

26 June 2012

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

Dear Ms McIntosh & L

Virgin Australia Airlines Pty Ltd

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Virgin Australia Airlines (NZ) Ltd

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Application for variation – France route

As part of our alliance with Singapore Airlines, Virgin Australia intends to implement code share services, as a marketing carrier, on selected flights operated by Singapore Airlines on the Australia – Singapore – Paris route. We will continue to offer code share services on the Australia – Abu Dhabi – Paris route with our alliance partner Etihad Airways. Implementation of services on both routings can be accommodated within Virgin Australia's current allocation of third country code share capacity on France (Route 1).

We note that you already hold a copy of the confidential code share agreement between Virgin Australia and Singapore Airlines, which we request is not placed on the public register.

Variation sought

To facilitate our plans above, Virgin Australia is seeking a variation to the conditions of Determination [2010] IASC 120, (as modified by Resolutions 2011 [IASC] R04 and 2011 IASC R10) to permit Virgin Australia to utilise the capacity allocated on the France route to provide services jointly with Singapore Airlines, in addition to services provided jointly with Etihad Airways. We request that this variation is granted for the remaining term of the Determination.

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

Lee-Anne Tomkins

Manager Government and International Relations