Virgin Australia Airlines Pty Ltd

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5 March 2012

Ms Sue McIntosh Executive Director International Air Services Commission PO Box 630 Canberra ACT 2601

Via Fax: (02) 6267 1111

Dear Ms McIntosh

Application for capacity allocation - Talwan route

As announced on 1 December 2011, the Australian Competition and Consumer Commission has approved the alliance between Virgin Australia International Airlines Pty Ltd (Virgin Australia) and Singapore Airlines. As part of our cooperation under this alliance, Virgin Australia intends to implement code share services, as a marketing carrier, on flights operated by Singapore Airlines on the Australia — Singapore — Taipei route.

Please find enclosed a copy of the confidential code share agreement between Virgin Australia and Singapore Airlines. We request that this document is not placed on the public register.

Allocation sought

To facilitate our plans above, Virgin Australia is seeking an allocation of 1,000 seats per week on the Taiwan route which will be utilised on the following basis:

- the capacity will be utilised by Virgin Australia;
- the allocation is requested for a period of five years from the date of the Determination; and
- the allocation will be fully used by 29 October 2012.

IASC Act and Policy Statement Considerations

We request that the Commission consider this application against the general criteria for assessing the benefit to the public in Paragraph 4 of the Minister's Policy Statement.

The Paragraph 4 criteria provide that the use of entitlements by an Australian carrier under a bilateral air services agreement is of benefit to the public, provided that the carrier is reasonably capable of obtaining the necessary approvals and implementing the proposal.



Should you require any further information, please do not hesitate to contact me on (02) 8093 7114.

Yours sincerely

Lée-Arme Tomkins

Manager Government and International Relations