 686 226

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

1 +Class of +securities issued or to be issued

Virgin Australia unsecured notes (**Notes**).

Notes are unsecured with a maturity date five years after their issue date (expected to be 26 November 2024) unless redeemed or repurchased or cancelled before then. Holders will be entitled to fixed rate cumulative interest paid semi-annually in arrear at a rate determined under a bookbuild. The Notes are not convertible.

The terms of the Notes are summarised in the prospectus lodged with ASIC on 28 October 2019 (**Prospectus**) and attached, in full, as Appendix A to the Prospectus (**Terms**). The Terms are also set out in Attachment 1 of the Trust Deed in relation to the Notes which has also been lodged with ASIC on 28 October 2019 (**Trust Deed**). The Trust Deed is attached as Attachment A to this Appendix 3B.

2	Number of +securities issued or to be issued (if known) or maximum number which may be issued	Approximately 1,500,000 Notes with ability to issue more or less.
3	Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)	The Terms are summarised in the Prospectus and attached, in full, as Appendix A to the Prospectus. The Terms are also set out in Attachment 1 of the Trust Deed, attached as Attachment A to this Appendix 3B.
4	Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities? If the additional +securities do not rank equally, please state: <ul style="list-style-type: none"> the date from which they do the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	No. The Notes are not equity securities. They are unsecured debt obligations and will never rank equally with the existing ordinary shares or participate in dividends. The Notes will carry the right to receive fixed rate cumulative interest paid semi-annually in arrear at a rate determined under a bookbuild. The Interest Payment Dates for the Notes are 26 May and 26 November of each year up until the Notes are redeemed (or if any such date is not a Business Day, the following Business Day). The first Interest Payment Date is scheduled to be on 26 May 2020.
5	Issue price or consideration	\$100 per Note.
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	VAH currently holds a 64.66% controlling interest in Velocity Frequent Flyer Holdco Pty Limited (ABN 44 169 684 093) (Velocity Holdco), which owns the "Velocity" loyalty program. On 4 October 2019, Virgin Australia entered into an acquisition agreement, under which Virgin Australia has agreed to purchase the 34.82% interest in Velocity Holdco held by Connectivity Pte Ltd (Affinity) for consideration of approximately \$700 million (the acquisition will be undertaken through VAH's wholly owned subsidiary, Virgin Australia Airlines Holdings Limited). As a result of the acquisition and

+ See chapter 19 for defined terms.

related arrangements, VAH will own 100% of Velocity Holdco.

The offer of Notes under the Prospectus, together with a concurrent offer of U.S. dollar denominated unsecured notes (**US\$ Notes**) to certain institutional investors in the United States and certain other jurisdictions (**US\$ Notes Offer**), forms part of Virgin Australia's funding strategy in connection with the acquisition. Any surplus proceeds from these offers will be used for general corporate purposes.

6a	Is the entity an *eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h in relation to the *securities the subject of this Appendix 3B, and comply with section 6i	Not applicable.
6b	The date the security holder resolution under rule 7.1A was passed	Not applicable.
6c	Number of *securities issued without security holder approval under rule 7.1	Not applicable.
6d	Number of *securities issued with security holder approval under rule 7.1A	Not applicable.
6e	Number of *securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Not applicable.
6f	Number of *securities issued under an exception in rule 7.2	Not applicable.
6g	If *securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the *issue date and both values. Include the source of the VWAP calculation.	Not applicable.

6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	Not applicable.	
6i	Calculate the entity’s remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	Not applicable.	
7	+Issue dates Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A. Cross reference: item 33 of Appendix 3B.	Issue is expected to occur on 26 November 2019.	
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	Number	+Class
		8,445,218,474	Fully paid ordinary shares
9	Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	Number	+Class
		(Note that Virgin Australia has on issue various unlisted debt securities.)	
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Unchanged	

Part 2 - Pro rata issue

11	Is security holder approval required?	Not applicable.
12	Is the issue renounceable or non-renounceable?	Not applicable.
13	Ratio in which the +securities will be offered	Not applicable.

+ See chapter 19 for defined terms.

14	+Class of +securities to which the offer relates	Not applicable.
15	+Record date to determine entitlements	Not applicable.
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	Not applicable.
17	Policy for deciding entitlements in relation to fractions	Not applicable.
18	Names of countries in which the entity has security holders who will not be sent new offer documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	Not applicable.
19	Closing date for receipt of acceptances or renunciations	Not applicable.
20	Names of any underwriters	Not applicable.
21	Amount of any underwriting fee or commission	Not applicable.
22	Names of any brokers to the issue	Not applicable.
23	Fee or commission payable to the broker to the issue	Not applicable.
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	Not applicable.
25	If the issue is contingent on security holders' approval, the date of the meeting	Not applicable.
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	Not applicable.

27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	Not applicable.
28	Date rights trading will begin (if applicable)	Not applicable.
29	Date rights trading will end (if applicable)	Not applicable.
30	How do security holders sell their entitlements <i>in full</i> through a broker?	Not applicable.
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	Not applicable.
32	How do security holders dispose of their entitlements (except by sale through a broker)?	Not applicable.
33	⁺ Issue date	Not applicable.

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of ⁺securities
(tick one)

(a) ☒ ⁺Securities described in Part 1

(b) ☐ All other ⁺securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

⁺ See chapter 19 for defined terms.

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
- 1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 ☒ A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

- 38 Number of +securities for which +quotation is sought

Not applicable.
- 39 +Class of +securities for which quotation is sought

Not applicable.
- 40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?
- If the additional +securities do not rank equally, please state:
- the date from which they do
 - the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
 - the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment
- Not applicable.

41	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another ⁺ security, clearly identify that other ⁺ security)	Not applicable.	
42	Number and ⁺ class of all ⁺ securities quoted on ASX (including the ⁺ securities in clause 38)	Number	⁺ Class
		Not applicable.	Not applicable.

⁺ See chapter 19 for defined terms.

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here:

Company secretary

Date: 28 October 2019

Print name: SHARYN PAGE

== == == == ==

+ See chapter 19 for defined terms.

Appendix 3B – Attachment A

Trust Deed

See attached.



HERBERT
SMITH
FREEHILLS

Deed

Execution version

Unsecured Note Trust Deed

Virgin Australia Holdings Limited

the Original Guarantors listed in Schedule 1

Sargon CT Pty Ltd



Table of contents

1	Definitions and interpretation	2
1.1	Definitions	2
1.2	Interpretation	5
1.3	Interpretation of inclusive expressions	7
1.4	Business Day	7
1.5	Compliance with law	7
1.6	Trust Deed	7
1.7	Unsecured notes	8
2	Appointment of Note Trustee and declaration of trust	8
2.1	Appointment	8
2.2	Constitution of Trust	8
2.3	Declaration of trust	8
2.4	Name of Trust	8
2.5	Commencement and termination of Trust	8
2.6	Noteholders bound	8
3	Issue, ownership and transfer of Notes	9
3.1	Issue	9
3.2	Ownership	9
3.3	Joint ownership	9
3.4	Transfer	10
3.5	Restricted securities	10
3.6	Death, legal disability	10
4	Terms of Notes	11
4.1	Terms of Issue	11
4.2	Payments	11
5	Guarantee	12
5.1	Guarantee	12
5.2	Payment	12
5.3	Amount of Guaranteed Moneys	12
5.4	Avoidance of payments	13
5.5	Indemnity for avoidance of Guaranteed Moneys	13
5.6	Principal and independent obligation	14
5.7	Unconditional nature of obligations	14
5.8	No competition	16
5.9	Continuing guarantee	17
5.10	Variation	17
5.11	Reliance	17
5.12	Addition of Guarantors	17
5.13	Release of Guarantors	17
6	Undertakings	18
7	Enforcement of this deed	19
7.1	Enforcement by Note Trustee	19
7.2	Enforcement on direction by Noteholders	19
7.3	Enforcement by Noteholder	20



Contents

7.4	Distribution of proceeds	21
8	Powers, duties and discretions of Note Trustee	21
8.1	Excluded roles and duties	21
8.2	Powers generally	21
8.3	Duties	21
8.4	Discretions	22
8.5	Noteholders bound	23
9	Note Trustee protections	24
9.1	Note Trustee not responsible for certain matters	24
9.2	Knowledge of the Note Trustee	25
9.3	Confidential information	25
9.4	Capacity as Noteholder	25
9.5	Other dealings with Issuer	25
9.6	Exclusions of liability	26
9.7	Limitation of liability	27
9.8	No obligation to act	27
9.9	Noteholder capacity	28
9.10	Acting on directions	28
9.11	Note Trustee refraining from acting	28
9.12	Note Trustee may assume certain matters	28
9.13	Noteholders' own decision to invest	28
9.14	Issuer not concerned with authority of Note Trustee	28
9.15	Protection of third parties	29
9.16	Exclusions of law where permitted	29
9.17	No representation or reliance	29
9.18	Void or voidable transactions	29
9.19	Survival	30
10	Note Trustee's remuneration and indemnities	30
10.1	Remuneration	30
10.2	Reimbursement	30
10.3	Other indemnities	31
10.4	Indemnity unaffected by unrelated breaches	31
10.5	Priority and survival	32
10.6	GST	32
10.7	Stamp duties	32
11	Retirement and removal of Note Trustee	32
11.1	Retirement	32
11.2	Removal	32
11.3	Appointment of new Note Trustee	33
11.4	Release	34
11.5	Release	34
12	Meetings of Noteholders	34
12.1	Meetings of Noteholders	34
12.2	Passing of resolution	34
13	Register	35
13.1	Maintenance of the Register	35
13.2	Closed periods	35



Contents

13.3	Notice of trust.....	35
13.4	Copy of Register	36
13.5	Register conclusive	36
13.6	Holding statements and certificates	36
13.7	Transaction advice after transfer	36
13.8	Participation in transfer systems	37
13.9	Location of Notes	37
14	Substitution of Issuer	37
15	Amendments to deed	38
15.1	Amendment without consent	38
15.2	Amendment by Special Resolution	38
15.3	Interpretation	38
16	Termination and release	38
16.1	Termination of trust	38
16.2	Distribution of assets	39
16.3	Confirmation of release	39
17	Confidentiality and privacy	39
17.1	Confidential Information	39
17.2	Permitted disclosure	39
17.3	Privacy	40
17.4	Financial information	40
18	Representations and warranties	40
20	General	42
20.1	Notices	42
20.2	Service of information by Obligor to Note Trustee	43
20.3	Service of notices by the Issuer to any Noteholder	43
20.4	Service of notices by the Note Trustee to the Noteholders	43
20.5	Service of notices by the Noteholders or the Issuer to the Note Trustee	44
20.6	Notice to transferor binds transferee	44
20.7	Notices when Issuer is in liquidation	44
20.8	Service on deceased Noteholders	45
20.9	Prohibition and enforceability	45
20.10	Governing law and submission to jurisdiction	45
20.11	Waivers	45
20.12	Cumulative rights	45
20.13	Further assurances	46
20.14	To the extent not excluded by law	46
20.15	Counterparts	46
	Original Guarantors	47
	Signing page	51
	Terms of Notes	54
	Meetings of Noteholders	82



Unsecured Note Trust Deed

Date ► 28 October 2019

Between the parties

Issuer	Virgin Australia Holdings Limited ABN 54 100 686 226 of 56 Edmondstone Road, Bowen Hills, Queensland 4006 (Issuer)
Original Guarantors	the parties listed in Schedule 1 (each a Guarantor and each an Original Guarantor)
Note Trustee	Sargon CT Pty Ltd ABN 12 106 424 088 of Suite 19.03, Level 19, 60 Castlereagh Street, Sydney, NSW, 2000 (Note Trustee)
Recitals	<ol style="list-style-type: none">1 The Issuer wishes to issue unsecured notes under this deed.2 The Note Trustee has agreed to act as trustee on behalf of the holders of the Notes on the terms and conditions contained in this deed.3 The Original Guarantors have agreed to guarantee the payment of the Guaranteed Moneys.

This deed witnesses as follows:



1 Definitions and interpretation

1.1 Definitions

The meanings of capitalised terms used in this deed are set out below. Capitalised terms which are not set out below have the meaning given to them in the Terms of Issue.

Term	Meaning
Authorisation	includes: <ol style="list-style-type: none">1 any consent, authorisation, registration, filing, lodgement, agreement, notarisation, certificate, permission, licence, approval (including any planning approval), authority or exemption from, by or with a Government Agency (including, without limitation, the Foreign Investment Review Board of Australia); or2 in relation to anything which could be fully or partly prohibited or restricted by law if a Government Agency intervenes or acts in any way within a specified period the expiry of that period without intervention or action.
CHESS Approved Securities	securities in respect of which approval has been given by ASX Settlement Pty Limited in accordance with ASX Settlement Operating Rules.
Confidential Information	all information and other material (other than information or material in the public domain) provided to or obtained by the Note Trustee, or any officer, employee, delegate, adviser or other consultant of the Note Trustee under, in connection with or related to this deed or any obligation, duty or power of the Note Trustee under this deed.
Controller	has the meaning given in the Corporations Act.
Costs	includes costs, charges, fees, expenses (including expenses of advisors), commissions, liabilities, losses, damages and Taxes and all amounts payable in respect of any of them or like payments.
Default	an Event of Default or event which, with the giving of notice or lapse of time, would become an Event of Default.



Term	Meaning
Enforcement Action	<ol style="list-style-type: none">1 the acceleration of any Liabilities or any declaration that any Liabilities are prematurely due and payable or payable on demand;2 the taking of any steps to enforce or require the enforcement of any security in connection with any Liabilities;3 the making of any demand against the Issuer in relation to Liabilities or in relation to any guarantee, indemnity or other assurance against loss in respect of any Liabilities or exercising any right to require the Issuer to acquire any Liability;4 the exercise of any right of set-off against the Issuer in respect of any Liabilities;5 the suing for, commencing or joining any legal or arbitration proceedings against the Issuer to recover any Liabilities;6 the entering into any composition, assignment or arrangement with any obligor; or7 petitioning, applying or voting for, or the taking of any steps (including the appointment of any liquidator, receiver, administrator or similar officer) in respect of the Issuer or any suspension of payments or moratorium of any indebtedness of the Issuer, or any analogous procedure or step in any jurisdiction.
Event of Default	any event specified in clause 5.1 (<i>Events of Default</i>) of the Terms of Issue.
Government Agency	any government or any governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity.
Group	each of: <ol style="list-style-type: none">1 the Issuer;2 each Guarantor; and3 each of their Subsidiaries.
GST	any goods and services tax, consumption tax, value added tax or any similar tax, impost or duty.
Guaranteed Moneys	in relation to the Note Trustee or a Noteholder at any time, all debts and monetary liabilities of the Issuer to the Note Trustee for its own account or to the Noteholder (as the case may be) in respect of the this deed or the Notes which are then due for payment, or which will



Term	Meaning
	become due for payment under or in relation to this deed or the Terms of Issue, and, if used without reference to the Note Trustee or any Noteholder, means the Guaranteed Moneys of the Note Trustee and of all Noteholders (or any one or more of them).
Guarantor	each Original Guarantor and each entity which from time to time may become a Guarantor by execution of an accession deed in the form provided in Schedule 2 other than an Original Guarantor or other such entity which has ceased to be a Guarantor in accordance with clause 5.13.
Guarantor Assumption Deed	a deed poll in or substantially in the form of Schedule 2.
Joint Noteholders	has the meaning in clause 3.3.
Liabilities	all present and future liabilities at any time of the Issuer to any Noteholder or the Note Trustee under or in connection with this Deed, the Terms of Issue or any Note, both actual and contingent and whether incurred solely or jointly or in any other capacity.
Loss	any claim, action damage, loss, liability, cost, charge, expense, fine, penalty, outgoing or payment.
Meeting	a meeting of Noteholders convened in accordance with this deed.
Note Trustee	the trustee for the time being of the Trust (being initially the person named as party to this deed as Note Trustee) in its capacity as such trustee.
Note Trustee Default	the Note Trustee's fraud, negligence or wilful default.
Obligor	1 the Issuer; or 2 a Guarantor.
Official List	the Official List of the ASX.



Term	Meaning
Officially Quoted	has the meaning in clause 3.4(b).
Power	a right, power, authority, discretion or remedy conferred on the Note Trustee by this deed or the Terms of Issue or by law.
Privacy Act	<i>Privacy Act 1988</i> (Cth) and all regulations passed pursuant to the <i>Privacy Act 1988</i> (Cth).
Terms of Issue	the terms of issue of the Notes, being the terms set out in Attachment 1.
Trust	the trust established by this deed.
Trust Fund	<ol style="list-style-type: none">1 the right to enforce the Issuer's duty to repay the Notes;2 the right to enforce the Issuer's obligation to pay all other amounts payable under Notes;3 the right to enforce any other duties or obligations that the Issuer or any other Obligor owes to the Noteholders or the Note Trustee under this deed, the Terms of Issue or Chapter 2L of the Corporations Act; and4 any other property held by the Note Trustee on the trust established under this deed (including, without limitation, the benefit of any covenants, undertakings, representations, warranties, rights, powers, benefits or remedies in favour of the Note Trustee under this deed or the Terms of Issue).
Trustee Company	a body corporate eligible under section 283AC of the Corporations Act to act as a trustee for the holders of unsecured notes offered to the public.

1.2 Interpretation

In this deed, headings and boldings are for convenience only and do not affect the interpretation of this deed and, unless the context otherwise requires:

- (a) the singular includes the plural and vice versa;
- (b) words importing a gender include any gender;
- (c) other parts of speech and grammatical forms of a word or phrase defined in this deed have a corresponding meaning;



- (d) an expression importing a natural person includes any company, partnership, joint venture, association, corporation or other body corporate and any Government Agency;
- (e) terms defined in the Corporations Act have the same meaning in this deed;
- (f) a reference to any thing (including, but not limited to, any right) includes a part of that thing;
- (g) an annexure, exhibit or schedule to this deed forms part of this deed;
- (h) a reference to a part, clause, party, attachment, annexure, exhibit or schedule is a reference to a part and clause of, and a party, attachment, annexure, exhibit and schedule to, this deed, a reference to this deed includes any schedule, attachment, annexure or exhibit;
- (i) a reference to "law" includes common law, principles of equity and any statute, ordinance, code or other law made by any parliament, whether inside or outside Australia, and will be taken to include a reference to Sections 1471 through 1474 of the United States Internal Revenue Code of 1986, as amended (or any consolidation, amendments, re-enactment or replacement of those sections and including any current or future regulations or official interpretations issued, agreements entered into (whether by the Issuer, a related body corporate of the Issuer or any other person) or non-US laws enacted in relation to those sections);
- (j) a reference to a statute, regulation, proclamation, ordinance or by law includes all statutes, regulations, proclamations, ordinances or by laws amending, consolidating or replacing it, and a reference to a statute includes all regulations, proclamations, ordinances and by laws issued under that statute;
- (k) a reference to a document includes all amendments or supplements to, or replacements or novations of, that document;
- (l) a reference to a party to a document includes that party's successors and permitted assigns;
- (m) no provision of this deed will be construed adversely to a party solely on the ground that the party was responsible for the preparation of this deed or that provision;
- (n) a reference to an agreement other than this deed includes an undertaking, deed, agreement or legally enforceable arrangement or understanding whether or not in writing;
- (o) a reference to an asset includes all property of any nature, including, but not limited to, a business, and all rights, revenues and benefits;
- (p) a reference to a document includes any agreement in writing, or any certificate, notice, instrument or other document of any kind;
- (q) a reference to a body, other than a party to this deed (including, without limitation, an institute, association or authority), whether statutory or not:
 - (1) which ceases to exist; or
 - (2) whose powers or functions are transferred to another body,is a reference to the body which replaces it or which substantially succeeds to its powers or functions;



- (r) a reference to liquidation includes official management, appointment of an administrator, compromise, arrangement, merger, amalgamation, reconstruction, winding up, dissolution, assignment for the benefit of creditors, scheme, composition or arrangement with creditors, insolvency, bankruptcy, or any similar procedure or, where applicable, changes in the constitution of any partnership or person, or death; and
- (s) a reference to 'wilful default' in relation to the Note Trustee means any wilful failure to comply with, or wilful breach by, the Note Trustee of any of its obligations under this deed or at law other than a failure or breach which:
 - (1) is in accordance with a lawful court order or direction or required by law; or
 - (2) is in accordance with any proper instruction or direction of the Noteholders given at a Meeting of Noteholders convened pursuant to clause 12 of this deed.

1.3 Interpretation of inclusive expressions

Specifying anything in this deed after the words 'includes' or 'for example' or similar expressions does not limit what else is included unless there is express wording to the contrary.

1.4 Business Day

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

1.5 Compliance with law

- (a) This deed applies subject to all applicable laws.
- (b) Without limiting the generality of clause 1.5(a), to the extent a provision of this deed breaches or contravenes, or if complied with would result in a breach or contravention of any requirement of the law this deed is taken not to contain that provision.
- (c) Without limiting clause 1.5(a), this deed and the Terms of Issue are to be construed so as to not limit the Note Trustee's liability for breach of section 283DA, or entitle the Note Trustee to be indemnified against that liability, or otherwise exonerate the Note Trustee, to any extent that would be void under section 283DB of the Corporations Act.
- (d) This clause 1.5 prevails over all other provisions of this deed including any that are expressed to prevail over it.

1.6 Trust Deed

This deed:

- (a) is the trust deed for the Trust; and
- (b) is the trust deed in respect of the Notes required by Chapter 2L of the Corporations Act.

1.7 Unsecured notes

The Notes are "unsecured notes" for the purposes of section 283BH of the Corporations Act.

2 Appointment of Note Trustee and declaration of trust

2.1 Appointment

The Note Trustee is hereby appointed by the Issuer as trustee for the Noteholders subject to and in accordance with this deed.

2.2 Constitution of Trust

The Trust is constituted on the execution of this deed by the Issuer and the Note Trustee.

2.3 Declaration of trust

The Note Trustee declares that it will hold the Trust Fund on trust at all times for the benefit of the persons who are Noteholders from time to time subject to and on the terms of this deed and the Terms of Issue.

2.4 Name of Trust

The trust established under this trust deed will be known as the "Virgin Australia 2019 Unsecured Notes Trust".

2.5 Commencement and termination of Trust

The Trust commences on the date of this deed and unless terminated earlier, ends on the earlier of:

- (a) the day occurring immediately before the 80th anniversary of the date it begins;
and
- (b) the day on which this deed is terminated under clause 16.1.

2.6 Noteholders bound

- (a) Each Noteholder (and any person claiming through or under a Noteholder) is bound by, and is taken to have notice of, this deed and the Terms of Issue. The Noteholders are taken to have irrevocably authorised the Note Trustee to exercise its rights under this deed, the Terms of Issue and Chapter 2L of the Corporations Act, in its capacity as trustee of the Trust.
- (b) It is a fundamental condition of receiving any of the rights or benefits under a Note that a Noteholder must perform all of the obligations and comply with all restrictions and limitations applicable to it, in respect of the Notes, under this deed and the Terms of Issue.



3 Issue, ownership and transfer of Notes

3.1 Issue

- (a) The Issuer may issue Notes to any person by causing that person to be entered in the Register as the Noteholder of those Notes.
- (b) Upon the issue of a Note in accordance with clause 3.1(a) the Note will be duly constituted as a debt obligation by, and owing under, this deed.
- (c) Despite clause 3.1(b), the issue of a Note will be void, and the Note will confer no rights against the Issuer on the Noteholder or any other person, unless the Issuer has received payment in cleared funds in full of the moneys due on application for the Note.
- (d) The Issuer may pay a commission, procuration fee, brokerage or any other fees to any person for subscribing or underwriting the subscription of or subscription for the Notes.

3.2 Ownership

- (a) Notes are regarded as issued or transferred to a person if and when the person's name is recorded in the Register as the holder of the Notes in accordance with this deed.
- (b) Title to a Note vests in the Noteholder of the Note. The Issuer and the Note Trustee may treat Noteholders as the absolute beneficial owners of Notes held by them and are not bound by or obliged to recognise any other person as having any right or interest in any Note whether or not they have notice of such right or interest.
- (c) Despite clause 3.2(a), the Noteholder's title to a Note is subject to rectification of the Register for fraud or error.

3.3 Joint ownership

Where two or more persons are registered as the holders of a Note (**Joint Noteholders**):

- (a) the Joint Noteholders are deemed to hold the Notes as joint tenants and, except as provided below, a reference in this deed to the Noteholder of the Note means all of those persons;
- (b) on the death of a Joint Noteholder, the survivor or survivors are the only person or persons whom the Issuer or the Note Trustee will recognise as having any title to the Notes (but the Issuer or the Note Trustee may require any evidence of death which it thinks fit);
- (c) the Joint Noteholders are counted as a single holder of the Note for the purposes of calculating the number of Noteholders or requisitioners who have requested a Meeting of Noteholders;
- (d) the giving of notice to, or receipt of notice for, any one of the Joint Noteholders is taken to be the giving of notice to, or receipt of notice for, all of the Joint Noteholders; and



- (e) any one of the Joint Noteholders may give an effective receipt for payment on the Notes and a payment to any one of the Joint Noteholders will discharge the Issuer's liability with respect to that payment.

Subject to the ASX Settlement Operating Rules but despite any other provision of this deed or the Terms of Issue, the Issuer is not required to recognise or cause the registration of more than 3 persons as Joint Noteholders of a Note.

3.4 Transfer

- (a) Subject to this deed, the Notes are transferrable in whole in accordance with this clause but not otherwise.
- (b) So long as the Notes are quoted on ASX (**Officially Quoted**), all transfers of the Notes must be effected in accordance with the ASX Settlement Operating Rules.
- (c) If at any time the Notes are not Officially Quoted, all transfers of the Notes must be effected by a proper instrument of transfer and in a manner approved by the Issuer. The Issuer may decline to register a transfer of Notes under this clause 3.4(c) unless the instrument of transfer:
 - (1) is duly stamped; and
 - (2) is accompanied by such evidence as the Issuer requires to prove the title of the transferor.
- (d) A transferor of Notes remains the Noteholder until the transfer is registered and the name of the transferee is entered in the Register in respect of the Notes.
- (e) The Issuer may refuse to register a transfer of Notes in the circumstances in which it is permitted to do so under the Listing Rules or ASX Settlement Operating Rules. The Issuer must not otherwise refuse to register a transfer of Notes which complies with this deed.

3.5 Restricted securities

Despite any other provisions of this deed:

- (a) restricted securities (as defined in the Listing Rules) cannot be disposed of during the escrow period referred to in the Listing Rules except as permitted by the Listing Rules or ASX;
- (b) subject to the ASX Settlement Operating Rules in respect of CHESS Approved Securities, the Issuer must refuse to acknowledge a disposal (including registering a transfer), of restricted securities during the escrow period except as permitted by the Listing Rules or ASX; and
- (c) in the event of a breach of the Listing Rules in relation to Notes which are restricted securities, the Noteholder holding the Notes in question ceases to be entitled to any payment of interest and to any voting rights in respect of those Notes for so long as the breach subsists.

3.6 Death, legal disability

- (a) Subject to clause 3.3, if a Noteholder dies, becomes subject to a legal disability, becomes bankrupt or is liquidated the legal personal representative or the person entitled to Notes as a result of bankruptcy or liquidation, will be recognised as



being entitled to require the transfer to it of Notes registered in the Noteholder's name.

- (b) The Issuer need not register any transfer or transmission under this clause unless the transferee provides evidence of its entitlement satisfactory to the Issuer and an indemnity in favour of the Issuer in a form determined by the Issuer in respect of any consequence arising from the transfer or transmission.

4 Terms of Notes

4.1 Terms of Issue

The Notes are issued on and subject to the terms and conditions set out in the Terms of Issue and the Issuer undertakes to perform its obligations in respect of each Note under the Terms of Issue.

4.2 Payments

- (a) Without limiting clause 4.1, the Issuer must pay to the Note Trustee when due all amounts stated or determined to be payable on a Note under the Terms of Issue. The Note Trustee directs the Issuer to pay the amounts referred to in this clause 4.2(a) to the Noteholders, in accordance with their rights and entitlements unless the winding up of the Issuer has commenced in which case the payment must be made to the Note Trustee.
- (b) Payment of an amount payable in respect of a Note to the Noteholder of the Note (or to the person who was the Noteholder at the time the entitlement to the payment is determined under the Terms of Issue) discharges the Issuer's obligation to pay that amount to the Note Trustee under clause 4.2(a).
- (c) Payment of an amount payable in respect of a Note to the Note Trustee discharges the Issuer's obligation to pay that amount to the Noteholder of the Note (or to the person who was the Noteholder at the time the entitlement to the payment is determined under the Terms of Issue) under the Terms of Issue.
- (d) Subject to all applicable law, where the Issuer is unable to make a payment or is relieved from the obligation to make a payment under clause 6.3 (*Manner of payment*) of the Terms of Issue, the amount is not required to be paid until required by that clause, and the Issuer will be discharged from liability to make the payment on the first of the following to occur:
 - (1) the Issuer pays the amount in accordance with the law relating to unclaimed money; and
 - (2) the claim for payment of the amount becomes void under the Terms of Issue.
- (e) The Issuer's obligations to make payments in respect of the Notes are subject to all applicable laws. If a payment could not lawfully be made to a particular Noteholder due to any circumstance or matter affecting the Noteholder without the approval of a Government Agency or the satisfaction of some other condition then the Noteholder is not entitled to receive that payment, and the Issuer is not obliged to make that payment, unless that approval has been obtained or that



other condition is satisfied. The Issuer is not obliged to pay any further interest to the affected Noteholder in such circumstances on account of the delay.

- (f) If the Issuer has determined that a person other than the Noteholder is or may be entitled to be registered as a Noteholder and receive a payment in respect of a Note, the Issuer may withhold the payment until it has established the respective entitlements of those persons to its satisfaction and (if applicable) the persons entitled have been registered as Noteholder and provided details for the payment to be effected to the satisfaction of the Issuer. The Issuer is not obliged to pay any further interest on account of the delay.

5 Guarantee

5.1 Guarantee

The Guarantors jointly and severally and unconditionally and irrevocably guarantee:

- (a) to the Note Trustee, the due and punctual payment of the Guaranteed Moneys of the Note Trustee; and
- (b) to the Note Trustee for the benefit of each Noteholder, the due and punctual payment by the Issuer of the Guaranteed Moneys of that Noteholder.

5.2 Payment

- (a) If any Guaranteed Moneys are not paid when due, the Guarantors must immediately on demand from the Note Trustee pay those Guaranteed Moneys in the same manner and currency as the Guaranteed Moneys are required to be paid.
- (b) A demand under clause 5.2(a) may not be made in relation to any unpaid amount until after the expiry of any grace period applicable under the applicable Terms of Issue but may otherwise be made at any time and from time to time.
- (c) A Guarantor may satisfy its obligations to make any payment due in respect of a Note in the same manner as the Issuer and as if references in clause 4.2 (*Payments*) and in clause 6 (*Payments*) of the Terms of Issue to the Issuer were references to the Guarantor.

5.3 Amount of Guaranteed Moneys

- (a) This deed applies to any amount which forms part of the Guaranteed Moneys from time to time.
- (b) The obligations of each Guarantor under this deed extend to any increase in the Guaranteed Moneys as a result of:
 - (1) any amendment, supplement, renewal or replacement of this deed or the Terms of Issue;
 - (2) the issue or amendment of any Notes; or
 - (3) the occurrence of any other thing.
- (c) Clause 5.3(b):



- (1) applies regardless of whether any Guarantor is aware of or consented to or is given notice of any issue of Notes or any amendment, supplement, renewal or replacement of this deed or the Terms of Issue or the occurrence of any other thing; and
- (2) does not limit the obligations of any Guarantor under this deed.

5.4 Avoidance of payments

- (a) If any payment, conveyance, transfer or other transaction relating to or affecting the Guaranteed Moneys is:
 - (1) void, voidable or unenforceable in whole or in part; or
 - (2) claimed to be void, voidable or unenforceable and that claim is upheld, conceded or compromised in whole or in part,the liability of each Guarantor under this deed and any Power is the same as if:
 - (3) that payment, conveyance, transfer or transaction (or the void, voidable or unenforceable part of it); and
 - (4) any release, settlement or discharge made in reliance on any thing referred to in clause 5.4(a)(3),had not been made and each Guarantor must immediately take all action and sign all documents necessary or required by the Note Trustee to restore to each Noteholder the benefit of this deed.
- (b) Clause 5.4(a) applies whether or not the Note Trustee or any Noteholder knew, or ought to have known, of anything referred to in clause 5.4(a).

5.5 Indemnity for avoidance of Guaranteed Moneys

- (a) If any of the Guaranteed Moneys (or money which would have been Guaranteed Moneys if it had not been irrecoverable) are unenforceable or irrecoverable by the Note Trustee from:
 - (1) the Issuer; or
 - (2) a Guarantor on the footing of a guarantee,the Guarantors jointly and severally, unconditionally and irrevocably, and as a separate and principal obligation:
 - (3) indemnify the Note Trustee (for its own account or for account of the relevant Noteholder, as the case may be) against any Loss suffered, paid or incurred by the Note Trustee or the relevant Noteholder in relation to the non payment of that money; and
 - (4) must pay the Note Trustee or the relevant Noteholder (as the case may be) an amount equal to that money.
- (b) Clause 5.5(a) applies to Guaranteed Moneys (or money which would have been Guaranteed Moneys if it had not been irrecoverable) which are or may be irrecoverable irrespective of whether:
 - (1) they are or may be irrecoverable because of any event described in clause 5.7;



- (2) they are or may be irrecoverable because of any other fact or circumstance;
- (3) the transactions or any of them relating to that money are void or illegal or avoided or otherwise unenforceable; and
- (4) any matters relating to the Guaranteed Moneys are or should have been within the knowledge of the Note Trustee or the relevant Noteholder.

5.6 Principal and independent obligation

- (a) This deed is:
 - (1) a principal obligation and is not to be treated as ancillary or collateral to any other right or obligation; and
 - (2) independent of and not in substitution for or affected by any other interest or right which the Note Trustee or a Noteholder may hold in respect of the Guaranteed Moneys or any obligations of any Obligor or any other person.
- (b) This deed is enforceable against a Guarantor:
 - (1) without first having recourse to any other interest or right which the Note Trustee or a Noteholder may hold in respect of the Guaranteed Moneys;
 - (2) whether or not the Note Trustee or the relevant Noteholder has made demand on any Obligor (other than any demand specifically required to be given, or notice required to be issued, to a Guarantor under clause 5.2 or any other provision of this deed or the Terms of Issue);
 - (3) whether or not the Note Trustee or relevant Noteholder has given notice to any Obligor or any other person in respect of any thing;
 - (4) whether or not the Note Trustee or relevant Noteholder has taken any other steps against any Obligor or any other person;
 - (5) whether or not any Guaranteed Moneys are then due and payable; and
 - (6) despite the occurrence of any event described in clause 5.7.

5.7 Unconditional nature of obligations

- (a) This deed and the obligations of each Guarantor under this deed are absolute, binding and unconditional in all circumstances, and are not released or discharged or otherwise affected by anything which but for this provision might have that effect, including:
 - (1) the grant to any Obligor or any other person at any time, of a waiver, covenant not to sue or other indulgence;
 - (2) the release (including a release as part of any novation) or discharge of any Obligor or any other person;
 - (3) the cessation of the obligations, in whole or in part, of any Obligor or any other person under this deed or the Terms of Issue or any other document or agreement;



- (4) the liquidation of any Obligor or any other person;
- (5) any arrangement, composition or compromise entered into by a Noteholder, any Obligor or any other person;
- (6) this deed, the Terms of Issue or any other document or agreement being in whole or in part illegal, void, voidable, avoided, unenforceable or otherwise of limited force or effect;
- (7) any extinguishment, failure, loss, release, discharge, abandonment, impairment, compounding, composition or compromise, in whole or in part of this deed, the Terms of Issue or any other document or agreement;
- (8) any other interest or right being given to a Noteholder by any Obligor or any other person;
- (9) any alteration, amendment, variation (including a variation which increases or readvances, or extends or curtails the duration of, the Guaranteed Moneys), supplement, renewal or replacement of this deed, the Terms of Issue or any other document or agreement;
- (10) any moratorium or other suspension of any Power;
- (11) a Noteholder exercising or enforcing, delaying or refraining from exercising or enforcing, or being not entitled or unable to exercise or enforce any Power;
- (12) a Noteholder obtaining a judgment against any Obligor or any other person for the payment of any of the Guaranteed Moneys;
- (13) any transaction, agreement or arrangement that may take place with a Noteholder, any Obligor or any other person;
- (14) any payment to a Noteholder, including any payment which at the payment date or at any time after the payment date is in whole or in part illegal, void, voidable, avoided or unenforceable;
- (15) any failure to give effective notice to any Obligor or any other person of any default under this deed, the Terms of Issue or any other document or agreement;
- (16) any failure to give any information to any Obligor;
- (17) any laches, acquiescence, delay, act, omission or mistake on the part of, or suffered by, an Obligor or any other person, in relation to this deed or any other document or agreement;
- (18) the amendment of the constitution, trust deed or other constituent document of any Obligor;
- (19) if any Obligor is a member of a partnership, firm, joint venture or association, any change in the structure, membership, name or business of that partnership, firm, joint venture or association;
- (20) if any Obligor is a trustee of a trust, any breach or variation of the terms of that trust;
- (21) if any Guarantor is a director or shareholder of the Issuer, any change in that directorship or shareholding;



- (22) any legal limitation, disability or incapacity of any Obligor or of any other person;
 - (23) any breach of this deed, the Terms of Issue or any other document or agreement;
 - (24) the acceptance of the repudiation of, or termination of, this deed, the Terms of Issue or any other document or agreement;
 - (25) any Guaranteed Moneys being irrecoverable for any reason;
 - (26) any disclaimer by any Obligor or any other person of this deed, the Terms of Issue or any other document or agreement;
 - (27) any assignment, novation, assumption or transfer of, or other dealing with, any Powers or any other rights or obligations under this deed, the Terms of Issue or any other document or agreement (with or without the knowledge of any Obligor);
 - (28) the opening of a new account of any Obligor with a Noteholder or any transaction on or relating to the new account;
 - (29) any prejudice (including material prejudice) to any person as a result of any thing done or omitted by a Noteholder, any Obligor or any other person;
 - (30) any prejudice (including material prejudice) to any person as a result of any failure or neglect by the Note Trustee or a Noteholder or any other person to recover the Guaranteed Moneys from any Obligor or by the enforcement of any other interest or right which the Note Trustee or a Noteholder may hold in respect of the Guaranteed Moneys;
 - (31) any prejudice (including material prejudice) to any person as a result of any other thing;
 - (32) the receipt by a Noteholder of any dividend, distribution or other payment in respect of any liquidation; or
 - (33) the failure of any other Guarantor or any other person who is intended to become a co-surety or co-indemnifier of that Guarantor to execute this deed or any other document.
- (b) Clause 5.7(a) applies irrespective of:
- (1) the consent or knowledge or lack of consent or knowledge, of a Noteholder, any Obligor or any other person of any event described in clause 5.7(a); or
 - (2) any rule of law or equity to the contrary.

5.8 No competition

Until the Guaranteed Moneys have been fully paid a Guarantor is not entitled to:

- (a) be subrogated to the Note Trustee or a Noteholder;
- (b) claim or receive the benefit of any encumbrance, guarantee or other document or agreement of which the Note Trustee or a Noteholder has the benefit;



- (c) reduce its liability to the Note Trustee or a Noteholder under this deed by claiming that it or the Issuer or any other person has a right of set-off or counterclaim against a Noteholder;
- (d) claim an amount from the Issuer or a Guarantor under a right of indemnity or contribution in respect of any payment to a Noteholder under this deed; or
- (e) in any form of administration of a Obligor (including liquidation, winding up, bankruptcy, voluntary administration, dissolution or receivership or any analogous process) prove for or exercise any vote or other rights in respect of any claim referred to in clause 5.8(d).

5.9 Continuing guarantee

This deed is a continuing obligation of each Guarantor, despite:

- (a) any settlement of account; or
- (b) the occurrence of any other thing,

and remains in full force and effect until:

- (c) all the Guaranteed Moneys have been paid in full; and
- (d) this deed has been finally discharged by the Noteholders.

5.10 Variation

This deed extends to cover this deed and the Terms of Issue as amended, varied or replaced, whether with or without the consent of any one or more of the Guarantors including any increase in the obligations of the Issuer under this deed or the Terms of Issue arising in respect of any transaction under this deed or the Terms of Issue entered into after the date of this deed.

5.11 Reliance

The Guarantors acknowledge that each Noteholder is acting in reliance on the Guarantors incurring obligations and giving rights under this deed.

5.12 Addition of Guarantors

A member of the Group may become a Guarantor by executing and delivering to the Registrar a Guarantor Assumption Deed duly executed by or on behalf of that Guarantor.

5.13 Release of Guarantors

- (a) A Guarantor is irrevocably and unconditionally released and discharged from all obligations and liabilities under and in respect of this deed and ceases to be party to this deed on the date (**Release Date**) on which:
 - (1) the Issuer is entitled to procure the release of the Guarantor under clause 2.2 (*Guarantee*) of the Terms of Issue; and
 - (2) the Issuer has given notice of the Guarantor's release to the Note Trustee in accordance with clause 2.2 (*Guarantee*) of the Terms of Issue.



- (b) Each Guarantor:
- (1) acknowledges that any one or more Guarantors may be released from this deed after the date of this deed;
 - (2) irrevocably consents to the release of a Guarantor in accordance with this deed occurring; and
 - (3) without limiting clause 5.7(a), agrees that no such release will in any way affect its obligations to the Noteholders or the Noteholders' respective rights in respect of the Guarantor under this deed or the Terms of Issue (unless the Guarantor is itself released from its obligations under this deed or the Terms of Issue pursuant to such release).

6 Undertakings

Subject to this deed, each Obligor undertakes to the Note Trustee that for so long as any principal or interest due on Notes remains outstanding, it will:

- (a) comply with its obligations under the Notes, this deed, and Chapter 2L and section 318 of the Corporations Act;
- (b) ensure that any financial statements it provides to the Note Trustee:
 - (1) comply with generally accepted accounting practice in Australia, except to the extent disclosed in the financial statements; and
 - (2) comply with all applicable laws;
- (c) in the case of the Issuer, use all reasonable endeavours to procure official quotation of the Notes on ASX and to procure such quotation is maintained;
- (d) do all things which are reasonably requested by the Note Trustee to enable the Note Trustee to comply with the Note Trustee's obligations under this deed, the Terms of Issue, the Corporations Act (or any other laws binding on the Note Trustee with respect to the Trust or the Notes), the Listing Rules or the ASX Settlement Operating Rules;
- (e) provide to the Note Trustee:
 - (1) at the same time as their issue, all documents sent by it to Noteholders;
 - (2) at the same time as their issue, all documents lodged by it with ASX pursuant to the Terms of Issue; and
 - (3) promptly, all other information requested by the Note Trustee which is reasonably required for the purposes of discharging the duties, trusts and powers of the Note Trustee under this deed or law;
- (f) promptly, after becoming aware of any Event of Default that is continuing, notify the Note Trustee (except to the extent notified by another Obligor);
- (g) promptly, after becoming aware that any provision of this deed or the Notes cannot be complied with by the Issuer (as the case may be), notify the Note Trustee of that fact (except to the extent notified by another Obligor);



- (h) in the case of the Issuer, promptly after any redemption or cancellation of any Notes, confirm in a certificate signed by any two directors, or any director and company secretary, of the Issuer details of that redemption or cancellation to the Note Trustee;
- (i) promptly, after any appointment, retirement, resignation or removal of an auditor of the Issuer, notify the Note Trustee;
- (j) comply with each undertaking stated to be given by it in the Terms of Issue;
- (k) for so long as any of the Notes remain outstanding, notify the Note Trustee promptly after it becomes aware of an Event of Default or a breach by any Obligor of Chapter 2L or section 318 of the Corporations Act or the Terms of Issue; and
- (l) to promptly obtain, make and keep in effect all consents and filings required for it to enter into and perform its obligations under the Trust Deed and the Terms of Issue.

7 Enforcement of this deed

7.1 Enforcement by Note Trustee

All of the rights against the Issuer in connection with Notes are held by the Note Trustee. Accordingly, subject to clause 7.3(a) and the Terms of Issue;

- (a) no Noteholder is entitled to directly enforce any rights, powers or remedies in connection with the Notes (whether under this trust deed or the Terms of Issue, and whether in its own name or the Note Trustee's name) directly against the Issuer; and
- (b) the Note Trustee and only the Note Trustee is entitled to take any action in relation to a Default or to otherwise enforce this deed or the Terms of Issue.

7.2 Enforcement on direction by Noteholders

Subject to this deed, the Terms of Issue and section 283DA(h) of the Corporations Act, the Note Trustee must take action in relation to an Event of Default or to otherwise enforce this deed or the Terms of Issue, in each case in accordance with their terms, where all the following conditions are met (and the Trustee may, but is not required to, act independently or to otherwise act in accordance with any direction from the Noteholders or any of them, or in accordance with a Noteholder Resolution unless such conditions are satisfied):

- (a) the Note Trustee has been directed to take that action:
 - (1) by a Noteholder Resolution; or
 - (2) in the case of taking action under clause 5.2 (*Consequences of a default*) of the Terms of Issue, in writing by Noteholders of at least 25% of the aggregate of the principal amount of all Notes Outstanding (ignoring any Notes held by the Issuer or any of the Issuer's Subsidiaries and not cancelled),and in either case such direction has not been rescinded by a subsequent Noteholder Resolution;
- (b) the Note Trustee is indemnified to its satisfaction:



- (1) for all actions, proceedings, claims and demands to which the Note Trustee may render itself liable by taking such action;
 - (2) in respect of all Costs, charges, damages and expenses which the Note Trustee may thereby incur;
 - (3) in respect of the costs of all management time spent by employees or officers of the Note Trustee in relation to such action which will be charged at the Note Trustee's standard hourly rates prevailing from time to time provided that such rates have been notified to the Issuer in writing; and
- (c) the Note Trustee is not restricted or prohibited from taking such action under this deed or the Terms of Issue, or by any order of any competent court or any applicable law.

If the Note Trustee forms the view that action it has been directed to take is or could be inconsistent with this deed, the Terms of Issue or any applicable law or is or could be otherwise objectionable, it may take steps to seek (and, if the court so determines, to obtain) as soon as reasonably practicable a court direction or order to set aside or vary the direction and, while those steps are underway, the Note Trustee is not obliged to take any action or proceedings it has been directed to take.

For the avoidance of doubt, the Note Trustee may take action in relation to an Event of Default or to otherwise enforce this deed or the Terms of Issue in any other circumstances and in its absolute discretion but is not obliged to act unless the conditions of this clause are satisfied.

Without limiting this clause or clause 5.4 (*Enforcement by Note Trustee, Noteholders*) of the Terms of Issue, if the Issuer breaches any of its obligations under this deed or the Terms of Issue (other than any obligation for the payment of any principal or Interest in respect of the Notes), the Note Trustee may, at its discretion and without further notice, bring such proceedings as it may think fit to enforce such obligations.

7.3 Enforcement by Noteholder

- (a) A Noteholder is entitled to take any action that the Note Trustee could take in relation to an Event of Default or to otherwise enforce this deed or the Terms of Issue if and only if the Note Trustee, having become bound to take that action under clause 7.2, fails to do so within 30 Business Days and that failure is continuing. Any such action may be taken by a Noteholder:
 - (1) in the name of the Note Trustee; and
 - (2) following the giving to the Note Trustee of an indemnity satisfactory to it, but not otherwise.
- (b) Except as otherwise provided in clause 7.3(a), a Noteholder is prohibited from:
 - (1) taking any Enforcement Action;
 - (2) taking any action in relation to a Default; or
 - (3) enforcing this deed or the Terms of Issue.
- (c) The Issuer may plead this clause in bar to any proceedings brought against it that are not permitted by this clause 7.



7.4 Distribution of proceeds

All money received by the Note Trustee in respect of amounts payable under this deed must be held by the Note Trustee on trust to be applied in the following order:

- (a) firstly, in payment of all Costs incurred by or other amounts owing to the Note Trustee under or in connection with this deed (including all remuneration and other amounts payable to the Note Trustee under clauses 9 and 10);
- (b) secondly, in or towards payment equally or rateably of all arrears of interest remaining unpaid in respect of the Notes and all principal or other amounts due but remaining unpaid in respect of the Notes; and
- (c) thirdly, in payment of the balance (if any) to the Issuer.

8 Powers, duties and discretions of Note Trustee

8.1 Excluded roles and duties

The appointment of the Note Trustee as trustee does not mean that the Note Trustee:

- (a) is a trustee for the benefit of;
- (b) is a partner of; or
- (c) has a fiduciary duty to, or other fiduciary relationship with,

any Noteholder (other than in its capacity as a Noteholder), the Issuer or any other person, except as provided in this deed or the Terms of Issue.

8.2 Powers generally

The Note Trustee has in acting as trustee of the Trust (including in exercising its rights and complying with its obligations under this deed and the Terms of Issue) and in relation to all property of the Trust all the powers of a natural person or which it is otherwise possible to confer on a trustee.

8.3 Duties

- (a) The Note Trustee must:
 - (1) act honestly and in good faith and comply with all laws in performing its duties and in the exercise of its Power;
 - (2) exercise such diligence and prudence as a person qualified to be a trustee under the Corporations Act in the position of the Note Trustee would exercise in performing its duties and in the exercise of its Power;
 - (3) if and to the extent the Note Trustee holds Trust assets, keep accounting records which correctly record and explain all amounts paid and received by the Note Trustee in its capacity as trustee under this deed or the Terms of Issue; and



- (4) if and to the extent the Note Trustee holds Trust assets, keep the assets of the Trust separate from all other assets of the Note Trustee which are held in a capacity other than as trustee of the Trust under this deed.
- (b) The Note Trustee must not interfere with the conduct of the ordinary business of the Issuer unless required to do so in order to comply with its duties under the Corporations Act, this deed or the Terms of Issue.
- (c) The Note Trustee has no obligations or duties except those expressly set out in this deed and those imposed on it by Chapter 2L of the Corporations Act and any other law that cannot be excluded. The obligations of the Note Trustee to act, or refrain from acting, are at all times subject to the Corporations Act.

8.4 Discretions

The Note Trustee may:

- (a) **(delegation)** employ agents, contractors and attorneys and may delegate by power of attorney or otherwise, any of its Powers (on such terms and conditions as the Note Trustee may think fit) including, without limitation, holding any Trust property and executing documents on its behalf, without notifying any Obligor or Noteholder of such employment or delegation provided that the Note Trustee reasonably believes that it is fit, proper and appropriate to so employ or delegate;
- (b) **(directions)** apply to court for directions in relation to any question arising either before or after Notes become repayable and assent to and approve of or oppose any application to any court made by or at the instance of any Noteholder;
- (c) **(reliance)** rely and act upon (without enquiry) any communication or document it has had no reasonable grounds to believe is not genuine and correct and to have been signed or sent by the appropriate person or persons;
- (d) **(expert advice)** engage and rely and act upon (without enquiry) the advice or opinion of or information provided by any agent, contractor, attorney, delegate, barrister, solicitor, accountant, auditor, actuary, valuer or other consultant or adviser of an Obligor or engaged or appointed by it. The Note Trustee is not responsible for any loss occasioned by so engaging, relying or acting;
- (e) **(certificates and other documents)** accept as conclusive evidence, rely and act upon:
 - (1) a certificate which purports to be signed by any two directors of an Obligor as to any fact or matter, as conclusive evidence of it, including without limitation as to whether or not any particular dealing, transaction, step or thing is commercially desirable or detrimental to the interests of the Noteholders or whether any circumstance exists entitling the Issuer to Redeem the Note prior to the Redemption Date; and
 - (2) any information, document, communication, report, balance sheet or profit and loss or other accounts, certificate or statement supplied (including by electronic transmission) by any Obligor or its Related Body Corporates, or any director, secretary auditor, solicitor or duly authorised officer of any such Obligor or Related Body Corporate, as conclusive evidence of the contents of such documents, including without limitation, any statements or opinions contained therein,



in each case in the absence of the Note Trustee's knowledge of any manifest or proven error.

The Note Trustee is not required to call for further evidence or information (other than such certificate, statement, report, document, communication, balance sheet or profit and loss or other accounts) nor to enquire as to their accuracy and is not responsible for any Costs that may be occasioned by its acceptance, reliance or so acting on them provided the Note Trustee has no knowledge that the relevant certificate, statement, report, document, communication, balance sheet or profit and loss or other accounts was not accurate or, as the case may be, the relevant document was not authentic;

- (f) **(statements)** accept as conclusive evidence, rely and act upon, all statements (including statements made or given to the best of knowledge and belief or similarly qualified) and any opinions contained in any information, document, communication, statement, certificate, report, balance sheet or profit and loss account given pursuant to the provisions of, or in any way in relation to, this deed or the Terms of Issue as conclusive evidence of the contents of it;
- (g) **(determinations)** determine as between itself and the Noteholders all questions and matters of doubt arising in relation to this deed or the Terms of Issue (whether made upon a question actually raised or implied in acts or proceedings of the Note Trustee);
- (h) **(disputes and ambiguities)** if there is any dispute or ambiguity in relation to any matter connected with the Notes, this deed or the Terms of Issue, the Note Trustee may (but need not) do one or both of the following:
 - (1) obtain and rely on advice from any person referred to in clause 8.5(d); or
 - (2) apply to a court for any direction in accordance with clause 8.5(b) and comply with any such directions or orders,provided that for so long as the Note Trustee is using reasonable endeavours to resolve any dispute or ambiguity, the Note Trustee may (but need not) refuse to do anything in relation to matters affected by the dispute or ambiguity;
- (i) **(exercise of powers)** comply with its obligations under the deed and the Terms of Issue in any manner it thinks fit and determine in any manner it thinks fit whether to exercise, and the manner, mode and time of exercise of, the Note Trustee's Powers. Unless it is fraudulent, negligent or wilfully defaults, the Note Trustee is not liable in its personal capacity for any loss, Cost, claim, damage or expense which may result from the exercise or failure to exercise any of its Powers; and
- (j) **(waiver)** waive, so long as it is in writing, at any time and on any terms or conditions, any breach by the Issuer under this deed or the Terms of Issue but where a breach is the failure of the Issuer to Redeem or repay any Notes in accordance with the Terms of Issue or this deed, the Note Trustee may waive the breach only if the Noteholders have consented to or authorised the waiver, or the breach has been remedied.

8.5 Noteholders bound

Each Noteholder is bound by anything properly done or not done by the Note Trustee in accordance with this deed or the Terms of Issue, whether or not on instructions, and



whether or not the Noteholder gave an instruction or approved of the thing done or not done.

9 Note Trustee protections

9.1 Note Trustee not responsible for certain matters

Except to the extent required by the Corporations Act or otherwise provided by this deed, the Note Trustee:

- (a) **(application moneys)** has no responsibility in respect of moneys subscribed by applicants for Notes or to see to the application of those moneys.
- (b) **(form of documents)** has no responsibility for the form or contents of this deed and will have no liability arising as a result of or in connection with any inadequacy, invalidity or unenforceability of any provision of this deed except insofar as it relates to the Note Trustee or to any representation or warranty given by the Note Trustee;
- (c) **(monitoring)** is not required to:
 - (1) provide to any person (including any Noteholder) any information concerning the business, financial condition, status or affairs of any Obligor (whenever coming into its possession);
 - (2) investigate the adequacy, accuracy or completeness of any information provided by any Obligor;
 - (3) assess, investigate, request information in relation to or otherwise keep itself informed about, or keep under review the business, financial condition, status, affairs or other circumstances of any Obligor;
 - (4) monitor compliance by any Obligor of its obligations under this deed or take any steps to ascertain whether a Default has occurred (and will not be deemed to have knowledge that such has occurred until it has received written notice from the Issuer or a Noteholder in relation to such); or
 - (5) investigate or consider whether any issue of Notes or any payment in respect of a Note will be an unfair preference or other similar voidable transaction for the purposes of Chapter 5 of the Corporations Act;
- (d) **(notice)** is not required to notify any person of the execution of this deed or the occurrence of any Default or breach of this deed, the Terms of Issue or any other document relating to the Notes;
- (e) **(exercise Powers)** has no obligation to exercise any Power in a particular manner or at all; or
- (f) **(notices)** subject to the Corporations Act, has no obligation to provide Noteholders with notices, documents or other information it has received from any Obligor.



9.2 Knowledge of the Note Trustee

The Note Trustee:

- (a) will only be considered to have knowledge or notice of or be aware of any matter or thing if the Note Trustee has knowledge, notice or awareness of that matter or thing by virtue of the actual notice or awareness of the officers or employees of the Note Trustee who have day to day responsibility for the administration of the Trust; and
- (b) will be taken not to have knowledge, notice or awareness of the occurrence of a Default or other breach of this deed or Terms of Issue unless the Note Trustee has received written notice from a Noteholder or the Issuer stating that the relevant Default or other breach has occurred and describing the events or circumstances constituting such Default or breach.

9.3 Confidential information

Nothing in this deed requires the Note Trustee to disclose information or provide documents relating to any Obligor or any other person if the Note Trustee reasonably believes that to do so would or may constitute a breach of law or duty of confidentiality.

9.4 Capacity as Noteholder

If the Note Trustee is also a Noteholder, then in its capacity as a Noteholder it:

- (a) has the same rights and obligations as the other Noteholders; and
- (b) may exercise those rights and agrees to comply with those obligations independently from its role as Note Trustee as if it were not the Note Trustee.

9.5 Other dealings with Issuer

The Note Trustee and its Related Bodies or associates may, without being liable to account to any Obligor or any Noteholder:

- (a) hold Notes, shares or any other marketable securities issued by any Obligor, or any of its Related Bodies Corporate or associates, in any capacity;
- (b) represent or act for, or contract with, individual Noteholders in any capacity;
- (c) deal in any capacity with any Obligor or any of its Related Bodies Corporate or associates;
- (d) act in any capacity in relation to any other trusts;
- (e) retain for its own benefit any amount received by it for its own account; or
- (f) accept deposits from, lend money or provide services to, and generally conduct any banking or other business with, or enter into any contract or arrangement with any Obligor or any Noteholder, and any person connected with any Obligor or any Noteholder, without having to account to the Noteholders or any other person (including in respect of any fee, remuneration or profit received or accruing in connection with any of the above),

provided that to do so would not preclude the Note Trustee from acting as Note Trustee under the Corporations Act.



9.6 Exclusions of liability

Neither the Note Trustee nor any of its directors, officers, employees, agents or attorneys or Related Bodies Corporate will be responsible for or liable to any Obligor or any Noteholder or any other person for loss or damage caused by:

- (a) the Note Trustee's acts or omissions in accordance with the terms of this deed in reliance on:
 - (1) the Register;
 - (2) information or documents supplied by the Issuer or any agent of the Issuer;
 - (3) the authenticity of any document it reasonably believes to be genuine and correct;
 - (4) opinion, advice or information of any consultant or adviser of the Note Trustee; or
- (b) any act, omission, neglect or default of any delegate, attorney or agent of the Note Trustee (other than a Related Body Corporate of the Note Trustee), unless the Note Trustee fails to use reasonable care in selecting and monitoring them;
- (c) any failure by an Obligor to perform its obligations under this deed, the Terms of Issue or the Notes or any other act, omission, neglect or default of any Obligor, any Controller or of any other person under or in connection with this deed or the Notes;
- (d) any act or omission required by law or by any court of competent jurisdiction;
- (e) anything required to be done or omitted to be done in accordance with an instruction or direction given to it by the Noteholders at a Meeting;
- (f) any act or omission of an operator of any securities title, transfer or holding system or any absence of, or defect in, the title of any Obligor to any asset;
- (g) any payment having been made to any fiscal authority; or
- (h) the Note Trustee waiving or excusing, subject to any conditions that the Note Trustee thinks fit, any breach by any Obligor of its obligations under this deed or the Terms of Issue;
- (i) any of them exercising, failing to exercise or attempting to exercise any Power under this deed, the Terms of Issue or in relation to the Notes;
- (j) the financial condition or solvency of any Obligor;
- (k) the value, validity, effectiveness, genuineness, execution, enforceability or sufficiency of:
 - (1) this deed, the Terms of Issue, any Note; or
 - (2) any other document or agreement referred to or provided for in, or received by any of them under this deed or the Terms of Issue;
- (l) any recital, statement, representation or warranty contained in this deed, the Terms of Issue, the Prospectus or in any document or agreement referred to or provided for in, or received by any of them under, this deed or the Terms, in each case, made by any person other than the Note Trustee;
- (m) any action properly taken or not taken by the Note Trustee under this deed, the



Terms of Issue or in relation to a Note:

- (1) in accordance with any instructions or directions from the Noteholder(s); or
- (2) in any manner, where this deed or the Terms of Issue do not require instructions to be given to the Note Trustee.

9.7 Limitation of liability

- (a) The Note Trustee is not liable to any Obligor or the Noteholders or any other person in any capacity other than as trustee of the Trust.
- (b) A liability to any Obligor, any Noteholder or any other person arising under or in connection with this deed is limited to and can be enforced by the person against the Note Trustee only to the extent to which it can be satisfied out of any Trust Fund property held by the Note Trustee out of which the Note Trustee is actually indemnified for the liability. This limitation of the Note Trustee's liability applies despite any other provision of this deed and extends to all liabilities and obligations of the Note Trustee in any way connected with any representation, warranty, conduct, omission, agreement or transaction related to this deed.
- (c) An Obligor or a Noteholder may not sue the Note Trustee in any capacity other than as trustee of the Trust, including seeking the appointment of a receiver (except in relation to property of the Trust), a liquidator, an administrator or any other similar person to the Note Trustee or prove in any liquidation of or affecting the Note Trustee (exception in relation to any Trust Fund property).
- (d) The Obligors and Noteholders waive their rights and release the Note Trustee from any personal liability in respect of any loss or damage which any of them may suffer as a consequence of a failure of the Note Trustee to perform its obligations under this deed, which cannot be paid or satisfied out of any Trust Fund property held by the Note Trustee.
- (e) The provisions of this clause will not apply to any obligation or liability of the Note Trustee to the extent arising as a result of a Note Trustee Default.
- (f) The Obligors and Noteholders acknowledge that they are responsible under this deed for performing a variety of obligations under this deed. No act or omission of the Note Trustee (including any related failure to satisfy its obligations or breach of representation or warranty under this deed) will be considered fraud, negligence or wilful default of the Note Trustee for the purposes of this clause 9.7 to the extent to which the act or omission was caused or contributed to by any failure of the Issuer or any other person to fulfil its obligations relating to the deed or by any other act or omission of the Issuer or any other person.
- (g) No attorney, agent or delegate appointed in accordance with this deed has authority to act on behalf of the Note Trustee in any way which exposes the Note Trustee to any personal liability and no act or omission of any such person will be considered fraud, negligence or wilful default of the Note Trustee for the purpose of this clause 9.7.

9.8 No obligation to act

The Note Trustee is not obliged to carry out any act or refrain from doing any act (including incurring any liability or convening any Meeting of Noteholders) under this deed or the



Terms of Issue until such time as it is placed in funds or is otherwise indemnified to its satisfaction against any Cost which it may incur as a result of doing so.

9.9 Noteholder capacity

The Note Trustee's duties and obligations to Noteholders are owed to Noteholders only in their capacity as Noteholders.

9.10 Acting on directions

To the extent permitted by law, the Note Trustee is not liable to a Noteholder for acting in accordance with any Noteholder Resolution or any other direction given by any Noteholder or Noteholders in accordance with this deed or the Terms of Issue with which the Note Trustee is required to comply.

9.11 Note Trustee refraining from acting

The Note Trustee may:

- (a) refrain from doing anything that would, or in its reasonable opinion might, contravene any applicable law or regulation; and
- (b) do anything that, in its opinion, is necessary to comply with any applicable law or regulation.

9.12 Note Trustee may assume certain matters

The Note Trustee may assume, subject its obligations under the Corporations Act, that:

- (a) any representation or statement made by a person in this deed, the Terms of Issue or the Prospectus is and remains true;
- (b) any deed or information provided to it is genuine and accurate if it believes in good faith that this is the case; and
- (c) (unless it is notified in writing by a Noteholder or the Issuer to the contrary) any right, power, authority or discretion vested in any party has not been exercised.

9.13 Noteholders' own decision to invest

By its purchase of Notes, each Noteholder will be deemed to have confirmed and acknowledged that, as between itself and the Note Trustee:

- (a) it has purchased of Notes on the basis of the Prospectus (and the Note Trustee is not responsible for the Prospectus);
- (b) it was not induced by the Issuer or the Note Trustee to purchase the of Notes (except, in the case of the Issuer only, as disclosed in the Prospectus); and
- (c) the Note Trustee has no monitoring duty as set out in clause 9.1(c).

9.14 Issuer not concerned with authority of Note Trustee

The Issuer is not entitled to enquire whether any action by the Note Trustee has in fact been authorised by the Noteholders and, as between the Issuer and the Noteholders, any



action taken by the Note Trustee concerning this deed, the Terms of Issue or any Note is taken to be authorised by the Noteholders.

9.15 Protection of third parties

No person dealing with the Note Trustee is bound to enquire as to whether the Note Trustee has been properly appointed under this deed or the Terms of Issue or as to whether the Note Trustee has the requisite power to act as Note Trustee of the Trust and may assume that anything purported to be done by the Note Trustee under this deed, the Terms of Issue or in relation to any Note has been duly authorised by this deed, the Terms of Issue and the Noteholders.

9.16 Exclusions of law where permitted

- (a) To the maximum extent permitted by law and subject to the Corporations Act, the Note Trustee's obligations, duties and responsibilities are expressly limited to those set out in this deed and the Terms of Issue.
- (b) All liabilities and responsibilities which may from time to time be imposed on the Note Trustee at law or in equity are, to the extent permitted at law or in equity, excluded and, except to the extent provided to the contrary in this deed, the Terms of Issue or the Corporations Act, expressly negated and waived by the Obligors and the Noteholders.
- (c) Subject to the Corporations Act, any legislation that affects an obligation of the Issuer in a manner that is adverse to the interests of the Note Trustee or the Noteholders, or adversely affects the exercise by the Note Trustee or the Noteholders of a right or remedy, under or relating to this deed is excluded to the full extent permitted by law.

9.17 No representation or reliance

Each Obligor and the Note Trustee confirm that no party (nor any person acting on a party's behalf) has made any representation or other inducement to it to enter into this deed, except for representations or inducements expressly set out in this deed.

9.18 Void or voidable transactions

If:

- (a) the Note Trustee has at any time released or discharged an Obligor from its obligations under this deed or the Terms of Issue in reliance on a payment, receipt or other transaction to or in favour of the Note Trustee or Noteholders or any payment or other transaction to or in favour of the Note Trustee or Noteholders has the effect of releasing or discharging an Obligor from its obligations under this deed or the Terms of Issue;
- (b) that payment, receipt or other transaction is subsequently claimed by any person to be void, voidable or capable of being set aside for any reason, including under any law relating to insolvency or the winding up of companies or under the general law; and
- (c) that claim is upheld or the claim is conceded or compromised by the Note Trustee or a Noteholder,



then:

- (d) the Note Trustee and each Noteholder will immediately become entitled against the relevant Obligor to all rights as it had immediately before that release or discharge;
- (e) the relevant Obligor must immediately do all things and execute all documents as the Note Trustee may reasonably require to restore to the Note Trustee and the Noteholders all those rights; and
- (f) each Obligor must indemnify the Note Trustee and each Noteholder against costs, losses and expenses suffered or incurred by the Note Trustee or Noteholder in or in connection with any negotiations or proceedings relating to the claim or as a result of the upholding, concession or compromise of the claim.

9.19 Survival

The provisions of this clause 9 shall survive the termination of this deed and the Terms of Issue and any retirement or removal of the Note Trustee as trustee of the Trust.

10 Note Trustee's remuneration and indemnities

10.1 Remuneration

The Issuer must pay to the Note Trustee by way of remuneration for its services as trustee under this deed a fee or such other remuneration as may be agreed between the parties, from time to time. The payment of such fees must be made by the Issuer by transfer to such account nominated from time to time by the Note Trustee to the Issuer or by such other means notified by the Note Trustee to the Issuer from time to time.

10.2 Reimbursement

- (a) The Issuer must pay its own Costs in connection with negotiating, preparing, executing and performing this deed or the Terms of Issue, and must pay to the Note Trustee on demand all reasonable Costs properly incurred by or on behalf of the Note Trustee in connection with:
 - (1) the negotiation, preparation and execution of this deed and any subsequent consent, agreement, approval, waiver or amendment required under this deed;
 - (2) acting as trustee of the Trust or the carrying out or exercise or the purported carrying out or exercise by the Note Trustee of any duty, obligation or Power imposed or conferred expressly or impliedly by this deed or the Terms of Issue on the Note Trustee or upon Noteholders or by law including the exercising, enforcing or preserving, or attempting to exercise, enforce or preserve, the rights under this deed or the Terms of Issue;
 - (3) any breach or default in the observance or performance by any Obligor of any of the covenants, obligations, conditions and provisions of this deed or under the Notes;



- (4) the convening and holding of any Meeting of Noteholders and the carrying out of any proper directions or resolutions of Noteholders; or
 - (5) all actions taken under this deed or under the Notes in relation to complying with any notice, request or requirement of any Government Agency and any investigation by any Government Agency into the affairs of the Issuer.
- (b) If the Issuer or any of its assets are placed in liquidation, the Note Trustee is entitled to claim and receive from any Controller or similar official amounts by way of reimbursement of all costs, charges, fees and expenses incurred by the Note Trustee (including on its own account) in connection with any enforcement or other action taken by it as trustee of the Trust.
- (c) Nothing in clause 10.2(a) limits, prejudices or otherwise affects any other provision of this deed, the Terms of Issue or any rights of the Note Trustee under law.

10.3 Other indemnities

- (a) Except as otherwise agreed with any Noteholder or Noteholders in connection with the taking of any action by the Note Trustee, the Note Trustee is not entitled to be indemnified by any Noteholder personally.
- (b) Subject to clause 10.3(a), the Note Trustee's rights under clause 10.2 are in addition to any right of indemnity that may be conferred on the Note Trustee by law or this deed.
- (c) The Note Trustee, its officers, directors, employees, agents, attorneys and its Related Body Corporates (together, the Note Trustee Indemnified Parties) are entitled to be indemnified by the Issuer and, without limitation, out of the property of the Trust Fund, in respect of all Costs suffered or properly incurred by a Note Trustee Indemnified Party in the execution of the Trust, the exercise of any of the Powers vested in the Note Trustee or performance of any obligations under this deed or the Terms of Issue, but this indemnity does not extend to:
 - (1) any such Costs to the extent arising out of a Note Trustee Default; or
 - (2) any Taxes (excluding any Indirect Tax) imposed on a Note Trustee Indemnified Party's remuneration for its services in connection with their appointment in respect of the Trust.

The Note Trustee may retain and pay out of any moneys in its hand in priority to any claim by a Noteholder, all sums necessary to effect and satisfy an amount due and payable to a Note Trustee Indemnified Party under this clause 10.2.
- (d) Any indemnity to which the Note Trustee is entitled under this deed is in addition to, and without prejudice to, any indemnity allowed by law or equity to the Note Trustee.

10.4 Indemnity unaffected by unrelated breaches

To the maximum extent permitted by Section 283DB of the Corporations Act, where a Cost, loss, liability, expense, demand or claim is suffered or incurred pursuant to a proper exercise of the Note Trustee's powers under this deed or at law, the Note Trustee may exercise any of its rights of indemnification or reimbursement out of the Trust Fund or as against the Issuer to satisfy that Cost, loss, liability, expense, demand or claim, despite any



loss the Trust Fund may have suffered or any diminution in the value of the Trust Fund as a consequence of any unrelated act or omission by the Note Trustee or by any person or entity acting on behalf of the Note Trustee.

10.5 Priority and survival

All remuneration and Costs referred to in this clause 10 shall be paid in priority to any claim by any Noteholder and continue to be payable until paid notwithstanding that this deed or the Trust may be terminated, or the Trust may be wound up or subject to administration by or under the order of any court. This priority of the Note Trustee will subsist whether or not a receiver, receiver and trustee, official trustee, liquidator, administrator or similar official is appointed to the Issuer or any of its assets or the Trust is in the course of administration by or under the order of any court.

10.6 GST

The Issuer must pay to the Note Trustee on demand any goods and services tax, value added tax or any like tax (**GST**) which is payable as a consequence of any supply made or deemed to be made or other matter or thing done under or in connection with this deed by the Note Trustee (together with any fine, penalty or interest payable because of a default by the Issuer). The amount paid by the Issuer to the Note Trustee on account of the GST must be sufficient to ensure that the economic benefit to the Note Trustee of this deed remains the same whether or not GST applies. The Note Trustee will give the Issuer a tax invoice.

10.7 Stamp duties

- (a) The Issuer must pay all stamp duties and any related fines and penalties in respect of this deed, the performance of this deed and each transaction effected by or made under this deed; and
- (b) Each Obligor must indemnify the Note Trustee against any liability arising from the Issuer's failure to comply with clause 10.7(a).

11 Retirement and removal of Note Trustee

11.1 Retirement

Subject to compliance with the relevant statutory requirements for the time being, the Note Trustee may retire by giving notice in writing to the Issuer, but such retirement will not be effective until the last to occur of the following:

- (a) the day which is 60 days after the date of the notice in writing (or such other period as the Note Trustee and the Issuer may agree); and
- (b) the day upon which the appointment of a new Note Trustee becomes effective under clause 11.3.

11.2 Removal

- (a) Subject to compliance with the relevant statutory requirements for the time being, the Note Trustee must retire as trustee for the Noteholders under this deed and



the Issuer may by written notice to the Note Trustee, remove the Note Trustee if:

- (1) the Note Trustee is in material breach of its obligations under this deed and has not rectified the breach within 10 Business Days of receiving a written notice from the Issuer specifying the breach and requesting the Note Trustee to rectify the breach;
 - (2) the Note Trustee ceases to carry on business or ceases or refuses to act as Note Trustee under this deed;
 - (3) the Note Trustee is placed in liquidation or is wound up or dissolved;
 - (4) a receiver, receiver and trustee, official trustee, liquidator, administrator or similar official is appointed to the Note Trustee;
 - (5) any licence, consent, Authorisation, permit or similar thing the Note Trustee is required to hold to carry out its obligations and duties under or in respect of this deed is revoked or not renewed;
 - (6) the Issuer reasonably believes that any of the things referred to in section 283BD of the Corporations Act have occurred;
 - (7) the Note Trustee ceases to be a person who can be appointed a trustee under section 283AC(1) of the Corporations Act;
 - (8) the Note Trustee cannot continue to act as Note Trustee because of the operation of section 283AC(2) of the Corporations Act; or
 - (9) the Issuer is authorised or requested to do so by a Meeting of the Noteholders called in accordance with clause 12.
- (b) Any removal of the Note Trustee by the Issuer under this clause 11.2 will only take effect upon the appointment of a new Note Trustee under clause 11.3.
- (c) On the retirement or removal of the Note Trustee, the Note Trustee must at the cost of the Issuer do all such things and execute all such deeds and assurances as are necessary for the purpose of vesting in a new trustee all money, property, rights, powers, authorities and discretions vested in the Note Trustee under this deed.

11.3 Appointment of new Note Trustee

- (a) Subject to section 283AC of the Corporations Act and paragraph (b) below, the Issuer may appoint a new Note Trustee following the retirement or removal of the Note Trustee in accordance with this clause 11, but if the Issuer fails to do so within 60 days (or such other period as the Trustee and the Issuer may agree) after receiving a notice from the Note Trustee under clause 11.1 then the Note Trustee may appoint a new Note Trustee (or, in its discretion, apply to the court for the appointment of a new Note Trustee) and any such appointment will be effective without the approval of the Issuer or the Noteholders being required, but the Note Trustee may, in lieu of exercising the power conferred by this clause 11.3, call a meeting of Noteholders for the purpose of appointing by the passing of a Noteholder Resolution a person nominated either by the Note Trustee or by any Noteholder (but if by a Noteholder, such person must have been approved by the Issuer) as the new Note Trustee.
- (b) If the Issuer appoints a new Note Trustee which is a Related Body Corporate of the Note Trustee, such appointment will not take effect unless the Note Trustee consents in writing to the appointment (such consent not to be unreasonably



withheld).

- (c) A new Note Trustee may be appointed by deed executed by the new Note Trustee and the Issuer or the Note Trustee (as applicable) and such execution shall by force of this clause 11.3 vest in the new Note Trustee all Powers and all right title and interest of the Note Trustee in this deed and the Terms of Issue.

11.4 Release

- (a) When the Note Trustee retires or is removed, the Note Trustee is by force of this clause 11.4 discharged and released from its obligations, covenants and liabilities under this deed arising after the date it retires or is removed. The Issuer must then, if required by the Note Trustee, execute a confirmation of release in favour of the Note Trustee in a form and substance reasonably acceptable to the Note Trustee.
- (b) The retirement, removal or departure of the Note Trustee does not prejudice any accrued right or obligation of the Note Trustee (including, without limitation, any right of indemnity that may be conferred on the Note Trustee by law, the Note Trustee's entitlement to the indemnities contained in this deed and the Terms of Issue or the Note Trustee's entitlement to be paid fees or be reimbursed for Costs, in each case that continue to accrue up to the date of appointment of the new Note Trustee) and it may retain copies of any documents and records required by it and which it reasonably considers to be relevant and will be given reasonable access to any other documents and records by the new Note Trustee.

11.5 Release

The Note Trustee is entitled to its remuneration up to the date of its retirement or removal and reimbursement for its costs of complying with this clause 11.

12 Meetings of Noteholders

12.1 Meetings of Noteholders

- (a) Subject to the Corporations Act, the Note Trustee or the Issuer may at any time convene a Meeting.
- (b) The provisions of Part 2L.5 of the Corporations Act and Attachment 2 apply to any Meeting of Noteholders.
- (c) The Note Trustee may do all things (including executing documents) it reasonably considers necessary or desirable under or in connection with any Noteholder Resolution or Special Resolution.

12.2 Passing of resolution

A resolution passed at a Meeting of Noteholders held in accordance with this deed is binding on all Noteholders.



13 Register

13.1 Maintenance of the Register

- (a) The Issuer must establish and maintain (or cause to be established and maintained) the Register and enter (or cause to be entered) on the Register:
 - (1) all information required by section 171 of or as otherwise required under the Corporations Act;
 - (2) the name of the Noteholder recorded in the relevant application form or transfer, but the Issuer is not bound to register more than three persons as joint holders of a Note;
 - (3) the postal and email address (if any) of the Noteholder or, in the case of joint Noteholders, the postal and email address (if any) of the Noteholder whose name first appears on the application form or Transfer Form for such Note;
 - (4) any payment instructions or account details notified by the relevant Noteholder (or by the Issuer in respect of the relevant Noteholder) to the Registry, for the purpose of receiving payments in relation to the Notes held by such Noteholder; and
 - (5) any other particulars which the Issuer or Note Trustee thinks fit or that it is required to include on the Register under this deed.
- (b) The Issuer must promptly, on receipt of details of any change of name or address of a Noteholder notified in writing and accompanied, in the case of change of name, by any evidence which the Issuer may reasonably require, alter (or cause to be altered) the details recorded on the Register in respect of that Noteholder.
- (c) At any time the Issuer may (on such terms as it thinks fit) appoint a person to establish and maintain the Register and may terminate such appointment, however the Issuer will remain responsible for ensuring the Register is maintained in accordance with this deed. The Issuer must notify the Note Trustee of the name of any entity (and relevant contact details, including the location of the Register) that the Issuer has appointed to establish or maintain the Register under this clause.
- (d) Where a Noteholder transfers some but not all of its Notes, the transfer may be recorded in the Register in respect of any of the Noteholder's Notes.

13.2 Closed periods

On giving a notice by advertisement or otherwise as may be required by law, or the requirements of the Listing Rules, the Issuer may from time to time close any Register for any period or periods not exceeding in any one year the maximum period permitted by law or those requirements in aggregate in any calendar year. The Issuer is not required to register any transfer during any period in which the Register is closed.

13.3 Notice of trust

No notice of any trust (whether express, implied or constructive) will be entered in the Register except as may be ordered by a court of competent jurisdiction.



13.4 Copy of Register

The Issuer must give a complete copy of the Register to the Note Trustee (which may be in electronic or written form as the Issuer so determines) within 48 hours of a request by the Note Trustee for a copy of the Register.

13.5 Register conclusive

- (a) In the absence of fraud or manifest error or proven error, each recording in the Register in respect of a Note constitutes sufficient and conclusive evidence to all persons and for all purposes that the person whose name is so recorded is the registered owner of the Note.
- (b) Neither the Issuer nor the Note Trustee is liable for any mistake in the Register or in any purported copy except to the extent that the mistake is attributable to its own fraud, negligence or wilful default.
- (c) If:
 - (1) an entry is omitted from the Register;
 - (2) an entry is made in the Register otherwise than in accordance with this deed;
 - (3) an entry wrongly exists in the Register;
 - (4) there is an error or defect in any entry in the Register; or
 - (5) default is made or unnecessary delay takes place in entering in the Register that any person has commenced, or ceased, to be the holder of Notes,

then the Issuer may rectify the same and is not liable for any loss, Costs or liability incurred as a result of any of the foregoing occurring provided that it is not as a result of the Issuer's fraud or wilful default.

13.6 Holding statements and certificates

- (a) So long as the Notes are Officially Quoted, the Issuer or the Register (as applicable) must issue to each Noteholder a holding statement as soon as reasonably practicable after the issue or transfer of the Notes.
- (b) Any holding statement in respect of Notes is no guarantee that any amounts will be paid to the Noteholder.
- (c) Certificates will not be issued to evidence the Notes unless required by law or otherwise determined by the Issuer.

13.7 Transaction advice after transfer

If the Issuer accepts a transfer the Issuer may issue a transaction advice for:

- (a) the Notes which have been transferred; and
- (b) the balance of any Notes which were not transferred.



13.8 Participation in transfer systems

The Issuer may determine that Notes which are Officially Quoted will participate in the 'Clearing House Electronic Sub-register System' or any other computerised or electronic system of transfer or registration. The Issuer may with the approval of ASX, create rules to facilitate such participation which may be additional to or may override this clause.

13.9 Location of Notes

The Notes are to be treated as located where the Register is kept. The Issuer must notify the Note Trustee in writing upon request of the location of the Register maintained in respect of the Notes.

13.10 Note Trustee may accept correctness

In the absence of manifest or proven error, a Register is conclusive evidence of the ownership of the Notes, and the Note Trustee is entitled to accept the correctness of all information contained in a Register without investigation and is not liable to any person for any error in it.

14 Substitution of Issuer

- (a) The Issuer may cause any person with whom it enters into any merger transaction, or to whom it conveys, transfers or leases all or substantially all of its assets to be substituted for the Issuer by delivering to the Note Trustee:
 - (1) a deed poll executed by the person by which the person agrees to assume all obligations of the Issuer under this deed and the Terms of Issue;
 - (2) a certificate signed by an Officer of the Issuer confirming that the substitution is permitted by this clause and that the Issuer has received confirmation:
 - (A) from ASX that the substituted issuer has been or will be admitted to the Official List and that the substitution will not result in the Notes ceasing to be quoted on ASX; and
 - (B) from tax advisers to the Issuer confirming that the substitution will not (based on the laws in effect at the date of the certificate) result in the occurrence of a Tax Event.
- (b) Upon substitution of another person as issuer of the Notes in accordance with clause 14(a):
 - (1) references in this deed and the Terms of Issue to the Issuer will be construed as references to such other person; and
 - (2) without limitation, the Guarantee will apply to the obligations of such other person as Issuer under this deed and the Terms of Issue.



15 Amendments to deed

15.1 Amendment without consent

Subject to complying with the Corporations Act and all other applicable laws, the Issuer may, with the approval of the Note Trustee (such approval not to be unreasonably withheld or delayed), but without the consent of the Noteholders, amend this deed or the Terms of Issue if the Issuer is of the opinion of that such amendments are:

- (a) of a formal or technical or minor nature and not materially prejudicial to the interests of the Noteholders as a whole;
- (b) made to cure any ambiguity or correct an error;
- (c) necessary to facilitate the listing or quotation of the Notes on ASX or another securities exchange;
- (d) necessary to comply with any laws or the Listing Rules; or
- (e) not, and not likely to become, taken as a whole and in conjunction with all other amendments to be made contemporaneously with that amendment, materially prejudicial to the interests of Noteholders as a whole.

15.2 Amendment by Special Resolution

Without limiting clause 15.1, at any time and from time to time, but subject to compliance with the Corporations Act and all other applicable laws, the Issuer may by an instrument in writing amend this deed or the Terms of Issue if a Special Resolution is passed in favour of such amendment and (if the amendment alters or conflicts with any of the personal rights or obligations of the Note Trustee) the Issuer has obtained the Note Trustee's prior written consent to such amendment.

15.3 Interpretation

In this clause 15, "**amend**" includes modify, cancel, alter, waive or add to, and "**amendment**" has a corresponding meaning.

16 Termination and release

16.1 Termination of trust

This deed terminates on the earlier of:

- (a) the date the last of the following occurs:
 - (1) the redemption of all Notes;
 - (2) all amounts of principal, interest and payments due on Notes have all been paid in full;
 - (3) the Issuer has furnished to the Note Trustee a certificate signed by a director or secretary of the Issuer stating that the outstanding principal amount of each Note, interest and any accrued but not yet due and



- payable interest and any unpaid interest as at that date have been paid in full or otherwise Redeemed or satisfied;
- (4) the Issuer has furnished to the Note Trustee a statement in writing that it does not intend to, and will not, issue any Notes in the future under this deed;
 - (5) all Costs suffered or incurred by the Note Trustee under this deed and all other amounts which are payable or reimbursable by the Issuer to the Note Trustee under this deed have been paid in full; and
 - (6) the satisfaction or waiver of all other obligations or liabilities of the Issuer to the Note Trustee and Noteholders;
- (b) the date on which Noteholders unanimously determine that the Trust be wound up provided that all Costs suffered or incurred by the Note Trustee under this deed and all other amounts which are payable or reimbursable by the Issuer to the Note Trustee under this deed have been paid in full; and
 - (c) the date required by law.

16.2 Distribution of assets

If the Trust is terminated in accordance with clause 16.1, the Note Trustee must distribute the balance of any income and capital in accordance with clause 7.4.

16.3 Confirmation of release

- (a) At any time after the obligations of the Issuer have been discharged under clause 16.1, a party (**Released Party**) may request the other party to execute in favour of the Released Party, certification that the Released Party is released from the obligations under this deed and the other party must provide the Released Party with the confirmation and release so requested.
- (b) Without limiting the generality of clause 8.4(e), where the Trust terminates following satisfaction of the conditions in clause 16.1(a), no party is required to execute a release in favour of the Released Party unless and until the Issuer has procured an auditor of the Issuer to certify the satisfaction of the conditions specified in clause 16.1(a) (**Termination Certificate**), and the Note Trustee may rely and act on the Termination Certificate.

17 Confidentiality and privacy

17.1 Confidential Information

The Note Trustee acknowledges that all Confidential Information is confidential to the Issuer and must not be disclosed to any person except as permitted by clause 17.2.

17.2 Permitted disclosure

The Note Trustee may disclose Confidential Information:

- (a) to the extent required by this deed, the Terms of Issue or in connection with any



obligation, or duty of the Note Trustee under this deed or the Terms of Issue, but only to the extent so required;

- (b) to the extent required by law or by any judicial or regulatory authority or body, but only to the extent so required;
- (c) on a confidential basis to its officers, employees, delegates and professional advisers or other consultants, but only to the extent that such disclosure is necessary in order for the Note Trustee to perform its obligations (including exercising the Powers) under this deed or the Terms of Issue; or
- (d) with the prior written consent of the Issuer (which may be given or withheld in its absolute discretion).

17.3 Privacy

- (a) The Issuer must take all action necessary to comply with the Privacy Act.
- (b) Without limiting clause 17.3(a), the Issuer agrees to obtain sufficient authorisations from persons providing personal information to the Issuer to enable the Issuer to:
 - (1) transfer that personal information to the Note Trustee; and
 - (2) permit the Note Trustee and its agents to collect, use, handle and disclose that personal information for the purposes of carrying out the Note Trustee's obligations under this document.

17.4 Financial information

The Note Trustee has no duty or obligation to provide any Noteholder with any financial information relating to the Issuer provided that the Note Trustee shall, at the request of a Noteholder, provide to that Noteholder copies of any financial statements received by the Trustee under clause 6.

18 Representations and warranties

The Note Trustee and each Obligor represent and warrant to each other that as at the date of this deed:

- (a) **(incorporation)** it is duly incorporated and has the power to own its property and to carry on its business as it is now being conducted;
- (b) **(requirements)** in the case of the Note Trustee only, it meets the requirements of a trustee as provided in sections 283AC(1) and 283AC(2) of the Corporations Act;
- (c) **(authority)** it has full power and authority to enter into, deliver and perform its obligations under this deed and the Terms of Issue and to carry out the transactions contemplated by them;
- (d) **(authorisations)** it has taken all necessary action to authorise the execution, delivery and performance of this deed and the Terms of Issue and to carry out the transactions contemplated by them in accordance with their respective terms;



- (e) **(documents binding)** this deed constitutes (or will, when signed and delivered constitute) legal, valid and binding obligations enforceable against it in accordance with its terms, subject to stamping and any necessary registration and except as such enforceability may be limited by any applicable bankruptcy, insolvency, reorganisation, moratorium or trust or general principles of equity or other similar laws affecting creditors' rights generally; and
- (f) **(Obligor only representations)**: in the case of each Obligor, none of this deed, the Terms of Issue or any transaction under them which involve it do not contravene:
 - (1) any applicable laws or directives by which it is bound or to which any of its assets are subject; or
 - (2) its constituent documents.

Each representation and warranty in this clause is deemed to be repeated by each of the Obligors and the Note Trustee on each date Notes are issued with reference to the facts and circumstances existing on that date.

19 Change in law

- (a) If, following a Regulatory Change, a Regulatory Obligation is imposed on the Note Trustee, then:
 - (1) the Note Trustee may seek any further information or advice (including, without limitation, legal advice) that it may reasonably require with respect to the performance of such Regulatory Obligations;
 - (2) the Issuer will take reasonable steps to assist the Note Trustee in connection with the obtaining of further information or advice in connection with such Regulatory Obligations; and
 - (3) the Note Trustee and the Issuer will, as soon as is reasonably practicable after the Note Trustee becomes aware of the Regulatory Change enter into negotiations with respect to such changes to the terms of this deed (including in respect of any additional remuneration that may be reasonably required in light of any such Regulatory Change) as may be reasonably necessary to reflect the Note Trustee's Regulatory Obligations,

however the parties agree that this clause 19, does not operate to exempt or excuse the Note Trustee from any obligation to perform its Regulatory Obligations.

- (b) For the purposes of this clause 19:
 - "Regulatory Change"** means any change in law, practice, regulation, ruling, confirmation, advice or action that represents the official requirements of any Government Agency, or the law in force in the State of New South Wales, Australia.
 - "Regulatory Obligation"** means an obligation or liability arising under, or in connection with, a Regulatory Change.



20 General

20.1 Notices

Subject to clause 20.2, any notice or other communication including, but not limited to, any demand, consent or approval to or by a party under this deed:

(a) must be in legible writing and in English addressed as shown below:

(1) if to an Obligor:

Address: 56 Edmondstone Road
Bowen Hills Qld 4006

Attention: Company Secretary

Email: company.secretary@virginaustralia.com

with a copy sent to:

Attention: Group Treasurer

Email: treasury.operations@virginaustralia.com

(2) if to the Note Trustee:

Address: Suite 19.03, Level 19
60 Castlereagh Street
Sydney NSW 2000

Attention: Relationship Manager Corporate Trust

Email: ct.notes@sargon.com

or to any other address specified to the sender by any party by notice;

(b) must be signed by an officer or under the common seal of the sender;

(c) is deemed to be given by the sender and received by the addressee:

(1) when delivered by hand to the street address during the hours of 9.00 am to 5.00 pm on a Business Day;

(2) within Australia, on the day following the day on which the envelope containing the same was posted with postage prepaid to the postal address and, outside Australia, on the seventh day following the day on which the envelope containing the same was posted with postage prepaid to the postal address;

(3) if sent by facsimile transmission or other electronic transmission, on production of a transmission report by the machine or other system by which the transmission is sent indicating that the transmission has been made in its entirety to the correct fax number or other transmission address and without error;

(4) if sent by email, on production of a report by the system by which the email is sent indicating that the email has been transmitted to the correct electronic address and without error. However, if the time of the deemed receipt is after 5:00 pm local time on a Business Day at the address of the recipient it is deemed to have been received at the commencement of business on the next Business Day;



- (5) if a notice is published in a newspaper, on the first date that publication has been made in all the required newspapers; and
- (6) any communication (including notices, consents, approvals, requests and demands) under or in connection with this deed to the Note Trustee may be given by email. Any communication sent by email in accordance with this clause 20.1 is deemed to have been received on the date the email is received (unless the sender receives notice that there has been an error with the transmission of the email to the intended electronic address). However, if the time of the deemed receipt is after 5:00 pm local time on a Business Day at the address of the recipient it is deemed to have been received at the commencement of business on the next Business Day.

20.2 Service of information by Obligor to Note Trustee

All information (including but without limitation, reports, financial statements, documents and any other information requested by the Note Trustee) to be provided by an Obligor to the Note Trustee under clause 6 must be given to the Note Trustee by email to the email address set out in clause 20.1 (or by other electronic means determined by the Note Trustee and notified to the Obligors).

20.3 Service of notices by the Issuer to any Noteholder

- (a) Without limiting anything else in this deed or the Terms of Issue, a notice may be given by the Issuer to any Noteholder, or in the case of Joint Noteholders to the Noteholder whose name appears first in the Register:
 - (1) personally, by leaving it at the Noteholder's registered address;
 - (2) by sending it by prepaid post (airmail if posted to a place outside Australia) or facsimile transmission addressed to the Noteholder's registered address or fax number (as the case may be) as shown on the Register;
 - (3) by publishing such notice in the Australian Financial Review, The Australian or any other newspaper of national circulation in Australia; or
 - (4) in any case, by electronic means determined by the Issuer (including by email to an electronic address nominated by the Noteholder for such communication as shown on the Register).

If the notice is signed, the signature may be original or printed.
- (b) The Issuer must, at the request of the Note Trustee, post notices to Noteholders on its own internet website but such action shall not discharge the Issuer's obligation to give Noteholders a notice under this deed.
- (c) Where a notice is given by the Issuer to Noteholders generally, a copy of the notice must also be given to ASX.

20.4 Service of notices by the Note Trustee to the Noteholders

- (a) A notice may be given by the Note Trustee to any Noteholder, or in the case of Joint Noteholders to the Noteholder whose name appears first in the Register:
 - (1) personally, by leaving it at the Noteholder's address as shown on the



Register;

- (2) by sending it by prepaid post (airmail if posted to a place outside Australia) or facsimile transmission to the Noteholder's address or fax number (as the case may be) as shown on the Register;
- (3) by publishing such notice in the Australian Financial Review, The Australian or any other newspaper of national circulation in Australia; or
- (4) in any case, by any electronic means determined by the Note Trustee (including by email to an electronic address nominated by the Noteholder for such communication).

If the notice is signed, the signature may be original or printed.

- (b) The Note Trustee may also post notices to Noteholders on its own internet website but such action shall not discharge the Note Trustee's obligation to give Noteholders a notice under this deed.
- (c) Where a notice is given by the Issuer to Noteholders generally, a copy of the notice must also be given to ASX.

20.5 Service of notices by the Noteholders or the Issuer to the Note Trustee

A notice given by a Noteholder to the Note Trustee must:

- (a) be in writing and signed by a person duly authorised by the sender; and
- (b) be left at, or sent by prepaid post (airmail if posted from a place outside Australia) to the address set out in clause 20.1 or the address last notified by the Note Trustee, or sent by email to the email set out in clause 20.1 or the or email last notified by the Issuer or the Note Trustee.

Notices are considered to be received at the times set out in clause 20.1(c).

20.6 Notice to transferor binds transferee

Every person who, by operation of law, transfer or any other means, becomes entitled to be registered as the Noteholder of any of the Notes is bound by every notice which, prior to the person's name and address being entered in the Register, was properly given to the person from whom the person derived title to those Notes.

20.7 Notices when Issuer is in liquidation

If the Issuer or any of its assets are placed in liquidation, then the receiver, receiver and trustee, official trustee, liquidator, administrator or similar official appointed to the Issuer or its assets (as applicable) must:

- (a) if the Note Trustee has not already done so, notify the Noteholders of each relevant Event of Default and of the receiver's, receiver and trustee's, official trustee's, liquidator's, administrator's or similar official's appointment; and
- (b) provide regular updates to the Note Trustee and the Noteholders as to the status of the liquidation and any other material developments affecting the Issuer or its assets (as the case requires).



20.8 Service on deceased Noteholders

A notice served in accordance with this clause 20 is (despite the fact that the Noteholder is then dead and whether or not the Issuer has notice of the Noteholder's death) considered to have been properly served in respect of any of the Notes, whether held solely or jointly with other persons by the Noteholder, until some other person is registered in the Noteholder's place as the Noteholder or Joint Noteholder. The service is sufficient service of the notice or document on the Noteholder's legal personal representative and any person jointly interested with the Noteholder in the Notes.

20.9 Prohibition and enforceability

- (a) Any provision of, or the application of any provision of, this deed which is void, illegal or unenforceable in any jurisdiction does not affect the validity, legality or enforceability of that provision in any other jurisdiction or of the remaining provisions in that or any other jurisdiction.
- (b) If any clause is void, illegal or unenforceable, it may be severed without affecting the enforceability of the other provisions in this deed.

20.10 Governing law and submission to jurisdiction

- (a) This deed is governed by the laws of New South Wales.
- (b) The Obligors, the Note Trustee and each Noteholder submits to the exclusive jurisdiction of the courts of the New South Wales for the purpose of any legal proceedings arising out of this deed.

20.11 Waivers

- (a) Waiver of any right arising from a breach of this deed or of any Power arising upon default under this deed must be in writing and signed by the party granting the waiver.
- (b) A failure or delay in exercise, or partial exercise, of:
 - (1) a right arising from a breach of this deed; or
 - (2) a Power created or arising upon default under this deed,does not result in a waiver of that right or Power.
- (c) A party is not entitled to rely on a delay in the exercise or non exercise of a right or Power arising from a breach of this deed or on a default under this deed as constituting a waiver of that right or Power.
- (d) A party may not rely on any conduct of another party as a defence to exercise of a right or Power by that other party.

20.12 Cumulative rights

The rights, powers, authorities, discretions and remedies arising out of or under this deed are cumulative and do not exclude any other right, power, authority, discretion or remedy.



20.13 Further assurances

Each party must do all things and execute at the Issuer's cost all further documents necessary to give full effect to this deed.

20.14 To the extent not excluded by law

The rights, duties and remedies granted or imposed under the provisions of this deed operate to the extent not excluded by law.

20.15 Counterparts

This deed may be executed in any number of counterparts. All counterparts, taken together, constitute one instrument. A party may execute this deed by signing any counterpart.



Schedule 1

Original Guarantors

1. Virgin Australia Airlines Holdings Pty Ltd (ABN 19 093 924 675)
2. Virgin Australia Airlines Pty Ltd (ABN 36 090 670 965)
3. VB Leaseco Pty Ltd (ABN 29 134 268 741)
4. VAH Newco No. 1 Pty Ltd (ABN 41 160 881 345)
5. A.C.N. 098 904 262 Pty Ltd (ABN 51 098 904 262)
6. Virgin Australia Regional Airlines Pty Ltd (ABN 76 008 997 662)
7. Virgin Australia International Holdings Pty Ltd (ABN 23 155 860 021)
8. Virgin Australia International Airlines Pty Ltd (ABN 63 125 580 823)
9. Virgin Australia Airlines (SE Asia) Pty Ltd (ABN 79 097 892 389)
10. Tiger Airways Australia Pty Limited (ABN 52 124 369 008)
11. Tiger International Number 1 Pty Ltd (ABN 61 606 131 944)



Schedule 2

Guarantor Assumption Deed

Date ►

This deed poll is
given by:

New Guarantor	[]
	ABN []
	of []
	(New Guarantor)	

In favour of:

Note Trustee	the Note Trustee (as defined in the Note Trust Deed)
--------------	--

Background	<ol style="list-style-type: none">1 Virgin Australia Holdings Limited (the Issuer), each party listed in Schedule 1 thereto and Sargon CT Pty Ltd has entered into a note trust deed dated [insert date] (Note Trust Deed) under which each Guarantor (as defined therein) has agreed to guarantee the Guaranteed Moneys.2 The New Guarantor wishes to become a Guarantor under the Note Trust Deed on the terms and conditions set out in this deed poll.
------------	--

This deed witnesses as set out below.

1 Interpretation

- (a) Words and phrases defined in the Note Trust Deed have the same meaning when used in this deed poll.
- (b) In this deed poll, **Existing Guarantor** means each person which is a Guarantor under the Note Trust Deed at the time of execution of this deed poll.



2 Guarantee

In consideration of, among other things:

- (a) forbearance by the Trustee to require repayment of the Guaranteed Moneys in full; and
 - (b) the payment to the New Guarantor of \$10 (receipt of which is acknowledged),
- the New Guarantor jointly and severally with each Existing Guarantor irrevocably and unconditionally guarantees to the Noteholders the payment of the Guaranteed Moneys on the terms contained in the Note Trust Deed.

3 Status of New Guarantor

The New Guarantor agrees that it irrevocably becomes a "Guarantor" as defined in, and for all purposes under, the Note Trust Deed as if named in and as a party to the Note Trust Deed, and accordingly is bound by the Note Trust Deed as a Guarantor.

4 Trustee

[Insert details of trustee and limitation of liability clause if New Guarantor is a trustee.]

5 Governing law

This deed poll is governed by the laws of New South Wales.

6 Benefit of deed poll

This deed poll is given in favour of and for the benefit of each Noteholder and each Obligor under the Note Trust Deed and their respective successors and permitted assigns.

7 Address for notices

The details for the New Guarantor for service of notices are:

Address: [].
Attention: [].
Facsimile: [].



8 Attorneys

Each of the attorneys executing this deed poll states that the attorney has no notice of the revocation of the power of attorney appointing that attorney.

Executed as a deed poll:

New Guarantor

Signed sealed and delivered for
[insert New Guarantor]
by its attorney

sign here ► _____
Attorney

print name _____

in the presence of

sign here ► _____
Witness

print name _____



Signing page


Executed as a deed

Issuer

Signed sealed and delivered by

Virgin Australia Holdings Limited

by its attorney

sign here ► 
Attorney

print name TERESA McADAM

in the presence of:

sign here ► 
Witness

print name PATRICK LOWDEN



HERBERT
SMITH
FREEHILLS

Signing page

Note Trustee

Signed sealed and delivered by

Sargon CT Pty Ltd

by its attorneys under power of attorney
dated 2 November 2018

sign here ►

Attorney

print name

Evan Ezra

sign here ►

Attorney

print name

Pina Spathis

in the presence of

sign here ►

Witness

print name

Sussanny Tann



Guarantors

Signed sealed and delivered for
each of

Virgin Australia Airlines Holdings Pty Ltd;
Virgin Australia Airlines Pty Ltd;
VB Leaseco Pty Ltd;
VAH Newco No. 1 Pty Ltd;
A.C.N. 098 904 262 Pty Ltd;
Virgin Australia Regional Airlines Pty Ltd;
Virgin Australia International Holdings Pty Ltd;
Virgin Australia International Airlines Pty Ltd;
Virgin Australia Airlines (SE Asia) Pty Ltd;
Tiger Airways Australia Pty Limited; and
Tiger International Number 1 Pty Ltd
by its attorney

sign here ►

Attorney

print name

TERESA McADAM

in the presence of

sign here ►

Witness

print name

PATRICK HOWDEN



Attachment 1

Terms of Notes

1 Form, denomination, title and information

1.1 Form

The Notes are unsecured notes of the Issuer, constituted by the Note Trust Deed and issued in registered form by entry in the Register.

1.2 Face Value

Each Note is issued fully paid and with a Face Value of \$100.

1.3 Title and transfer

Title to all Notes will be determined, and the Notes may be transferred, as provided in the Note Trust Deed. Except as provided in the Note Trust Deed or required by law, the Issuer will not recognise any person other than the registered Noteholder as having any title to, or interest in, a Note.

1.4 Quotation

The Issuer must use all reasonable endeavours and furnish any documents, information and undertakings as may be reasonably necessary in order to ensure that the Notes are, and remain until Redeemed in accordance with these Terms of Issue, quoted on ASX.

1.5 Evidence of holdings

The Issuer must provide to each Noteholder such statements of the holdings of the Notes of the Noteholder as the Issuer is required to give under the Corporations Act, the Listing Rules and the ASX Settlement Operating Rules. Note certificates will not be issued unless the Issuer determines that certificates should be made available or are required to be made available by law.

1.6 Note Trust Deed

Noteholders are entitled to the benefit of, and are bound by the provisions of, the Note Trust Deed. The Note Trust Deed has been lodged with ASIC, and is available for inspection by Noteholders at the office of the Note Trustee.

1.7 Provision of information by Noteholders

If requested by the Issuer, the Noteholders must provide information required by the Issuer or the Note Trustee in order to comply with any applicable law, including FATCA.



2 Status, Guarantee and undertakings

2.1 Status of Notes

Notes are direct, unsubordinated and unsecured obligations of the Issuer and rank at least equally with all other unsubordinated and unsecured obligations of the Issuer other than those mandatorily preferred by law.

2.2 Guarantee

- (a) Notes have the benefit of the Guarantee, which comprises direct, unsubordinated and unsecured obligations of each Guarantor ranking at least equally with all other unsubordinated and unsecured obligations of the relevant Guarantor other than those mandatorily preferred by law.
- (b) If after the Issue Date the Issuer or any Restricted Subsidiary creates or acquires a Subsidiary which is or becomes a Required Guarantor, the Issuer must ensure that such Subsidiary becomes a Guarantor in accordance with the Note Trust Deed within 30 Business Days after producing internal financial statements that demonstrate the Subsidiary is, or has become, a Required Guarantor, unless prohibited by any applicable law.
- (c) The Issuer may by written notice to the Note Trustee cause any Guarantor (**Retiring Guarantor**) to be discharged from all of its obligations and liabilities under the Note Trust Deed and to cease to be a Guarantor with effect from such time as is specified in such notice (the **Release Time**) provided that the Issuer delivers to the Note Trustee at or before the Release Time a certificate of an Officer of the Issuer confirming that the Retiring Guarantor is not, or following the Release Time will not be, a Required Guarantor.

2.3 Restrictions on dividends and return of capital

- (a) The Issuer must not pay or allow any Restricted Subsidiary to pay any cash dividend, or make any return of capital in cash, on any of the Issuer's ordinary shares unless:
 - (1) at the time of and after giving pro forma effect to such payment, no Event of Default is subsisting, the Issuer would be permitted to incur at least \$1 of additional Financial Indebtedness under clause 2.4(a)(1), and the aggregate amount of all such payments since the Issue Date does not exceed the sum of:
 - (A) the aggregate consolidated net income of the Issuer in respect of all financial years from and including 1 July 2019; and
 - (B) any proceeds received by the Issuer from the issue of ordinary shares (including the issue price of any options over or securities convertible into shares that have been exercised or converted); or
 - (2) the payment or distribution is permitted under 2.3(b).
- (b) Clause 2.3(a) does not restrict:
 - (1) the making of any payment or distribution previously declared or announced and that could have been made in compliance with Clause 2.3(a) at the time of such declaration or announcement;



- (2) any payment or distribution in connection with any employee, executive or officer benefit or share plan, up to a maximum aggregate amount of US\$35,000,000 in any 12 month period;
- (3) the distribution of assets of, shares in, or indebtedness owed by, any Unrestricted Subsidiary;
- (4) the distribution of assets of, shares in, or indebtedness owed by, any Person in connection with any full or partial 'spin off' of a Subsidiary or similar transaction, where:
 - (A) in the case of a 'spin off' or similar transaction in respect of a Guarantor, at the time of such transaction and after giving pro forma effect thereto, either (x) the Issuer would be permitted to incur at least \$1 of additional Financial Indebtedness under clause 2.4(a)(1), or (y) the Fixed Charge Cover Ratio would be no less than the Fixed Charge Cover Ratio immediately before (and without giving effect thereto) such transaction; or
 - (B) in the case of a 'spin off' or similar transaction in respect of a Subsidiary that is not a Guarantor, at the time of such transaction no Event of Default is subsisting; or
 - (C) in any case, where the aggregate Fair Market Value of all such distributions since the Issue Date does not exceed US\$250,000,000;
- (5) any dividend or return of capital in exchange for, or funded out of the proceeds of the issue of, ordinary shares (including the issue price of any options over or securities convertible into shares that are exercised or converted);
- (6) any other dividend or return of capital, provided that no Event of Default is subsisting and the aggregate of all dividends or returns of capital made in reliance on this clause 2.3(b)(6) since the Issue Date and not otherwise permitted or treated as permitted under another paragraph of this clause 2.3 does not exceed US\$100,000,000.
- (c) For the purpose of this clause:
 - (1) a distribution of any assets in kind (other than ordinary shares in the Issuer) shall be taken to be a cash payment in an amount equal to the Fair Market Value of those assets; and
 - (2) the Issuer (without notice to the Note Trustee or any Noteholder) may classify the whole or any part of any dividend or return of capital as permitted under any paragraph of this clause 2.3 which would permit the relevant dividend or return of capital, or part thereof, at the time it is announced or paid, and may subsequently reclassify the relevant dividend or return of capital, or the relevant part thereof, as permitted under any other paragraph of this clause 2.3 which would permit it at the time of such reclassification.
- (d) Any breach of this clause arising solely as a result of the payment of a dividend or return of capital at a time when an Event of Default subsists will be taken to have been remedied if the Event of Default is subsequently remedied.

2.4 Restrictions on incurrence of Financial Indebtedness

- (a) The Issuer must not incur, and must ensure that no Restricted Subsidiary incurs, any Financial Indebtedness unless:



- (1) at the time of and after giving pro forma effect to such incurrence, the Fixed Charge Cover Ratio is at least 1.10 to 1; or
 - (2) the Financial Indebtedness is permitted under clause 2.4(b).
- (b) Clause 2.4(a) does not restrict the Issuer or a Restricted Subsidiary incurring Financial Indebtedness:
 - (1) in respect of the Notes;
 - (2) by utilising any commitment in existence on the Issue Date or in lieu of such commitment;
 - (3) to finance (or replace funds expended by the Issuer or any of its Restricted Subsidiaries for) all or any part of the cost of acquisition, design, construction, installation, improvement or use of property, plant or equipment (including without limitation (and in each case, whether or not owned by the Issuer or its Restricted Subsidiaries) Aircraft Assets), including to finance pre-delivery payments and / or payment of financing fees, premium or other costs;
 - (4) to finance, or otherwise in connection with:
 - (A) the acquisition of any Permitted Business or interests in any Person that owns a Permitted Business; or
 - (B) the merger, consolidation or amalgamation of any Person that owns a Permitted Business with or into the Issuer or a Restricted Subsidiary, or the merger, consolidation or amalgamation of the Issuer or a Restricted Subsidiary with or into any such Person,including any assumption of any liability of such a Person, provided that the Fixed Charge Cover Ratio after giving pro forma effect to such transaction will not be lower than the Fixed Charge Cover Ratio immediately prior to (and without giving pro forma effect to) such transaction;
 - (5) incurred in, or to finance expenditures or commitments incurred in, the ordinary course of the business of the Issuer and its Restricted Subsidiaries, including in respect of Aircraft Assets or insurance, and including any amounts owed to credit card or travel charge processing service providers or other clearing house processors in connection with credit card, travel charge or similar transactions in relation to the sale of air travel, clearing house services or other services;
 - (6) in exchange for, or to refinance, or which replaces Financial Indebtedness of the Issuer or a Restricted Subsidiary that was outstanding on the Issue Date or permitted to be incurred after the Issue Date under clause 2.4(a) or any of any of the above paragraphs of clause 2.4(b), or Financial Indebtedness secured by any asset, including in each case the incurrence by the Issuer or any of its Restricted Subsidiaries of Financial Indebtedness of any Restricted Subsidiary in connection with, or in contemplation of, a spin-off of such Restricted Subsidiary;
 - (7) by giving any guarantee or security in respect of Financial Indebtedness of the Issuer (in the case of a Restricted Subsidiary) or a Restricted Subsidiary (in the case of the Issuer or any other Restricted Subsidiary) outstanding on the Issue Date or permitted to be incurred after the Issue Date under clause 2.4(a) or this clause 2.4(b);
 - (8) owed to the Issuer or a Restricted Subsidiary;



- (9) in respect of working capital or transactional facilities;
 - (10) pursuant to or in connection with the sale, or raising of Financial Indebtedness secured against, any accounts (as defined in the Personal Property Securities Act) or other receivables of the Issuer or any Restricted Subsidiary, provided that recourse to the Issuer or any Restricted Subsidiary (other than a Subsidiary substantially all of whose assets are comprised of such receivables or interests in another such Subsidiary (**Receivables Subsidiary**)) in respect of such Financial Indebtedness is limited to such receivables (or interests in any such Receivables Subsidiary) or recourse in respect of usual warranties, undertakings or indemnities in respect of such receivables; or
 - (11) not falling within any of the preceding paragraphs, provided that the amount of such Financial Indebtedness in aggregate with the principal amount of all other Financial Indebtedness incurred and outstanding in reliance on this clause 2.4(b)(11) at the time of such incurrence (and after having regard to the application of the proceeds thereof) does not exceed US\$750,000,000.
- (c) Any refinancing of Financial Indebtedness incurred to finance (or replace funds expended by the Issuer or any of its Restricted Subsidiaries for) the purchase price or cost of use, design, construction, installation or improvement of property, plant or equipment or other assets (including Aircraft Assets) may be in a principal amount that exceeds the principal amount of the Financial Indebtedness being refinanced and associated financing and other costs provided it does not exceed the Fair Market Value of the relevant asset at the time of (at the option of the Issuer) the receipt of commitments to provide such financing or the actual incurrence thereof. The full amount of such Financing Indebtedness will be treated as permitted under clause 2.4(b)(6) notwithstanding that it exceeds the amount of the original finance.
- (d) The Issuer (without notice to the Note Trustee or any Noteholder) may:
- (1) treat any Financial Indebtedness to be incurred as being incurred partly in reliance on clause 2.4(a)(1) and / or partly in reliance on any one or more paragraphs of clause 2.4(b); and
 - (2) at any time determine that all or any portion of Financial Indebtedness previously incurred in reliance on any paragraph of clause 2.4(b) will be treated as having been incurred under clause 2.4(a)(1) or any other paragraph of clause 2.4(b), provided that at the time of such determination the Issuer or a Restricted Subsidiary would have been permitted to incur such Financial Indebtedness (or the relevant portion thereof) under clause 2.4(a)(1) or the other paragraph of clause 2.4(b) (as the case may be).
- (e) The amount of any Financial Indebtedness at any time will be calculated:
- (1) net of any original issue discount that remains unamortised as the date of the calculation;
 - (2) in the case of Financial Indebtedness of a Person in respect of lease liabilities, as an amount equal to the amount that would be recognised as a liability in respect of such lease liabilities on the balance of the Person prepared in accordance with the Accounting Standards;
 - (3) in the case of Financial Indebtedness of a Person other than the Issuer or a Restricted Subsidiary that is secured by a security interest over an asset of the Issuer or a Restricted Subsidiary, as an amount equal to the lesser of the amount of the Financial Indebtedness of such other



- Person and the Fair Market Value of the relevant asset; and
- (4) where relevant, by converting non-United States Dollar amounts into United States Dollars at the rates of exchange applying at the date of incurrence.
- (f) The accrual or capitalisation of fees or interest, the amortisation of any original issue discount, or other similar incurrence of a liability in respect of existing Financial Indebtedness, will not constitute an incurrence of Financial Indebtedness for the purpose of this clause.

2.5 Restrictions on mergers and sales

- (a) The Issuer must not consolidate with or merge into, or convey, transfer or lease all or substantially all of its properties and assets to, another person, unless:
- (1) the resulting, surviving or transferee person is the Issuer or is substituted for the Issuer as issuer of the Notes in accordance with the Note Trust Deed; and
- (2) if the resulting, surviving or transferee person is not the Issuer or a Guarantor, no Event of Default will subsist immediately following the consolidation, merger, conveyance, transfer or lease.
- (b) The Issuer must not permit any Guarantor to consolidate with or merge into, or convey, transfer or lease all or substantially all of its properties and assets to, another person, unless:
- (1) the resulting, surviving or transferee person is the Issuer or a Subsidiary of the Issuer and (if not the Issuer or a Guarantor) becomes a Guarantor if it is or becomes a Required Guarantor as a result of the consolidation, merger, conveyance, transfer or lease; or
- (2) no Event of Default will subsist immediately following the consolidation, merger, conveyance, transfer or lease.

3 Interest

3.1 Interest

Each Note carries an entitlement to be paid interest on its Face Value in respect of each Interest Period from (and including) the Issue Date to (but excluding) its Redemption Date, subject to and in accordance with this clause 3.

3.2 Interest payments

- (a) The Interest payable on each Note in respect of each Interest Period ending on an Interest Payment Date is the amount calculated in accordance with the following formula:

$$\text{Interest} = \frac{\text{Interest Rate} \times \$100}{2}$$

- (b) The Interest payable on each Note in respect of each Interest Period ending on a Redemption Date that is not an Interest Payment Date is the amount calculated in accordance with the following formula:



$$\text{Interest} = \frac{\text{Interest Rate} \times \$100 \times N}{365}$$

where:

N is the number of days in the Interest Period.

- (c) Interest payable in respect of each Interest Period is payable in arrear on the Interest Payment Date or Redemption Date on which the Interest Period ends and, in the case of the Interest payable on the Redemption Date of a Note, is payable as part of the Redemption Amount.

3.3 Determination and notification of Interest Rates and Interest payable

- (a) The Issuer must promptly determine:
- (1) the amount of the Interest that will (subject to this clause 3) be payable on each Note in respect of each Interest Period; and
 - (2) if the Notes are to be Redeemed, the amount of the Interest to be paid on each Note on Redemption of the Note,
- and promptly notify ASX of that determination.
- (b) The determination by the Issuer of amounts required to be determined by it under these Terms of Issue is, in the absence of manifest error, final and binding on the Note Trustee and each Noteholder.

4 Redemption and purchase

4.1 Redemption on Maturity Date

The Issuer must Redeem each Note on its Maturity Date for its Redemption Amount.

4.2 Redemption at the option of the Issuer

- (a) *(Redemption – Issuer's optional redemption)*
- (1) The Issuer may elect to Redeem all or some of the Notes on any Business Day by giving not less than 30 days' notice of such Redemption to the Note Trustee, the Noteholders and ASX nominating the Redemption Date upon which the Issuer proposes to Redeem the relevant Notes.
 - (2) If the Issuer elects to Redeem Notes under clause 4.2(a)(1) and the proposed Redemption Date falls:
 - (A) prior to the First Fixed Price Call Date, the Redemption Amount for the Notes to be Redeemed will be an amount equal to the greater of (i) the Face Value plus accrued but unpaid interest on the Notes up to but not including the proposed Redemption Date, and (ii) the Make Whole Redemption Amount determined by the Issuer (or a financial adviser selected by it in good faith) in accordance with clause 4.2(a)(3);
 - (B) on or after the First Fixed Price Call Date but prior to the Second Fixed Price Call Date, the Redemption Amount for



the Notes to be Redeemed will be calculated as an amount equal to the Face Value of the Notes plus accrued but unpaid interest on those Notes up to but not including the proposed Redemption Date plus the First Fixed Price Premium; and

- (C) on or after the Second Fixed Price Call Date but prior to the Maturity Date, the Redemption Amount for the Notes to be Redeemed will be calculated as an amount equal to the Face Value of the Notes plus accrued but unpaid interest on those Notes up to but not including the proposed Redemption Date plus the Second Fixed Price Premium.

- (3) The Make Whole Redemption Amount in respect of any Note to be redeemed by the Issuer in accordance with clause 4.2(a)(2)(A) will be the amount determined by the Issuer (or a financial adviser selected by it in good faith) to be the sum of the present values of each Remaining Scheduled Payment up to and including the Maturity Date. In making this determination, the Issuer (or relevant financial adviser) will calculate the present value of each Remaining Scheduled Payment up to and including the Maturity Date by discounting the Remaining Scheduled Payment in accordance with usual financial markets practice (as determined by the Issuer, or relevant financial adviser, in good faith) at the Discount Rate from the Interest Payment Date or Maturity Date (as the case may be) from which it would have fallen due to the proposed Redemption Date. For the purposes of such calculation:

- (A) **Remaining Scheduled Payment** means an amount in respect of each Interest Payment Date falling after the Redemption Date and on or before the Maturity Date equal to the Interest payment that would have fallen due on that date under clause 3.2 had the Note not been Redeemed, plus, in respect of the Interest Payment Date falling on the Maturity Date, the Face Value; and

- (B) **Discount Rate** means sum of (i) 0.50% per annum and (ii) the 26 November 2024 Australian Government Bonds mid-market yield (as determined by reference to Bloomberg page 'ACGB Govt' or such other sources as the Issuer or financial adviser may in good faith select) or, if there is no 26 November 2024 Australian Government Bond, or such yield cannot be determined, the rate derived by linear interpolation between the mid-market yield on the Australian Government Bond with a maturity closest to but before 26 November 2024 and the mid-market yield on the Australian Government Bond with a maturity closest to but after 26 November 2024 (in each case as determined by reference to Bloomberg page 'ACGB Govt' or such other sources as the Issuer or financial adviser may in good faith select) at or around 10.00 am (Sydney time) three Business Days prior to the Redemption Date (or, if such yields do not exist or cannot be determined, the rate considered by the Issuer or such investment adviser to be most appropriate having regard, to the extent possible, to market rates and sources then available).

- (4) If the Issuer elects to Redeem some but not all of the Notes under clause 4.2(a)(1), such Redemption must be made on a pro-rata basis in respect of all Noteholders' Notes on issue at the relevant time, subject to such adjustments as the Issuer considers necessary or appropriate,



or required by the Registry, to take into account the effect of such Redemption on marketable parcels and whole numbers of any other Notes remaining on issue.

(b) **(Redemption – Tax Event)**

- (1) If a Tax Event occurs the Issuer may Redeem all (but not some) of the Notes at any time on the Redemption Date nominated in accordance with this clause 4.2(b)(1) for their Redemption Amount.
- (2) The Issuer may only Redeem a Note under this clause 4.2(b) if:
 - (A) the Issuer has given at least 30 days' (and no more than 45 days') notice to the Note Trustee, the Noteholders and ASX nominating the Redemption Date upon which the Issuer proposes to Redeem the Notes; and
 - (B) before the Issuer gives the notice under paragraph (A), the Note Trustee has received a certificate signed by two directors of the Issuer that a Tax Event has occurred.

(c) **(Redemption – Clean-Up Event)**

- (1) If at any time a Clean-Up Event occurs, the Issuer may Redeem all (but not some) of the Notes that remain outstanding for their Redemption Amount.
- (2) The Issuer may only Redeem the Notes under this clause 4.2(c) if:
 - (A) the Issuer has given at least 30 days' (and no more than 45 days') notice to the Note Trustee, the Noteholders and ASX nominating the Redemption Date upon which the Issuer proposes to Redeem the Notes; and
 - (B) the proposed Redemption Date nominated by the Issuer is an Interest Payment Date.

(d) **(Effect of notice)**

Notice under this clause 4.2 is irrevocable and on the Redemption Date specified in the notice the Issuer must Redeem each Note at its Redemption Amount. The accidental or inadvertent failure to give notice to an individual Noteholder will not invalidate notice under this clause.

4.3 **Redemption at the option of the Noteholders in connection with a Change of Control Event**

- (a) If a Change of Control Event occurs, and the Issuer has not given notice electing to Redeem the Notes in whole under any other clause of these Terms of Issue, the Issuer must promptly (and in any event within 30 days) after the Change of Control Event, give notice (a Change of Control Event Notice) to the Note Trustee, the Noteholders and ASX specifying:
 - (1) that a Change of Control Event has occurred and describe in reasonable detail the Change of Control Event;
 - (2) that as a result of the Change of Control Event, each Noteholder may by notice to the Issuer (**Change of Control Put Notice**) require the Issuer to Redeem some or all of its Notes in accordance with this clause 4.3;
 - (3) the date by which a Noteholder must give a Change of Control Put Notice to the Issuer (or if so specified in the notice, the Registrar)



- (Change of Control Put Exercise Date), which must not be less than 10 Business Days prior to the Change of Control Event Redemption Date; and
- (4) the date on which the Notes held by a Noteholder who gives a Change of Control Put Notice will be Redeemed (the **Change of Control Event Redemption Date**), which must not be less than 30 days and not more than 95 days after the date of the Change of Control Event Notice.
- (b) A Change of Control Put Notice must:
- (1) be in the form (if any) available from the Issuer;
- (2) specify that the Noteholder requires the Noteholder's Notes to be Redeemed in accordance with this clause 4.3;
- (3) be accompanied with such evidence as the Issuer may require to establish the identity of the person giving the notice and his or her authority to do so; and
- (4) be received by the Issuer by the Change of Control Put Exercise Date.
- (c) A Change of Control Put Notice is irrevocable and on the Change of Control Put Event Redemption Date the Issuer must Redeem the Notes of each Noteholder that has given such a notice in accordance with clause 4.3(b) by paying to the person registered at the Record Date for that payment as the Noteholder the Redemption Amount of the Notes calculated as the sum of 101% of the Face Value of the Notes plus any accrued (but unpaid) Interest on the Notes up to but not including the Redemption Date.

4.4 Mandatory Redemption due to Special Redemption Event

If the Issuer has not completed the Velocity Acquisition by 13 December 2019, or if before that date the Issuer announces that the Velocity Acquisition has been terminated or abandoned, a Special Redemption Event will occur, and the Issuer must:

- (a) give notice to the Note Trustee, the Noteholders and ASX within 10 Business Days after the occurrence of the Special Redemption Event specifying:
- (1) that a Special Redemption Event has occurred under this clause;
- (2) that as a result of the Special Redemption Event, the Issuer will redeem all the Notes on a date specified in the notice, which must not be more than 30 days after the date of the notice; and
- (b) redeem all the Notes on the Redemption Date specified in the notice by paying to the person registered at the Record Date for that payment as the Noteholder of the Redemption Amount of the Notes calculated as the sum of the Face Value of the Notes plus any accrued (but unpaid) Interest on the Notes up to but not including the Redemption Date.

4.5 Failure to Redeem

If the Issuer fails to Redeem the Notes when due, Interest will continue to accrue on the Notes at the rate applicable to them on their Redemption Date and must be paid to the relevant Noteholders upon Redemption of the Notes.

4.6 Purchase

- (a) The Issuer and any of the Issuer's other Subsidiaries may at any time purchase Notes in the open market or otherwise and at any price.



- (b) Notes purchased under this clause 4.6 may be held, resold or cancelled at the discretion of the purchaser (and, if the Notes are to be cancelled, the Issuer), subject to compliance with any applicable law or requirement of ASX.

4.7 Cancellation

Notes Redeemed, or purchased by the Issuer or a Subsidiary of the Issuer which the purchaser and the Issuer elect to cancel, will be cancelled by the Issuer and may not be resold.

5 Events of Default

5.1 Events of Default

It is an Event of Default, whether or not it is within the control of the Issuer, if any of the following events occurs and is continuing:

- (a) **(failure to pay)** the Issuer fails to pay or repay any principal amount due on any Note when such amount becomes due and payable or the Issuer fails to pay Interest on any Note within 30 days after the same becomes due and payable;
- (b) **(failure to perform other obligations)** the Issuer defaults in performing and observing any other obligation under these Terms of Issue or the Note Trust Deed and such default is not remedied within 60 days after the Issuer receives written notice of the default from the Note Trustee (such written notice to be identified as a 'notice of default' and to refer specifically to this clause) acting on the instructions of the Noteholders holding at least 25% of the Notes;
- (c) **(cross default)** any Specified Indebtedness of the Issuer becomes prematurely due and payable, or capable of being declared prematurely due and payable, as a result of a default in the observance of any restriction in the terms of such Specified Indebtedness on the incurrence by the Issuer or any Restricted Subsidiary of Financial Indebtedness or other financial obligations, or on the payment by the Issuer or any Restricted Subsidiary of dividends, distributions or other similar payments restricted by such terms, which in any case is not also a breach of these Terms;
- (d) **(insolvency)** an order of a court of competent jurisdiction is made, or an effective resolution is passed, for the winding up of the Issuer, any Significant Subsidiary or any group of Subsidiaries that taken together would comprise a Significant Subsidiary, or the directors of the Issuer, any Significant Subsidiary or any group of Subsidiaries that taken together would comprise a Significant Subsidiary appoint an administrator to the Issuer or such Subsidiary or group of Subsidiaries, in each case other than in circumstances where:
 - (1) in the case of a winding up of the Issuer, a resulting, surviving or transferee entity is, or is to be, substituted as the issuer of the Notes under clause 2.5; or
 - (2) in the case of a winding up of a Subsidiary or group of Subsidiaries, the winding up is in connection with any voluntary winding up, reorganisation, disposal or other transaction that does not breach clause 2.5; or
- (e) **(vitiation of Guarantee)** any Guarantor that is a Required Guarantor claims in writing that it is not bound by the Guarantee other than in connection with any voluntary winding up, reorganisation, disposal or other transaction that does not



breach clause 2.5 or in connection with which the Issuer is or will be entitled to cause the Guarantor to be released as a Guarantor under clause 2.2.

5.2 Consequences of a default

- (a) Subject to clause 5.2(b) and the Note Trust Deed, if an Event of Default occurs and is subsisting, the Note Trustee may:
 - (1) declare by notice to the Issuer that the Issuer must immediately Redeem the Notes for a Redemption Amount equal to their Face Value plus accrued (but unpaid) Interest; and
 - (2) take any action permitted by the Note Trust Deed to enforce the Notes or the Note Trust Deed.
- (b) The Note Trustee is not bound to take any action referred to in clause 5.2(a) or any other action pursuant to or in connection with the Note Trust Deed or the Notes unless:
 - (1) it shall have been so directed by a Noteholder Resolution or so requested in writing by the Noteholders of at least 25% of all Notes Outstanding (ignoring any Notes held by the Issuer or any of the Issuer's Subsidiaries and not cancelled);
 - (2) it shall have been indemnified or secured (by way of advance payment or otherwise) to its satisfaction in respect of all liabilities, costs, charges, damages and expenses (including any management time) which it may incur, as more fully set out in the Note Trust Deed; and
 - (3) the Trustee is not restricted or prohibited by any order of any court or applicable law.
- (c) The Noteholders may by Noteholder Resolution at any time:
 - (1) rescind any instruction or request previously given to the Note Trustee (whether by Noteholder Resolution or given in writing by any Noteholders) in accordance with clause 5.2(b); or
 - (2) any declaration made by the Note Trustee under clause 5.2(a),and upon the passing of any such Noteholder Resolution, the relevant instruction, request or declaration will be deemed never to have been made.

5.3 Notification

If an Event of Default occurs, the Issuer must promptly after becoming aware of it, notify the Trustee and the ASX of the occurrence of the Event of Default (specifying details of it).

5.4 Enforcement by Note Trustee, Noteholders

The rights of the Note Trustee and the Noteholders to take any action against the Issuer to enforce the Notes or the Note Trust Deed are limited as provided in the Note Trust Deed.

6 Payments

6.1 Payment of Redemption Amount

Payments of the Redemption Amount in respect of a Note (including all Interest payable on Redemption of the Note) will be made to the person registered at 12 noon (or at such other time as the Issuer reasonably determines) on the relevant Redemption Date as the Noteholder of that Note.

6.2 Payment of Interest

Interest payable in respect of a Note (other than Interest payable on Redemption of the Note) will be made to the person registered at the Record Date for that payment as the Noteholder of that Note.

6.3 Manner of payment

- (a) Amounts payable to a Noteholder in respect of the Notes will be paid by direct credit to an account nominated by the Noteholder at an Australian financial institution by notice to the Registry not less than eight calendar days before the date for payment.
- (b) Where a payment cannot be made in accordance with clause 6.3(a) because a Noteholder has not provided account details, or the Issuer determines that the account details are incorrect or the relevant account has been closed or is not an account to which the relevant payment can be made, the Issuer is under no obligation to make the relevant payment until the required account details have been provided. The Issuer may at any time pay any amount which remains unpaid in accordance with this clause in accordance with the law relating to unclaimed moneys and, having done so, will be under no further obligation to make payment to the relevant Noteholder.
- (c) Where a payment is due on a day that is not a Business Day, or cannot be made in accordance with clause 6.3(a) on the due date because a financial institution is not open for business (or is not open for business in the place where the account is kept) on that date, the Issuer is under no obligation to make the relevant payment until the next Business Day on which payment can be made.
- (d) The Noteholder is not entitled to any interest or other amount in respect of a delay in payment under clause 6.3(b) or 6.3(c).

6.4 Payment subject to applicable laws

The Issuer's obligations to make payments on the Notes are subject to all applicable laws.

6.5 Payments net of deductions

- (a) The Issuer may deduct from any Interest or other amount payable to a Noteholder the amount of any withholding or other tax, duty or levy required by law to be deducted in respect of such amount. For the purposes of this paragraph, any amount deducted by the Issuer in accordance with FATCA will be deemed to be a deduction required by law.
- (b) The Issuer will pay the full amount deducted to the relevant revenue authority within the time allowed for such payment without incurring a penalty under the applicable law and will, if required by any Noteholder, deliver to that Noteholder



the relevant receipt issued by the revenue authority without unreasonable delay after it is received by the Issuer.

6.6 Additional Amounts

If the Issuer makes a deduction under clause 6.5 from any payment to a Noteholder in respect of any Tax assessed, levied, imposed or collected by a Government Agency of the Commonwealth of Australia or any political subdivision therein or thereof (**Relevant Tax**), the Issuer must pay to the Noteholder such additional amount (**Additional Amount**) as is necessary to ensure that the Noteholder receives when due a net amount (after any deduction or withholding of any Relevant Tax in respect of each Additional Amount) equal to the full amount it would have received if the deduction or withholding had not been made, except that no Additional Amounts are payable in relation to any deduction or withholding in respect of any Tax from any payments on any Note:

- (a) which is required (other than under section 128B(2A) of the Tax Act) by reason of the Noteholder having some connection with the Commonwealth of Australia or any political subdivision therein or thereof other than the mere holding of the Note or receipt of the payment;
- (b) which could have been lawfully avoided or reduced by the Noteholder complying or procuring that any third party complied with any statutory requirements or making or procuring that any third party made a declaration of non-residence or similar cause for exemption to any Government Agency or other person in the Commonwealth of Australia or the place where payment under the Note is made;
- (c) which is required by reason of the Noteholder failing to supply or failing to procure a third party to supply an appropriate tax file number (TFN) or Australian Business Number (ABN) or details of an applicable exemption from the requirement to supply such a number;
- (d) which is required by reason of the Noteholder being an Associate of the Issuer;
- (e) which is required by reason of the Australian Commissioner of Taxation giving a notice under section 255 of the Tax Act or section 260-5 of Schedule 1 of the Taxation Administration Act 1953 (Cth);
- (f) which is required by reason of the payment being made after the due date, provided that the Issuer is not in breach of its obligation to make the payment under this clause 6 and the deduction or withholding would not have been required had payment been made on the due date; or
- (g) which is a requirement of FATCA.

6.7 Payments generally

Payments in respect of the Notes will be made in accordance with the provisions relating to payment set out in clause 4.2 (*Payments*) of the Note Trust Deed.

7 Further issues

Subject to applicable laws and clause 2.4, there are no restrictions under these Terms of Issue or the Note Trust Deed on the Issuer incurring any debt obligations, whether subordinated or not or ranking in priority ahead of, equal with or behind the Notes (including any Notes that rank *pari passu* with the Notes and are consolidated and form a single series with the Notes) or upon such terms as to ranking, dividends or interest, redemption or otherwise as the Issuer may determine at the time of issue.



8 Time limit for claims

A claim against the Issuer for a payment under the Notes is void unless made within five years after the date on which payment first became due and payable.

9 Amendments

9.1 Amendments without consent

At any time and from time to time, but subject to the Note Trust Deed, compliance with the Corporations Act and all other applicable laws, the Issuer may, with the approval of the Note Trustee (such approval not to be unreasonably withheld or delayed), but without the consent of the Noteholders, amend these Terms of Issue or the Note Trust Deed if the Issuer is of the opinion that such amendments are:

- (a) of a formal or technical or minor nature and not materially prejudicial to the interests of the Noteholders as a whole;
- (b) made to cure any ambiguity or correct an error;
- (c) necessary to facilitate the listing or quotation of the Notes on ASX or another securities exchange;
- (d) necessary to comply with any laws or the Listing Rules; or
- (e) not, and not likely to become, taken as a whole and in conjunction with all other amendments to be made contemporaneously with that amendment, materially prejudicial to the interests of Noteholders as a whole.

9.2 Amendments with consent

At any time and from time to time, but subject to the Note Trust Deed, compliance with the Corporations Act and all other applicable laws, the Issuer may amend these Terms of Issue or the Note Trust Deed if a Special Resolution is passed in favour of such amendment and (if the amendment alters or conflicts with any of the personal rights or obligations of the Note Trustee) the Issuer has obtained the Note Trustee's prior written consent to such amendment.

10 General

10.1 Governing law

The Notes and these Terms of Issue are governed by the laws of New South Wales, Australia.

10.2 Submission to jurisdiction

The Issuer, the Note Trustee and each Noteholder submits to the non-exclusive jurisdiction of the courts exercising jurisdiction in New South Wales, Australia in connection with matters concerning the Notes or these Terms of Issue. The Issuer, the Note Trustee and each Noteholder waive any right they have to object to an action being brought in those

courts, or to claim that the action has been brought in an inconvenient forum, or to claim those courts do not have jurisdiction.

10.3 Notices

Notices under these Terms of Issue are to be given in accordance with the provisions of the Note Trust Deed.

11 Definitions

The following defined terms apply in these Terms of Issue:

Accounting Standards	<ol style="list-style-type: none"> 1 the accounting standards as defined in the Corporations Act; 2 the requirements of the Corporations Act for the preparation and content of accounts; and 3 generally accepted accounting principles and practices consistently applied in Australia, including any domestically accepted international accounting standards, except principles and practices that are inconsistent with those referred to in paragraph 1 or 2 of this definition, <p>in each case as in effect as at the Issue Date.</p>
-----------------------------	--

Additional Amount	has the meaning in clause 6.6.
--------------------------	--------------------------------

Affiliate	<p>in respect of a Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with that Person. For the purpose of this definition:</p> <ol style="list-style-type: none"> 1 'control' means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of the relevant Person, whether through ownership of Voting Shares, by agreement or otherwise (and 'controlling', 'controlled by' and 'under common control with' have correlative meanings); 2 no person in whom a Receivables Subsidiary as defined in clause 2.4(b)(10) makes an investment in connection with a transaction contemplated by that clause will be considered an Affiliate of the Issuer or any of its Subsidiaries solely by reason of such investment; and 3 a Person is not deemed to control another Person solely because the Person has the right to determine the aircraft flights operated by such other Person under a code sharing, capacity purchase or similar agreement.
------------------	--

Aircraft Asset	<p>aircraft and related assets and facilities, including:</p> <ol style="list-style-type: none"> 1 engines, propellers and other parts;
-----------------------	--



- 2 simulators and other training devices;
- 3 passenger loading bridges and other flight or ground equipment;
- 4 airport terminal facilities and airline support facilities (including hangars, buildings, infrastructure and maintenance facilities, lounges, offices, cargo and catering facilities); and
- 5 maintenance equipment and facilities and information technology systems relating to any of the foregoing.

ASIC	the Australian Securities and Investments Commission.
-------------	---

Associate	for the purposes of clause 6.6, an "associate" for the purpose of and as defined in section 128F(9) of the Tax Act.
------------------	---

ASX	ASX Limited (ABN 98 008 624 691) or the market it operates.
------------	---

ASX Settlement	ASX Settlement Pty Ltd (ABN 49 008 504 532).
-----------------------	--

ASX Settlement Operating Rules	the settlement operating rules of ASX Settlement from time to time.
---------------------------------------	---

AUD, Australian Dollars, A\$ or \$	the lawful currency of the Commonwealth of Australia.
---	---

Business Day	has the same meaning as in the Listing Rules, but where used in connection with any Redemption of or payment on the Notes, excludes a day on which major trading banks are not open for business in Sydney and Brisbane.
---------------------	--

Change of Control Event	<p>the occurrence of any of the following:</p> <ol style="list-style-type: none">1 the sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the assets of the Issuer and its Subsidiaries taken as a whole to any Person other than an Excluded Person; or2 the consummation of any transaction (including, without limitation, any merger or consolidation), the result of which is that any Person other than an Excluded Person becomes the beneficial owner, directly or indirectly, of more than 50% of the Voting Shares of the Issuer, <p>other than (in either case):</p> <ul style="list-style-type: none">• any such transaction where the Voting Shares of the Issuer outstanding immediately prior to such transaction constitute or are converted into or exchanged for a
--------------------------------	--

majority of the Voting Shares of such Person or beneficial owner (measured by voting power rather than number of shares); or

- any sale, transfer, conveyance or other disposition to, or any merger or consolidation of the Issuer with or into, any Person which owns or operates (directly or indirectly through a contractual arrangement) any Permitted Business (a **Permitted Person**) or a Subsidiary of a Permitted Person, in each case under this paragraph, if immediately after such transaction no Person is the beneficial owner, directly or indirectly, of more than 50% of the total Voting Shares of such Permitted Person (measured by voting power rather than number of shares).

For the purpose of this definition, references to a Person include any group of Persons acting in concert.

For the avoidance of doubt, the merger or consolidation of the Issuer with any Restricted Subsidiary, or any merger or consolidation of any Restricted Subsidiary with any other Restricted Subsidiary, will not constitute a Change of Control Event.

Clean-Up Event

occurs if at any time the aggregate principal amount of the Notes Outstanding is less than 10% of the aggregate principal amount of the Notes originally issued.

Consolidated EBITDAR

for any period:

- 1 the consolidated net income of the Issuer and its Subsidiaries for the period determined on a consolidated basis in accordance with the Accounting Standards but as if any Unrestricted Subsidiary was not a Subsidiary of the Issuer and without applying the equity method of accounting for an investment in any entity that is not a Subsidiary,

plus or minus (as the case may be), without double counting, each of the following (in each case determined in accordance with the Accounting Standards) to the extent it has been included in the calculation of paragraph 1:

- 2 any extraordinary, non-recurring, special or unusual losses, expenses, gains or income, including any expenses relating to the closing of any facilities, the reconstruction, recommissioning or reconfiguration of fixed assets for alternative uses, severance or relocation expenses, executive recruitment costs, restructuring or reorganisation costs and costs relating to the modification of employee benefit plans;
 - 3 costs and expenses (including where applicable integration costs) incurred in connection with, or savings resulting from any issuance of securities, investment, acquisition, disposition, merger, recapitalisation or investment or incurrence, refinancing or repayment of any indebtedness (including the Notes);
 - 4 losses or gains realised in connection with any sale of assets, issue of securities, prepayment of indebtedness or closing
-

- out of any related hedging obligations;
- 5 tax (or provision for tax) on gains, income or profits;
 - 6 Fixed Charges;
 - 7 other non-cash charges and expenses (other than accruals in respect of cash expenses to be incurred in a future period or amortisation of prepaid cash expenses paid in a prior period), including, without limitation, depreciation, amortisation, impairment charges, foreign currency translation losses, non-cash losses attributable to hedging obligations, compensation expenses attributable to the grant of share options and similar rights to employees or write-up or write-downs of assets in connection with any acquisition, disposition, merger, consolidation or similar transaction;
 - 8 losses arising under fuel hedging arrangements entered into prior to the Issue Date or and any losses actually realised under fuel hedging arrangements entered into after the Issuer Date;
 - 9 non-cash items of income, other than accrual of revenue;
 - 10 income tax credits and interest income.

To avoid doubt, any dividends received or other income derived by the Issuer or a Restricted Subsidiary from an Unrestricted Subsidiary or an entity in which an investment would be accounted for under the equity method of accounting will be included in the calculation of paragraph 1.

Corporations Act

Corporations Act 2001 (Cth).

Event of Default

any event specified in clause 5.1.

Excluded Person

- 1 Etihad Airways P.J.S.C.;
 - 2 Singapore Airlines Limited;
 - 3 HNA Innovation Ventures (Hong Kong) Co. Limited;
 - 4 Nanshan Capital Holdings Ltd;
 - 5 any member of the Virgin Group;
 - 6 any Person both the Voting Shares and other share capital (or other equivalent ownership interests, including in the case of a trust beneficial interests in the property of the trust) of which are owned directly or indirectly more than 50% on a fully diluted basis by a Person specified above in paragraphs 1 to 5; and
 - 7 any group of Persons acting in concert the members of which include any of the Excluded Persons specified in paragraphs 1 to 6 above, and that (directly or indirectly) hold or acquire beneficial ownership of the Voting Shares of the Issuer (an **Excluded Person Group**), so long as:
 - each member of the Excluded Person Group has voting rights proportional to the percentage of ownership
-



interests held or acquired by such member; and

- no Person or other group of Persons acting in concert (other than Excluded Persons specified in paragraphs 1 to 6 above) beneficially owns more than 50% on a fully diluted basis of the Voting Shares held by such Excluded Person Group.

Any one or more Persons or groups whose acquisition of beneficial ownership constitutes a Change of Control Event will thereafter, together with its (or their) Affiliates, constitute an additional Excluded Person or Excluded Persons, as applicable.

In this definition:

- **Virgin Group** means the Virgin Group of companies, including Virgin Group Holdings Limited, Virgin Group Limited and their respective Subsidiaries and Affiliates.

Face Value	\$100 per Note.
Fair Market Value	the fair market value of any asset as determined in good faith by the Issuer.
FATCA	Sections 1471 through 1474 of the United States Internal Revenue Code of 1986, as amended, or any consolidation, amendments, re-enactment or replacement of those sections, and including any current or future regulations or official interpretations issued, agreements entered into (whether by the Issuer, a Related Body Corporate of the Issuer or any other person) or non-US laws enacted in relation to those sections.
Financial Indebtedness	<p>indebtedness of a Person in respect of:</p> <ol style="list-style-type: none">1 money borrowed;2 money raised by the issue of bonds, debentures, notes or similar instruments, or by drawing and negotiating any negotiable instrument; or3 lease liabilities that are required by the Accounting Standards to be capitalised, <p>which, in each case, would be recognised as a liability of the Person on a balance sheet of the Person prepared in accordance with the Accounting Standards.</p>
First Fixed Price Call Date	26 November 2022.
First Fixed Price Premium	an amount equal to the Face Value multiplied by the Interest Rate, divided by 2.
Fixed Charge Cover Ratio	at any time (Calculation Date) the ratio of Consolidated

EBITDAR to Fixed Charges for the most recently completed four financial quarters for which the Issuer has internal financial statements available, adjusted so as to give pro forma effect (as determined in good faith by a responsible financial or accounting officer of the Issuer) to any of the following that have occurred or will occur since the first day of such period up to and including the Calculation Date as if it had occurred on the first day of such period:

- 1 any incurrence, discharge or defeasance of any Financial Indebtedness (other than ordinary working capital borrowings) and, in the case of any such incurrence, the application of the proceeds thereof (whether or not such application occurs on or before the Calculation Date);
- 2 any acquisitions (including any associated operating expense reductions that have been realised or for which all of the material steps necessary for realisation have been taken); and
- 3 any disposition or discontinuance of any business or operations (including any associated Fixed Charges to the extent such Fixed Charges will not be obligations of the Issuer or any Restricted Subsidiary following the Calculation Date).

For the purpose of calculating the Fixed Charge Cover Ratio:

- 4 any Subsidiary that is a Restricted Subsidiary or Unrestricted Subsidiary on the Calculation Date will be deemed to have been a Restricted Subsidiary or Unrestricted Subsidiary (as the case may be) for the whole of the relevant period; and
- 5 any interest expense included in the calculation of Fixed Charges that is referable to a floating rate of interest will be calculated as if the rate in effect on the Calculation Date had been in effect for the entire period (taking into account any hedging transactions in respect of such interest expense which have a remaining term as at the Calculation Date of more than 12 months) and the calculation of Fixed Charges (other than for the purpose of paragraph 6 of the definition of Consolidated EBITDAR) will be adjusted accordingly.

Fixed Charges

for any period, without double counting:

- 1 interest expense payable in cash net of interest income; plus
- 2 aircraft rent expense payable in cash,

for that period of the Issuer and its Subsidiaries determined on a consolidated basis and in accordance with the Accounting Standards but as if any Unrestricted Subsidiary was not a Subsidiary of the Issuer.

Government Agency

any government or any governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity.

Guarantee

the guarantee granted by each Guarantor in favour of the Noteholders by executing the Note Trust Deed or an accession



deed thereto.

Interest	interest payable on a Note under these Terms of Issue.
Interest Payment Date	in relation to a Note, each 26 May and 26 November of each year, commencing on 26 May 2020 and falling on or before the Redemption Date, or if any such date is not a Business Day, the following Business Day.
Interest Period	<p>in respect of a Note:</p> <ol style="list-style-type: none">1 the period beginning on (and including) the Issue Date and ending on (but excluding) the first Interest Payment Date; and2 thereafter, the period beginning on (and including) an Interest Payment Date and ending on (but excluding) the first to occur of:<ul style="list-style-type: none">• the next Interest Payment Date; or• the Redemption Date.
Interest Rate	the rate determined by the Issuer prior to the Issue Date through the bookbuild process described in the Prospectus.
Issue Date	the date of issue of the Notes.
Issuer	Virgin Australia Holdings Ltd (ACN 602 841 556).
Listing Rules	the listing rules of ASX, as amended or replaced or waived from time to time.
Maturity Date	26 November 2024 or, if that day is not a Business Day, the following Business Day.
Meeting Provisions	the provisions for meetings of the Noteholders set out in Attachment 2 of the Note Trust Deed.
Note	an unsecured note issued or to be issued by the Issuer on these Terms of Issue.
Note Trust Deed	the trust deed dated on or about 28 October 2019 between the Issuer and the Note Trustee as amended from time to time.



Note Trustee	Sargon CT Pty Ltd (ABN 12 106 424 088).
Noteholder	in relation to any Note, a person whose name is for the time being registered in the Register as the holder of that Note.
Noteholder Resolution	<ol style="list-style-type: none">1 a resolution passed at a meeting of Noteholders duly called and held under the Meeting Provisions:<ul style="list-style-type: none">• by more than 50% of the persons voting on a show of hands (unless the second bullet point of this paragraph 1 applies); or• if a poll is duly demanded, then by a majority consisting of more than 50% of the votes cast; or2 if the meeting is by postal ballot or written resolution, then by Noteholders representing (in aggregate) more than 50% of the principal amount of all of Notes Outstanding.
Officer	a director or secretary of the Issuer or any other person authorised by the Issuer as an Officer of the Issuer for the purposes of these Terms of Issue.
Outstanding	in relation to a Note means the Note has not been Redeemed or otherwise cancelled.
Permitted Business	a business that is similar, or reasonably related, ancillary, supportive or complementary to, or any reasonable extension of the business in which the Issuer and its Restricted Subsidiaries are engaged on the Issue Date.
Person	any individual, corporation, partnership, joint venture, limited liability company, association, joint-stock company, trust, unincorporated organisation, government or any agency or political subdivision thereof or any other entity.
Prospectus	the prospectus issued by the Issuer and lodged with ASIC dated 28 October 2019.
Record Date	<p>in respect of payment of Interest (other than Interest payable on Redemption of the Note):</p> <ol style="list-style-type: none">1 the date which is eight calendar days before the Interest Payment Date upon which such Interest actually falls due for payment; or2 such other date as is determined by the directors of the Issuer in their absolute discretion and communicated to ASX not less than seven Business Days before the specified Record Date,



3 or in either case such other date as may be required by ASX.

Wherever it is necessary to determine the holder of a Note as at a Record Date, such determination shall be made as of such time as the Issuer reasonably determines.

Redemption	the redemption of a Note by payment of its Redemption Amount in accordance with these Terms of Issue. The terms " Redeem " and " Redeemed " have a corresponding meaning.
-------------------	---

Redemption Amount	<ol style="list-style-type: none">1 in respect of any Note to be Redeemed under clause 4.2(a), the Redemption Amount calculated in accordance with that clause;2 in respect of any Note to be Redeemed under clause 4.3, the Redemption Amount calculated in accordance with that clause;3 in respect of any Note to be Redeemed under clause 4.4, the Redemption Amount calculated in accordance with that clause; or4 in respect of any other Note to be Redeemed, the aggregate of:<ul style="list-style-type: none">• the Face Value of the Note; and• any accrued (but unpaid) Interest up to but not including the Redemption Date in respect of the Note.
--------------------------	--

Redemption Date	in respect of any Note, the date for Redemption of that Note in accordance with the Terms of Issue.
------------------------	---

Register	<p>the register of Noteholders established and maintained in accordance with the Note Trust Deed and, where appropriate, includes:</p> <ol style="list-style-type: none">1 a sub-register conducted by or for the Issuer pursuant to the Corporations Act, the Listing Rules or ASX Settlement Operating Rules; and2 any branch register.
-----------------	--

Registry	Computershare Investor Services Pty Limited (ABN 48 078 279 277) or such other person appointed by the Issuer to maintain the Register on the Issuer's behalf from time to time.
-----------------	--

Related Body Corporate	has the meaning given to it in the Corporations Act.
-------------------------------	--

Required Guarantor	<p>a wholly owned Subsidiary of the Issuer in relation to which each of the following conditions are satisfied:</p> <ol style="list-style-type: none">1 the Subsidiary is a Restricted Subsidiary;
---------------------------	--



- 2 the Subsidiary satisfies at least one of the following conditions:
- the assets of the Subsidiary and its Restricted Subsidiaries constitute 5% or more of the assets that would appear as the consolidated total assets of the Issuer and its Restricted Subsidiaries on a consolidated balance sheet of the Issuer prepared in accordance with the Accounting Standards but as if the Unrestricted Subsidiaries were not Subsidiaries of the Issuer; or
 - the revenues of the Subsidiary and its Restricted Subsidiaries constitute 5% or more of the total consolidated revenues of the Issuer and its Restricted Subsidiaries that would be included in a consolidated income statement prepared in accordance with the Accounting Standards for the 12 month period ending at the end of the most recent financial quarter for which internal financial statements of the Issuer are available;
- 3 the Subsidiary is not a Subsidiary whose sole business and activities relate to:
- the financing or ownership of aircraft or engines for lease to another Person, financing of advance payments to aircraft or engine manufacturers, and / or hedging relating to such activities;
 - the financing or ownership of accounts (as defined in the Personal Property Securities Act) or other receivables in connection with transactions contemplated by clause 2.4(b)(10); or
 - holding shares or other interests in another Person within this paragraph (3),
- and, in any case, activities relating to the maintenance of its corporate existence and taxation affairs and activities incidental to any of the foregoing.

Restricted Subsidiary	a Subsidiary of the Issuer other than an Unrestricted Subsidiary.
------------------------------	---

Second Fixed Price Call Date	26 November 2023.
-------------------------------------	-------------------

Second Fixed Price Premium	an amount equal to the Face Value multiplied by the Interest Rate, divided by 4.
-----------------------------------	--

Significant Subsidiary	<p>a Restricted Subsidiary which meets any of the following conditions:</p> <ol style="list-style-type: none">1 the Issuer's investments in and advances to the Subsidiary represent an amount that exceeds 10% of the consolidated total assets of the Issuer and its Subsidiaries determined as of the end of the Issuer's most recently completed financial year and in accordance with the Accounting Standards; or2 the assets of the Subsidiary constitute more than 10% of the consolidated total assets of the Issuer and its Subsidiaries
-------------------------------	---



	<p>determined as of the end of the Issuer's most recently completed financial year and in accordance with the Accounting Standards; or</p> <p>3 the income from continuing operations before income taxes of the Subsidiary constitutes more than 10% of the income of from continuing operations before income taxes of the Issuer and its Subsidiaries determined on a consolidated basis for the Issuer's most recently completed financial year and in accordance with the Accounting Standards.</p>
Special Resolution	<p>1 a resolution passed at a meeting of the Noteholders duly called and held under the Meeting Provisions:</p> <ul style="list-style-type: none">• by at least 75% of the persons voting on a show of hands (unless the second bullet point of this paragraph 1 applies); or• if a poll is duly demanded, then by a majority consisting of at least 75% of the votes cast; or <p>2 a resolution passed by postal ballot or written resolution by Noteholders representing (in aggregate) at least 75% of the principal amount of all of Notes Outstanding.</p>
Specified Indebtedness	<p>Financial Indebtedness of the Issuer under or in respect of:</p> <p>1 any Unlisted A\$ Notes;</p> <p>2 any US\$ Notes; or</p> <p>3 at any time after the instruments referred to in paragraphs 1 or 2 have been redeemed, any other series of unsecured notes or series of other unsecured debt securities, in either case issued or guaranteed by the Issuer on an unsecured basis in an amount exceeding \$100,000,000.</p>
Subsidiary	<p>has the meaning given in the Corporations Act, but an entity will also be taken to be a Subsidiary of an entity if it is controlled by that entity (as defined in section 50AA of the Corporations Act) or consolidated in the consolidated financial statements of that entity in accordance with the Accounting Standards and, without limitation:</p> <p>1 a trust may be a Subsidiary, for the purposes of which a unit or other beneficial interest will be regarded as a share; and</p> <p>2 an entity may be a Subsidiary of a trust if it would have been a Subsidiary if that trust were a corporation.</p>
Tax	<p>any tax, levy, impost, deduction, charge or withholding or duty (including stamp duty and transaction duty) imposed by any authority together with any related interest, penalties and expenses in connection with them.</p>
Tax Act	<p>the <i>Income Tax Assessment Act 1936</i> (Cth) or the <i>Income Tax</i></p>



Assessment Act 1997 (Cth), as the context requires.

Tax Event	occurs upon the Issuer- receiving an opinion of a nationally recognised legal counsel or other tax adviser in Australia that the Issuer would or that there is substantial risk that the Issuer would be required to pay Additional Amounts when the next payment is due on the Notes.
------------------	--

Terms of Issue	these terms and conditions of issue.
-----------------------	--------------------------------------

Unlisted A\$ Notes	Australian dollar denominated unlisted notes issued by the Issuer to certain institutional and wholesale market investors under its Australian medium term note programme prior to the Issue Date.
---------------------------	--

Unrestricted Subsidiary	<ol style="list-style-type: none">1 each member of the Velocity Sub-Group;2 CPU Share Plans Pty Ltd, as trustee of the Key Employee Performance Plan Trust;3 the Key Employee Performance Plan Trust;4 Virgin Tech Pty Ltd;5 Virgin Australia (NZ) Employment and Crewing Limited;6 Airline Samoa Limited; and7 any other Subsidiary of the Issuer that the board of directors of the Issuer resolves is to be treated as an Unrestricted Subsidiary, <p>provided that at the time of any resolution under paragraph 7 (or, if later, the time it is expressed to take effect):</p> <ol style="list-style-type: none">8 the Subsidiary has no Financial Indebtedness that is guaranteed by, or secured by any security interest over the assets of, the Issuer or any Restricted Subsidiary (other than a security interest over the interests of the Issuer or a Restricted Subsidiary in that Subsidiary);9 the Subsidiary is not liable as guarantor or otherwise in respect of Financial Indebtedness of the Issuer or a Restricted Subsidiary;10 the Subsidiary is not a party to any material agreement with the Issuer or a Restricted Subsidiary that is on terms less favorable to the Issuer or Restricted Subsidiary than those that would be expected to be obtained at that time from persons who are not Affiliates of the Issuer;11 neither the Issuer nor any Restricted Subsidiary has any outstanding obligation to subscribe for additional equity interests in, or to maintain the financial position or performance of, the Subsidiary, <p>other than (subject to the following paragraph) a Subsidiary that was previously an Unrestricted Subsidiary and which the board of directors of the Issuer have resolved is no longer to be treated as an Unrestricted Subsidiary and which at the time of such</p>
--------------------------------	--



resolution (or, if later, the time at which it is expressed to take effect) had no Financial Indebtedness that could not have been incurred at that time without breaching clause 2.4.

To avoid doubt, the board of directors may resolve in accordance with paragraph 7 of this definition that a Subsidiary that was previously an Unrestricted Subsidiary, but which the board had previously resolved would no longer be treated as an Unrestricted Subsidiary, is to again be treated as an Unrestricted Subsidiary.

The board of directors of the Issuer may not resolve that any of Virgin Australia Airlines Holdings Pty Ltd, Virgin Australia Airlines Pty Ltd, Virgin Australia International Holdings Pty Ltd and Virgin Australia International Airlines Pty Ltd is to be treated as an Unrestricted Subsidiary.

US\$ Notes

United States dollar denominated notes issued by the Issuer to certain institutional investors under the 'US\$ Notes Offer' described in the Prospectus prior to the Issue Date.

USD, United States Dollars, or US\$

the lawful currency of the United States of America.

Velocity Acquisition

the acquisition by the Issuer or any Subsidiary of the Issuer of the convertible notes held by Connectivity Pte Ltd in Velocity Frequent Flyer Holdco Pty Limited as described in the Prospectus.

Velocity Sub-Group

- 1 Velocity Frequent Flyer Holdco Pty Ltd;
- 2 Velocity Frequent Flyer 1 Pty Ltd;
- 3 Velocity Frequent Flyer 2 Pty Ltd;
- 4 Velocity Rewards Pty Ltd, as trustee of the Loyalty Trust;
- 5 Velocity Frequent Flyer Pty Ltd;
- 6 Torque Solutions (Australia) Pty Ltd;
- 7 the Loyalty Trust; and
- 8 any other Subsidiary of Velocity Frequent Flyer Holdco Pty Ltd.

Voting Shares

- 1 in relation to the Issuer, ordinary shares in the Issuer; and
 - 2 in relation to any other Person, shares, units or other ownership interests in that Person that confer on the holder an entitlement to vote on the election of the board of directors, trustee (or its governing body), general partner (or its governing body) or other governing body of that Person.
-



Attachment 2

Meetings of Noteholders

1 Interpretation

(a) **Definitions**

These meanings apply unless the contrary intention appears:

Circulating Resolution means a written resolution of Noteholders made in accordance with paragraph 17.

Form of Proxy means a notice in writing in the form available from the Issuer.

Proxy means a person so appointed under a Form of Proxy.

Notification Date means the date stated in the copies of a Circulating Resolution sent to Noteholders, which must be no later than the date on which that resolution is first notified to Noteholders.

(b) **Noteholders at a specified time**

The time and date for determining the identity of a Noteholder who may be counted for the purposes of determining a quorum or attend and vote at a meeting, or sign a Circulating Resolution, is at the close of business in the place where the Register is maintained on the date which is 8 days before either the date of the meeting or, for a Circulating Resolution, the Notification Date (as applicable).

(c) **Notes held by the Issuer and its Related Bodies Corporate**

For the purposes of determining whether the provisions relating to quorum, meeting and voting procedures have been complied with in determining whether a resolution has been passed at any Meeting, or for determining whether any resolution is passed without holding a Meeting, any Notes held by the Issuer or any Related Body Corporate of the Issuer shall be treated as not being on issue.

(d) **Consistency with Part 2L.5 of the Corporations Act**

In respect of any meeting that is called under Part 2L.5 of the Corporations Act, these Meeting Provisions shall be deemed to be modified to the extent necessary, and only to that extent, to conform these provisions to the provisions of Part 2L.5 that are applicable to that meeting.

2 Convening a Meeting

(a) **Ability to convene Meetings**

Each of the Note Trustee or the Issuer may, at any time, call a Meeting, including without limitation, under Part 2L.5 of the Corporations Act.

(b) **Issuer's duty to call meeting**



In accordance with section 283EA(1) of the Corporations Act, the Issuer must convene a Meeting on receipt of a direction in writing to do so by Noteholders who together hold at least 10% of the aggregate of the principal amount of all Notes Outstanding if:

- (1) the direction is given to the Issuer in writing at its registered office; and
- (2) the purpose of the Meeting is to:
 - (A) consider the financial statements that were laid before the last annual general meeting of the Issuer; or
 - (B) give the Note Trustee directions in relation to the exercise of any of the Note Trustee's powers,

or both, as so requested by the relevant Noteholders.

(c) **Trustee's duty to call meeting**

The Trustee must call a meeting of Noteholders as soon as is reasonably practicable after becoming aware of any Event of Default which is continuing, provided that it shall have been indemnified and/or secured (by way of advance payment or otherwise) to its satisfaction (acting reasonably). Whenever the Trustee is about to convene any such meeting it must promptly give notice in writing to the Issuer.

(d) **Venue**

All Meetings must be held in Australia unless the Issuer and the Trustee agree otherwise.

A Meeting may be held at two or more venues using any technology that gives the Noteholders as a whole a reasonable opportunity to participate at the same time.

3 Notice of Meeting

- (a) At least 10 Business Days' notice in writing (15 Business Days' notice for a Special Resolution) of any Meeting must be given by the party convening the Meeting to:
 - (1) each Noteholder (or in the case of a Note registered as being owned jointly, the person whose name appears first in the Register);
 - (2) if the notice is not given by the Trustee, the Trustee;
 - (3) if the notice is not given by the Issuer, the Issuer;
 - (4) the Registrar; and
 - (5) the auditors of the Issuer.
- (b) The accidental omission to give notice of a Meeting to, or the non-receipt of notice of a Meeting by, a Noteholder does not invalidate any resolution passed or other proceedings at the Meeting a Noteholder does not invalidate any resolution passed or other proceedings at the Meeting.
- (c) The party convening the Meeting must notify the Note Trustee, the Issuer and Noteholders (as the case requires) in writing of:
 - (1) the place, day and time of the Meeting;



- (2) the general nature of the business to be transacted at the Meeting, but it is not necessary to specify in the notice the precise terms of the resolutions to be proposed; and
 - (3) explain how Noteholders may appoint Proxies and state that Proxies may be appointed until 48 hours before the meeting but not after that time.
- (d) If either the Issuer or the Note Trustee omits to give notice of a Meeting to the other of them under paragraph 1(c) or if the other of them does not receive notice, the Meeting is invalid unless the person who did not receive notice waives the notice requirement by notice to the other.
- (e) Clause 20 of the Trust Deed applies to these provisions as if it was fully set out in these provisions.
- (f) If a notice must be given within a certain period of days, the day on which the notice is given, and the day on which the meeting is to be held, are not to be counted in calculating that period.
- (g) Noteholders who are or become registered as Noteholders less than 21 days before a Meeting will not receive notice of that Meeting.

4 Who may attend and address Meeting

Each Noteholder is entitled to attend and vote at any Meeting or any rescheduled Meeting (which was adjourned pursuant to paragraph 5(c) or 5(e)). The only persons entitled to attend and speak at any Meeting are the Issuer, auditor of the Issuer, the Note Trustee, the Registrar, the Noteholders (and/or their Proxies) and their respective financial and legal advisers and the chairman.

5 Quorum

- (a) No business may be transacted at any Meeting, except the election of a chairperson and the adjournment of the meeting, unless a quorum of Noteholders is present at the time when the Meeting proceeds to business. If a quorum is present at the time the first item of business is transacted, it is taken to be present when the Meeting proceeds to consider each subsequent item of business unless the chairman of the Meeting (on the chairman's own motion or at the request of the Issuer or a Noteholder or Proxy who is present (if such request is accepted by the chairman in its absolute discretion)) declares otherwise
- (b) A quorum for any Meeting is at least 2 Noteholders present in person or by Proxy holding (or in the case of Proxies, representing Noteholders who hold), at least 10% of the Notes. In determining how many Noteholders are present, each individual attending as a Proxy is to be counted, except that:
 - (1) where a Noteholder has appointed more than one Proxy, only one of those Proxies is to be counted;
 - (2) where an individual is attending both as a Noteholder and as a Proxy on behalf of another Noteholder, that individual is to be counted once in respect of each such capacity; and
 - (3) where an individual is attending as a Noteholder and has also



appointed a Proxy in respect of the Notes that it holds, those individuals are to be counted only once.

- (c) If a quorum is not present within half an hour from the time appointed for the Meeting, the Meeting:
 - (1) if convened on the requisition of Noteholders, is dissolved; and
 - (2) in any other case, is adjourned until a date, time and place the chairman appoints. The date of the adjourned Meeting must be no earlier than 14 days in respect of any meeting from which the adjournment took place and no later than 42 days after the date of the Meeting from which the adjournment took place must be adjourned as the chair directs.
- (d) At a rescheduled Meeting (which was adjourned pursuant to paragraph 3(c)) the Noteholders with at least 5% of the Notes who are present either in person or by proxy constitute a quorum and are entitled to pass the resolution.
- (e) If a quorum is not present within 30 minutes after the time appointed for any adjourned Meeting, the chairman may dissolve the Meeting. If the Meeting is not dissolved in accordance with this provision, the chairman may, with the consent of the Meeting by Noteholder Resolution, and must, if directed by the Meeting by Noteholder Resolution, adjourn a Meeting, adjourn the meeting to a new date (being not less than five days' after the adjourned meeting), time or place.
- (f) Other than where a Meeting is adjourned because of a lack of a quorum pursuant to paragraph 5(c), the chairman of a meeting may, with the consent of, and must, if directed by, any meeting, adjourn the meeting or any business, motion, question, resolution, debate or discussion being considered or remaining to be considered by the meeting either to a later time at the same meeting or to an adjourned meeting at any time and any place.
- (g) Only business which might validly (but for the lack of required quorum) have been transacted at the original Meeting may be transacted at the adjourned Meeting.
- (h) It is not necessary to give notice of an adjournment unless the Meeting is adjourned because of a lack of a quorum. In that case, unless otherwise agreed in writing by each Noteholder, the person calling the Meeting must give at least five days' notice of the adjourned meeting to each person entitled to receive notice of a Meeting under these provisions. The notice must state the quorum required at the adjourned Meeting but need not contain any further information.

6 Chair

- (a) The person who calls a Meeting must nominate in writing a person as the chairman of a Meeting. The chairman of a meeting may, but need not, be a Noteholder. The chairman of an adjourned Meeting need not be the same person as was the chairman of the Meeting from which the adjournment took place.
- (b) If a Meeting is held and:
 - (1) a chairman has not been nominated; or
 - (2) the person nominated as chairman is not present within 15 minutes after the time appointed for the holding of the Meeting, or is unable or unwilling to act,



the Issuer may appoint a chairman unless the meeting was convened by the Note Trustee, in which case the Noteholders or Proxies present may appoint a chairman,

- (c) The chair:
 - (1) need not be a Noteholder; and
 - (2) may be an officer or employee of the Issuer or the Note Trustee.

7 Voting

- (a) Subject to Noteholders being entitled to vote, any question submitted to a Meeting must be decided in the first instance by a show of hands, but a poll will be taken in any case where:
 - (1) it is required by this deed or by law that the question be decided by a majority which is to be measured by a percentage of the votes cast by those present; or
 - (2) either before or immediately after any question is put to a show of hands a poll is demanded by the chair of the Meeting, the Note Trustee, the Issuer, or at least one or more Noteholders, present personally or by Proxy, holding or representing by Proxy, at least 5% of the Notes.
- (b) If a poll is to be taken pursuant to paragraph 7(a)(1) or properly demanded pursuant to paragraph 7(a)(2), it must be taken in the manner and at the date and time directed by the chairman, provided that a poll demanded must be taken immediately or at such time (being not later than 30 days from the date of the meeting). The result of the poll is a resolution of the Meeting at which the poll was demanded.
- (c) A poll demanded on the election of a chairman or on a question of adjournment must be taken immediately. The results of a poll at a Meeting is regarded as the resolution of the Meeting.
- (d) A demand for a poll may be withdrawn by the person who demanded it.
- (e) The demand for a poll does not prevent the continuance of the meeting for the transaction of any business other than the question on which the poll was demanded.
- (f) In the case of equality of votes, the chair of a Meeting of Noteholders has a casting vote in addition to his votes (if any) as a Noteholder both on a show of hands and on a poll.
- (g) A declaration by the chairman that a resolution has been carried, or carried by a particular majority, or lost or not carried by any particular majority, is conclusive evidence of the fact. Neither the chairman nor the minutes need to state, and it is not necessary to prove, the number or proportion of the votes recorded in favour of or against the resolution.

8 Votes

- (a) A Noteholder (or, in the case of a Note registered as being owned jointly, the person whose name appears first in the Register) may be present and vote in



person at any Meeting or be represented by Proxy.

- (b) Except where these provisions otherwise provide, at any Meeting:
 - (1) on a show of hands, each Noteholder present in person and each person present as a Proxy on behalf of a Noteholder who is not present at the Meeting has one vote (and, if a Noteholder is present as a Proxy on behalf of another Noteholder, that Noteholder has one vote in respect of each such appointment and any person present as a Proxy on behalf of more than one Noteholder, that Proxy has one vote in respect of each such capacity); and
 - (2) on a poll, each Noteholder or Proxy present has one vote in respect of each Note which is registered in that person's name or in respect of which that person is a Proxy.
- (c) Without affecting the obligations of the Proxies named in any Form of Proxy, any person entitled to more than one vote need not use all votes (or cast all the votes) to which it is entitled in the same way.

9 Voting by Joint Noteholders and persons of unsound mind

- (a) If Notes are held jointly, the most senior Noteholder's vote either in person or by Proxy is accepted to the exclusion of the other Joint Noteholders.
- (b) The most senior Noteholder is the person whose name appears first on the Register.
- (c) If a Noteholder is of unsound mind or is a person whose person or estate is liable to be dealt with in any way under the law relating to mental health, the Noteholder's committee or Note Trustee or other person who properly has the management of the Noteholder's estate may exercise any rights of the Noteholder in relation to a Meeting of Noteholders as if the committee, Note Trustee or other person were the Noteholder.

10 Objection to voter's qualification

- (a) An objection may be raised to the qualification of a voter only at the Meeting where the vote objected to is given or tendered.
- (b) An objection must be referred to the chair whose decision is final.
- (c) The chair may consult with any representative of the Issuer and the Note Trustee present at the Meeting.
- (d) A vote allowed at a Meeting is valid for all purposes.

11 Proxies

A Noteholder is entitled to appoint another person as his Proxy to attend and vote at a Meeting on its behalf. A Proxy need not be a Noteholder and may be an attorney, officer, employee, contractor, agent, representative, or otherwise connected with, the Issuer or the



Note Trustee (or the case may be). Each Proxy has the same rights as the appointor to vote whether on a show of hands, to speak, and be reckoned in the quorum.

12 Proxy instrument

- (a) If the appointer of a Proxy is an individual, the instrument of appointment must be in writing and signed by the appointer or the appointer's attorney authorised in writing.
- (b) If the appointer of a Proxy is a corporation, the instrument of appointment must be:
 - (1) under its common seal; or
 - (2) under the hand of an officer or attorney who has been authorised by the corporation.
- (c) The instrument of appointment must be in writing and signed by the appointer or the appointer's attorney authorised in writing.

13 Voting authority to be deposited with Issuer

- (a) The Proxy Form under which a Proxy is appointed, or a facsimile copy of it and the original or certified copy of the power of attorney or authority under which it is signed or a facsimile copy of it must be deposited with the Issuer (or the Note Trustee if it is the party convening the Meeting) at least 48 hours, or any shorter period determined by the Issuer from time to time, before the time appointed for the Meeting at which the Proxy proposes to vote. The original of any facsimile instrument provided under this paragraph 14(a) must be deposited with the Issuer before the time appointed for the Meeting.
- (b) If paragraph 14(a) is not complied with, the Proxy is invalid.
- (c) Any vote in accordance with the terms of a Form of Proxy is valid even if, before the Proxy votes:
 - (1) the relevant Noteholder revokes or amends the Form of Proxy or any instruction in relation to it; or
 - (2) transfers the Notes in respect of which the Proxy was appointed, unless notice of that revocation, amendment or transfer is received from the Noteholder who signed that Form or Proxy by the Issuer (or a person appointed to act on behalf of the Issuer specified in the notice of Meeting) at the office specified in the notice of Meeting not later than 48 hours before the meeting at which the Proxy Form was used.
- (d) An instrument appointing a Proxy is only valid for 12 months from its execution date.



14 Effect of death, insanity, revocation or transfer on vote under Proxy

- (a) A vote given by a Proxy is valid even though the principal is insane at the time, has died, has revoked the Proxy Form or the authority under which the Proxy Form was executed or transferred the Notes in respect of which the Proxy was appointed.
- (b) Paragraph 15(a) does not apply if the Issuer has notice in writing of the death, insanity, revocation or transfer (as applicable) at least 48 hours before the Meeting at which the Proxy is to be used.

15 Effect of resolution

- (a) A resolution passed at a Meeting duly convened and held (or by a Circulating Resolution duly sent and signed) in accordance with these provisions is binding on all Noteholders, whether or not they were present, or voted, at the meeting (or signed the Circulating Resolution).
- (b) The Issuer must ensure that notice is given to the Noteholders and the Registrar of the result of the voting on a resolution within 14 days of the result being known. However, a failure to do so does not invalidate the resolution.

16 Minutes

- (a) The person appointing the chairman must ensure that each Circulating Resolution, and minutes of the proceedings, and every resolution passed, at each Meeting of Noteholders are taken and entered in a minute book provided by the Issuer.
- (b) The person appointing the chairman must ensure that the minutes of a meeting are signed by the chairman of the Meeting or by the chairman of the next Meeting and Circulating Resolutions are signed by a director or secretary of the Issuer. Each signature by the chair of minutes of a Meeting, or by a director or secretary of a Circulating Resolution, is conclusive evidence of the matters stated in the minutes (or the Circulating Resolution) as applicable.
- (c) Unless there is proof to the contrary a minuted Meeting is regarded as properly held and a resolution passed at the Meeting is regarded as properly passed.

17 Circulating Resolutions

- (a) Noteholders may without a Meeting being held:
 - (1) pass a Noteholder Resolution, if within one calendar month after the Notification Date, Noteholders representing more than 50% of the principal amount of outstanding Notes as at the Notification Date, sign a document containing a statement that they are in favour of the resolution set out in that document; or

- (2) pass a Special Resolution, if within one calendar month after the Notification Date, Noteholders representing more than 75% of the principal amount of outstanding Notes as at the Notification Date, sign a document containing a statement that they are in favour of the resolution set out in that document
- (b) Separate copies of a document may be used for signing by Noteholders if the wording of the resolution and statement is identical in each copy.
- (c) The resolution is passed when the last Noteholder signs it.
- (d) The accidental omission to give a copy of a Circulating Resolution to, or the non-receipt of a copy, by any Noteholder does not invalidate a Circulating Resolution.

18 Matters requiring a Special Resolution

- (a) Without derogating from the powers conferred on the Note Trustee by this deed, a Meeting may exercise the following powers by Special Resolution:
 - (1) power to authorise the Note Trustee to take or to refrain from taking any action which may be taken by the Note Trustee if such action is required by the Terms of Issue or the Note Trust Deed to be taken only by Special Resolution;
 - (2) power to sanction the release by the Note Trustee of the Issuer from any obligation under the Terms of Issue or this deed either unconditionally or upon such conditions as the Note Trustee may arrange with the Issuer (as the case may be);
 - (3) power to sanction agreement by the Note Trustee to any modification or compromise of any of the rights of all the Noteholders against the Issuer, including any amendment of the Terms of Issue or the Note Trust Deed;
 - (4) power to authorise the Note Trustee to agree to the postponement of the repayment of the principal in respect of any part of the Notes beyond their due dates and to the suspension or postponement of the payment of interest on any part of the Notes;
 - (5) power to authorise the Note Trustee to sanction on behalf of all the Noteholders any scheme for reconstruction of the Issuer or for the amalgamation of the Issuer with any other corporation;
 - (6) power to authorise the Note Trustee to accept on behalf of the Noteholders any other property or securities instead of any part of the Noteholder's rights and in particular any debt securities of the Issuer; and
 - (7) power to give any release or waiver in respect of anything done or omitted by the Issuer or any breach or default by the Issuer or an authorisation of any proposed breach or non-performance;
 - (8) the authorisation of any person to do anything necessary to give effect to a Special Resolution;
 - (9) the appointment of any committee (which need not consist of Noteholders) to represent the interests of the Noteholders and conferring on the committee of any Powers which the Noteholders may



exercise by a Special Resolution.

- (10) any proposal for the exchange or substitution for Notes of, or the conversion of those Notes into, other obligations or securities of the Issuer or any other body corporate formed or to be formed;
- (11) any proposal to reduce or cancel the nominal amount of, or any other amount payable or deliverable on redemption of, the Notes;
- (12) any proposal to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any interest payable in respect of the Notes;
- (13) any proposal to vary any method of, or basis for, calculating any Redemption Amount or any other amount payable on the Notes or deliverable in respect of the Notes;
- (14) any proposal to vary the currency or currencies of payment or denomination of the Notes; and
- (15) any proposal to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Special Resolution.

19 Matters requiring a Noteholder Resolution

Without derogating from the powers conferred on the Note Trustee by this deed, a Meeting of Noteholders may, by Noteholder Resolution, do anything for which a Special Resolution is not required.

20 Further procedures

The Issuer may prescribe further regulations for the holding of, attendance and voting at Meetings as are necessary or desirable and which do not adversely affect the interests of the Noteholders.